authorization pursuant to Section 7 of the Natural Gas Act.

Linwood A. Watson, Jr.

Acting Secretary.

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[Docket Nos. CP96–655–001, CP96–656–001, and CP96–657–001]

Destin Pipeline Company, L.L.C.; Notice of Amendment

March 19, 1997.

Take notice that on March 14, 1997, Destin Pipeline Company, L.L.C. (Destin) successor in interest to Destin Pipeline Company Inc. (DPC), P.O. Box 2563, Birmingham, Alabama 35202–2563, filed in Docket No. CP96–655–001, *et al.*, an amendment to the pending application for a certificate of public convenience and necessity filed on July 24, 1996, in Docket No. CP96–655–000, *et al.*, pursuant to Section 7(c) of the Natural Gas Act and Parts 284 and 157 of the Commission's Regulations, to modify proposed facilities to include executed Precedent Agreements providing market support for the Destin Pipeline, to revise Destin's proposed FERC Gas Tariff and initial rates to provide a new flexible firm transportation service to meet the needs of deepwater producers and to renew requests for blanket certificates of construction and transportation, all as more fully set forth in the amendment which is on file with the Commission and open to public inspection.

Destin states that in its initial filing, as supplemented, DPC requested authorization to construct, install and operate a new large diameter interstate pipeline (Destin Pipeline) to transport gas from the Gulf of Mexico to interconnections with five interstate pipelines in the State of Mississippi, Destin states that due to favorable reaction from the shipper community, on December 21, 1996, Amoco Pipeline Company (Amoco Pipeline), Shell Gas Pipeline Company (Shell Pipeline), Amoco Production Company (Amoco), Shell Deepwater Development Inc. (SDDI) and shell Deepwater Production Inc. (SDPI) agreed with DPC to have affiliates of Amoco Pipeline and Shell Pipeline become equity owners in the Destin Pipeline project. Additionally, Destin states that Amoco, SDDI and SDPI have executed Precedent Agreements dated as of February 28, 1997, for the proposed flexible firm transportation service on Destine Pipeline with average Transportation Demand (TD) levels over the first five years at 562 MMcf per day and peak TDs of 844 MMcf per day.

Destin states that its initial filing requested authorization to construct, install, and operate one gathering platform in Main Pass Block 260, Gulf of Mexico; one offshore junction platform in Viosca Knoll Block 119, Gulf of Mexico; 76 miles of 36-inch offshore pipeline facilities; 134 miles of 36-inch and 30-inch onshore pipeline facilities; two miles of 16-inch pipeline facilities; one 14,100 horsepower compressor station in Jackson County, Mississippi; one 11,600 horsepower compressor station in Greene county, Mississippi; and related pipeline interconnection, measurement and appurtenant facilities to accommodate the transportation of 1 Bcf of gas per day for delivery to downstream interconnections in southern and central Mississippi. Destin states that the pipeline route was to extend in a northerly direction from Main Pass Block 260, Gulf of Mexico, to an onshore terminus at its interconnection with Southern Natural Gas Company (Southern) near Enterprise, Mississippi. Destin further states that the original filing contemplated interconnections with four other pipelines, as well as Southern; Florida Gas Transmission Corporation, Transcontinental Gas Pipe Line Corporation, Tennessee Gas Pipeline Company and Texas Eastern Transmission Corporation.

Destin states that, specifically, the amended filing seeks the following modifications to the original proposal: (a) Several modifications to the jurisdictional facilities, (b) an interconnection with an additional interstate pipeline, (c) the deletion of the levelized rates for the FT–1 firm transportation service, (d) the addition of a flexible firm transportation service similar to that approved in *Shell Gas Pipeline Company*, 76 FERC ¶ 61,126 (1996), (e) a decrease in the proposed initial rates, (f) inclusion of capacity lease payments to Southern in Destin's proposed cost of service in accordance to the pending joint application of Southern and Destin filed on March 14, 1997, in Docket No. CP97–291–000, (g) revisions to Destin's proposed FERC Gas Tariff, primarily attributable to the addition of the flexible firm transportation service and the incorporation of the Gas Industry Standards Board standards.

It is stated that the modifications to the facilities originally proposed are as follows: (a) The deletion of the junction platform in Viosca Knoll Block 119, Gulf of Mexico, (b) an interconnection with Koch Gateway Pipeline Company in Jackson County, Mississippi, (c) the deletion of the onshore receipt point, (d) increase compression capabilities at the Pascagoula compression site from 14,100 horsepower to 17,040 horsepower, (e) decrease compression at the Sand Hill compression site from 11,600 horsepower to 9,400 horsepower, and (f) in addition to the measurement facilities to connect to the inlet and outlet of a non-jurisdictional processing plant to be operated by Amoco in Pascagoula, Mississippi, Destin proposed to add as an auxiliary facility a liquids slug catcher facility in Jackson County, Mississippi, which will be located upstream of the site of the non-jurisdictional processing plant. Destin estimates the revised cost of the proposed facilities to be $308.1 million.

In regard to its transportation services, Destin states that it is deleting the 10-year levelized firm transportation services and adding a flexible firm transportation service. Interruptible transportation service under Rate Schedule IT will be applicable to any shipper that contracts for interruptible transportation on Destin Pipeline. In its amended proposal, Destin proposes to offer two firm transportation services: (1) A traditional firm transportation service (Rate Schedule FT–1) and (2) a flexible firm transportation service (Rate Schedule FT–2). Destin states that Rate Schedule FT–1 is a traditional firm transportation service with a fixed TD and a reservation charge to be billed regardless of throughput levels. The maximum initial monthly reservation rate to be charged for service under Rate Schedule FT–1 is $7.35 per Dth, a decrease of 58 cents per Dth per month from the comparable rate proposed for the traditional firm rate schedule in the initial filing. Destin states that Rate Schedule FT–2 is a flexible firm transportation service which will provide for variable levels of TD and volumetric rate treatment depending on throughput levels relative to TD. Destin states that to be eligible for service under Rate Schedule FT–2, a shipper must execute a Reserve Commitment Agreement wherein the shipper identifies OCS lease(s) with estimated proven recoverable reserves of 100 Bcf or more attributable to the shipper's interests and its affiliates or aggregated with other shipper(s) committed interest(s) in such leases (Committed Leases) and make a life of reserves commitment of its share of production therefrom. In addition, Destin states that each shipper will be required to submit documentation and technical data to support its reserve commitment when placing a request for transportation service under Rate Schedule FT–2. It is stated that shippers under Rate Schedule FT–2 may request separate levels of TD (5,000 Mcf/d minimum) for specified delivery periods of not less than three consecutive months to correspond with the anticipated production profile of the Committed Leases. It is further stated that the maximum monthly reservation rate for transportation service under Rate Schedule FT–2 is $7.35 per Dth and the maximum daily reservation rate for such service is 24.5 cents per Dth, inclusive of the transportation charge. To receive volumetric rate treatment, the shipper's throughput quantities (based on a rolling three-month average calculated with a one-month lag) must equal or exceed 70 percent of the shipper's average TD for the same three-month period. If a shipper's throughput does not reach the 70 percent threshold, the shipper is charged a reservation charge based on a total TD.

Destin states that it is encouraging maximum utilization of capacity by establishing discounted Rate Schedule FT–2 rates for a period through December 31, 2019, for FT–2 shippers with firm transportation service pursuant to Precedent Agreements executed in February 1997 or pursuant to commitments in Destin's Open Season to be held from March 17, 1997 to April 30, 1997. Destin states that at this juncture, Destin is not requesting authority herein to negotiate terms and conditions. Service terms and conditions under Rate Schedule FT–2 will be available to all shippers on the same generally applicable terms and conditions.

Destin states that for all rate schedules, Destin has eliminated the offshore/onshore rate design and provided for a single rate independent of receipt point or delivery point location. Destin states that it believes that a postage stamp rate is appropriate for this project because most of the gas supply is expected to be received at Main Pass Block 260 and all of the delivery points are located within a 115-mile segment. In addition, Destin states that it has eliminated the Negotiated Rate Provision in Section 25 of the proposed tariff. Destin further states that the addition of a flexible firm rate schedule has eliminated the need for the Banking Provision in Section 26 of the proposed tariff. Destin states that the Banking Provision was designed to provide scheduling flexibility to meet the needs of shippers coordinating development and production of deepwater prospects. Destin believes that the proposed flexible firm Rate Schedule FT–2 provides even greater flexibility and eliminates any need for a banking mechanism.

Destin requests a Preliminary Determination on non-environmental issues by June 1, 1997, with a final approval on all issues by the end of November 1997, so that the proposed facilities can be placed in service by July 1, 1998.

Any person desiring to be heard or to make any protest with reference to said amendment should on or before April 9, 1997, file with the Federal Energy Regulatory Commission, Washington, DC 20426, a motion to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules. All persons who have heretofore filed need not file again.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 97–7414 Filed 3–24–97; 8:45 am]

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[Docket No. CP97–283–000]

Eastern Shore Natural Gas Company; Notice of Application

March 19, 1997.

Take notice that on March 11, 1997, Eastern Shore Natural Gas Company (Eastern Shore), Box 615, Dover, Delaware 19903–0615, filed an application pursuant to Sections 7(b) and 7(c) of the Natural Gas Act (NGA) for a certificate of public convenience and necessity authorizing Eastern Shore to (1) construct and operate 0.4 miles of 16-inch diameter pipeline; and (2) abandon in place 0.4 miles of existing 10-inch diameter pipeline, all as more fully set forth in the application, which is on file with the Commission and open to public inspection.

Eastern Shore says that the proposed pipeline segment, to be located in New Castle County, Delaware, would replace existing pipeline that must be relocated due to Delaware State Department of Transportation (DelDOT) highway construction. Construction of the proposed facilities is planned to be undertaken between Fall 1997 and Spring 1998.

Eastern Shore estimates that the incremental additional cost of upsizing the pipeline segment proposed in its application will be $53,620 and estimates the total project cost to be $329,856. Eastern Shore states that it will finance the cost of the project initially from internally generated funds and short term notes and that permanent financing will be arranged after construction has been completed. Eastern Shore requests that the total cost of these facilities be rolled-in to its total system costs for rate purposes.

Any person desiring to be heard or to make any protest with reference to said application should on or before April 9, 1997, file with the Federal Energy Regulatory Commission, Washington, D.C. 20426, a motion to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the NGA (18 CFR 157.100). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken, but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Energy Regulatory Commission by Section 7 and Section 15 of the NGA and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission or its designee of this application if no motion to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a motion to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Eastern Shore to appear or be represented at the hearing.

Linwood A. Watson, Jr.

Acting Secretary.

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