15. Revise § 30.66 to read as follows:

**§ 30.66 Support, documentation and record keeping requirements.**

(a) *Support. ASKAES@census.gov* is an online service that allows electronic filers to seek assistance pertaining to AES. AES*Direct* is supported by a help desk available twelve (12) hours a day, seven (7) days a week.

(b) *Documentation.* Filers using the AES*Direct* are able to print out from the AES*Direct* a validated record of the filer's submission. Filers using AES are able to print records containing date of submission and a unique identification number for each AES record submitted. The Census Bureau will maintain an electronic file of data sent through AES to ensure that an individual is able to receive from the system, a validated record of the submission. The U.S. principal party in interest or the authorized agent of the U.S. principal party in interest or foreign principal party in interest may request a copy of the electronic record submitted as provided for in § 30.91 of this part.

(c) *Recordkeeping.* All parties to the export transaction (owners and operators of the exporting carriers and U.S. principal party and/or the authorized agents) must retain documents or records pertaining to the shipment for five (5) years from the date of export. Customs, the Census Bureau, and other participating agencies may require that these documents be produced at any time within the 5-year time period for inspection or copying. These records may be retained in an elected format, including electronic or hard copy as provided in the applicable agency's regulations. Acceptance of the documents by Customs or the Census Bureau does not relieve the U.S. principal party in interest or the authorized agent from providing complete and accurate information after the fact. The Department of State or other regulatory agencies may have additional record keeping requirements for exports.

16. Amend Appendix A as follows:

a. Add an introductory paragraph;

b. Revise items A.5, A.6, and A.10;

c. Remove item A.6(i) and redesignate items A.6(ii) and A.6(iii) as A.6(i) and A.6(ii), respectively;

d. Revise paragraphs B and C;

e. Add paragraph D.

The additions and revisions read as follows:

### Appendix A to Part 30-Format For Letter of Intent, Automated Export System (AES)

The first requirement for participation in AES is a Letter of Intent. The Letter of Intent is a written statement of a company's desire to participate in AES. It must set forth a commitment to develop, maintain, and adhere to Customs and Census performance requirements and operations standards. Once the letter of intent is received, a U.S. Customs Client Representative and U.S. Census Bureau Client Representative will be assigned to the company. Census will forward additional information to prepare the company for participation in AES.

A. Letters of Intent should be on company letterhead and must include:

* * * * *

5. Computer Site Location Address, City, State, Postal Code (Where transmissions will be initiated)

6. Type of Business—U.S. Principal Party in Interest, Freight Forwarder/Broker, Carrier, NVOCC, Port Authority, Software Vendor, Service Center, etc. (Indicate all that apply)

(i) Freight Forwarders/Brokers, indicate the number of U.S. principal parties in interest for whom you file export information (SEDs)

(ii) U.S. Principal Parties in Interest, indicate whether you are applying for AES Option 2 or Option 4

* * *

10. Filer Code—EIN, SSN or SCAC (Indicate all that apply)

* * * * *

B. The following self-certification statement, signed by an officer of the company, must be included in your letter of intent: ''We (COMPANY NAME) certify that all statements made and all information provided herein are true and correct. I understand that civil and criminal penalties, including forfeiture and sale, may be imposed for making false or fraudulent statements herein, failing to provide the requested information or for violation of U.S. laws on exportation (13 U.S.C. Sec. 305; 22 U.S.C. Sec. 401; 18 U.S.C. Sec. 1001; 50 U.S.C. App. 2410.''

C. The AES Option 4 privilege allows a U.S. principal party in interest to send no data prior to exportation and complete data within 10 working days after exportation. Participants will be reviewed by several government agencies prior to acceptance into the Option 4 program.

D. Send AES or Option 4 Letter of Intent to : Chief, Foreign Trade Division, U.S. Census Bureau, Washington, DC 20233. Or, the copy can be faxed to : 301–457–1159.

### Appendix B To Part 30—Required Pre-Departure Data Elements For Filing Option 3

17. [Removed] Remove and reserve Appendix B.

Dated: October 4, 2002.

**Charles Louis Kincannon,**

*Director, Bureau of the Census.*

[FR Doc. 02–25667 Filed 10–8–02; 8:45 am]

BILLING CODE 3510–07–P

## FEDERAL ENERGY REGULATORY COMMISSION

### 18 CFR Parts 154, 161, 250 and 284

**[Docket No. PL02–9–000]**

### Notice of Public Conference

September 26, 2002.

**AGENCY:** Federal Energy Regulatory Commission.

**ACTION:** Notice of public conference.

**SUMMARY:** On February 9, 2000, the Commission issued Order No. 636, amending its regulations in response to growing development of more competitive markets for natural gas and the transportation of natural gas (65 FR 10156, February 25, 2000). The Commission is holding a public conference to engage industry members and the public in a dialogue about policy issues facing the natural gas industry today and the Commission's regulation of the industry of the future.

**DATES:** *Requests to participate:* October 15, 2002. *Conference date:* October 25, 2002.

**ADDRESSES:** Office of the Secretary, Federal Energy Regulatory Commission, 888 First street, NE., Washington, DC 20426.

**FOR FURTHER INFORMATION CONTACT:** Kenneth P. Niehaus, Office of Energy Projects, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC, (202) 502–6398, *kenneth.niehaus@ferc.gov.*

**SUPPLEMENTARY INFORMATION:**

1. The Federal Energy Regulatory Commission (FERC) will hold a conference on October 25, 2002, to engage industry members and the public in a dialogue about policy issues facing the natural gas industry today and the Commission's regulation of the industry for the future. The Commission expects a wide ranging discussion that will help the Commission establish its regulatory goals for an industry that anticipates long term growth to reach 30-Tcf annually. The Commission anticipates exploring issues concerning: (1) Supply and demand; (2) the application of the Commission's open access polices to liquefied natural gas (LNG) import facilities; (3) the Commission's Outer Continental Shelf (OCS) gathering policy; and (4) the flexibility pipelines need to serve historical load as well as new demand. In addition, the Commission will provide an opportunity for market participants and other interested persons to raise issues and make policy recommendations for Commission consideration.

## I. Background

2. In 1997, the Commission held a conference to revisit its approach to natural gas regulation in light of significant changes in the structure of the natural gas industry that occurred as a result of Order No. 636.[1] Since that time, the energy industry has continued to experience ongoing structural changes that impact the supply and demand of natural gas. Some of these changes include shifts in the industry from regulated to non-regulated gathering operations. Over the past five years, the Commission has seen an increase in abandonment of these facilities from the regulated companies to non-regulated affiliated and non-affiliated gathering companies. Changes from regulated to non-regulated services raise important issues that the Commission needs to consider in assuring unrestricted access to necessary supplies from the OCS.

3. In Order No. 637,[2] issued in 2000, the Commission revised, among other things, its regulations relating to scheduling procedures, capacity segmentation, and pipeline penalties to improve the competitiveness and efficiency of the interstate pipeline grid and to enhance pipeline transportation services. Changes in historical pipeline operations brought about by Order No. 637 may impact investment in much needed pipeline infrastructure to fulfill future demand for natural gas.

4. The increasing demands placed on pipelines by new electric generation load may impact the flexibility pipelines currently have in meeting the service demands of historical customers. In its Annual Energy Outlook 2002, Energy Information Administration (EIA) forecasts that natural gas for power generation will grow 4.6 percent annually, reaching from 9.65 to 10.36 Tcf in 2020 depending on economic growth (consumption in 2000 was 4.24 Tcf).

5. The economy, mild weather patterns, and major developments in the financial foundation and structure of the energy industry may also have important repercussions on long term markets, supplies, and investment in infrastructure. Reduction in market capitalization of many major energy players, substantial layoffs, the exiting and restructuring of many companies' energy trading business, bankruptcies, the sale of major assets by major energy players, and the cancellation of many future gas-fired generation projects all may potentially affect natural gas markets and the infrastructure it depends upon.

6. Even with the nation's current economic slowdown, however, natural gas demand continues to grow. Overall, EIA projects that the natural gas market will grow from the 22.83 Tcf consumed in 2000 to between 30.02 to 32.63 Tcf in 2015, with projections for 2020 from 32.03 to 34.99 Tcf, depending on economic growth. All the above mentioned events may impact the industry's ability to prepare for and meet the future anticipated demand.

## II. Scope of Inquiry

7. The purpose of this conference is to discuss short and long term issues that may impact the Commission's regulation of the natural gas industry. The Commission wants to explore whether the Commission's current regulatory approach in natural gas fosters or impedes supply production and investment in development of the infrastructure needed to meet the anticipated long term growth to 30-Tcf annually. In addition to providing an open forum for communicating with the Commissioners, the Commission wishes to address the following topics.

### *A. Supply Forecast*

8. EIA projects that natural gas consumption could reach 34.99 Tcf annually in 2020. Decreasing gas prices have resulted in a reduction in capital expenditures for development in natural gas production. Evidence indicates that production in traditional supply regions, including onshore gas production in the Permian Basin and offshore in the shallow shelf of the Gulf of Mexico, is in decline. At the same time, Canadian imports have been falling while domestic exports to Mexico have been increasing. Additionally, concerns have been raised relating to potential barriers that may restrict the domestic producing community's ability to meet the projected demand. The Commission wishes to explore natural gas supply issues and their impact on the infrastructure needed to meet forecasted demand.

### *B. Liquefied Natural Gas*

9. In the 1970's the Commission authorized the construction and operation of several LNG import terminals to provide a needed supplemental source of gas supplies to U.S. markets.[3] In response to more recent demands for natural gas, the Commission has approved the reactivation of two of the original LNG import projects and the expansion of an existing LNG terminal.[4] Additionally, there are two pending applications for other LNG expansion projects and one for a new LNG import facility.[5]

10. The Commission recognizes that LNG imports are expected to become a key supply source in the U.S. over the next ten years. We believe it is time to reexamine our existing policy in light of the changes that have occurred in the gas industry since that time. While the Commission recently denied a request to disclaim jurisdiction over the siting, construction, and operation of LNG facilities,[6] it has not reviewed its open access policy as it pertains to LNG import facilities. The Commission wishes to explore regulatory goals that will remove unnecessary barriers to the development of LNG facilities and supply as a major source of natural gas to meet the forecasted future demand.

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[1] Pipeline Service Obligations and Revisions to Regulations Governing Self-Implementing Transportation and Regulations of Natural Gas Pipelines After Partial Wellhead Decontrol, 57 FR 13,267 (April 16, 1992), FERC Stats. & Regs Preambles January 1991-June 1996 ¶ 30,939 (April 8, 1992), *order on reh'g,* Order No. 636–A, 57 FR 36,128 (August 12, 1992), FERC Stats. & Regs. Preambles, January 1991-June 1996 ¶ 30,950 (August 3, 1992), *order on reh'g,* Order No. 636–B, 57 FR 57,911 (December 8, 1992), 61 FERC ¶ 61,272 (1992), notice of denial of rehearing (January 8, 1993), 62 FERC ¶ 61,007 (1993), *aff'd in part and vacated and remanded in part, UDC* v. *FERC,* 88 F.3d 1105 (D.C. Cir. 1996), *order on remand,* Order No. 636–C, 78 FERC § 61,186 (1997), *order on reh'g,* Order No. 636–D, 83 FERC ¶ 61,210 (1998).

[2] *See* Regulation of Short-Term Natural Gas Transportation Services and Regulation of Interstate Natural Gas Transportation Services, FERC Stats. & Regs. Regulations Preambles (July 1996-December 2000) ¶ 31,091 (Feb. 9, 2000); *order on rehearing,* Order No. 637–A FERC Stats. & Regs. Regulations Preambles (July 1996-December 2000) ¶ 31,099 (May 19, 2000), *aff'd in part and rev'd and remanded in part, INGAA* v. *FERC,* 285 F.3d 18 (D.C. Cir. 2002).

[3] *See* Columbia LNG Corp., 47 FPC 1624, *order on reh'g,* 48 FPC 723 (1972) (approving the construction and operation of the Cove Point and Elba Island LNG import terminals); Trunkline LNG Co., 58 FPC 726, *order on reh'g,* 58 FPC 2935 (1977) (approving the construction and operation of a Lake Charles LNG import terminal); Distrigas Corp., 58 FPC 2589 (1977) (approving a settlement authorizing operation of LNG import terminal at Everett, Massachusetts).

[4] *See* Southern LNG Inc., 89 FERC ¶ 61,314 (1999), *order on reh'g,* 90 FERC ¶ 61,257 (2000); Cove Point LNG Limited Partnership, 97 FERC ¶ 61,043, *order on reh'g,* 97 FERC ¶ 61,276 (2001); *order denying clarification and reh'g,* 98 FERC ¶ 61,270 (2002); Distrigas of Massachusetts, 94 FERC ¶ 61,008 (2001).

[5] CMS Trunkline LNG Co. (CMS) application filed in Docket No. CP02–60–000. In Docket No. CP02–60–000, the Commission preliminary approved CMS's application to expand its Calcasieu Parish, Louisiana terminal (100 FERC ¶ 61,217), and in Docket No. CP02–379–000 Southern LNG's request authorization for further expansion of its Elba Island facility. On May 30, 2002, Hackberry LNG Terminal, L.L.C. filed an application in Docket No. CP02–374–000, *et al.,* to construct and operate a new LNG import facility.

[6] *See* Dynegy LNG Production Terminal, L.P., 97 FERC ¶ 61,231 (2001).

*C. Offshore Gathering Policy*

11. In *ExxonMobil Gas Marketing Company* v. *FERC*,[7] the court affirmed the Commission's gathering policy as it pertained to facilities located in the OCS. In Order No. 639,[8] the Commission determined that under the Commission's authority under the Outer Continental Lands Act (OCSLA), gatherers in the OCS must report information regarding service provided through their gathering facilities. The Commission believes that such information is necessary to assure that the gatherers providing service in the OCS do so on an open and nondiscriminatory basis. Subsequently, however, the court determined that the OCSLA did not give the Commission authorization to promulgate such a requirement.[9] The Commission wishes to explore future regulatory policies and goals that would promote the further development of offshore supply sources in the OCS.

*D. Flexibility in Pipeline Operations*

12. Natural gas is now the fuel of choice for new power generation due to the efficiency of technology, low initial investment costs, relative ease of siting new plants, and lower pollutant emissions. Electric generation load is more variable through a given day than a traditional pipeline customer load.[10] Therefore, electric generation customers require transportation services and facilities that accommodate hourly rather than daily swings in gas consumption and wider fluctuations in consumption volumes.[11] Because of the large amounts of gas used as gas-fired generation plants, and their potential to cause rapid and unanticipated hourly consumption demands, traditional pipeline customers have expressed the concern that the ramping-up of one or more power plants could lead to pressure drops which, in turn, could result in a reduction in both the pressure and rate of gas flowing through the meter station and distribution facilities. The Commission believes it is imperative that the future pipeline infrastructure meets the flexibility and service needs of all of their customers. We wish to explore issues related to serving new demand to meet current and future needs.

*E. Open Forum*

13. In addition to addressing the above mentioned issues, the Commission also seeks to encourage industry representatives and interested individuals to raise other issues for the Commission to consider in shaping its future regulatory policies concerning the natural gas industry. The Commission envisions that the conference will consist of panels and an open forum that will give all interested individuals an opportunity to raise issues.

**III. Participation**

14. The conference will be held on October 25, 2002 at FERC, 888 First Street, NE., in Washington, DC in the Commission Meeting Room. The public is invited to attend. Anyone interested in participating should contact Ken Niehaus at 202–502–6398 or at *kenneth.niehaus@ferc.gov* by October 15, 2002. Requests for participate should include information concerning the issue or issues the participant would like to raise. We will issue further details on the conference including the agenda and a list of participants, as plans evolve.

15. The conference will be transcribed. Those interested in acquiring the transcript should contact Ace Reporters at 202–347–3700 or 800–336–6646. Transcripts will be placed in the public record ten days after the Commission receives the transcripts. Additionally, Capitol Connection offers the opportunity for remote listening and viewing of the conference. It is available for a fee, live or over the Internet, via C-Band Satellite. Persons interested in receiving the broadcast, or who need information on making arrangements should contact David Reininger or Julia Morelli at Capitol Connection (703–993–3100) as soon as possible or visit the Capitol Connection website at *http://www.capitolconnection.gmu.edu* and click on ''FERC.''

**Linwood A. Watson, Jr.,**
*Deputy Secretary.*

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[7] 297 F.3d 1071 (2002).

[8] Regulations under the Outer Continental Shelf Lands Act Governing the Movement of Natural Gas on Facilities on the Outer Continental Shelf, 65 FR 20,354 (Apr. 17, 2000), FERC Stats. & Regs. ¶ 31,514 (2002), *order on reh'g and clarification*, Order No. 639–A, 65 FR 47,294 (Aug. 2, 2000), FERC Stats. & Regs. ¶ 31,103 (2000).

[9] *See* Chevron U.S.A., Inc. v. *FERC*, No. 02–5056 (D.C. Cir.).

[10] Impact of Power Generation Gas Demand on Natural Gas Local Distribution Companies, American Gas Association, prepared by: Energy and Environmental Analysis, Inc. There are baseload generators, intermediate load generators, and peaking plants. Used together, these plants maintain electric power levels throughout the electric transmission grid sufficient to meet customer demand. Generally, baseload units (these are high fixed-cost units using less expensive fuel and with the lowest operating costs) meet the based demands. Intermediate load generators (*i.e.*, most combined cycle facilities) are run regularly, by not on a full time basis. Peaking units are generally last dispatched and operated only on the days and hours of highest electricity demand. These units generally have low fixed costs, but high operating and fuel costs.

[11] *Id.*

## DEPARTMENT OF THE TREASURY

## Customs Service

## 19 CFR Parts 24 and 101

**RIN 1515–AC77**

## Reimbursable Customs Services: Increase in Hourly Percentage Rate of Charge

**AGENCY:** Customs Service, Treasury.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This document proposes to amend the Customs Regulations to increase the hourly percentage rate of charge for reimbursable Customs services. In a previous document published in the **Federal Register** on February 1, 2001, Customs had proposed increasing the rate of charge to 158 percent of the hourly rate of regular pay of the employee performing the service because the present rate of charge of 137 percent does not reimburse Customs for the actual costs of providing such services. Based on the comments received to the previous Notice and following a complete review of the costs of providing reimbursable Customs services, Customs is now proposing a new methodology for determining the rate of charge for reimbursable Customs services and to revise the rate of charge to 154 percent of the hourly rate of regular pay of the employee performing the service. The proposed increase in the hourly percentage rate of charge is based on the actual expenses incurred by Customs in fiscal year 2000 associated with providing reimbursable Customs services during regular hours of duty and includes an increased percentage rate of charge for administrative overhead costs associated with providing such reimbursable services. This document proposes that the new hourly percentage rate of charge will be reviewed biennially using the actual costs and expenses associated with providing requested reimbursable Customs services from the preceding fiscal year.

Further, this document proposes to increase the percentage rate of charge for administrative overhead costs associated with providing overtime