Salt River responds that El Paso designed and constructed the Santan Line to serve the exclusive needs of Salt River's Santan Plant, and that Salt River reimbursed El Paso for the construction and operational costs of the Santan Line through an incremental surcharge and minimum purchase obligation. It states that as a result of this arrangement, El Paso was prohibited by the terms of the Santan Line certificate from allocating costs associated with the construction and operation of the Line to its jurisdictional customers.

Salt River adds that the 1990 Transportation Service Agreement converting the 1981 Gas Sales Agreement to full requirements transportation service provides for continuation of the same quality of service as provided under the 1981 Gas Sales Agreement, modified only as necessary to reflect the conversion of service from sales to transportation. Thus, Salt River concludes that the Santan Line is not part of El Paso's open-access transmission system, and that the provision that the Santan Line will not be used by El Paso for any purpose other than to serve the Santan Plant is legally enforceable.

Salt River states nonetheless that it is willing to consider a proposal by El Paso to install a new tap for Southwest on the Santan Line assuming adequate capacity exists to ensure that the peak generating capability of the Santan Plant will not be adversely affected. Salt River adds that it has advised Southwest that, because the new tap would be located upstream of the Santan Plant, Salt River, at a minimum, must have written assurance that it will receive adequate notice of and be fully compensated in the event gas intended for Salt River at the Santan Plant is otherwise diverted to Southwest.

IV. Discussion

Under section 5 of the Natural Gas Act (NGA), the Commission has ''broad power to stamp out undue discrimination,'' including the authority to impose ''suitable remedies'' in an appropriate case.[7] That authority includes the power to order an interstate pipeline to add new delivery points.[8]

Under Part 284 of the Commission's regulations, an interstate pipeline with a blanket certificate must provide service without undue discrimination. Although the rules do not require that a pipeline construct facilities,[9] the pipeline cannot discriminate against any shipper in constructing minor facilities to accept or deliver supplies.[10] The Commission consistently interprets this to mean that if a pipeline decides to build facilities for one customer, it must build facilities for other similarly situated shippers on a non-discriminatory basis,[11] unless there is some appropriate justification not to do so.[12]

Here, the dispute focuses on whether El Paso must provide non-discriminatory open-access service to Southwest on the Santan Line pursuant to Part 284 of our regulations, if capacity is available and despite the sole-use provision in Salt River's Agreement.

Since El Paso is presently providing open-access service to Salt River on the Santan Line, the Commission will require that El Paso show cause why it should not be required to provide a delivery point for Southwest. In doing so, El Paso should provide, in particular, all information necessary to make a determination as to: (1) Why the provisions of the 1981 Gas Sales Agreement and the 1990 Transportation Service Agreement should be considered to override the terms and conditions imposed on service rendered under Part 284 of the Commission's regulations; (2) why the Commission should not require the parties to amend their contract to remove the sole use provision; and (3) why El Paso should not be required to construct and operate the delivery point for and provide the proposed transportation service to Southwest if capacity is available.

In its response, El Paso should address the specific concerns raised above by the Commission. As stated, the Commission is accepting considering all previously tendered pleadings. Therefore, the parties should not reiterate any arguments from those pleadings.

The Commission Orders

(A) Within 30 days of the issuance of this order, El Paso is ordered to show cause why it should not be required to provide a delivery point for Southwest, as described above.

(B) Notice of this proceeding will be published in the **Federal Register**. Interested parties will have 20 days from the date of publication of the notice to intervene.

By the Commission.

Lois D. Cashell,

Secretary.

[FR Doc. 97–15819 Filed 6–16–97; 8:45 am]

BILLING CODE 6717–01–M

[7] *Associated Gas Distributors* v. *FERC*, 824 F.2d 981, 1001 (D.C. Cir. 1987), *cert. denied sub nom.* Interstate Natural Gas Ass'n of Am., 485 U.S. 1006 (1988).

[8] *City of Gainsville, Fla.* v. *Florida Gas Transmission Co.*, 55 FERC ¶ 61,486, at p. 62,664 (1991).

[9] Order No. 436, at p. 31,550.

[10] *Id.*, Order No. 636–A, at p. 30,585.

[11] *See, e.g.*, Texas Eastern Transmission Corp., 37 FERC ¶ 61,260, at p. 61,683 n. 114 (1986).

[12] *Id.* at p. 61,679.

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP97–562–000]

Florida Gas Transmission Company; Notice of Request Under Blanket Authorization

June 11, 1997.

Take notice that on June 6, 1997, Florida Gas Transmission Company (FGT), 1400 Smith Street, P.O. Box 1188, Houston, Texas 77251–1188, filed in Docket No. CP97–562–000 a request pursuant to Sections 157.205 and 157.216 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205, 157.216) for authorization to abandon an inactive meter station for Orlando Utilities Commission (OUC) under FGT's blanket certificate issued in Docket No. CP82–553–000 pursuant to Section 7 of the natural Gas Act, all as more fully set forth in the request that is on file with the Commission and open to public inspection.

FGT proposes to abandon the Highlands Meter Station in Orange County, Florida, because OUC no longer has any present or future use for the meter station. The meter station has been inactive since 1984. FGT indicates that the proposed abandonment will not change the certificated levels of service which FGT is currently providing OUC.

Any person or the Commission's staff may, with 45 days after issuance of the instant notice by the Commission, file pursuant to Rule 214 of the Commission's Procedural Rules (18 CFR 385.214) a motion to intervene or notice of intervention and pursuant to § 157.205 of the Regulations under the Natural Gas Act (18 CFR 157.205) a protest to the request. If no protest is filed within the time allowed therefore, the proposed activity shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request shall be treated as an application for

authorization pursuant to Section 7 of the Natural Gas Act.

Lois D. Cashell,

Secretary.

[FR Doc. 97–15791 Filed 6–16–97; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP97–391–000]

Gas Research Institute; Notice of Annual Application

June 11, 1997.

Take notice that on June 10, 1997, Gas Research Institute (GRI) filed an application requesting advance approval of its 1998–2002 Five-Year Research, Development and Demonstration (RD&D) Plan and 1998 RD&D Program, and the funding of its RD&D activities for 1998, pursuant to the Natural Gas Act and Section 154.401(b) of the Commission's Regulations.

In its application, GRI requests approval of a total obligations budget of $164.3 million in 1998, which is $6.1 million less than the $170.4 million approved for GRI's 1997 RD&D Program. Of this amount, GRI plans to obligate $141.4 million to contract RD&D expenditures, while the remaining $22.9 million will be obligated to administrative and general expenditures.

During the twelve months ending December 31, 1998, GRI expects to *collect* $163 million from FERC-approved surcharges, and $7 million from intrastate and other sources, for total receipts of $170 million. GRI states that it intends to *disburse* this entire amount by the end of 1998. Accordingly, GRI plans to end 1998 with the same cash balance level of $40 million it plans to have at the start of 1998.

GRI proposes to fund its 1998 RD&D Program using the following previously-approved (for 1997) surcharges: (1) A demand/reservation surcharge on two-part rates of 26.0 cents per Dth per Month for ''high load-factor customers''; (2) a demand/reservation surcharge on two-part rates of 16.0 cents per Dth per month for ''low load-factor customers''; (3) a volumetric commodity/usage surcharge of 0.88 cents per Dth for firm services involving two-part rates and for one-part interruptible rates; (4) a special ''small customer'' surcharge of 2.0 cents per Dth; and (5) a surcharge of 1.74 cents per Dth per month for one-part, firm service outside the ''small customer'' class.

Since it does not seek to change its surcharges for 1998, GRI asks that the Commission not require its member pipelines to file new tariff sheets to simply restate the currently effective surcharges.

The Commission staff will analyze GRI's application and prepare a Commission Staff Report. This Staff Report will be served on all parties and filed with the Commission as a public document by August 11, 1997. Comments on the Staff Report by all parties, except GRI, must be filed with the Commission on or before August 22, 1997. GRI's reply comments must be filed on or before August 29, 1997.

Any person desiring to be heard or to protest GRI's application, except for GRI members and state regulatory commissions, who are automatically permitted to participate in the instant proceedings as intervenors, should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Rules 214 and 211 of the Commission's Rules of Practice and Procedure, 18 CFR 385.214 and 385.211. All protests, motions to intervene and comments should be filed on or before June 25, 1997. All comments and protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to this proceeding. Any person wishing to become a party, other than a GRI member or a state regulatory commission, must file a motion to intervene. Copies of this application are on file with the Commission and are available for public inspection.

Lois D. Cashell,

Secretary.

[FR Doc. 97–15792 Filed 6–16–97; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket Nos. OA97–237–000, ER97–1079–000 and EC97–35–000]

New England Power Pool; Notice of Filing

June 11, 1997.

Take notice that on June 5, 1997, the New England Power Pool (NEPOOL) Executive Committee submitted materials related to its filing on December 31, 1996 in the captioned dockets. These materials describe the transmission charges that should be in effect under the formula rates contained in the NEPOOL Open Access Tariff.

The NEPOOL Executive Committee states that copies of these materials were sent to protestants and persons seeking intervention in the captioned dockets, the New England state governors and regulatory commissions and the participants in the New England Power Pool.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426 in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 18 CFR 385.214). All such motions or protests should be filed on or before June 20, 1997. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Lois D. Cashell,

Secretary.

[FR Doc. 97–15795 Filed 6–16–97; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP97–388–000]

Northern Natural Gas Co.; Notice of Proposed Changes in FERC Gas Tariff

June 11, 1997.

Take notice that on June 6, 1997, Northern Natural Gas Company (Northern), tendered for filing to become part of Northern's FERC Gas Tariff the following tariff sheets proposed to become effective on July 6, 1997:

Fifth Revised Volume No. 1

Second Revised Sheet No. 201
Original Sheet No. 302
Original Sheet No. 303

Northern states that the above-referenced tariff sheets amend the General Terms and Conditions of Northern's Tariff to allow Northern to acquire and hold interruptible contractual rights on other pipelines for transportation and storage capacity for the benefits of its shippers.

Northern states that copies of the filing were served upon Northern's customers and interested State Commissions.