extracted from natural gas and other activities reported in Account Nos. 490-495. New requirements to quantify and explain changes to base period actuals and provide information about releases, penalties, cash outs, other imbalances, and exit fees are incorporated in this schedule. Revenues from miscellaneous services must be reflected in Account No. 495, as is currently required. Further, the pipeline must explain the circumstances relating to revenues from "special" types of "X" rate schedules. Revenues from the release of Account No. 858 capacity must be reflected as a credit to Account No. 858 in both Schedule G-5 and the proposed Schedule I-4.

The Commission proposes Schedule I–1, Functionalization of Cost of Service, to replace current Statement I (Allocation of overall cost of service). The jurisdictional and nonjurisdictional sales allocation is eliminated as no longer needed.

The Commission proposes Schedule I–2(i) and (ii) as a replacement for present Schedule I–2. Proposed Schedule I–2(iii) requires an explanation of changes in classification from the currently effective rates. This information is required by current Schedule K–2, but is often difficult to distinguish from other information.

The Commission proposes Schedule I-3, Allocation of Cost-of-Service, to replace current Schedule J. Schedule I– 3(ii) bridges the gap between the cost of service and rates. The information required is now filed under current Schedule K–1. Proposed Schedule I– 3(ii) follows a more logical order. It also recognizes that there are often several allocation steps before rates are actually calculated. Proposed Schedule I-3(iii) requires the formulae and allocation determinants. Proposed Schedule I-3(iv) requires an explanation of any changes from the current methodology as is required under current Schedule K-2

The Commission proposes Schedule I-4, Transmission and Compression of Gas by Others (Account No. 858), to replace current Schedule I-4. The proposed revisions reflect current operations. Proposed Schedule I-4(i) requires information on the expiration date of each contract with an upstream pipeline. This will provide the Commission with information about the status of contracts. Proposed Schedule I-4(iii) requires the pipeline to report monthly usage volumes and monthly revenues. Proposed Schedule I-4(v) requires minimal information about capacity release. It does not request any information on the identity of the contracting party. The information on

revenues for releases is necessary to ensure that the pipelines' customers that pay the Account No. 858 costs receive a credit for revenue from capacity releases made by the pipeline of this upstream capacity.

Current Schedule I–5, requiring information on meters, is deleted. Proposed Schedule I-5, Three-day peak deliveries, replaces current Schedule I-6 and clarifies that data on deliveries must be by customer by rate schedule. Proposed Schedule I-5 also requires a breakout by zone. Current Schedule I-6 requires information on deliveries to non-jurisdictional customers. Current Schedule I-6 requires information on storage withdrawals, line pack fluctuations and temperature. Proposed Schedules I-5 (iii), (iv), and (v) require the same information. However, proposed Schedule I–5(iii) requires that storage be broken out by field and between contract storage and system use. This information was not needed when pipelines were primarily in the sales business; however, since storage has been unbundled and the pipelines can only retain storage for operational purposes, more detail is necessary in order to examine how storage is used at peak times.

The Commission proposes Schedule I–6, Gas Balance, to replace current Schedule I–7 with the deletion of that schedule's last sentence.

The Commission proposes Statement J, Comparison and Reconciliation of Estimated Revenues With Cost-of-service, as a replacement for current Statement K. Proposed Statement J will provide the same type of comparison as the current schedule, except that it specifically states that Schedule G–2 must be compared to Statement I. It also requires surcharges to be reflected and recognizes that they are not derived from the cost of service, but are jurisdictional revenues.

The Commission proposes new Schedule J–1, Summary of Billing Determinants, to help correlate the volumes in proposed Schedule G to the volumes used to develop rates.

The Commission proposes Schedule J–2, Derivation of Rates, to replace current Schedule K–1. Proposed J–2 more clearly specifies what information is required and requires the costs and billing determinants to be cross-referenced. Proposed Schedule J–2(iii) requires the same information as current Schedule K–2.

xiii. Section 154.314 Schedules for Minor Rate Changes

The Commission proposes that the filing burden for minor rate increases and rate decreases be less than other

rate changes. Minor rate increases usually relate to a few schedules and are designed to bring such schedules into harmony with general tariff policy, to eliminate inequities, and to achieve other formal adjustments, in cases where any increase in revenue is subordinate to some other purpose. They include changes that are not designed to provide general revenue increases such as to offset increased costs or otherwise achieve a fair return on the overall jurisdictional business. The Commission proposes that increases in rates or charges which, for the test period, do not exceed the smaller of \$1,000,000 or 5 percent of the revenues under the jurisdiction of the Commission will be considered minor. A change in rate level, no part of which directly or indirectly results in any increased charge to a customer or class of customers, will also be considered a minor rate change.

xiv. Section 154.315 Other Support for a Filing

Proposed § 154.315 provides that any company filing for a rate change is responsible for preparing prior to filing, and maintaining, workpapers sufficient to support the filing. In addition to the workpapers, certain other material, related to the test period, must be provided such as copies of monthly financial reports prepared for management purposes and copies of accounting analyses of balance sheet accounts.

6. Subpart E—Limited Rate Changes

i. *Section 154.401 RD&D Expenditures.* The Commission proposes § 154.401 to replace current § 154.38(d)(5).

ii. Section 154.402 ACA Expenditures. The Commission proposes § 154.402 to replace current § 154.38(d)(6).

iii. Section 154.403 Periodic Rate Adjustments. The Commission proposes new § 154.403 to govern the passthrough on a periodic basis of a single cost item or revenue item not otherwise covered by subpart E, such as remaining purchased gas adjustment mechanisms, Fuel Loss and Unaccounted-For, and transition cost filings. These new regulations are consistent with current Commission policy governing these filings and generally reflect currently effective tariff provisions.

The requirements of this section are subdivided into two parts. The initial part sets forth the minimum general requirements the Commission proposes a pipeline to meet if it proposes, or the Commission requires, a periodic