tariff provision that a shipper may propose to adjust its rates semiannually to flow through to its jurisdictional customers the jurisdictional portion of changes its ANGTS charges. Alternatively, a shipper may recover the jurisdictional portion of these charges through a cost-of-service tariff approved by the Commission.

The Commission proposes to delete these regulations because the ANGTS project has not been built as originally contemplated, and the regulations are obsolete in light of the post-Order No. 636 unbundled environment. Nonetheless, the Commission remains ready to facilitate the construction of ANGTS, which Congress has found to be in the public interest.7 Hence, if action is warranted in the future to facilitate financing and progress on the ANGTS and the recovery of ANGTS costs, the Commission will act expeditiously. What was stated in Order No. 636–A applies here as well: "nothing in the rule [Order No. 636] is intended to disturb the United States government's commitment to the ANGTS prebuild."⁸ Further, the Commission continues to view the Northern Border prebuild segment as remaining subject to the various agreements between the United States and Canadian governments and subsequent findings in Commission orders certificating Northern Border Pipeline Company's system.⁹ Removing these regulations is not intended to have any effect on the ANGTS prebuild revenue stream.

3. Electronic Filing

The Commission recognizes that changes to these regulations and to the forms in the companion notice of proposed rulemaking titled "Revisions to the Uniform System of Accounts and to Forms and Statements and Reporting Requirements for Natural Gas Companies'' necessitate modifications to the electronic formats for the affected filings and forms. To ensure the widest possible input, the Commission directs its staff to convene a technical conference to obtain the participation of the industry and other users of the filed information in designing the electronic filing requirements. By the time the Commission issues a final rule in these companion rulemakings, the Commission expects staff, with the participation of interested parties, to have developed the changes needed to

make the electronic filings that would be required under the regulations proposed in these two notices of proposed rulemaking. The Commission intends to move toward a PC-based electronic filing system and away from mainframes. The Commission intends to employ user friendly form-fill, word processing, or spreadsheet application software as much as possible. If these revisions are not complete by the time the Commission issues the final rule, since the changes will make the current electronic formats obsolete upon the adoption of revised filing requirements and forms, the Commission would suspend collection of the formats for rate filings subject to proposed Subpart D in electronic form, until new electronic formats are devised.

The electronic tariff sheet formats will not be included in this effort. The Commission has derived substantial benefit from the electronic tariff sheet filings and proposes only modest changes to the electronic tariff filing requirements. Those changes are attached as an appendix and briefly discussed below.

B. The Revised Regulations

The proposed part 154 has a completely new organization from the current regulations, and virtually every section has been changed in some way. The text has been edited to remove outdated and incorrect references, and rewritten in a more concise style. Although many filing and reporting requirements have not been changed, they have been relocated. The proposed regulations may be best understood by a comparison to the current regulations they replace. Details of the proposed regulations are provided below.

a. Subpart A—General Provisions and Conditions

i. Section 154.1 Application; obligation to file—The Commission proposes to retain the description of the purpose of part 154 (current § 154.1(a)), which reflects the requirement of Section 4(c) of the NGA that every natural gas company must file with the Commission, and maintain for open inspection, its schedules and contracts.

The Commission proposes to delete outdated language (i.e., "On or after December 1, 1948"). The Commission proposes to remove the electronic medium requirements from this paragraph and place them in proposed § 154.4.

The Commission proposes to require that any executed service agreement which deviates in a material aspect from the form of service agreement in the tariff must be filed with the Commission. (See also discussion of proposed § 154.112). This requirement conforms to current Commission policy as set forth in Tennessee Gas Pipeline Co.¹⁰ In that order, the Commission recognized that parties may negotiate terms in their service agreements but indicated a preference for all part 284 services to be conducted under the same terms and conditions. The Commission clarified that if parties agree to terms that in any way materially differ from the form of service agreement on file, then the pipeline must file the agreement under NGA section 4.

b. Section 154.2 Definitions

The Commission proposes to define terms of general applicability in proposed § 154.2. The Commission is proposing stylistic changes only to definitions for: "Rate Schedule," currently in § 154.11, "Contract," currently in § 154.12, "Service Agreement," currently in § 154.13, and "Tariff or FERC Gas Tariff," currently in § 154.14. "Posting," currently in § 154.16, has been defined to allow the parties to agree to alternative methods of "mailing" such as electronic mail.

c. Section 154.3 Effective Tariff

The Commission proposes to describe the term "Effective tariff" in § 154.3, currently § 154.21. The proposed description clarifies that a pipeline may not avoid filing for a rate change by making the rate subject to an exception or condition, such as a periodic rate change under a price index. At present this concept is found in § 154.38(d)(3).

d. Section 154.4 Electronic and Paper Media

Current § 154.26 calls for 6 paper copies to cover the Commission's internal distribution needs but allows electronic filing as an exception. Proposed § 154.4 requires electronic media filings in addition to paper copies.

The proposed section consolidates in one place the Commission's requirements with respect to electronic submittal of filings required by part 154. Currently, these requirements are strewn throughout part 154, often redundantly.

The appendix to this notice of proposed rulemaking includes updated electronic tariff filing formats as well as tariff pagination guidelines.¹¹ The

 $^{^7} Alaska Natural Gas Transportation System Act, 15 U.S.C. 719–719.$

⁸Order No. 636–A, III FERC Stats. & Regs.

Preambles ¶ 30,950 at p. 30,674 (1992). ⁹Northern Border Pipeline Co., 63 FERC ¶ 61,289 (1993).

 $^{^{10}\,65}$ FERC $\P\,61,356$ (1993); reh'g denied, 67 FERC $\P\,61,196$ (1994).

¹¹ The appendix will not appear in the Code of Federal Regulations. The formats for the electronic filing and paper copy can be obtained at the Federal Energy Regulatory Commission, Division of Public Information, Washington, DC 20426.