

DEPARTMENT OF ENERGY**Federal Energy Regulatory Commission**

[Docket No. PR98-13-000]

The Peoples Gas Light and Coke Company; Notice of Petition for Rate Approval

May 21, 1998.

Take notice on May 7, 1998, The Peoples Gas Light and Coke Company (Peoples Gas) filed a petition for rate approval, pursuant to Section 284.123(b)(2) of the Commission's regulations, requesting that the Commission approve as fair and equitable rates for firm and interruptible storage and parking and loaning services to be effective June 1, 1998. Peoples Gas has filed, as Exhibit B to its petition for rate approval, a revised Operating Statement that incorporates revisions needed to offer firm and interruptible storage services, limited parking and loaning service and title tracking service. At this time, Peoples Gas is not proposing to charge for the title transfer tracking service.

Peoples Gas states that it is an intrastate gas distribution company serving retail customers in the City of Chicago, Illinois. Peoples Gas states that it is a public utility under the Public Utilities Act of Illinois and is subject to the jurisdiction of the Illinois Commerce Commission. Peoples Gas states that it is authorized to provide interstate services in accordance with Section 284.224 of the Commission's regulations.

Peoples Gas proposes for firm storage service, maximum monthly reservation rate of \$1.6069 per MMBtu of maximum daily withdrawal quantity; a maximum monthly capacity charge of \$0.0643 per MMBtu of maximum storage quantity; and a \$0.0485 commodity charge per MMBtu of gas injected into the shipper's storage account. The minimum charge is based on the variable costs associated with the service and would be \$0.0002 per MMBtu of gas injected into the shipper's storage account. For the interruptible storage service, Peoples Gas proposes a maximum commodity charge, based on a 100% load factor derivation of the firm storage rate, of \$0.0551 per MMBtu of inventory on any day and a minimum charge of \$0.0002 per MMBtu of daily inventory. For the parking and loaning service, which includes embedded transportation, the maximum rate, based on storage and transportation costs, would be \$0.1231 per MMBtu of inventory any day and the minimum rate would be \$0.0002 per MMBtu of

inventory on any day. These proposed maximum rates would be subject to discounting.

Pursuant to section 284.123(b)(2)(ii), if the Commission does not act within 150 days of the filing date, the rate will be deemed to be fair and equitable and not in excess of an amount which interstate pipelines would be permitted to charge for similar transportation service. The Commission may, prior to the expiration of the 150-day period, extend the time for action or institute a proceeding to afford parties an opportunity for written comments and for the oral presentation of views, data, and arguments.

Any person desiring to be heard or to protest said filing should file motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First, NE, Washington, DC 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed on or before June 5, 1998. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,*Acting Secretary.*

[FR Doc. 98-14067 Filed 5-27-98; 8:45 am]

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DEPARTMENT OF ENERGY**Federal Energy Regulatory Commission**

[Project No. 637]

Public Utility District No. 1 of Chelan County, Washington; Notice of Public Utility District No. 1 of Chelan County's Request to Use Alternative Procedures in Filing a License Application

May 21, 1998.

By letter dated May 1, 1998, Public Utility District No. 1 of Chelan County (Chelan PUD) asked to use an alternative procedure in filing an application for a new major license for its Lake Chelan Project No. 637.¹ Chelan PUD has demonstrated that they made a reasonable effort to contact the

¹ The 48-megawatt project consists of a 40-foot high dam on the Chelan River at the lower end of Lake Chelan, a 2-mile long steel and concrete tunnel, and a powerhouse located near the confluence of the Chelan and Columbia Rivers.

resource agencies, Indian tribes, non-governmental organizations (NGOs), and others who may be affected by their proposal, and have submitted a communication protocol governing how participants in the proposed process may communicate with each other. Chelan PUD has also submitted several letters of support for their proposal, and it appears that a consensus exists that the use of an alternative procedure is appropriate in this case.

The purpose of this notice is to invite any additional comments on Chelan PUD's request to use the alternative procedure, as required under the final rule for Regulations for the Licensing of Hydroelectric Projects.² Additional notices seeking comments on the specific project proposal, interventions and protests, and recommended terms and conditions will be issued at a later date.

The alternative procedure being requested here combines the prefiling consultation process with the environmental review process, allowing the applicant to file an Applicant-Prepared Environmental Assessment (APEA) in lieu of Exhibit E of the license application. This differs from the traditional process, in which the applicant consults with agencies, Indian tribes, and NGOs during preparation of the application for the license and before filing it, but the Commission staff performs the environmental review after the application is filed. The alternative procedure is intended to simplify and expedite the licensing process by combining the prefiling consultation and environmental review processes into a single process, to facilitate greater participation, and to improve communication and cooperation among the participants. The alternative procedure can be tailored to the particular project under consideration.

APEA Process and the Lake Chelan Project Schedule

Chelan PUD has begun working collaboratively with the various interested entities to identify issues that will need to be addressed and studies that will need to be conducted in relicensing the project. Several meetings are scheduled for May and June of this year with initial studies to be conducted during the 1998 summer season. Public scoping meetings are tentatively planned for November 1998. Notice of the scoping meetings will be published at least 30 days prior to the meetings.

Additional studies may be conducted during the summers of 1999 and 2000. Opportunities for requesting additional

² 81 FERC 61,103 (1997).

studies will be noticed at least 30 days prior to any study request deadline. A draft license application with preliminary APEA would be distributed for comment in January 2001. The final license application and APEA must be filed with the Commission on March 31, 2004, two years before the expiration date on the existing license. A more detailed schedule and project description may be found at Chelan PUD's web site, located at <http://www.chelanpud.org/relicense/>.

Comments

Interested parties have 30 days from the date of this notice to file with the Commission, any comments on Chelan PUD's proposal to use the alternative procedures to file an application for the Lake Chelan Hydroelectric Project.

Filing Requirements

Any comments must be filed by providing an original and 8 copies as required by the Commission's regulations to: Federal Energy Regulatory Commission, Office of the Secretary, Dockets—Room 1A, 888 First Street, NE, Washington, DC 20426.

All comment filings must bear the heading "Comments on the Alternative Procedure," and include the project name and number (Lake Chelan Hydroelectric Project, No. 637). For further information, please contact Vince Yearick at (202) 219-2844 or e-mail at vince.yearick@ferc.fed.us.

David P. Boergers,
Acting Secretary.

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP98-540-000]

Transcontinental Gas Pipe Line Corporations; Notice of Application

May 21, 1998.

Take notice that on May 13, 1998 Transcontinental Gas Pipe Line Corporation (Transco), Post Office Box 1396, Houston, Texas 77251, filed in the above docket an abbreviated application pursuant to Section 7(c) of the Natural Gas Act and the Regulations of the Federal Energy Regulatory Commission (Commission) for authorization to construct and operate certain pipeline facilities to create additional firm transportation capacity of 700,000 dekatherms per day (dth/d) to serve increased market demand in the Mid-Atlantic and South Atlantic regions of

the United States by a proposed in-service date of no later than November 1, 2000 (MarketLink Project).

Transco states that the MarketLink Project will provide a link in the transportation of Canadian and Midwestern natural gas supplies, from expansion projects currently under development and proposed, to markets in New York, New Jersey, Pennsylvania and upstream markets along the Atlantic Seaboard which are accessible through backhaul arrangements on Transco's system. Transco also states that the MarketLink Project provides shipper access to diverse gas supplies at the developing market hub at Leidy, Pennsylvania, including gas supplies sources on any of the six interstate natural gas pipelines that interconnect with Transco at Leidy (including the pipeline system proposed by Independence Pipeline Company) or gas supplies delivered from storage at the Leidy hub.

Transco proposes to provide firm transportation service on an open access, non-discriminatory basis for the following shippers:

| Shipper | Maximum daily quantity (Dth/d) | Term (yrs.) |
|--|--------------------------------|-------------|
| AEC Marketing (USA) Inc | 15,000 | 10 |
| Coral Energy Resources, L.P | 50,000 | 10 |
| Eastern Energy Marketing, Inc | 90,000 | 10 |
| Engage Energy (U.S.), LP | 210,000 | 10 |
| Enron Capital & Trade Resources Corp | 30,000 | 10 |
| LFG Energy, LLC | 5,000 | 15 |
| Natural Gas Clearinghouse | 30,000 | 5 |
| Renaissance Energy (U.S.) Inc | 23,000 | 10 |
| Williams Energy Services Company | 210,000 | 10 |
| Total | 663,000 | |

Transco states that precedent agreements have been executed with shippers for a substantial amount (approximately 95%) of the firm transportation capacity to be created by the MarketLink Project. Transco states that it is in the process of negotiating with other potential shippers that have expressed an interest in the remaining capacity of the project and will file copies of precedent agreements with additional shippers as they are finalized.

Transco states that the firm transportation service under the MarketLink Project will be provided

under Rate Schedule FT of Transco's FERC Gas Tariff, Volume No. 1, and Transco's blanket certificate under Part 284(G) of the Commission's regulations. Transco states that the MarketLink shippers were provided the option of paying a cost based recourse rate or an individually negotiated rate plus fuel and all applicable surcharges under Rate Schedule FT. Transco states that the proposed recourse rate is based on a straight fixed-variable rate design methodology and an incremental cost of service. Transco states that prior to the commencement MarketLink service it will file numbered tariff sheets stating the name of any MarketLink shipper paying a negotiated rate, the negotiated rate, the applicable receipt and delivery points, and the volume to be transported.

Transco states that in order to create the additional 7000,000 Mcf/d of firm capacity, Transco proposes to construct and operate the following facilities:

1. The Haneyville Loop; 24.19 miles of 42-inch diameter pipeline loop between milepost 161.29 in Lycoming County and milepost 142.74 in Lycoming County, Pennsylvania and milepost 185.48 in Clinton County, Pennsylvania,
2. The Williamsport Loop; 13.23 miles of 42-inch diameter pipeline loop between milepost 129.51 in Lycoming County, Pennsylvania and 1.79 miles of 36-inch diameter pipeline loop between milepost 142.74 in Lycoming County and milepost 144.53 in Lycoming County, Pennsylvania,
3. The Benton Loop; 17.73 miles of 42-inch diameter pipeline loop between milepost 28.56 in Luzerne County, Pennsylvania and milepost 115.18 in Columbia, County Pennsylvania,
4. The Allentown Loop; 6.27 miles of 42-inch diameter pipeline loop between milepost 30.29 in Northampton County, Pennsylvania and milepost 36.56 in Northampton County, Pennsylvania,
5. The Clinton Loop; 29.23 miles of 42-inch diameter pipeline loop between milepost 0.14 in Somerset County, New Jersey and milepost 29.37 in Warren County, New Jersey,
6. The Stirling Loop; 23.88 miles of 42-inch diameter pipeline loop between milepost 1789.53 in Somerset County, New Jersey and milepost 1812.36 in Morris County, New Jersey,
7. The Roseland Loop; 18.81 miles of 36-inch diameter pipeline loop between milepost 1820.66 in Essex County, New Jersey and milepost 1839.47 in Bergen County, New Jersey,
8. The Woodbridge Loop; 5.46 miles of 42-inch diameter pipeline loop between milepost 1802.73 in Middlesex