

(ix) For crude oil, a list of the fields or areas from which crude oil is obtained.

(x) If the proposed depreciation rate adjustment is based on the remaining physical life of the properties, a complete, or updated, if applicable, Service Life Data Form (FERC Form No. 73) through the most current year.

(xi) Estimated salvage value of properties by account.

[59 FR 59147, Nov. 16, 1994, as amended at 60 FR 358, Jan. 4, 1995]

PART 348—OIL PIPELINE APPLICATIONS FOR MARKET POWER DETERMINATIONS

Sec.

348.1 Content of application for a market power determination.

348.2 Procedures.

AUTHORITY: 42 U.S.C. 7101-7352; 49 U.S.C. 60502; 49 App. U.S.C. 1-85.

§348.1 Content of application for a market power determination.

(a) If, under §342.4(b) of this chapter, a carrier seeks to establish that it lacks significant market power in the market in which it proposes to charge market-based rates, it must file and provide an application for such a determination. An application must include a statement of position and the information required by paragraph (c) of this section.

(b) The carrier's statement of position required by paragraph (a) of this section must include an executive summary of its statement of position and a statement of material facts in addition to its complete statement of position. The statement of material facts must include citation to the supporting statements, exhibits, affidavits, and prepared testimony.

(c) The carrier must include with its application the following information:

(1) *Statement A—geographic market.* This statement must describe the geographic markets in which the carrier seeks to establish that it lacks significant market power. The carrier must include the origin market and the destination market related to the service for which it proposes to charge market-based rates. The statement must explain why the carrier's method for se-

lecting the geographic markets is appropriate.

(2) *Statement B—product market.* This statement must identify the product market or markets for which the carrier seeks to establish that it lacks significant market power. The statement must explain why the particular product definition is appropriate.

(3) *Statement C—the carrier's facilities and services.* This statement must describe the carrier's own facilities and services in the relevant markets identified in statements A and B in paragraphs (c) (1) and (2) of this section. The statement must include all pertinent data about the pipeline's facilities and services.

(4) *Statement D—competitive alternatives.* This statement must describe available transportation alternatives in competition with the carrier in the relevant markets and other competition constraining the carrier's rates in those markets. To the extent available, the statement must include all pertinent data about transportation alternatives and other constraining competition.

(5) *Statement E—potential competition.* This statement must describe potential competition in the relevant markets. To the extent available, the statement must include data about the potential competitors, including their costs, and their distance in miles from the carrier's terminals and major consuming markets.

(6) *Statement F—maps.* This statement must consist of maps showing the carrier's principal transportation facilities, the points at which service is rendered under its tariff, the direction of flow of each line, the location of each of its terminals, the location of each of its major consuming markets, and the location of the alternatives to the carrier, including their distance in miles from the carrier's terminals and major consuming markets. The statement must include a general system map and maps by geographic markets. The information required by this statement may be on separate pages.

(7) *Statement G—market power measures.* This statement must set forth the calculation of the market concentration of the relevant markets using the Herfindahl-Hirschman Index. The

statement must also set forth the carrier's market share based on receipts in its origin markets and deliveries in its destination markets, if the Herfindahl-Hirschman Index is not based on those factors. The statement must also set forth the calculation of other market power measures relied on by the carrier. The statement must include complete particulars about the carrier's calculations.

(8) *Statement H—other factors.* This statement must describe any other factors that bear on the issue of whether the carrier lacks significant market power in the relevant markets. The description must explain why those other factors are pertinent.

(9) *Statement I—prepared testimony.* This statement must include the proposed testimony in support of the application and will serve as the carrier's case-in-chief, if the Commission sets the application for hearing. The proposed witness must subscribe to the testimony and swear that all statements of fact contained in the proposed testimony are true and correct to the best of his or her knowledge, information, and belief.

[59 FR 59160, Nov. 16, 1994]

§ 348.2 Procedures.

(a) A carrier must file, as provided in § 341.1 of this chapter, an original plus fourteen copies of its application, including its statement of position, statements, and related material, and a letter of transmittal and must submit its application on an electronic medium. The formats for the electronic filing and the paper copy can be obtained at the Federal Energy Regulatory Commission, Division of Public Information, 825 North Capitol Street, NE., Washington, DC 20426. A carrier must submit with its application any request for privileged treatment of documents and information under § 388.112 of this chapter and a proposed form of protective agreement. In the event the carrier requests privileged treatment under § 388.112 of this chapter, it must file the original and three copies of its application with the information for which privileged treatment is sought and 11 copies of the application without the information for which privileged treatment is sought.

(b) A carrier must provide a copy of its letter of transmittal and its proposed form of protective agreement to each shipper and subscriber on or before the day the material is transmitted to the Commission for filing.

(c) A letter of transmittal must describe the market-based rate filing, including an identification of each rate that would be market-based, and the pertinent tariffs or supplement numbers, state if a waiver is being requested and specify the statute, section, subsection, regulation, policy or order requested to be waived. Letters of transmittal must be certified pursuant to § 341.2(c)(2) of this chapter and acknowledgement must be requested pursuant to § 341.2(c)(3) of this chapter.

(d) An interested person must make a written request to the carrier for a copy of the carrier's complete application within 20 days after the filing of the application. The request must include an executed copy of the protective agreement. Any objection to the proposed form of protective agreement must be filed under § 385.212 of this chapter.

(e) A carrier must provide a copy of the complete application to the requesting person within seven days after receipt of the written request and an executed copy of the protective agreement.

(f) A carrier must provide copies as required by paragraphs (b) and (e) of this section by first-class mail or by other means of transmission agreed upon in writing.

(g) Any intervention or protest to the application must be filed within 60 days after the filing of the application and must be filed pursuant to §§ 343.2 (a) and (b) of this chapter. A protest must also be telefaxed if required by § 343.3(a) of this chapter.

(h) A protest filed against an application for a market power determination must set forth in detail the grounds for opposing the carrier's application, including responding to its position and information and, if desired, presenting information pursuant to § 348.1(c).

(i) After expiration of the date for filing protests, the Commission will issue an order in which it will summarily

§ 348.2

18 CFR Ch. I (4-1-97 Edition)

rule on the application or, if appropriate, establish additional procedures and the scope of the investigation.

[59 FR 59160, Nov. 16, 1994]

SUBCHAPTER Q—ACCOUNTS UNDER THE INTERSTATE COMMERCE ACT

PART 351—FINANCIAL STATEMENTS RELEASED BY CARRIERS

AUTHORITY: Department of Energy Organization Act, (42 U.S.C. 7101 *et seq.*) E.O. 12009, 42 FR 46267, Interstate Commerce Act, as amended, (49 U.S.C. 1 *et seq.*)

§351.1 Financial statements released by carriers.

Carriers desiring to do so may prepare and publish financial statements in reports to stockholders and others, except in reports to this Commission, based on generally accepted accounting principles for which there is authoritative support, provided that any variance from this Commission's prescribed accounting rules contained in such statements is clearly disclosed in footnotes to the statements.

[Order 119, 46 FR 9044, Jan. 28, 1981]

PART 352—UNIFORM SYSTEMS OF ACCOUNTS PRESCRIBED FOR OIL PIPELINE COMPANIES SUBJECT TO THE PROVISIONS OF THE INTERSTATE COMMERCE ACT

LIST OF INSTRUCTIONS AND ACCOUNTS

Definitions.

General Instructions

- 1-1 Classification of accounts.
- 1-2 Records.
- 1-3 Accounting period.
- 1-4 Accounting method.
- 1-5 Delayed items.
- 1-6 Extraordinary, unusual or infrequent items, prior period adjustments, discontinued operations and accounting changes.
- 1-7 Items in texts of accounts.
- 1-8 Depreciation accounting—Carrier property.
- 1-9 Depreciation accounting—Noncarrier property.
- 1-10 Amortization of intangibles.
- 1-11 Interpretation of rules.
- 1-12 Accounting for income taxes.
- 1-13 Transactions with affiliated companies.
- 1-14 Charges to be just and reasonable.
- 1-15 Accounting for marketable equity securities owned.

- 1-16 Accounting for inaccurate reporting of income taxes on income from continuing operations which occurred prior to reporting year 1979.

Instructions for Balance Sheet Accounts

- 2-1 Current assets.
- 2-2 Investments and special funds.
- 2-3 Tangible property.
- 2-4 Other assets and deferred charges.
- 2-5 Current liabilities.
- 2-6 Noncurrent liabilities.
- 2-7 Contingent assets and liabilities.

Instructions for Carrier Property Accounts

- 3-1 Property acquired.
- 3-2 Minimum rule.
- 3-3 Cost of property constructed.
- 3-4 Additions.
- 3-5 Improvements.
- 3-6 Replacements.
- 3-7 Retirements.
- 3-8 Salvage.
- 3-9 Relocation of line.
- 3-10 Property contributed.
- 3-11 Acquisition by merger, consolidation or purchase.
- 3-12 Reorganizations.
- 3-13 Disposition of former Account 193, Acquisition Adjustment.
- 3-14 Accounting units of property.

Instructions for Operating Revenues and Operating Expenses

- 4-1 Detail of accounts.
- 4-2 Operating revenues.
- 4-3 Operating expenses.
- 4-4 Expense classification.
- 4-5 Expense distribution.

Balance Sheet Accounts

- 10 Cash.
- 10-5 Special deposits.
- 11 Temporary investments.
- 12 Notes receivable.
- 13 Receivables from affiliated companies.
- 14 Accounts receivable.
- 15 Interest and dividends receivable.
- 16 Oil inventory.
- 17 Material and supplies.
- 18 Prepayments.
- 19 Other current assets.
- 19-5 Deferred income tax charges.
- 20 Investments in affiliated companies.
- 21 Other investments.
- 22 Sinking and other funds.
- 23 Reductions in security values—Credit.