

Portland Natural Gas Transmission System (PNGTS) is not completed and ready for service by November 1, 1998, in order to provide continuous firm transportation services for its customers, Bay State Gas Company (Bay State) and Northern Utilities, Inc. (Northern Utilities). Granite State also says that Bay State and Northern Utilities have independently proposed to replace the seasonal base load gas supplies delivered over the leased pipeline with transportation capacity that each has reserved on PNGTS. Granite State further states that it has the option to terminate the proposed third lease extension by notice to Portland 90 days (August 1, 1998) prior to November 1, 1998, if it develops during the spring and summer of 1998 that PNGTS is actually being constructed on schedule for completion by November 1, 1998. According to Granite State, no new facilities are required to operate the leased pipeline during the extension of the lease, and no new services are proposed in the application.

According to Granite State, the principal provisions of the third lease extension shows that Granite State, whether or not it exercises the option to terminate the extension early, will have to pay Portland: (1) A one-time payment of \$1,500,000 on October 25, 1998 for the opportunity to hold the pipeline available for use in natural gas transportation beginning November 1, 1998; and (2) \$8,500,000 reimbursement toward the cost of reconverting the leased line to oil transportation service. Granite State also says that the other provisions of the third lease extension, which are discussed in the application, include the: (1) Time when the leased line will be idled (May 1 through October 31, 1998) for pre-conversion work by Portland; and (2) rental costs which include fixed costs and contingent obligations. Granite State further says that costs related to the third lease extension will not be recovered in the present rates and Granite State intends to file a Section 4 rate filing no later than May 1, 1998 to propose an increase in its rates to recover the costs of the third lease extension.

Any person desiring to be heard or to make any protest with reference to said application should on or before March 13, 1998, file with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, a motion to intervene or a protest 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 Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken on the request for a permanent certificate but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to the proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to jurisdiction conferred upon the Federal Energy Regulatory Commission by Sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission or its designee on the application, if no motion to intervene is filed within the time requested herein, and if the Commission on its own review of the matter finds that a grant of the certificate is required by public convenience and necessity. If a motion for leave to intervene is timely filed, or if the Commission on its own believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Granite State to appear or be represented at the hearing.

**David P. Boergers,**

*Acting Secretary.*

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## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Docket No. RP97-108-002]

#### Koch Gateway Pipeline Company; Notice of Filing

February 20, 1998.

Take notice that on February 17, 1998, Koch Gateway Pipeline Company (Koch) tendered for filing its report of the PAL Service after one year of operation.

Koch states that this filing is in compliance with Section 9 of the PAL Rate Schedule. The Commission required Koch to file a report 45 days after the first year of operating experience.

Koch states that copies of this filing have been served upon each party contained in the official service list as

compiled by the Secretary in the above captioned proceeding.

Any person desiring to protest said filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed on or before February 27, 1998. All 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 proceedings. Copies of this filing are on file with the Commission and are available for public inspection.

**David P. Boergers,**

*Acting Secretary.*

[FR Doc. 98-4902 Filed 2-25-98; 8:45 am]

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## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Docket No. RP97-373-000]

#### Koch Gateway Pipeline Company; Notice Rescheduling Informal Settlement Conference

February 20, 1998.

Take notice that the informal settlement conference scheduled to convene in this proceeding on February 24, 1998 has been canceled and rescheduled for February 25, 1998, at 1:00 p.m., at the offices of the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C., for the purpose of exploring the possible settlement of the above-referenced docket.

Any party, as defined by 18 CFR 385.102(c), or any participant as defined by 18 CFR 385.102(b), is invited to attend. Persons wishing to become a party must move to intervene and receive intervenor status pursuant to the Commission's regulations (18 CFR 385.214).

For additional information, contact Edith A. Gilmore at (202) 208-2158 or Sandra J. Delude at (202) 208-0583.

**David P. Boergers,**

*Acting Secretary.*

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