

m. *Available Locations of Application:* A copy of the application is available for inspection and reproduction at the Commission's Public Reference and Files Maintenance Branch, located at 888 First Street, NE., Room 2A, Washington, DC 20426, or by calling (202) 208-1371. This filing may be viewed on <http://www.ferc.fed.us/online/rims.htm> (call (202) 208-2222 for assistance). A copy is also available for inspection and reproduction at the address shown in item h above.

All documents (original and eight copies should be filed with: David P. Boergers, secretary, Federal Energy Regulatory Commission, Mail Code: DHAC, PJ-12, 888 First Street NE., Washington DC 20426.

Please include the Project Number 11845-000 on any comments, protests, or motions filed.

**Development Application—**Any qualified applicant desiring to file a competing application must submit to the Commission, on or before the specified deadline date for the particular application, a competing development application, or a notice of intent to file such an application. Submission of a timely notice of intent allows an interested person to file the competing development application no later than 120 days after the specified deadline date for the particular application. Applications for preliminary permits will not be accepted in response to this notice.

**Notice of Intent—**A notice of intent must specify the exact name, business address, and telephone number of the prospective applicant, and must include an unequivocal statement of intent to submit, if such an application may be filed, either a preliminary permit application or a development application (specify which type of application). A notice of intent must be served on the applicant(s) named in this public notice.

**Protests or Motions to Intervene—**Anyone may submit a protest or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, 385.211, and 385.214. In determining the appropriate action to take, the Commission will consider all protests filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any protests or motions to intervene must be received on or before the specified deadline date for the particular application.

**Filing and Service of Responsive Documents—**The application is ready for environmental analysis at this time, and the Commission is requesting

comments, reply comments, recommendations, terms and conditions, and prescriptions.

The Commission directs, pursuant to Section 4.34(b) of the Regulations (see Order No. 533 issued May 8, 1991, 56 FR 23108, May 20, 1991) that all comments recommendations, terms and conditions and prescriptions concerning the application be filed with the Commission within 60 days from the issuance date of this notice. All reply comments must be filed with the Commission within 105 days from the date of this notice.

Anyone may obtain an extension of time for these deadlines from the Commission only upon a showing of good cause or extraordinary circumstances in accordance with 18 CFR 385.2008.

All filings must (1) bear in all capital letters the title "PROTEST", "MOTION TO INTERVENE", "NOTICE OF INTENT TO FILE COMPETING APPLICATION," "COMPETING APPLICATION," "COMMENTS," "REPLY COMMENTS," "RECOMMENDATIONS," "TERMS AND CONDITIONS," or "PRESCRIPTIONS," (2) set forth in the heading the name of the applicant and the project number of the application to which the filing responds; (3) furnish the name, address, and telephone number of the person protesting or intervening; and (4) otherwise comply with the requirements of 18 CFR 385.2001 through 385.2005. All comments, recommendations, terms and conditions or prescriptions must set forth their evidentiary basis and otherwise comply with the requirements of 18 CFR 4.34(b). Agencies may obtain copies of the application directly from the applicant. Any of these documents must be filed by providing the original and the number of copies required by the Commission's regulations to: The Secretary, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426. An additional copy must be sent to Director, Division of Project Review, Office of Hydropower Licensing, Federal Energy Regulatory Commission, at the above address. A copy of any protest or motion to intervene must be served upon each representative of the applicant specified in the particular application. A copy of all other filings in reference to this application must be accompanied by proof of service on all persons listed in the service list prepared by the Commission in this proceeding, in

accordance with 18 CFR 4.34(b) and 385.2010.

**David P. Boergers,**  
Secretary.

[FR Doc. 00-20076 Filed 8-4-00; 8:45 am]

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## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Docket No. PL99-3-002]

#### Certification of New Interstate Natural Gas Pipeline Facilities; Order Further Clarifying Statement of Policy

Issued July 28, 2000.

Before Commissioners: James J. Hoecker, Chairman; William L. Massey, Linda Breathitt, and Curt Hebert, Jr.

On September 15, 1999, the Commission issued a Statement of Policy (Policy Statement) regarding its policy for certificating new pipeline construction.<sup>1</sup> On February 9, 2000, in Docket No. PL99-3-001, the Commission issued an order clarifying the Statement of Policy.<sup>2</sup> Six parties filed requests for rehearing, reconsideration, or clarification of the February 9 order.<sup>3</sup> This order addresses those requests.

#### I. Background

In the Policy Statement, the Commission explained the analytical steps it will use to evaluate proposals for certificating new construction. In this analysis, the threshold question applicable to an existing pipeline's proposal is whether the project can proceed without subsidies from its existing customers. The next step is to determine whether the applicant has made efforts to eliminate or minimize any adverse effects the project might have on its existing customers, existing pipelines in the market and their captive customers, or the economic interests of landowners and communities affected by the route of the new pipeline. Where residual adverse

<sup>1</sup> Certification of New Interstate Natural Gas Pipeline Facilities, Statement of Policy, 88 FERC ¶61,227 (1999).

<sup>2</sup> Order Clarifying Statement of Policy, 90 FERC ¶61,128 (2000).

<sup>3</sup> American Public Gas Association (APGA); FPL Energy, Inc. (FPL Energy); KeySpan Gas East Corp. and The Brooklyn Union Gas Co., (Keyspan); Pennsylvania Office of Consumer Advocate (Pennsylvania OCA); Process Gas Consumers Group, American Iron and Steel Institute, Georgia Industrial Group, American Forest and Paper Association, Alcoa, Inc., and United States Gypsum Co. (Process Gas); and Texas Eastern Transmission Corp. and Algonquin Gas Transmission Co. (Texas Eastern).

effects on the three interests remain after the pipeline makes an effort to minimize them, the Commission will evaluate the project by balancing the evidence of the project's public benefits against its residual adverse effects. The Policy Statement set forth in detail the considerations the Commission will apply to each of these steps. After analyzing the application based on these considerations, the Commission will approve an application for a certificate only if the public benefits outweigh any adverse effect.<sup>4</sup>

The Commission also stated that customers with a right of first refusal (ROFR) on pipelines with incrementally priced vintages of capacity can exercise their ROFR at their original contract rate except when the pipeline is fully subscribed and there is a competing bid for the capacity which is higher than the existing customer's maximum rate. In that case, the existing customer could be required to match the highest competing bid up to a maximum rate which could be either an incremental rate or a rolled-up rate in which costs for expansions are accumulated to yield an average expansion rate.

In the February 9 order clarifying the Policy Statement, the Commission explained that, to adjust the maximum rate applicable to shippers exercising their ROFR, the pipeline must establish a mechanism for reallocating costs between the historic and incremental rates so that all rates remain within the pipeline's cost-of-service. This mechanism can be established either through a general section 4 rate case or through the filing of *pro forma* tariff sheets to provide the Commission and parties with an opportunity to review the proposal prior to implementation. Once the review is complete, the pipeline can then implement the mechanism through a limited section 4 rate filing.

The Commission explained that when an existing customer's contract expires, and the conditions established in the Policy Statement exist (fully subscribed expansion subject to incremental rates, at least one bid above the existing rate, and a rate mechanism established in advance), the existing customer should be treated similarly to new customers for pipeline capacity, who face rates higher than the pre-expansion historic rate. When there is insufficient capacity to satisfy all the demands for service on the system, a higher matching rate will improve the efficiency and fairness of

capacity allocation by allowing new shippers who place greater value on obtaining capacity than the exiting shipper to better compete for the limited capacity that is available. Based on this rationale, the Commission further clarified that it would not mandate a one-time contract renewal for existing ROFR customers at their current maximum rate.

Finally, the February 9 order clarified the effective date of the Policy Statement and the process applicable to a shipper's ROFR at the termination of its existing contract. The requests for rehearing reconsideration or clarification address the effective date and the ROFR pricing policy.

Contemporaneously with the February 9 Order Clarifying Policy Statement, the Commission issued Order No. 637, the final rule in Docket Nos. RM98-10-000 and RM98-12-000.<sup>5</sup> In Order No. 637, the Commission amended Part 284 of its open access regulations to among other things, narrow the ROFR to remove economic biases in the current rule, while still protesting captive customers' ability to resubscribe to long-term capacity. The Commission also discussed the interaction of the changes to the ROFR mechanism in Order No. 637 with the ROFR pricing policy set forth in the Policy Statement.

## II. Requests for Rehearing, Reconsideration and/or Clarification

### A. The Effective Date of the Policy Statement

Texas Eastern contends that the February 9 order was unresponsive to its request for clarification that the new policy applies to all certificate orders issued after September 15, 1999, regardless of the filing date of the underlying certificate applications. Texas Eastern states that its confusion arises due to the concurring opinion to the Policy Statement by three Commissioners which states that they would not apply the policy to certificate applications filed before July 29, 1998, the date on which the Commission issued its Notice of Proposed Rulemaking (NPR) proposing, among other things, to make changes to its policies with respect to certificating pipeline construction activities.<sup>6</sup> Texas Eastern contends that a certificate

application's filing date should not determine whether the Policy Statement is applicable; it should apply to all certificate orders issued after September 15, 1999. To do otherwise, it argues, would result in unduly discriminatory treatment of similarly situated certificate applicants.

### B. The Right of First Refusal

Because the February 9 order was issued contemporaneously with Order No. 637 and because both orders addressed the ROFR pricing policy, APGA, FPL Energy, Keyspan, and Process Gas filed their petitions in both the Order No. 637 proceeding and in this Policy Statement proceeding. Philadelphia OCA filed two separate requests for rehearing on the ROFR issue, one in this proceeding and the other, jointly with the National Association of State Utility Consumer Advocates and the Ohio Office of Consumers' Counsel, in the Order No. 637 proceeding. Its arguments in the two rehearing requests are substantially the same. These petitioners argue that the ROFR pricing policy is inconsistent with the NGA, the Policy Statement, and Commission regulations. They also ask the Commission to clarify how the policy will work in specific factual situations.

## III. Discussion

The purpose of the Policy Statement is to provide the natural gas industry with guidance by stating the analytical framework the Commission will use to evaluate proposals for certificating new construction. In the Policy Statement, the Commission also explains the new pricing policy for capacity subject to the right of first refusal. A policy statement is not a rule, and generally objections to such a statement are not directly reviewable. Rather, such review must await implementation of the policy in a specific case.<sup>7</sup> Therefore, the Commission declines to consider the issues raised in the requests for rehearing and reconsideration, but will consider such issues and arguments in the specific cases in which they arise.

As to Texas Eastern request for clarification of the effective date of the Policy Statement, we note that Texas Eastern among others raised this issue on rehearing in *Independence Pipeline Company*, Docket Nos. CP97-315-000 *et al.*, in which the certificate applications were filed prior to issuance of the

<sup>4</sup> If there are no adverse effects on any of these interests, no balancing of benefits against adverse effects would be necessary and the Commission would proceed to a preliminary determination or a final order.

<sup>5</sup> Regulation of Short-Term Natural Gas Transportation Services, and Regulation of Interstate Natural Gas Transportation Services, 63 FR 10156 (Feb. 25, 2000), III FERC Stats. & Regs. Preambles ¶31,091 (February 9, 2000).

<sup>6</sup> Regulation of Short-term Natural Gas Transportation Services 63 Fed. Reg. 42,982 (August 11, 1998), FERC Stats. & Regs., Proposed Regulations 1988-1998 ¶32,533 (1998).

<sup>7</sup> See, e.g., *Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines*, 75 FERC ¶61,026 (1996), citing *American Gas Assoc. v. FERC*, 888 F.2d 136, 151-2 (D.C. Cir. 1989).

NOPR.<sup>8</sup> The Commission found that it would be unfair to apply the new Policy Statement to the underlying certificate applications since the applicants had no notice that the Commission was considering a change in its certificate policy at the time they filed their applications. Thus, the issue raised by Texas Eastern in its rehearing request regarding the effective date of the Policy Statement in this proceeding was raised in a specific case, the appropriate forum for such review.

In Order No. 637-A, issued May 19, 2000, the Commission responded to the issues raised by the petitioners in this proceeding with respect to the ROFR pricing policy.<sup>9</sup> Since the Commission addressed at length certain generally applicable concerns raised by the petitioners, we need not repeat our responses here. A number of the petitioner's questions about the ROFR pricing policy do not have general application but are specific to the factual circumstances on a particular pipeline system. As we stated in Order No. 637-A, such complex factual situations should be addressed as they arise in individual pipeline proceedings to implement the ROFR pricing policy.

By the Commission.

**Linwood A. Watson, Jr.,**

*Acting Secretary.*

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## ENVIRONMENTAL PROTECTION AGENCY

[FRL-6847-4]

### Science Advisory Board; Notification of Public Advisory Committee Meeting

Pursuant to the Federal Advisory Committee Act, Public Law 92-463, notice is hereby given that the Environmental Health Committee (EHC) of the US EPA Science Advisory Board (SAB), will meet on August 30, 2000 in Courtroom B, at the International Trade Commission building, 400 E Street, SW., Washington DC. The meeting will begin 9:00 am and adjourn no later than 5 pm. All times noted are Eastern Daylight Time. The meeting is open to the public, however, seating is limited and available on a first come basis.

**Important Notice:** Documents that are the subject of SAB reviews are normally available from the originating EPA office

and are not available from the SAB Office—information concerning availability of documents from the relevant Program Office is included below.

### Purpose of the Meeting

The Integrated Risk Information System (IRIS) data base contains EPA's consensus scientific position on potential adverse human health effects that may result from chronic exposure to specific agents in the environment. First publically available in 1988, the earliest IRIS assessments provided the results of the EPA deliberations culminating in consensus health hazard conclusions. Gradually the assessments included more of the details of the data and of the considerations which led to the consensus conclusions. Since 1995 (when the IRIS Pilot program was undertaken), EPA has taken several steps to ensure that the best available scientific information is included in IRIS assessments, including public requests for all relevant information to be submitted to EPA for consideration in the assessments, and external peer reviews of the assessments.

In response to a directive contained in an October 1999 report from Congress (HR 106-379) regarding EPA's appropriations for FY2000, EPA has evaluated the characterization of data variability and uncertainty in IRIS assessments. EPA's Office of Research and Development (ORD) National Center for Environmental Assessment (NCEA) first consulted with the SAB Executive Committee (EC) on Nov. 29, 1999, about a proposed approach to this study. This approach involved assembling a team of independent, qualified individuals, external to EPA, to evaluate a representative set of IRIS assessments. ORD/NCEA provided a progress report to the SAB at their March 2000 meeting (at which the EC suggested further enhancements to the study approach), and at the EC's July 12, 2000 meeting. The study undertaken reflects the SAB's advice on how best to proceed, given available resources and the Congress's deadline of October 2000.

### Charge to the Committee

The Charge asks the EHC to respond to the following three questions:

- (a) How well did the study conform to the study plan developed with the SAB EC (November 1999 and March 2000)?
- (b) Does the SAB concur with the findings of the reviewers?
- (c) What further improvements, if any, might the Agency make in IRIS documentation in response to the study results?

### Availability of Review Materials

The principal review document, Characterization of Data Uncertainty and Variability in IRIS Assessments, Pre-Pilot vs Pilot/post-Pilot, is available on the Internet at the SAB website (<http://www.epa.gov/sab>), or by request to Ms. Karen Hogan, phone (202) 564-3403, or by email to [hogan.karen@epa.gov](mailto:hogan.karen@epa.gov).

### For Further Information

Any member of the public wishing further information concerning this meeting or wishing to submit brief oral comments (10 minutes or less) must contact Samuel Rondberg, Designated Federal Officer, Science Advisory Board (1400A), U.S. Environmental Protection Agency, 1200 Pennsylvania Avenue, NW, Washington, DC 20460; telephone (301) 812-2560, FAX (410) 286-2689; or via e-mail at [samuelf717@aol.com](mailto:samuelf717@aol.com). Requests for oral comments must be *in writing* (e-mail, fax or mail) and received by Mr. Rondberg no later than noon (EDT) on August 21, 2000.

### Providing Oral or Written Comments at SAB Meetings

It is the policy of the Science Advisory Board to accept written public comments of any length, and to accommodate oral public comments whenever possible. The Science Advisory Board expects that public statements presented at its meetings will not be repetitive of previously submitted oral or written statements. **Oral Comments:** In general, each individual or group requesting an oral presentation at a face-to-face meeting will be limited to a total time of ten minutes. For teleconference meetings, opportunities for oral comment will usually be limited to no more than three minutes per speaker and no more than fifteen minutes total. Deadlines for getting on the public speaker list for a meeting are given above. Speakers should bring at least 35 copies of their comments and presentation slides for distribution to the reviewers and public at the meeting. **Written Comments:** Although the SAB accepts written comments until the date of the meeting (unless otherwise stated), written comments should be received in the SAB Staff Office at least one week prior to the meeting date so that the comments may be made available to the committee for their consideration. Comments should be supplied to the appropriate DFO at the address/contact information noted above in the following formats: one hard copy with original signature, and one electronic copy via e-mail (acceptable file format:

<sup>8</sup> 91 FERC ¶ 61,102 (2000).

<sup>9</sup> Regulation of Short-term Natural Gas Transportation Services, Order No. 637-A, 65 Fed. Reg. 35,705 (June 5, 2000), III FERC Stats. & Regs. Regulations Preambles ¶ 31,099 (slip op. at 234-254) (May 19, 2000).