

SUMMARY: The Office of Health and Environmental Research (OHER) of the Office of Energy Research (ER), U.S. Department of Energy, hereby announces its interest in receiving grant applications in support of the DOE Human Genome Program (HGP). This program is a coordinated, multidisciplinary, goal-oriented research effort to obtain a detailed understanding of the human genome at the molecular level. The objective of this notice is to promote substantive improvements in high-throughput, integrated approaches to large-scale human genome sequencing and its analysis. The solicited topics are: (1) Supportive instrumentation and automation systems; (2) assembly of multi-megabase scale, ordered and sequence-ready DNA clones; (3) informatics for the rapid assembly, analysis, and annotation of data from high-throughput sequencing; and (4) informatics for facile submission, retrieval, and visualization of data for single or multiple related databases, specifically including the Genome Data Base and the Genome Sequence Data Base. Applicants must address clearly how the proposed work will help achieve the sequencing goals of the HGP. Collaborative, multidisciplinary efforts are specifically encouraged.

DATES: Potential applicants are strongly encouraged to submit a brief preapplication. All preapplications, referencing Program Notice 96-08, should be received by DOE by 4:30 p.m. E.S.T., March 28, 1996. A response discussing the potential program relevance of a formal application generally will be communicated to the applicant within 30 days of receipt. The deadline for receipt of formal applications submitted in response to this notice must be received by 4:30 p.m., E.D.T., July 11, 1996, in order to be accepted for merit review in September 1996 and to permit timely consideration for awards in fiscal year 1997.

ADDRESSES: All preapplications, referencing Program Notice 96-08, should be sent to Ms. Joanne Corcoran, U.S. Department of Energy, Office of Health and Environmental Research, ER-72, 19901 Germantown Road, Germantown, MD 20874-1290.

After receiving notification from DOE concerning successful preapplications, applicants may prepare formal applications and send them to: U.S. Department of Energy, Office of Energy Research, Grants and Contracts Division, ER-64, 19901 Germantown Road, Germantown, MD 20874-1290, ATTN: Program Notice 96-08. The

above address for formal applications also must be used when submitting formal applications by U.S. Postal Service Express Mail, any commercial mail delivery service, or when handcarried by the applicant.

FOR FURTHER INFORMATION CONTACT: Dr. Gerald Goldstein, if referencing topic (1); Dr. Marvin Stodolsky, if referencing topic (2); and Dr. Jay Snoddy, if referencing topics (3) or (4) at the U.S. Department of Energy, Office of Health and Environmental Research, ER-72, 19901 Germantown Road, Germantown, MD 20874-1290, by telephone (301) 903-6488, by facsimile (301) 903-8521, or preferably by E-mail, joanne.corcoran@oer.doe.gov. General HGP information can also be obtained on the World Wide Web (WWW) Internet browsers at: http://www.er.doe.gov/production/oher/hug_top.html, http://www.ornl.gov/techresources/human_genome/home.html, and sites linked to these WWW pages. The 5-year goals of the U.S. HGP are published in the journal, *Science*, volume 262, pages 43-46.

SUPPLEMENTARY INFORMATION: The brief preapplication, in accordance with 10 CFR 600.10(d)(2), should consist of two to three pages of narrative describing the research objectives and methods of accomplishment. The preapplications will be reviewed for relevance to the notice, and further instructions will be provided with the response. Preapplications determined by staff of the Office of Health and Environmental Research to be insufficiently directed at the goals of this notice will be returned without further review to the applicant. Telephone and FAX numbers are required parts of the preapplication, and electronic mail addresses are desirable.

It is anticipated that approximately \$2,000,000 will be available for grant awards in this area during FY 1997, contingent upon availability of appropriated funds. Multiple year funding of grant awards is expected, and is also contingent upon availability of funds, progress of the research, and continuing program need. Projected awards will be in the range of \$50,000 per year up to \$1,000,000 per year with terms of 2 to 3 years.

Information on the development and submission of applications, eligibility, limitations, evaluation, selection process, and other policies and procedures may be found in 10 CFR Part 605, and in the Application Guide for the Office of Energy Research Financial Assistance Program. The Application Guide is available from the U.S. Department of Energy, Office of Health and Environmental Research, Health

Effects and Life Sciences Research Division, ER-72, 19901 Germantown Road, Germantown, MD 20874-1290. Telephone requests may be made by calling (301) 903-6488. Internet requests can be made to:

joanne.corcoran@oer.doe.gov. Electronic access to ER's Financial Assistance Guide is possible via the Internet using the following E-mail address: <http://www.er.doe.gov>

The Office of Energy Research, as part of its grant regulations, requires at 10 CFR 605.11(b) that a grantee funded by ER and performing research involving recombinant DNA molecules and/or organisms and viruses containing recombinant DNA molecules shall comply with the National Institutes of Health "Guidelines for Research Involving Recombinant DNA Molecules" (59 FR 34496, July 5, 1994) or such later revision of those guidelines as may be published in the Federal Register.

The Catalog of Federal Domestic Assistance Number for this program is 81.049, and the solicitation control number is ERFAP 10 CFR part 605.

Issued in Washington, DC, on January 24, 1996.

John Rodney Clark,
Associate Director for Resource Management,
Office of Energy Research.

[FR Doc. 96-2635 Filed 2-6-96; 8:45 am]

BILLING CODE 6450-01-P

Energy Research Financial Assistance Program Notice 96-09: Human Genome Program; Ethical, Legal, and Social Implications

AGENCY: U.S. Department of Energy (DOE).

ACTION: Notice inviting grant applications.

SUMMARY: The Office of Health and Environmental Research (OHER) of the Office of Energy Research (ER), U.S. Department of Energy, hereby announces its interest in receiving applications in support of the Ethical, Legal, and Social Implications (ELSI) subprogram of the Human Genome Program (HGP). This program is a coordinated, multidisciplinary, directed research effort aimed at obtaining a detailed understanding of the human genome at the molecular level. This particular research notice encompasses research grants that address ethical, legal, and social issues that may arise from the use of information and knowledge resulting from the HGP.

DATES: Potential applicants are strongly encouraged to submit a brief preapplication. All preapplications

referencing Program Notice 96-09, should be received by DOE by 4:30 P.M. E.S.T., March 28, 1996. A response discussing the potential program relevance of a formal application generally will be communicated to the applicant within 30 days of receipt. The deadline for receipt of formal applications submitted in response to this notice must be received by 4:30 p.m., E.D.T., July 11, 1996, to be accepted for merit review in September 1996 and to permit timely consideration for award in fiscal year 1997.

ADDRESSES: Preapplications referencing Program Notice 96-09 should be sent to Dr. Daniel W. Drell, U.S. Department of Energy, Office of Health and Environmental Research, ER-72, 19901 Germantown Road, Germantown, MD 20874-1290.

After receiving notification from DOE concerning successful preapplications, applicants may prepare formal applications and send them to: U.S. Department of Energy, Office of Energy Research, Grants and Contracts Division, ER-64, 19901 Germantown Road, Germantown, MD, 20874-1290, ATTN: Program Notice 96-09. The above address for formal applications also must be used when submitting formal applications by U.S. Postal Service Express mail, and commercial mail delivery service, or when handcarried by the applicant.

FOR FURTHER INFORMATION CONTACT: Dr. Daniel W. Drell, U.S. Department of Energy, Office of Health and Environmental Research, ER-72, 19901 Germantown Road, Germantown, MD 20874-1290, by telephone (301) 903-6488, by FAX (301) 903-8521, or preferably by E-mail, joanne.corcoran@oer.doe.gov.

SUPPLEMENTARY INFORMATION: The DOE encourages the submission of applications to conduct research on privacy and confidentiality issues from the creation, use, maintenance, and disclosure of genetic information. This may include (but is not limited to) issues of ownership, commercialization, and control of genetic information, and the protection of the privacy of genetic information in various settings, including the workplace. Applications should demonstrate knowledge of the relevant literature and should include detailed plans for the gathering and analysis of factual information and the associated ethical, legal, and social implications. All applications should include, where appropriate, detailed discussion of human subjects protection issues, e.g., storage of, manipulation of, and access to data. Provisions to ensure the inclusion of women, minorities, and

potentially disabled individuals must be described, unless specific exclusions are scientifically necessary and justified in detail. All proposed research applications should address the issue of efficient dissemination of results to the widest appropriate audience. All applications involving collaborations should include letters of support from the potential collaborators; these letters should specify the contributions the collaborator intends to make if the application is accepted and funded.

The DOE also solicits applications for the preparation and dissemination of educational materials in any appropriate medium that will enhance understanding of scientific, as well as the ethical, legal, and social aspects of the HGP among public or specified groups. If an educational effort for a specific group is proposed, the value to the HGP of that group or community should be explained in detail. In addition, the DOE encourages applications for the support of conferences focusing on the ethical, legal, and social implications of the HGP. Issues to be examined may include (but are not limited to) implications of advances in the genetic characterization of complex traits (e.g., disease predisposition or susceptibility genes) and the impacts of advances in knowledge about polygenic conditions for various communities potentially faced with these impacts (e.g., courts, schools, etc.).

Educational and conference applications should demonstrate awareness of the relevant literature and include detailed plans for the accomplishment of project goals. In applications that propose the production of series for broadcast, audio-visuals, or other educational materials, the DOE requests that samples of previous similar work by the producers and writers be submitted along with the application. In applications for the support of educational activities, the DOE requests inclusion of a plan for assessment of the effectiveness of the proposed activities. For conference applications, a detailed and largely complete roster of speakers is necessary. At the completion of the conference, a summary or report is required. Educational and conference applications must also demonstrate awareness of the need to reach the widest appropriate audience.

Ordinarily, DOE does not encourage applications dealing with issues consequent to genetic testing protocols. Additionally, DOE does not encourage survey-based research, unless a compelling case is made that this methodology is critical to address an

issue of uncommon significance. For applications that propose the development of college-level curricula, DOE requests both detailed justification of the need for external support beyond normal departmental and college resources, evidence of commitment from the parent department or college, and a dissemination plan. Applications for the writing of scholarly publications or books should include justifications for the relevance of the publications or book to the goals of the HGP as well as discussion of the estimated readership and impact. DOE ordinarily will not provide unlimited support for a funded program and, thus, strongly encourages the inclusion of plans for transition to self-sustaining status.

The brief preapplication, in accordance with 10 CFR 600.10(d)(2), should consist of two to three pages of narrative describing the research project objectives and methods of accomplishment. The reapplications will be reviewed for relevance to the notice, and further instructions will be provided with the response. Preapplications determined by staff of the Office of Health and Environmental Research to be insufficiently directed at the goals of the notice will be returned without further review to the applicant. Telephone and facsimile numbers are required parts of the preapplication, and electronic mail addresses are desirable.

It is anticipated that approximately \$1,300,000 will be available for grant awards in this area during FY 1997, contingent upon availability of appropriated funds. Multiple year funding of grant awards is expected, and is also contingent upon availability of funds. Previous awards have ranged from \$50,000 per year up to \$500,000 per year with terms from 1 to 3 years; most awards average about \$200,000 per year for 2 or 3 years. Similar award sizes are anticipated for new grants.

Information about development and submission of applications, eligibility, limitations, evaluation, selection process, and other policies and procedures may be found in 10 CFR Part 605, and in the Application Guide for the Office of Energy Research Financial Assistance Program. The Application Guide is available from the U.S. Department of Energy, Office of Health and Environmental Research, Health Effects and Life Sciences Research Division, ER-72, 19901 Germantown Road, Germantown, MD 20874-1290. Telephone requests may be made by calling (301) 903-6488. Internet requests can be made to: joanne.corcoran@oer.doe.gov. Electronic access to ER's Financial Assistance Guide is possible via the Internet using

the following E-mail address: <http://www.er.doe.gov>

The Office of Energy Research, as part of its grant regulations, requires at 10 CFR 605.11(b) that a grantee funded by ER and performing research involving recombinant DNA molecules and/or organisms and viruses containing recombinant DNA molecules shall comply with the National Institutes of Health "Guidelines for Research Involving Recombinant DNA Molecules" (59 FR 34496, July 5, 1994), or such later revision of those guidelines as may be published in the Federal Register.

The dissemination of materials and research data in a timely manner is essential for progress towards the goals of the DOE HGP. The OHER requires the timely sharing of resources and data. Applicants should, in their applications, discuss their plans for disseminating research results and materials that may include, where appropriate, publication in the open literature, wide-scale mailings, etc. Once OHER and the applicant have agreed upon a distribution plan, it will become part of the award conditions. Funds to defray the costs of disseminating results and materials are allowable; however, such requests must be sufficiently detailed and adequately justified. Applicants should also provide timelines projecting progress toward achieving proposed goals.

The Catalog of Federal Domestic Assistance Number for this program is 81.049, and the solicitation control number is ERFAP 10 CFR part 605.

Issued in Washington, DC on January 24, 1996.

John Rodney Clark,
*Associate Director for Resource Management,
Office of Energy Research.*

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Federal Energy Regulatory Commission

[Docket Nos. RM95-6-000 and RM96-7-000]

Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines and Regulation of Negotiated Transportation Services of Natural Gas Pipelines; Statement of Policy and Request for Comments

Issued January 31, 1996.

I. Introduction

In this docket, the Commission has been exploring the criteria it should use when evaluating rates established through methods other than the

traditional cost-of-service ratemaking method. In response to a number of requests from natural gas pipeline companies to approve rates based on various pricing methods, which may or may not be cost-based, the Commission has decided to establish a framework for analyzing certain of such proposals. The Commission solicited comments on the criteria it should use in evaluating non-cost-of-service based proposals¹ and representatives from all segments of the industry responded. The Commission has reviewed those comments and is now providing the industry with guidance by stating the criteria it will consider when evaluating proposals for market-based rates. Moreover, the Commission will modify its existing policy statement on incentive ratemaking in light of the comments received.

Moreover, the Commission will modify its existing policy statement on incentive ratemaking in light of the comments received.

The Request for Comments also generated responses from the industry on other non-cost-of-service based alternatives to the Commission's traditional ratemaking methodology. In particular, the Commission has received and reviewed comments on negotiated/recourse rates. Under a negotiated/recourse program the Commission would dispense with cost-of-service regulation for an individual shipper when mutually agreed upon by the pipeline and its shipper and permit negotiated terms and/or conditions that could vary from the pipeline's otherwise applicable tariff. A recourse service found in the pipeline's tariff would be available for those shippers preferring traditional cost-of-service rates and services.

Based on the comments received, the Commission is prepared to permit negotiated rates within the guidelines discussed below. The Commission has determined, however, that in order to make an informed decision, additional consideration and comment is needed regarding the legal and policy implications of negotiated terms and conditions of service. Therefore, the Commission is establishing a separate proceeding to solicit further comments concerning negotiated terms and conditions.

II. Background

In 1989, Congress urged the Commission to "improve [the] competitive structure [of the natural gas

industry] in order to maximize the benefits of [wellhead] decontrol."² The Commission responded to Congress in part in Order No. 636³ by taking significant steps to increase competition in the transportation market. By regulating pipelines in a manner that seeks to ensure all shippers have meaningful access to the pipeline transportation grid, the Commission has created a regulatory environment intended to maximize competition.

The result of Order Nos. 436 and 636, combined with the North American Free Trade Agreement (NAFTA) and the certification of new pipelines, is an increased availability of unbundled transportation and greater integration of upstream and downstream natural gas markets, both domestic and Canadian. As a result, there has been a shift in traditional supply sources; many existing pipeline customers no longer want or need the same amount of firm capacity to their traditional pipeline's supply regions. In addition, the overall natural gas demand has been increasing steadily, albeit modestly. Since 1992, national consumption of natural gas has increased at about 3 percent.⁴ This increased demand has occurred primarily in the industrial and electric end-use markets for natural gas.⁵ Natural gas consumers in these markets often have dual fuel capability,⁶ and for this reason pipelines have sought ratemaking flexibility to respond to alternative fuel competition in these markets.

Pipelines contend that greater flexibility is key to attracting new gas markets and retaining existing markets.

²H.R. Rep. No. 29, 101st Cong., 1st Sess., at 6 (1989).

³Pipeline Service Obligations and Revisions to Regulations Governing Self-Implementing Transportation Under Part 284 of the Commission's Regulations, and Regulation of Natural Gas After Partial Wellhead Decontrol, Order No. 636, 57 Fed. Reg. 13267 (April 16, 1992), FERC Stats. and Regs. ¶ 30,939 (April 8, 1992), *order on reh'g*, Order No. 636-A, FERC Stats. & Regs. ¶ 30,950 (August 2, 1992), *order on reh'g*, Order No. 636-B, 61 FERC ¶ 61,272 (November 27, 1992), *reh'g denied*, Order No. 636-C, 62 FERC ¶ 61,007 (January 8, 1993), *appeal pending sub nom.* United Distribution Companies, *et al. v. FERC*, Nos. 92-1485, *et al.*

⁴In 1992, the overall national consumption of natural gas was 19.5 Tcf; in 1994 it reached 20.7 Tcf, a 6 percent increase. Figures for the first nine months of 1995 suggest an increase of 3 percent over the first 9 months of 1994. Natural Gas Monthly, December 1995.

⁵See, e.g., Energy Information Administration, Natural Gas Annual 1994, at p. 37 (DOE-EIA-0131(94)/1, November 1995) ("Most of the 476 billion cubic feet increase in consumption was due to increased reliance on natural gas in the electric utility sector. . . ., while industrial consumption grew by 196 billion cubic feet or 3 percent.")

⁶See, e.g., National Petroleum Council, The Potential for Natural Gas in the United States, Volume III, Demand and Distribution, (December 1992) at 72-73 and 96.

¹Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines, 70 FERC ¶ 61,139 (Feb. 8, 1995) ("Request For Comments").