

(e) For any inspection results that require repair in two adjacent zones: Prior to further flight, repair in accordance with a method approved by the Manager, Atlanta Aircraft Certification Office (ACO), FAA, Small Airplane Directorate.

#### Alternative Methods of Compliance

(f) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Atlanta ACO. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Atlanta ACO.

**Note 2:** Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Atlanta ACO.

#### Special Flight Permits

(g) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Issued in Renton, Washington, on February 10, 2000.

**Donald L. Riggan,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 00-3689 Filed 2-15-00; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

#### 18 CFR Part 157

[Docket No. RM00-5-000]

#### Optional Certificate and Abandonment Procedures for Applications for New Service Under Section 7 of the Natural Gas Act

Issued February 9, 2000.

**AGENCY:** Federal Energy Regulatory Commission.

**ACTION:** Notice of Proposed Rulemaking.

**SUMMARY:** The Federal Energy Regulatory Commission is proposing to remove its optional certificate regulations. On September 15, 1999, the Commission issued a policy statement to provide the industry with guidance with respect to how the Commission will evaluate new proposals for pipeline construction projects to take account of changes in the natural gas industry in recent years. The Policy Statement provides that pipelines should not rely on existing customers to subsidize new projects that do not benefit them, and also provides that the Commission will

only certificate new projects where it finds that, on balance, the public benefits outweigh any adverse effects. The Policy Statement did not include applications for new construction projects filed under the optional certificate rules, however. The Commission is proposing to remove the optional certificate regulations because it believes that a uniform regulatory scheme applicable to all certificate applications will best accomplish the Commission's goals, as set out in the Policy Statement, of assuring that all relevant interests and circumstances are considered and balanced in assessing the public convenience and necessity.

**DATES:** Written comments are due on or before April 3, 2000.

**ADDRESSES:** File comments with the Office of the Secretary, Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426.

**FOR FURTHER INFORMATION CONTACT:** William L. Zoller, Office of Energy Projects, Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426, (202) 208-1203.

Joseph B. O'Malley, Office of the General Counsel, Federal Energy Regulatory Commission, 888 First Street, NE, Washington, D.C. 20426, (202) 208-0088.

#### SUPPLEMENTARY INFORMATION:

##### I. Introduction

The Federal Energy Regulatory Commission proposes to remove its optional certificate regulations in Subpart E of Part 157 of the Commission's regulations.<sup>1</sup> The policies embedded in these regulations have been overtaken by subsequent policy developments—most particularly the Commission's September 15, 1999 Policy Statement.<sup>2</sup> The optional certificate regulations, promulgated in 1985, established procedures whereby an eligible applicant may obtain, for purposes of providing new service, a certificate authorizing: the transportation of natural gas; sales of natural gas; the construction and operation of natural gas facilities; the acquisition and operation of natural gas facilities; and conditional pre-granted abandonment of such activities and facilities. On September 15, 1999, the Commission issued a policy statement to provide the industry guidance with respect to how the Commission will evaluate new proposals for pipeline construction projects to take account of

changes in the natural gas industry in recent years. The Policy Statement provides that pipelines may not rely on existing customers to subsidize new projects that will not benefit them and that construction projects will be approved only where the public benefits outweigh any adverse effects. The optional regulations do not provide for consideration and weighing of public interest factors, and are thus inconsistent with current Commission policy.

##### II. Background

Before a pipeline may construct any natural gas facilities subject to the Commission's Natural Gas Act (NGA) jurisdiction, it must obtain a certificate of public convenience and necessity authorizing such construction under section 7 of the NGA. In conjunction with the open access transportation program that the Commission established in Order No. 436, the Commission adopted the optional certificate regulations in 1985 as an alternative to the conventional certificate process. A key goal of the optional certificate program was to provide the full benefits of competition to consumers by facilitating easier pipeline entry and exit from markets.<sup>3</sup>

The optional certificate regulations establish a rebuttable presumption that, subject to review under the National Environmental Policy Act, an application is required by the public convenience and necessity if the applicant is willing to assume all the economic risk of a new service.<sup>4</sup> To assure that the applicant shoulders the project risk, the optional regulations prohibit cost shifting<sup>5</sup> and any reduction in the certificated level of billing determinants used to design initial rates for a project or service.<sup>6</sup> In addition, the Commission requires maximum demand and usage recourse rates in optional certificates based on

<sup>3</sup> See Order No. 436, Regulation of Natural Gas Pipelines After Partial Wellhead Decontrol, 50 FR 42408 (Oct. 18, 1985), 50 FR 45907 (Nov. 5, 1985); FERC Stats. & Regs. ¶30,665 (1985), at p. 31,570.

<sup>4</sup> See Order No. 436, at p. 31,584.

<sup>5</sup> Section 157.103(d)(8) provides that no costs originally allocated to the new service (or facility) by the certificate holder may thereafter be shifted by the certificate holder to any other service without a filing under Part 154 and a determination by the Commission that the costs sought to be reallocated are in fact being incurred for the benefit of the other services.

<sup>6</sup> Section 157.103(d)(4) provides that any rate filed for new service must be designed to recover costs on the basis of projected units of service. The units projected for the new service in the filed initial may be increased in a subsequent rate filing (in effect, decreasing rates) but may not be decreased.

<sup>1</sup> 18 CFR 157.100 *et seq.*

<sup>2</sup> Certification of New Interstate Natural Gas Pipeline Facilities, 88 FERC ¶61,227 (1999) (Policy Statement)

100 percent and 95 percent of the project's design capacity, respectively.<sup>7</sup>

*The Commission's September 15, 1999 Policy Statement*

In a Notice of Inquiry issued July 29, 1998,<sup>8</sup> the Commission revisited its section 7 certificate policy in view of the continuing changes taking place in the natural gas industry. After conducting a comprehensive review, with considerable input from the public, the Commission issued its September 15, 1999 Policy Statement, *Certification of New Interstate Natural Gas Pipeline Facilities*, to provide guidance on how the Commission will evaluate proposals for certificating new construction in the future. The Policy Statement did not adopt new rules for filing applications; rather, the Policy Statement is intended to provide an analytical framework for determining when a particular pipeline project is required by the public convenience and necessity.

The threshold requirement of the new policy is that the pipeline must be prepared to develop the project without relying on subsidization by its existing customers.<sup>9</sup> The Policy Statement also encourages pipelines seeking a certificate to resolve potential issues very early in the process by submitting applications designed to avoid or minimize adverse effects on such groups as existing customers of the applicant, existing pipelines serving the market and their captive customers, and affected landowners and other community interests. After the applicant makes efforts to minimize adverse effects, construction projects that have residual unresolved issues will be approved only where the public benefits of the projects are found to outweigh the adverse effects. An applicant may submit evidence of the public benefits to be achieved by the proposed project, such as contracts, precedent agreements, studies of projected demand in the market to be served, or other evidence of public benefit of the project.

### III. Discussion

The Commission is proposing to remove the optional certificate

<sup>7</sup> See, e.g., Mojave Pipeline Company, 47 FERC ¶ 61,200 (1989) and Delta Pipeline Company, 52 FERC ¶ 61,004 (1989). The Commission found that design of rates on a lower load factor has the effect of shielding the pipeline from the risks of underutilization of capacity. The 95% load factor used to design usage rates recognizes that the design capacity of the capacity is not always available due to maintenance considerations and compressor outages.

<sup>8</sup> Notice of Inquiry, Regulations of Interstate Natural Gas Transportation Services, 84 FERC ¶ 61,087 (1998).

<sup>9</sup> Policy Statement, at p. 61,750.

regulations because it believes that a uniform regulatory scheme applicable to all certificate applications will best accomplish the Commission's goals, as set out in the Policy Statement, of assuring that all relevant interests and circumstances are considered and balanced in assessing the public convenience and necessity.

The Commission's Policy Statement established a core set of principles and considerations for evaluating new pipeline construction projects that is in part consistent with the policies that underlie the optional certificate procedures. By precluding subsidization of new projects, the Policy Statement provides that existing customers are protected from assuming the risk of a project that was not designed for their benefit. Similarly, under the optional certificate program, the applicant cannot look to subsidization from customers.<sup>10</sup> In other respects, however, current policy is inconsistent with the optional certificate regulations. Because the optional certificates operate under a rebuttable presumption that they are in the public interest, the Commission does not weigh the public benefits against the adverse effects in considering such applications. The Commission believes that at this point it is better to consider all certificate applications under the recently articulated Policy Statement.<sup>11</sup>

### IV. Environmental Analysis

Commission regulations describe the circumstances where preparation of an environmental assessment or an environmental impact statement will be required.<sup>12</sup> The Commission has categorically excluded certain actions from this requirement as not having a significant effect on the human environment.<sup>13</sup> No environmental consideration is necessary for the

<sup>10</sup> The Commission notes that the optional certificate regulations have not resulted in faster issuance of certificates, as originally anticipated. There has been little or no difference between the two programs in Commission review and processing time. Environmental review is the driving force in total processing time, and environmental review requirements are the same under either program.

<sup>11</sup> In its order clarifying the Policy Statement, which is being issued contemporaneously with this NOPR, the Commission provides that, pending a final rule in this proceeding, the presumption in favor of an application filed under the optional certificate regulations will be considered rebutted if the adverse effects of the proposed project are found to outweigh its benefits. This is an interim solution, however. In the long run, the Commission believes that the better course is to treat all applications under one set of procedures.

<sup>12</sup> Regulations Implementing National Environmental Policy Act, 52 FR 47897 (Dec. 17, 1987), codified at 18 CFR Part 380.

<sup>13</sup> 18 CFR 380.4(a)(2)(ii).

promulgation of a rule that is clarifying, corrective, or procedural, or that does not substantially change the effect of legislation or regulations being amended.<sup>14</sup>

This proposed rule removal is procedural in nature. Applicants for pipeline construction authority must satisfy the same environmental requirements under either the optional or Policy Statement procedure. Thus, no environmental assessment or environmental impact statement is necessary for the requirements proposed in the rule.

### V. Regulatory Flexibility Impact Statement

The Regulatory Flexibility Act of 1980 (RFA)<sup>15</sup> generally requires a description and analysis of final rules that will have significant economic impact on a substantial number of small entities. The Commission is not required to make such analysis if a rule would not have such an effect.<sup>16</sup>

The Commission does not believe that removal of the optional certificate rules would have such an impact on small entities. The proposed removal of regulations would have impact only on interstate pipelines, which generally do not fall within the RFA's definition of small entity.<sup>17</sup> Accordingly, pursuant to Section 605(a) of the RFA, the Commission proposes to certify that the removal of regulations proposed here will not have a significant economic impact on a substantial number of small entities.

### VI. Information Collection Statement

The following collection of information is being forwarded to the Office of Management and Budget (OMB) for review under section 3507(d) of the Paperwork Reduction Act of 1995.<sup>18</sup> The collection of information related to the subject involved here falls under FERC-537, Gas Pipeline Certificates: Construction, Acquisition, and Abandonment.<sup>19</sup>

The action proposed here will remove a heretofore little used alternative to the conventional section 7(c) application

<sup>14</sup> 18 CFR 380.4.

<sup>15</sup> 5 U.S.C. 601-612.

<sup>16</sup> 5 U.S.C. 605(b).

<sup>17</sup> 5 U.S.C. 601(3), citing to section 3 of the Small Business Act, 15 U.S.C. 632. Section 3 of the Small Business Act defines a "small business concern" as a business which is independently owned and operated and which is not dominant in its field of operations.

<sup>18</sup> 44 U.S.C. 3507(d).

<sup>19</sup> The current burden estimate for FERC-537 is 138,264 hours. This number is based on an average of 50 respondents (companies making filings), 11.2 responses (filings per respondent), and 246.9 hours of preparation time per response.

process. While the optional certificate process does arguably offer pipelines a less burdensome process, in practice the overwhelming majority of applications for construction authority since adoption of the optional certificate rules have been filed under the conventional application process. What we are intending to accomplish is not to impose new information burdens on pipeline applicants, but to maintain the informational *status quo*. As a practical matter, our action should not have any appreciable effect on the collection of data from the pipeline industry. Nevertheless, we invite parties submitting comments to address this matter. Comments are solicited on the Commission's need for this information, whether the information will have practical utility, the accuracy of the provided burden estimates, 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 OMB regulations require OMB to approve certain information collection requirements imposed by agency rule.<sup>20</sup> Accordingly, pursuant to OMB regulations, the Commission is providing notice of its proposed information collection to OMB.

*Title:* FERC-537, Gas Pipeline Certificates: Construction, Acquisition, and Abandonment.

*Action:* Proposed Data Collection.

*OMB Control No.* 1902-0060. The respondent shall not be penalized for failure to respond to this collection of information unless the collection of information displays a valid OMB control number.

*Respondents:* Business or other for profit.

*Frequency of Responses:* On occasion.

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: mike.miller@ferc.fed.us]

For submitting comments concerning the collection of information and the associated burden estimate, please send your comments 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) 395-3087, fax: (202) 395-7285]

## VII. Comment Procedure

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.

The original and 14 copies of such comments must be received by the Commission before 5:00 p.m. April 3, 2000. 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. RM00-5-00.

In addition to filing paper copies, the Commission encourages the filing of comments either on computer diskette or via Internet E-Mail. Comments may be filed in the following formats: WordPerfect 8.0 or below, MS Word Office 97 or lower version, or ASCII format.

For diskette filing, include the following information on the diskette label: Docket No. RM00-5-000; the name of the filing entity; the software and version used to create the file; and the name and telephone number of a contact person.

For Internet E-Mail submittal, comments should be submitted to "comment.rm@ferc.fed.us" in the following format. On the subject line, specify Docket No. RM00-5-000. In the body of the E-Mail message, include the name of the filing entity; the software and version used to create the file, and the name and telephone number of the contact person. Attach the comment to the E-Mail in one of the formats specified above. The Commission will send an automatic acknowledgment to the sender's E-Mail address upon receipt. Questions on electronic filing should be directed to Brooks Carter at 202-501-8145, E-Mail address brooks.carter@ferc.fed.us.

Commenters should take note that, until the Commission amends its rules and regulations, the paper copy of the filing remains the official copy of the document submitted. Therefore, any discrepancies between the paper filing and the electronic filing or the diskette will be resolved by reference to the paper filing.

All written 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, comments may be viewed, printed, or downloaded remotely via the

Internet through FERC's Homepage using the RIMS or CIPS links. RIMS contains all comments but only those comments submitted in electronic format are available on CIPS. User assistance 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 Home Page (<http://www.ferc.fed.us>) and in FERC's Public Reference Room during normal business hours (8:30 a.m. to 5:00 p.m. Eastern time) at 888 First Street, NE, Room 2A, Washington, DC 20426.

From FERC's Home Page 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 Energy Information Online icon. 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 Energy Information Online icon. 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 Website during normal business hours from our Help line at (202) 208-2222 (E-Mail to [WebMaster@ferc.fed.us](mailto:WebMaster@ferc.fed.us)) or the Public Reference at (202) 208-1371 (E-Mail to [public.referenceroom@ferc.fed.us](mailto: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 Website are available. User assistance is also available.

<sup>20</sup> 5 CFR 1320.11.

**List of Subjects in 18 CFR Part 157**

Administrative practice and procedure, Natural gas, Reporting and recordkeeping requirements.

By direction of the Commission.

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

*Acting Secretary.*

In consideration of the foregoing, the Commission proposes to amend Part 157—Chapter I, Title 18, Code of Federal Regulations, as follows.

**PART 157—APPLICATIONS FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY AND FOR ORDERS PERMITTING AND APPROVING ABANDONMENT UNDER SECTION 7 OF THE NATURAL GAS ACT**

1. The authority citation for Part 157 continues to read as follows:

**Authority:** 15 U.S.C. 717–717W, 3301–3432; 42 U.S.C. 7101–7352.

**Subpart E of Part 157—[Removed and Reserved]**

2. Remove and reserve subpart E, consisting of §§ 157.100 through 157.106.

[FR Doc. 00–3597 Filed 2–15–00; 8:45 am]

BILLING CODE 6717–01–P

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Food and Drug Administration**

**21 CFR Part 101**

[Docket No. 94P–0036]

RIN 0910–AB66

**Food Labeling: Trans Fatty Acids in Nutrition Labeling, Nutrient Content Claims, and Health Claims; Reopening of Comment Period**

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Proposed rule; reopening of comment period.

**SUMMARY:** The Food and Drug Administration (FDA) is reopening for 60 days the comment period for the submission of comments and other related information regarding the proposed rule on *trans* fatty acids in nutrition labeling, nutrient content claims, and health claims. This proposed rule was announced in the **Federal Register** of November 17, 1999 (64 FR 62746). This action is being taken in response to requests for more time to submit comments to FDA.

**DATES:** Submit written comments on the proposal by April 17, 2000.

**ADDRESSES:** Submit written comments to the Dockets Management Branch (HFA–305), Food and Drug Administration, 5630 Fishers Lane, rm. 1061, Rockville, MD 20852.

**FOR FURTHER INFORMATION CONTACT:** Susan Thompson, Center for Food Safety and Applied Nutrition (HFS–165), Food and Drug Administration, 200 C St. SW., Washington, DC 20204, 202–205–5587.

**SUPPLEMENTARY INFORMATION:** In the **Federal Register** of November 17, 1999 (64 FR 62746), FDA proposed to amend its regulations on nutrition labeling to require that the amount of *trans* fatty acids present in a food, including dietary supplements, be included in the amount and percent Daily Value declared for saturated fatty acids. FDA proposed that when *trans* fatty acids are present, the declaration of saturated fatty acids shall bear a symbol that refers to a footnote at the bottom of the nutrition label that states the number of grams (g) of *trans* fatty acids present in a serving of the product. FDA also proposed that, wherever saturated fat limits are placed on nutrient content claims, health claims, or disclosure and disqualifying levels, the amount of *trans* fatty acids be limited as well. In addition, the agency proposed to define the nutrient content claim “*trans* fat free.” The proposal responded, in part, to a citizen petition on *trans* fatty acids in food labeling from the Center for Science in the Public Interest. This action was taken to prevent misleading claims and to provide information to assist consumers in maintaining healthy dietary practices. Interested persons were given until February 15, 2000, to comment on the proposed rule.

The agency has received requests to reopen the comment period for the November 17, 1999, proposal to allow additional time for interested persons to comment.

National trade associations representing manufacturers, processors, retailers, and other industry groups assert that the complexity of the issue requires a thorough and thoughtful analysis to prepare meaningful comments. They believe that the comment deadline of February 15, 2000, does not provide the time necessary to accomplish this task. Also, industry reported that the comment period covered several major holidays and the critical Y2K period, in which many people had limited time or simply were not available to work on this important issue. The trade associations indicate they are currently gathering comments

and surveying their members on the effect of the proposal and that many members are small businesses that do not have the resources to respond quickly. The trade associations assert that they and their members need time to: (1) Test their products to determine whether they contain 0.5 g *trans* fat per serving; (2) investigate appropriate analytical methods; (3) evaluate options such as product reformulation with alternative fat and oil sources; (4) review data bases and food product formulations; (5) review scientific evidence included and omitted from the proposal; (6) review labeling options and the costs of label changes; (7) establish economic models and evaluate them; and (8) assess the implementation costs relative to the length of the implementation period.

Additionally, the trade associations believe that they need to determine the number of food products affected because they think that FDA’s estimate is low. Also, they note that the agency’s estimate of zero for discarding label and package inventory is based on a 2-year compliance period. They point out the compliance period could be closer to 1 year. Also, they state that trade associations must have time to resolve member differences to present a consensus position for the industry.

In its proposal, FDA tentatively concluded that the proposed action, if finalized, will have a significant impact on consumers ability to use the food label to maintain healthy dietary practices. The agency also acknowledged that the proposed rule is economically significant under Executive Order 12866 and would have a major economic impact under the Small Business Regulatory Enforcement and Fairness Act (Public Law 104–121). In addition, the Administrator of the Office of Information and Regulatory Affairs of the Office of Management and Budget has determined that the proposed rule would be a major rule for the purpose of congressional review. It is therefore important that adequate time be allowed to appropriately address the many issues involved in this proposed rulemaking. Accordingly, the agency has decided to reopen the comment period on the November 17, 1999, proposal for 60 days in response to the requests.

Interested persons may submit to the Dockets Management Branch (address above) written comments regarding this proposal by April 17, 2000. Two copies of any comments are to be submitted, except that individuals may submit one copy. Comments are to be identified with the docket number found in brackets in the heading of this