with further notice before the Commission or its designee on this application if no motion to intervene is filed within the time required herein, or if the Commission on its own review of the matter finds that permission and approval for the proposed certificate are required by the public convenience and necessity. If a motion for leave 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 Great Lakes to appear or be represented at the hearing.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 98–9299 Filed 4–8–98; 8:45 am]

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. GP98–22–000]

Kansas Natural Gas, Inc.; Notice of Report of Refunds and Petition for Dispute Resolution and Procedural Adjustment

April 3, 1998.

Take notice that, on March 9, 1998, Kansas Natural Gas, Inc. (KNG) filed:

(1) A report of (a) the refunds alleged to be owed to Northern Natural Gas Company (Northern), under Docket No. RP98–39–000, K N Interstate Gas Transmission Company (KNI) under Docket No. RP98–53–000, and Colorado Interstate Gas Company (CIG), under Docket No. RP98–54–000, (b) the refunds conditionally paid by KNG, and (c) the amounts set aside by KNG; and

(2) A petition requesting (a) the Commission to resolve KNG's dispute with Northern and CIG over KNG's Kansas ad valorem tax refund liability, and (b) an adjustment of the Commission's refund procedures.

The Commission, by order issued September 10, 1997, in Docket No. *RP97–369–000* et al,[1] on remand from the D.C. Circuit Court of Appeals,[2] required first sellers to refund the Kansas ad valorem tax reimbursements to the pipelines, with interest, for the period from 1983 to 1988. KNG's petition is on file with the Commission and open to public inspection.

KNG states that, following receipt of the Statements of Refunds Due from the above-referenced pipelines, it contacted the subject pipelines and provided them with information regarding the refund amounts (principal and interest) attributable to each working interest owner. KNG adds that it also provided the pipelines with the last known mailing address of each working interest owner, that it requested (consistent with Commission precedent[3]) that Statements of Refunds Due be forwarded to the individual working interest owners, and that it requested a revised Statement of Refunds Due from each pipeline, limited to KNG's own individual working interest. KNG further states that KNI agreed and submitted a revised Statement of Refunds Due to KNG, on February 9, 1998, limited to KNG's working interest. KNG adds, however, that Northern and CIG held that KNG is responsible for the refunds attributable to the entire production.

In review of the above, KNG's pleading includes a petition for dispute resolution,[4] requesting the Commission to:

(1) Direct Northern and CIG to (a) provide a revised Statement of Refunds Due to the individual working interest owners, and (b) provide KNG with a revised Statement of Refunds Due, limited to KNG's own individual working interest;

(2) Find, based on the Commission's decision in *Williams Natural Gas Co.*, 70 FERC ¶ 61,380 at 62,119 (1995), that certain Kansas ad valorem tax reimbursements are not subject to refund, because the addition of those amounts to the price paid did not exceed the applicable maximum lawful price; and

(3) Expressly approve the conditional nature of payments that KNG has already made to each pipeline.

KNG's pleading also includes a petition for an adjustment of the Commission's refund procedures. Specifically, in lieu of placing disputed amounts escrow accounts, KNG requests permission to place such amounts into an interest-bearing fund over which it will maintain control. KNG states that it agrees, subject to the conditional nature of any payments made, to disburse funds in accordance with any subsequent order of the Commission in these proceedings. KNG argues that this approach:

(1) Will not harm or disadvantage any party;

(2) Will not affect the ultimate level of refunds provided; and

(3) Will relieve KNG of the burden and associated cost of establishing formal escrow accounts.

KNG also states that the Commission's orders in the Kansas ad valorem tax refund proceedings permit the affected parties (i.e., working interest owners) to establish the uncollectability of amounts attributable to royalty owners, on a case-by-case basis, and in accordance with the standards in *Wylee Petroleum Corporation*, 29 FERC ¶ 61,014 (1985). KNG informs the Commission that KNG intends to pursue this option, and that KNG has placed all amounts attributable to royalty owners in escrow.

Any person desiring to comment on or make any protest with respect to said petition should, on or before April 24, 1998, file with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, a motion to intervene or protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken, but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to the proceeding, or to participate as a party in any hearing therein, must file a motion to intervene in accordance with the Commission's Rules.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 98–9297 Filed 4–8–98; 8:45 am]

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. GP98–23–000]

La Jolla Properties, Inc.; Notice of Petition for Dispute Resolution

April 3, 1998.

Take notice that, on March 9, 1998, the certified public accounting firm of Gutschenritter & Johnson, L.L.C., filed a petition for dispute resolution on behalf of La Jolla Properties, Inc. (La Jolla), requesting the Commission to resolve La Jolla's dispute with Colorado Interstate Gas Company (CIG) over La Jolla's Kansas ad valorem tax refund liability to

[1] See 80 FERC ¶ 61,264 (1997); order denying reh'g issued January 28, 1998, 82 FERC ¶ 61,058 (1998).

[2] *Public Service Company of Colorado* v. *FERC*, 91 F.3d 1478 (D.C. 1996), cert. denied, Nos. 96–954 and 96–1230 (65 U.S.L.W. 3751 and 3754, May 12, 1997).

[3] See *Robert F. White*, 71 ¶ 61,185 (1995).

[4] In its January 28, 1998 Order Clarifying Procedures, the Commission stated that producers (i.e., first sellers) could file dispute resolution requests with the Commission, asking the Commission to resolve the dispute with the pipeline over the amount of Kansas ad valorem tax refunds owed, see 82 FERC ¶ 61,059 (1998).