

operate at 5,700 HP. Also, Algonquin states that system controls on the compressors currently limit the horsepower of each unit to 5,700 HP. Algonquin proposes to modify the software controls so that each compressor unit may be operated at 6,950 HP. It is stated that the uprates will not require any installation, construction or facility reconfiguration beyond the modifications of the software controls. Algonquin states that the horsepower uprates at Burrillville will increase pressures and capacity on the G-System, thereby accommodating additional deliveries to Colonial at the Bourne and Sagamore delivery points in Massachusetts while maintaining required pressures at existing delivery points along Algonquin's system.

Algonquin states that Colonial has entered into a service agreement for a primary term of 15 years, under which Colonial will receive 10,000 dekatherms per day of firm transportation service under Rate Schedule AFT-1. Algonquin further states that the costs of the compressor station uprates are estimated to be \$84,000, and will be expensed.

Questions regarding the details of this proposed project should be directed to Steven E. Tillman, Director of Regulatory Affairs for Algonquin Gas Transmission Company, P.O. Box 1642, Houston, Texas 77251-1642.

There are two ways to become involved in the Commission's review of this project. First, any person wishing to obtain legal status by becoming a party to the proceedings for this project should, on or before September 4, 2001 file with the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, D.C. 20426, a motion to intervene 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 157.10). A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies of all documents filed by the applicant and by all other parties. A party must submit 14 copies of filings made with the Commission and must mail a copy to the applicant and to every other party in the proceeding. Only parties to the proceeding can ask for court review of Commission orders in the proceeding.

However, a person does not have to intervene in order to have comments considered. The second way to participate is by filing with the Secretary of the Commission, as soon as possible, an original and two copies of comments in support of or in opposition

to this project. The Commission will consider these comments in determining the appropriate action to be taken, but the filing of a comment alone will not serve to make the filer a party to the proceeding. The Commission's rules require that persons filing comments in opposition to the project provide copies of their protests only to the party or parties directly involved in the protest.

Persons who wish to comment only on the environmental review of this project should submit an original and two copies of their comments to the Secretary of the Commission. Environmental commenters will be placed on the Commission's environmental mailing list, will receive copies of the environmental documents, and will be notified of meetings associated with the Commission's environmental review process. Environmental commenters will not be required to serve copies of filed documents on all other parties. However, the non-party commenters will not receive copies of all documents filed by other parties or issued by the Commission (except for the mailing of environmental documents issued by the Commission) and will not have the right to seek court review of the Commission's final order.

The Commission may issue a preliminary determination on non-environmental issues prior to the completion of its review of the environmental aspects of the project. This preliminary determination typically considers such issues as the need for the project and its economic effect on existing customers of the applicant, on other pipelines in the area, and on landowners and communities. For example, the Commission considers the extent to which the applicant may need to exercise eminent domain to obtain rights-of-way for the proposed project and balances that against the non-environmental benefits to be provided by the project. Therefore, if a person has comments on community and landowner impacts from this proposal, it is important either to file comments or to intervene as early in the process as possible.

Comments, protests and interventions may be filed electronically via the Internet in lieu of paper. See, 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's web site under the "e-Filing" link.

If the Commission decides to set the application for a formal hearing before an Administrative Law Judge, the Commission will issue another notice describing that process. At the end of the Commission's review process, a

final Commission order approving or denying a certificate will be issued.

Linwood A. Watson, Jr.,
Acting Secretary.

[FR Doc. 01-20710 Filed 8-16-01; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP01-423-000]

Dynegy LNG Production Terminal, LP; Notice of Petition for a Declaratory Order

August 13, 2001.

On August 3, 2001, Dynegy LNG Production Terminal, LP (Dynegy LNG), filed a petition for a declaratory order by the Commission disclaiming jurisdiction over the siting, construction and operation of the Hackberry, Louisiana LNG facility or, alternatively, assert such jurisdiction solely to determine that the facility is not inconsistent with the public interest, all as more fully set forth in the petition which is on file with the Commission and open to public inspection. Copies of this filing are on file with the Commission and are available for public inspection. This filing may also be viewed on the web at <http://www.ferc.gov> using the "RIMS" link, select "Docket #" and follow the instructions (call 202-208-2222 for assistance).

Dynegy LNG states that it requests the Commission issue a declaratory order disclaiming jurisdiction over the siting, construction and operation of the Hackberry LNG facility, in light of the Energy Policy Act amendment to Section 3 of the Natural Gas Act. Alternatively, if this primary request for relief is not granted, Dynegy LNG states that it requests the Commission issue a declaratory order finding that the project is not inconsistent with the public interest and should be authorized on that basis without any further proceedings or conditions.

Dynegy LNG states that it would convert an existing LPG terminal to an LNG terminal, using the existing dock and ship berthing structure. Dynegy LNG states that it would add an LNG tank and necessary vaporization facilities and that the new LNG import facility would have the capacity to receive and vaporize 750 MMcf/day and that the facility will be expandable up to 1.5 Bcf/day. A header pipeline would be constructed connecting the terminal to multiple interstate pipelines (none of

which are affiliated with Dynegy LNG).¹ Dynegy LNG states that the target in-service date for this project is fourth quarter 2003 and with the granting of this petition, Dynegy LNG would assume 100% of the economic risk associated with the facilities.

Dynegy LNG states that it requests a Commission determination by September 12, 2001, so that Dynegy LNG could begin conversion of the terminal to meet a fourth quarter 2003 in-service date, convert the LPG tanker under construction to an LNG tanker, and compete in a timely manner for additional dedicated LNG tankers for year 2004 delivery.

Dynegy states that the basis of this petition is that LNG ought to be able to compete with other gas supply in meeting the country's future energy needs. Dynegy LNG asserts that if LNG labors under unique regulatory barriers, dating back to a by-gone age of pervasive gas supply regulation, then LNG resources will not develop in a timely and natural way to meet market requirements.

Dynegy LNG claims that historically, the regulation of LNG has not worked well. Dynegy LNG believes LNG projects were not built when they were needed—instead they were built when they were not needed. Consumers paid for this in the form of “minimum bills” that guaranteed recovery of various project costs to the LNG subsidiaries of interstate pipelines. This early form of “stranded costs” materialized in the early 1980s when LNG imports ceased due to delivered prices way above market prices.

Dynegy LNG asks that history not be repeated. Dynegy LNG believes LNG should be treated like any other gas supply—no unique regulatory burden and no unique regulatory benefit.

Dynegy LNG asserts that this relief is, in fact, what Congress included in the Energy Policy Act of 1992. Importation of LNG is to be treated as a “first sale” over which the Commission has no jurisdiction. The legislative history of this provision shows that Congress wants importation of LNG to be deregulated like all other gas supply.

Giving effect to the intent of the Energy Policy Act, Dynegy LNG believes will allow LNG to play an appropriate, market-driven role in America's energy future. LNG facilities will be efficiently located in the United States instead of being built in foreign countries (with interconnecting pipelines to the U.S.), or not built at all. And consumers will not be at risk for project failure.

¹ Dynegy LNG in this petition is not requesting any ruling with respect to the header pipeline.

To the extent that the Commission determines that, notwithstanding the Energy Policy Act, it retains jurisdiction to impose conditions on LNG projects, Dynegy LNG requests, in the alternative, that the Commission assert jurisdiction solely to determine that the project is not inconsistent with the public interest and grant import authority to Dynegy LNG without any further proceedings or conditions.

There are two ways to become involved in the Commission's review of this project. First, any person wishing to obtain legal status by becoming a party to the proceedings for this project should, on or before September 4, 2001, file with the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426, a motion to intervene 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 157.10). A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies of all documents filed by the applicant and by all other parties. A party must submit 14 copies of filings made with the Commission and must mail a copy to the applicant and to every other party in the proceeding. Only parties to the proceeding can ask for court review of Commission orders in the proceeding.

However, a person does not have to intervene in order to have comments considered. The second way to participate is by filing with the Secretary of the Commission, as soon as possible, an original and two copies of comments in support of or in opposition to this project. The Commission will consider these comments in determining the appropriate action to be taken, but the filing of a comment alone will not serve to make the filer a party to the proceeding. The Commission's rules require that persons filing comments in opposition to the project provide copies of their protests only to the party or parties directly involved in the protest.

Persons who wish to comment only on the environmental review of this project should submit an original and two copies of their comments to the Secretary of the Commission. Environmental commenters will be placed on the Commission's environmental mailing list, will receive copies of the environmental documents, and will be notified of meetings associated with the Commission's environmental review process. Environmental commenters will not be required to serve copies of filed

documents on all other parties. However, the non-party commenters will not receive copies of all documents filed by other parties or issued by the Commission (except for the mailing of environmental documents issued by the Commission) and will not have the right to seek court review of the Commission's final order.

The Commission may issue a preliminary determination on non-environmental issues prior to the completion of its review of the environmental aspects of the project. This preliminary determination typically considers such issues as the need for the project and its economic effect on existing customers of the applicant, on other pipelines in the area, and on landowners and communities. For example, the Commission considers the extent to which the applicant may need to exercise eminent domain to obtain rights-of-way for the proposed project and balances that against the non-environmental benefits to be provided by the project. Therefore, if a person has comments on community and landowner impacts from this proposal, it is important either to file comments or to intervene as early in the process as possible.

Comments, protests and interventions may be filed electronically via the Internet in lieu of paper. See, 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's web site under the “e-Filing” link.

If the Commission decides to set the application for a formal hearing before an Administrative Law Judge, the Commission will issue another notice describing that process. At the end of the Commission's review process, a final Commission order approving or denying a certificate will be issued.

Linwood A. Watson, Jr.,

Acting Secretary.

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98-53-000]

Kinder Morgan Interstate Gas Transmission, LLC; Notice of Settlement Conference

August 13, 2001.

Pursuant to Rule 601 of the Commission's Rules of Practice and Procedure, 18 CFR 385.601 (2001), a settlement conference in the above docketed proceeding will be held on