

Pipelines, Inc. (Enbridge),¹ on behalf of itself and Lakehead. The resulting agreements have been formally approved by the National Energy Board of Canada (NEB), and the terms of the SEP II surcharge were included in the Lakehead rate settlement approved by this Commission on October 18, 1996. The proposed change to the heavy oil surcharge has also been agreed to by CAPP and the affected heavy oil producers, and has been approved in principle by the NEB. This change is conditional on CAPP giving notice to Enbridge and Lakehead of CAPP's intent to have the higher viscosity limit implemented, and on Lakehead's operations being altered to permit movement of much heavier crudes than could be accommodated in the past.

Lakehead states that its rates are currently governed by the 1996 FERC Settlement, which resolved Lakehead's most recent major rate proceeding before this Commission. Under the 1996 FERC Settlement, to the extent Lakehead undertakes system capacity expansions during the initial five-year period, the costs of such expansions can be recovered through an incremental surcharge to Lakehead's rates calculated in accordance with Appendix D to the 1996 FERC Settlement.

The Commission will follow its Rule 602 procedures for processing this Offer of Settlement. Parties seeking to comment on any aspect of the proposed settlement are required to do so within 20 days of the date of the filing of this Offer of Settlement (Rule 602(f)(2), 18 CFR 385.602(f)(2)), on or before November 16, 1998. Reply comments are due November 27, 1998.

David P. Boergers,

Secretary.

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 2114-070]

Public Utility District No. 2 of Grant County, Washington; Notice Establishing Comment Period for Complaint

October 30, 1998.

On May 29, 1998, Crescent Bar Homeowners Association, Crescent Bar Resort Condominium Association, Crescent Bar, Inc., and Commercial

Leaseholders (collectively, Crescent Bar Residents) filed a complaint with the Commission regarding the Priest Rapids Hydroelectric Project No. 2114, which is located on the Columbia River in Chelan, Douglas, Kittitas, Grant, Yakima, and Benton Counties, Washington. The complaint alleges that excess lands containing private homes and businesses were unlawfully included within the project boundary, and should be removed. The Commission issued notice of this complaint on June 18, 1998.¹

On October 16, 1998, a subgroup of Crescent Bar Residents, comprised of Crescent Bar Homeowners Association and Crescent Bar Resort Condominium Association, filed what they termed an amended complaint, seeking modified land exclusions. If the Commission were to treat this filing as an amended complaint, parties would be required to file answers within 15 days after the date of filing, and the amendment would become effective at the end of 15 days if no party filed an answer in opposition.² However, because the parties filing the amended complaint are not the same entities that filed the original complaint, the Commission has determined that this pleading should be considered a separate complaint.

Pursuant to Rule 213(d) of the Commission's regulations, answers to complaints are due within 30 days after filing or, if noticed, after publication of the notice in the **Federal Register**, unless otherwise ordered.³ In general, the Commission's policy is to publish notice in the **Federal Register** of complaints against hydroelectric licensees.⁴

Any person may file an answer, comment, protests, or a motion to intervene with respect to the complaint in accordance with the requirements of the Rules of Practice and Procedure, 18 CFR 385.210, 385.211, 385.213, and 385.214. In determining the appropriate action to take with respect to the complaint, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in this proceeding in accordance with the Commission's rules may become a party to the proceeding.⁵ Any answers, comments, or protests must be received no later than 30 days

after publication of this notice in the **Federal Register**.

David P. Boergers,

Secretary.

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP99-38-000]

Texas Eastern Transmission Corporation; Notice of Application

October 30, 1998.

Take notice that on October 27, 1998, Texas Eastern Transmission Corporation (Applicant), 5400 Westheimer Court, Houston, Texas, 77251-1642, filed in Docket No. CP99-38-000 an abbreviated application pursuant to Section 7(b) of the Natural Gas Act, as amended, and Sections 157.7 and 157.18 of the Federal Energy Regulatory Commission's (Commission) regulations thereunder, for permission and approval to abandon a certificated service agreement for Penn Fuel Gas, Inc. (Penn Fuel) under Applicant's Rate Schedule FTS-5, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to abandon, at Penn Fuel's request, an existing individually certificated firm transportation service for Penn Fuel and at Penn Fuel's request to convert said service to firm open-access transportation service under Applicant's Rate Schedule FTS-1 and Part 284 of the Commission's regulations. Applicant also requests a waiver of Section 12.2 of Rate Schedule FT-1 to effectuate the conversion.

Any person desiring to be heard or to make any protest with reference to said application should on or before November 20, 1998, file with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, a petition 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 the proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules.

¹ Enbridge was formerly known as Interprovincial Pipe Line Inc. (IPL). The name was changed to Enbridge effective October 7, 1998.

¹ 63 FR 34372 (June 24, 1998).

² See 18 CFR 385.215.

³ 18 CFR 385.213(d) See also 18 CFR 385.202.

⁴ 18 CFR 2.1(a)(1)(iii)(J).

⁵ Because the parties and issues are similar, the Commission will consider both complaints together, and parties who have already intervened in response to the first notice of complaint need not file a second motion to intervene in response to this notice.