Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Environmental Review

This proposal will be subjected to the appropriate environmental analysis in accordance with FAA Order 1050.1D, Policies and Procedures for Considering Environmental Impacts, prior to any FAA final regulatory action.

List of Subjects in 14 CFR Part 73

Airspace, Navigation (air).

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 73 as follows:

PART 73—SPECIAL USE AIRSPACE

1. The authority citation for part 73 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 73.52 [Amended]

2. § 73.52 is amended as follows:

* * * * *

R–5201 Fort Drum, NY [Amended]

By removing ''Designated altitudes. Surface to 23,000 feet MSL, April 1 though September 30; surface to 20,000 feet MSL, October 1 through March 31'' and substituting ''Designated altitudes. Surface to 23,000 feet MSL'' in its place.

* * * * *

Issued in Washington, DC on October 12, 2001.

Reginald C. Matthews,

Manager, Airspace and Rules Division.

[FR Doc. 01–26462 Filed 10–18–01; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

18 CFR Part 284

[Docket No. RM96–1–019]

Standards for Business Practices of Interstate Natural Gas Pipelines

October 12, 2001.

AGENCY: Federal Energy Regulatory Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Federal Energy Regulatory Commission is proposing to amend its regulations governing standards for conducting business practices with interstate natural gas pipelines to require that interstate pipelines permit releasing shippers to recall released capacity and renominate that recalled capacity at any of the scheduling opportunities provided by interstate pipelines. The proposed rule is designed to synchronize the Commission's regulation of recalled capacity with its standards for intra-day nominations and to provide releasing shippers with increased flexibility in structuring capacity release transactions.

DATES: Comments are due November 19, 2001.

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.

Marvin Rosenberg, Office of Markets, Tariffs, and Rates, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, (202) 208–1283.

Kay Morice, Office of Markets, Tariffs, and Rates, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, (202) 208–0507.

SUPPLEMENTARY INFORMATION:

Standards for Business Practices of Interstate Natural Gas Pipelines

[Docket Nos. RM96–1–019]

Regulation of Short-Term Natural Gas Transportation Services;

[Docket No. RM98–10–008]

Regulation of Interstate Natural Gas Transportation Services

[Docket No. RM98–12–008]

The Federal Energy Regulatory Commission (Commission) proposes to amend § 284.12(c)(1)(ii) of its open access regulations to require that interstate pipelines permit releasing shippers to recall released capacity and renominate that recalled capacity at any of the scheduling opportunities provided by interstate pipelines. The proposed rule is intended to create more flexibility for firm capacity holders on interstate pipelines by synchronizing the Commission's regulation of recalled capacity with its standards for intra-day nominations. The proposed rule is intended to benefit the public by providing firm capacity holders with increased flexibility in structuring capacity release transactions that will result in enhanced competition across the interstate pipeline grid.

I. Background

In Order No. 636, the Commission adopted regulations permitting shippers (releasing shippers) to release their capacity to other shippers (replacement shippers).[1] Under these regulations, releasing shippers were permitted to ''release their capacity in whole or in part, on a permanent or short-term basis, without restriction on the terms and conditions of the release.'' [2] The regulation permits releasing shippers to impose terms on a release transaction under which the releasing shipper reserves the right to recall that capacity to use the capacity itself. As an example, a shipper might include a recall condition in the event that temperature drops below a pre-determined level.[3]

In July 1996, in Order No. 587,[4] the Commission incorporated by reference

[1] 18 CFR 284.8 (2001).

[2] 18 CFR 284.8(b).

[3] Pipeline Service Obligations and Revisions to Regulations Governing Self-Implementing Transportation Under Part 284 of the Commission's Regulations, Order No. 636, 57 FR 13267 (Apr. 16, 1992), FERC Stats. & Regs. Regulations Preambles [Jan. 1991–June 1996] ¶ 30,939, at 30,418 (Apr. 8, 1992).

[4] Standards For Business Practices Of Interstate Natural Gas Pipelines, Order No. 587, 61 FR 39053 (Jul. 26, 1996), FERC Stats. & Regs. Regulations Preambles [July 1996–December 2000] ¶ 31,038 (Jul. 17, 1996).

consensus standards approved by the Gas Industry Standards Board (GISB) designed to standardize business practices and communication protocols of interstate pipelines in order to create a more integrated and efficient pipeline grid. GISB is a private, consensus standards developer composed of members from all segments of the natural gas industry.

One aspect of GISB's standards adopted in Order No. 587 covered capacity release transactions. Of relevance here, two standards, 5.3.6 and 5.3.7, apply to recalls of capacity release transactions.

Standard 5.3.6: If the releasing shipper wishes to recall capacity to be effective for a gas day, the notice should be provided to the transportation service provider and the acquiring shipper no later than 8 A.M. Central Clock Time on nomination day.[5]
Standard 5.3.7: There should be no partial day recalls of capacity. Transportation service providers should support the function of reputting by releasing shippers.[6]

In this context, a partial day recall refers to a recall condition that applies only to part of gas day, rather than the full gas day.[7]

In 1996, when GISB first adopted these standards, GISB's standards provided for one nomination, at 11:30 a.m. CCT [8] for the next gas day and only one intra-day nomination at an indeterminate time. In order to create a more standardized intra-day nomination schedule,[9] GISB amended its standards to provide for three standardized intra-day nomination opportunities: an Evening nomination at 6 p.m. CCT to take effect on the next gas day, an Intra-Day 1 nomination at 10 a.m. CCT to take effect at 5 p.m. CCT on the same gas day, and an Intra-Day 2 nomination at 5 p.m. CCT to take effect at 9 p.m. CCT on the same gas day.[10] GISB, however, has not amended its capacity release recall standards to take into account its adoption of these standardized intra-day nomination opportunities.

In Order No. 637, the Commission adopted § 284.12(c)(1)(ii) of its regulations which requires interstate pipelines to ''permit shippers acquiring released capacity to submit a nomination at the earliest available nomination opportunity after the acquisition of capacity.'' [11] The purpose of this regulatory change was to permit capacity release transactions to take place on an intra-day basis so that released capacity can compete with pipeline capacity on a comparable basis.[12] The adoption of § 284.12(c)(1)(ii) now permits shippers to acquire released capacity at any intra-day nomination opportunity and to nominate coincident with their acquisition of capacity.[13]

On February 1, 2001, GISB filed a report with the Commission, in Docket No. RM98–10–000, concerning its development of standards regarding partial day recalls of capacity. According to GISB, some members believed that partial day recalls fell within the purview of the scheduling equality requirements of Order No. 637, while others did not. Other members, GISB asserts, believe that partial day recalls are a valid business practice, irrespective of whether this practice is required by Order No. 637. Due to these disagreements, GISB reports it has been unable to reach consensus on how to proceed.

On March 16, 2001, AGA filed, in Docket Nos. RM98–10–008 and RM98–12–008,[14] a ''Reply to February 1, 2001, Gas Industry Standards Board Report and Petition for Clarification and Directive from FERC Regarding Requirement for Capacity Release Scheduling Equality.'' AGA argues that the Commission should require pipelines to allow partial day recalls as part of their compliance with § 284.12(c)(1)(ii). Ten comments to AGA's request were filed.[15]

II. Discussion

The Commission is proposing to revise § 284.12(c)(1)(ii) of its regulations to require pipelines to permit recalls of capacity at each nomination opportunity. Specifically, the Commission is proposing to require pipelines to permit shippers to recall released capacity and renominate such recalled capacity at each nomination opportunity provided by the pipeline according to the notice and bumping provisions applicable to interruptible shippers.[16]

This proposal will enable releasing shippers to coordinate recalls of capacity release transactions and renominations of that capacity with the current intra-day nomination cycle. Under this proposal, recall rights would operate according to the same timelines that now apply to interruptible transportation.

This proposal is intended to ensure that the regulations relating to capacity release recalls remain consistent with the original intent of the Commission's capacity release regulations by providing releasing shippers with the flexibility to structure capacity release transactions that best fit their business needs. The proposal also seeks to foster greater competition for pipeline capacity by creating parity between scheduling of capacity release transactions and scheduling of pipeline interruptible service. By enabling releasing shippers to recall and renominate capacity quickly, they will have greater incentive to release capacity, providing capacity purchasers with an alternative to purchasing pipeline interruptible service. At the same time, this proposal will provide replacement shippers whose capacity is recalled the same advance notice and

[5] 18 CFR 284.12(b)(1)(v) (2001), Capacity Release Related Standard 5.3.6.

[6] 18 CFR 284.12(b)(1)(v) (2001), Capacity Release Related Standard 5.3.7.

[7] Under the GISB standards, a gas day runs from 9 a.m. central clock time (CCT) on Day 1 to 9 a.m. CCT the next day (Day 2). 18 CFR 284.12(b)(1)(i), Nominations Related Standards 1.3.1.

[8] CCT refers to Central Clock Time, which includes an adjustment for day light savings time. *See* 18 CFR § 284.12(b)(1)(i), Nominations Related Standards 1.3.1.

[9] *See* Order No. 587–C, 62 FR at 10687, FERC Stats. & Regs. Regulations Preambles [July 1996–December 2000] ¶ 31,050, at 30,585 (rejecting a proposed GISB intra-day nomination standard for being vague and non-standardized and providing additional time for GISB to develop a standardized intra-day nomination schedule).

[10] 18 CFR 284.12(b)(1)(i) (2001), Nominations Related Standard 1.3.2.

[11] 18 CFR 284.12(c)(1)(ii) (2001).

[12] Regulation of Short-Term Natural Gas Transportation Services, Order No. 637, 65 FR 10156, 101–58–60 (Feb. 25, 2000), FERC Stats. & Regs. Regulations Preambles [July 1996–December 2000] ¶ 31,091, at 31,297 (Feb. 9, 2000).

[13] Prior to Order No. 637, GISB's existing capacity release nomination standards had not been amended to reflect the intra-day nomination standards. Thus, prior to Order No. 637, a shipper acquiring released capacity had to acquire the capacity and notify the pipeline by 9 a.m. CCT to nominate at 11:30 a.m. CCT for the next gas day and could not avail itself of any intra-day nomination opportunities for the current gas day.

[14] Because the Commission is issuing this NOPR on the issues raised in the AGA filing, Docket Nos. RM98–10–008 and RM98–12–008 are being terminated.

[15] Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities (ConEd), Delmarva Power & Light Company (Delmarva), Duke Energy Gas Transmission (Algonquin Gas Transmission Company, East Tennessee Natural Gas Co., Egan Hub Partners, L.P., and Texas Eastern Transmission, L.P.) (DEGT), Dynegy Marketing and Trade (Dynegy), El Paso Pipeline Companies (El Paso), Enron Interstate Pipelines (Enron), Interstate Natural Gas Association of America (INGAA), Keyspan Delivery Companies (Keyspan), Natural Gas Supply Association (NGSA), Public Service Commission of the State of New York (PSCNY).

[16] The Commission also is proposing to rescind the incorporation by reference of GISB standard 5.3.6 (which requires notice of capacity release recalls by 8 a.m. CCT) and the first sentence of GISB Standard 5.3.7 (which prohibits partial day recalls of capacity). The Commission is retaining the portion of Standard 5.3.7 that requires transportation service providers to ''support the function of reputting by releasing shippers.'' Reputting refers to the ability of a releasing shipper to include a condition in a release under which it can recall capacity when needed and, after the recall has ended, the capacity will revert (be reputted) to the replacement shipper, without the need for a new release.

protection from bumping as is provided to interruptible shippers under the Commission's regulations.

The Commission has placed great reliance on GISB's development of consensus standards, because the industry is the most knowledgeable about how it operates and it is the industry that must operate under these standards.[17] However, when GISB has been unable to reach consensus on issues concerning Commission policy, the Commission has resolved the policy dispute so that the standards development process can continue.[18]

A consensus of GISB's membership adopted its current standards for capacity release recalls when GISB's standards provided for only one nomination a day, at 11:30 a.m. CCT and a single non-standardized intra-day nomination . But the circumstances under which the recall standards were developed have markedly changed as the number of nomination opportunities have now expanded to four nomination opportunities. At the same time, it is apparent that the consensus supporting GISB's existing recall standards no longer exists, and GISB itself has recognized that it can no longer make progress in resolving this issue. In these circumstances, the Commission must resolve the policy question regarding partial day recalls.

In Order No. 636, the Commission established the capacity release mechanism to create competition with pipeline firm and interruptible transportation.[19] One of the fundamental tenets of the Commission's capacity release regulations is that releasing shippers have the opportunity to establish any recall conditions for their capacity. Section 284.8(b) expressly permits shippers to ''release their capacity in whole or in part, on a permanent or short-term basis, *without restriction on the terms and conditions of the release*.'' [20] In Order No. 636–A, the Commission recognized that ''a releasing shipper may include terms and conditions, such as recall rights, that will ensure it has adequate peak day capacity.'' [21] Thus, all recall conditions, including partial day recalls are consistent with the Commission's regulations. Moreover, in Order No. 637, the Commission sought to create greater scheduling parity between capacity release transactions and pipeline services by enabling capacity release transactions to take place on an intra-day basis at each of the four scheduling opportunities.[22] While this regulatory change enables shippers to release capacity at any nomination opportunity, the existing GISB recall standards do not permit releasing shippers to take full advantage of the intra-day nomination opportunities by recalling the capacity and renominating that capacity at each of the four scheduling opportunities. Allowing partial day recalls is, therefore, consistent with the overall regulatory changes promulgated in Order No. 637.

Permitting partial day recalls will add flexibility to shippers' rights and will better enable releasing shippers to offer released capacity that competes with the pipelines' interruptible service. The current GISB standards inhibit the ability of releasing shippers to release capacity because of their inability to quickly reclaim capacity when they require it for their own use. For example, under the current GISB standards, a releasing shipper that meets the 8 a.m. CCT notification time is unable to recall its capacity and submit a timely nomination for the next gas day at the 6 p.m. CCT Evening Nomination cycle. Moreover, a shipper that misses the 8 a.m. CCT recall notification time will miss four nomination opportunities and will be unable to have its volume flow until 48 hours after it submits the recall notification.[23]

As a result of such lengthy delays, releasing shippers may not be able to use their recall rights as effectively as possible to ensure that they can retain adequate peak day capacity for their own needs. The delay in rescheduling recalled capacity also can have an adverse competitive impact on the market by reducing the amount of capacity available for release. As AGA points out, if an LDC is a provider of last resort under a state unbundling initiative and is given notice that insufficient supply is being delivered to its city-gate, the LDC will need to recall released capacity for later in the same day or, at least, for the next day. If a partial day recall right is not provided, a releasing shipper with supplier-of-last-resort obligations will be reluctant to release capacity at all since it will not be able to recall that capacity when it is needed. In that event, shippers seeking capacity will have fewer alternatives to purchasing pipeline interruptible service.

Under the Commission's proposal, the releasing shipper would be able to recall and renominate its capacity in accordance with the current nomination and scheduling timelines. For example, the shipper could notify the pipeline of its recall and renomination at the 10 a.m. CCT Intra-Day 1 nomination cycle and submit a new nomination that will become effective at 5 p.m. CCT on the same day. In processing recalls and renominations, the pipeline would follow the applicable GISB nomination standard (standard 1.3.2) in terms of providing notice to the bumped replacement shipper.

The replacement shipper also will receive the same protection against loss of service as do interruptible shippers. In Order No. 587–G, the Commission determined that interruptible shippers could be bumped by firm intra-day nominations at the first three nomination opportunities, but could not be bumped at the third intra-day nomination opportunity (5 p.m. CCT nomination, with scheduled volumes by 9 p.m. CCT). The Commission provided this protection against bumping to provide stability in the nomination system, so that shippers can be confident by late afternoon that they will receive their scheduled flows.[24] This rationale seems to apply equally to replacement shippers so that they would not have to monitor the status of their nominations after 5 p.m. CCT.

In their comments on AGA's March 16, 2001 filing, the pipelines (INGAA, DEGT, El Paso Pipeline Companies, Enron) are not opposed to some revision of the GISB standards to liberalize the recall conditions. They maintain that allowing partial day recalls requires resolution of a number of issues such as notification of the replacement shipper that its capacity is being recalled, operational provisions to ensure that the recalled party does not continue to flow gas, billing issues regarding the use of

[17] Order No. 587, 61 FR at 39057 (Jul. 26, 1996), FERC Stats. & Regs. Regulations Preambles [July 1996–December 2000] ¶ 31,038, at 30,059 (resolving dispute over bumping of interruptible service by firm service).

[18] Standards For Business Practices Of Interstate Natural Gas Pipelines, Order No. 587–G, 63 FR 20072 (Apr. 23, 1998), FERC Stats. & Regs. Regulations Preambles [July 1996–December 2000] ¶ 31,062, at 30–668–72 (Apr. 16, 1998).

[19] Order No. 636–A, 57 FR 36128 (Aug. 12, 1992), FERC Stats. & Regs. Regulations Preambles [Jan. 1991–June 1996] ¶30,950, at 30,556 (Aug. 3, 1992) (''competition between pipeline capacity and released capacity helps ensure that customers pay only the competitive price for the available capacity'').

[20] 18 CFR 284.8(b) (emphasis added).

[21] Order No. 636–A, 57 FR 36128 (Aug. 12, 1992), FERC Stats. & Regs. Regulations Preambles [Jan. 1991–June 1996] ¶ 30,950, at 30,558 (Aug. 3, 1992).

[22] 18 CFR 284.12(c)(1)(ii) (2001) (permitting shippers acquiring released capacity to submit a nomination at the earliest available nomination opportunity after the acquisition of capacity).

[23] A releasing shipper that misses the 8 a.m. CCT notification time cannot renominate that capacity until 11:30 a.m. CCT the next day, a nomination under which gas will not flow until 9 a.m. CCT the day after.

[24] Order No. 587–G, 63 FR at 20078, FERC Stats. & Regs. Regulations Preambles [July 1996–December 2000] ¶ 31,062, at 30,671–72 (Apr. 16, 1998).

capacity for part of a day, and scheduling and nomination issues.

The Commission's proposal here is designed so as not to cause operational problems for pipelines. Some pipelines already have implemented partial day recall provisions on their systems.[25] Partial day recalls should not adversely affect scheduling procedures, since under the Commission's proposal, recalls will take place under the same nomination timeline currently used for nominating and scheduling firm and interruptible service, including bumping of interruptible service. Order No. 637 already requires pipelines to implement procedures to allocate capacity and potential imbalances and penalties associated with partial day releases, so the same procedures can be used for partial day recalls.[26]

In their comments on AGA's March 16, 2001 filing, NGSA and Dynegy oppose partial day recalls. They maintain that flowing or partial day recalls undermine system reliability, because they may shut in production or result in scheduling problems, overruns, penalties, or operational flow orders. They claim that if capacity is recalled, the replacement shippers (whose capacity is recalled) may be unable to obtain replacement capacity within the same day. They further contend that flowing day recalls may undermine competition. They assert that if flowing day recalls become the default method of doing business, such recall rights will result in lowering the value of released capacity. As a consequence, they maintain, shippers may be left with no alternative other than purchasing capacity from the pipeline.

As discussed above, the use of partial day recalls should create no additional scheduling problems since recalls will be scheduled according to the existing scheduling requirements. In effect, releasing shippers using partial day recalls are creating another form of interruptible transportation to compete with pipeline interruptible capacity and shippers purchasing recallable capacity should be subject to the same scheduling rules that apply to interruptible transportation. Partial day recalls will be no more likely to result in shut-in production than interruptible transactions that are subject to being bumped under the current standards.

As discussed earlier, permitting partial day recalls should not reduce competition, as Dynegy and NGSA assert, but should enhance competition as capacity that previously was not released because of concerns about recall rights becomes available as an alternative to pipeline interruptible service. Dynegy and NGSA appear to assume that if partial day recalls are not permitted, shippers will nonetheless release the same amount of capacity. However, as AGA points out, if LDCs or other shippers need to recall capacity to ensure their own peak day capacity, they may be reluctant to release capacity at all without some assurance of the ability to recall. Since Order No. 636, the Commission has proceeded under the assumption that the best way to improve access to capacity is to provide flexibility for releasing shippers to establish the terms and conditions of releases. While including partial day recalls may make some capacity releases less valuable to replacement shippers, as Dynegy and NGSA assert, the replacement shippers will know the terms of releases upfront and can determine whether to purchase that capacity or seek more reliable capacity, and can take the recall conditions into account in determining how much the capacity is worth.

III. Notice of Use of Voluntary Consensus Standards

Office of Management and Budget Circular A–119 (§ 11) (February 10, 1998) provides that federal agencies should publish a request for comment in a NOPR when the agency is seeking to issue or revise a regulation containing a standard identifying whether a voluntary consensus standard or a government-unique standard is being proposed. In this NOPR, the Commission is proposing to issue its own regulation, because the existing GISB standard has not been revised to take into account changed circumstances, there is no longer consensus supporting this standard, and the existing standard fails to reflect Commission policy.

IV. Information Collection Statement

The following collection of information contained in this proposed rule has been submitted to the Office of Management and Budget (OMB) for review under Section 3507(d) of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507(d). The Commission solicits comments on the Commission's need for this information, whether the information will have practical utility, the accuracy of the provided burden estimate, ways to enhance the quality, utility, and clarity of the information to be collected, and any suggested methods for minimizing respondents' burden, including the use of automated information techniques. The following burden estimate includes the costs of modifying, preparing and submitting tariff changes to reflect compliance with the Commission's proposed regulation to require pipelines to permit shippers to recall released capacity and renominate such recalled capacity at each nomination opportunity provided by the pipeline. Adoption of the proposed regulation will not place additional burdens on pipelines, because the regulation will require pipelines to use existing nomination procedures and protocols. The one-time tariff filing will not result in on-going costs.

Public Reporting Burden: (Estimated Annual Burden).

Data collection	Number of respondents	Number of responses per respondent	Hours per response	Total number of hours
FERC–545	93	1	38	3,534

Total Annual Hours for Collection (Reporting and Recordkeeping, (if appropriate)) = 3,534.

Information Collection Costs: The Commission seeks comments on the costs to comply with these requirements. It has projected the average annualized cost for all respondents to be the following:

[25] *See* Dominion Transmission, Inc., 95 FERC ¶ 61,316 (2001); National Fuel Gas Supply Corporation, 96 FERC ¶61,182 (2001).

[26] While the pipeline should propose reasonable default procedures for allocating capacity, imbalances, and penalties among releasing and replacement shippers, releasing shippers also may deviate from the default provision by including in their notices of release differing provisions for allocating capacity, imbalances, and penalties between them and the replacement shipper. *See* Texas Gas Transmission Corporation, 89 FERC ¶61,096, at 61,274 (1999) (releasing shippers can revise pipeline default provisions by including different allocation methodologies in their release notices).

	FERC–545
Annualized Capital/Startup Costs	$198,857
Annualized Costs (Operations & Maintenance)	0
Total Annualized Costs	198,857

Total Annualized costs for all respondents: $198,857.

OMB regulations [27] require OMB to approve certain information collection requirements imposed by agency rule. Respondents subject to the filing requirements of this proposed rule shall not be penalized for failing to respond to these collections of information unless the collection(s) of information display a valid OMB control No(s). These proposed reporting requirements if adopted, will be mandatory. The Commission is submitting notification of this proposed rule to OMB.

Title: FERC–545, Gas Pipeline Rates: Rate Change (Non-Formal).

Action: Proposed collection.

OMB Control No.: 1902–0154.

Respondents: Business or other for profit, (Interstate natural gas pipelines (Not applicable to small business.)).

Frequency of Responses: One-time implementation (business procedures, capital/start-up).

Necessity of Information: This proposed rule, if implemented, would require pipelines to permit shippers to recall release capacity and renominate such recalled capacity at each nomination opportunity provided by the pipeline. This requirement is necessary to increase the efficiency of the pipeline grid.

The information collection requirements of this proposed rule will be reported directly to the industry users. The implementation of these data requirements will help the Commission carry out its responsibilities under the Natural Gas Act to monitor activities of the natural gas industry to ensure its competitiveness and to assure the improved efficiency of the industry's operations. The Commission's Office of Markets, Tariffs and Rates will use the data in rate proceedings to review rate and tariff changes by natural gas companies for the transportation of gas, for general industry oversight, and to supplement the documentation used during the Commission's audit process. Internal Review: The Commission has reviewed the requirements pertaining to business practices and electronic communication with natural gas interstate pipelines and made a determination that the proposed revisions are necessary to establish a more efficient and integrated pipeline grid. Requiring such information ensures both a common means of communication and common business practices which provide participants engaged in transactions with interstate pipelines with timely information and uniform business procedures across multiple pipelines. These requirements conform to the Commission's plan for efficient information collection, communication, and management within the natural gas industry. 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.

Interested persons may obtain information on the reporting requirements by contacting the following: Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, [Attention: Michael Miller, Office of the Chief Information Officer, Phone: (202) 208–1415, fax: (202) 208–2425, e-mail: *michael.miller@ferc.fed.us*].

Comments concerning the collection of information(s) and the associated burden estimate(s), should be sent to the contact listed above and to the Office of Management and Budget, Office of Information and Regulatory Affairs, Washington, DC 20503 [Attention: Desk Officer for the Federal Energy Regulatory Commission, phone: (202) 395–7318, fax: (202) 395–7285].

V. Environmental Analysis

The Commission is required to prepare an Environmental Assessment or an Environmental Impact Statement for any action that may have a significant adverse effect on the human environment.[28] The Commission has categorically excluded certain actions from these requirements as not having a significant effect on the human environment.[29] The actions proposed here fall within categorical exclusions in the Commission's regulations for rules that are clarifying, corrective, or procedural, for information gathering, analysis, and dissemination, and for sales, exchange, and transportation of natural gas that requires no construction of facilities.[30] Therefore, an environmental assessment is unnecessary and has not been prepared in this NOPR.

VI. Regulatory Flexibility Act Certification

The Regulatory Flexibility Act of 1980 (RFA) [31] generally requires a description and analysis of final rules that will have significant economic impact on a substantial number of small entities. The regulations proposed here impose requirements only on interstate pipelines, which are not small businesses, and, these requirements are, in fact, designed to benefit all customers, including small businesses. Accordingly, pursuant to § 605(b) of the RFA, the Commission hereby certifies that the regulations proposed herein will not have a significant adverse impact on a substantial number of small entities.

VII. Comment Procedures

The Commission invites interested persons to submit written comments on the matters and issues proposed in this notice to be adopted, including any related matters or alternative proposals that commenters may wish to discuss. Comments may be filed either in paper format or electronically. Those filing electronically do not need to make a paper filing.

For paper filings, the original and 14 copies of such 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. RM96–1–019.

Documents filed electronically via the Internet must be prepared in WordPerfect, MS Word, Portable Document Format, or ASCII format. To file the document, access the Commission's website at *www.ferc.gov* and click on ''Make An E-Filing,'' and then follow the instructions for each screen. First time users will have to establish a user name and password. The Commission will send an automatic acknowledgment to the sender's E-mail address upon receipt of comments. User assistance for electronic filing is available at 202–208–0258 or by e-mail to *efiling@ferc.fed.us.* Comments should not be submitted to the e-mail address.

All 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. Additionally, all comments may be viewed, printed, or downloaded remotely via the Internet through

[27] 5 CFR 1320.11.

[28] Order No. 486, Regulations Implementing the National Environmental Policy Act, 52 FR 47897 (Dec. 17, 1987), FERC Stats. & Regs. Preambles 1986–1990 ¶ 30,783 (1987).

[29] 18 CFR 380.4.

[30] *See* 18 CFR 380.4(a)(2)(ii), 380.4(a)(5), 380.4(a)(27).

[31] 5 U.S.C. 601–612.

FERC's homepage using the RIMS link. User assistance for RIMS is available at 202–208–2222, or by e-mail to *rimsmaster@ferc.fed.us.*

VIII. Document Availability

In addition to publishing the full text of this document in the **Federal Register,** the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the Internet through FERC's homepage (*http://www.ferc.gov*) and in FERC's Public Reference Room during normal business hours (8:30 a.m. to 5 p.m. Eastern time) at 888 First Street, NE, Room 2A, Washington, DC 20426.

From FERC's homepage on the Internet, this information is available in both the Commission Issuance Posting System (CIPS) and the Records and Information Management System (RIMS).

—CIPS provides access to the texts of formal documents issued by the Commission since November 14, 1994.

—CIPS can be accessed using the CIPS link or the Documents & Filing link. The full text of this document is available on CIPS in ASCII and WordPerfect 8.0 format for viewing, printing, and/or downloading.

—RIMS contains images 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 from FERC's Home Page using the RIMS link or the Documents & Filing link. Descriptions of documents back to November 16, 1981, are also available from RIMS-on-the-Web; requests for copies of these and other older documents should be submitted to the Public Reference Room.

User assistance is available for RIMS, CIPS, and the Web site during normal business hours from our Help line at (202) 208–2222 (e-mail to *WebMaster@ferc.fed.us*) or the Public Reference at (202) 208–1371 (e-mail to *public.referenceroom@ferc.fed.us*).

During normal business hours, documents can also be viewed and/or printed in FERC's Public Reference Room, where RIMS, CIPS, and the FERC Web site are available. User assistance is also available.

List of Subjects in 18 CFR Part 284

Continental shelf, Incorporation by reference, Natural gas, Reporting and recordkeeping requirements.

The Commission Orders

Docket Nos. RM98–10–008 and RM98–12–008 are terminated.

By direction of the Commission.

David P. Boergers,

Secretary.

In consideration of the foregoing, the Commission proposes to amend part 284, Chapter I, Title 18, *Code of Federal Regulations,* as follows.

PART 284—CERTAIN SALES AND TRANSPORTATION OF NATURAL GAS UNDER THE NATURAL GAS POLICY ACT OF 1978 AND RELATED AUTHORITIES

1. The authority citation for part 284 continues to read as follows:

Authority: 15 U.S.C. 717–717w, 3301–3432; 42 U.S.C. 7101–7532; 43 U.S.C. 1331–1356.

2. Section 284.12 is amended as follows:

a. Paragraph (b)(1)(v) is revised.

b. The heading of paragraph (c)(1)(ii) is revised, and the text of paragraph of (c)(1)(ii) is designated as (c)(1)(ii)(A).

c. Paragraph (c)(1)(ii)(B) is added.

The revised and added text reads as follows:

§ 284.12 Standards for pipeline business operations and communications.

* * * * *

(b) * * *

(1) * * *

(v) Capacity Release Related Standards (Version 1.4, August 31, 1999), with the exception of Standard 5.3.6 and the first sentence of Standard 5.3.7.

* * * * *

(c) * * *

(1) * * *

(ii) Capacity release scheduling.

(A) * * *

(B) A pipeline must permit shippers to recall released capacity and renominate such recalled capacity at each nomination opportunity provided by the pipeline according to the notice and bumping provisions applicable to interruptible shippers.

* * * * *

[FR Doc. 01–26328 Filed 10–18–01; 8:45 am]

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DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 3

RIN 2900–AK37

Acceptable Evidence From Foreign Countries

AGENCY: Department of Veterans Affairs.

ACTION: Proposed rule.

SUMMARY: The Department of Veterans Affairs (VA) proposes to amend its adjudication regulation concerning evidence that is received from foreign countries. The intended effect of this amendment is to present the existing regulation in plain language.

DATES: Comments must be received on or before December 18, 2001.

ADDRESSES: Mail or hand deliver written comments to: Director, Office of Regulations Management (02D), Department of Veterans Affairs, 810 Vermont Ave., NW., Room 1154, Washington, DC 20420; or fax comments to (202) 273–9289; or e-mail comments to *OGCRegulations@mail.va.gov.* Comments should indicate that they are submitted in response to ''RIN 2900–AK37.'' All comments received will be available for public inspection in the Office of Regulations Management, Room 1158, between the hours of 8 a.m. and 4:30 p.m., Monday through Friday (except holidays).

FOR FURTHER INFORMATION CONTACT: Bob White, Team Leader, Plain Language Regulations Project, Veterans Benefits Administration, 810 Vermont Avenue, NW., Washington, DC 20420, telephone (202) 273–7228. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: VA proposes to rewrite 38 CFR 3.202 in plain language. The current regulation, located in subpart A of part 3, discusses when and how evidence from foreign countries must be authenticated. VA proposes to create new § 3.2420 to restate the current regulation. The proposed section would be located in Subpart D, Universal Adjudication Rules That Apply to Benefit Claims Governed by part 3 of this Title.

Paragraph (a) of proposed § 3.2420 states when authentication of the signature of officials of foreign countries is required and who may provide authentication. This is a restatement of the first sentence of paragraph (a) of current § 3.202.

Paragraph (b) of proposed § 3.2420 addresses who may authenticate signatures of foreign government officials when the authentication called for in paragraph (a) of this section is not available. This is a restatement of the last sentence of paragraph (a) and the text of paragraphs (a)(1) and (a)(2) of current § 3.202. We have eliminated the requirement that only the ''nearest'' United States Consular Officer may certify that the signature of an official of a foreign country has been investigated and found to be authentic. We believe that requirement is unnecessarily narrow and can be broadened without diminishing the integrity of VA's