passthrough mechanism in the future. Significant among the proposed requirements of this section is the requirement to include a sample calculation in the tariff provision governing the periodic rate change methodology. This sample calculation will assist the Commission and interested parties in understanding the proposal and ensure that the tariff language adequately explains the calculation steps. Further, it will provide a template for future filings under the tariff provision.

The general requirements portion of section 154.503 also includes the requirement that all periodic rate change mechanisms include a description of the timing and methodology of the adjustments, including a description of all mathematical calculations. No steps should be excluded. Given the numbers from the source documents, anyone reading the tariff should be able to arrive at the rate component by following the steps described in the tariff.

The second portion of proposed section 154.503 is devoted to the information to be submitted with each filing. The filings should contain working papers which show the calculations described by the tariff. The Commission proposes to collect sufficient supporting calculations to show a clear path from the source data to the rate component.

7. Subpart F—Refunds and Reports

i. Section 154.501 Refunds. The Commission proposes § 154.501 to replace current § 154.67(c). The refund carrying charge rule, currently § 154.38(d)(4), is proposed to apply to all refunds. The proposed section reflects current Commission policy.

The Commission proposes to add a requirement for refunds of the pipeline to be made within 60 days to ensure refunds are disbursed on a timely basis. Refunds received by the pipeline must be disbursed within 30 days of receipt. This period of time should be adequate to disburse a refund.

Proposed § 154.501(c) is added to reflect current Commission policy with respect to supplier refunds which apply to the period during which the company had a purchased gas adjustment clause in its tariff. Instructions regarding the contents of a refund report are added to provide guidance.

ii. *Section 154.502 Reports.* The Commission proposes new § 154.502 to require that the tariff include information about reports required by the Commission.

- 8. Subpart G—Other Tariff Changes
- i. Section 154.601 Change in Executed Service Agreement. The Commission proposes § 154.601 to replace current § 154.63(d)(2). The proposed section concerns executed service agreements "on file with the Commission" and does not refer to "well names."

ii. Section 154.602 Cancellation or Termination of a Tariff, Executed Service Agreement or Part Thereof. The Commission proposes § 154.602 as the replacement for current § 154.64. The proposed section does not require sales information. It does require a list of the affected customers and the contract demand under the service to be canceled.

iii. Section 154.603 Adopting of a Tariff by a Successor. The Commission proposes § 154.603 as the replacement for current § 154.65. The proposed section concerns adopted tariffs or contracts "on file with the Commission" as opposed to any tariff or contracts.

IV. Regulatory Flexibility Act Certification

The Regulatory Flexibility Act (RFA) ¹⁵ requires agencies to prepare certain statements, descriptions, and analyses of proposed rules that will have a significant economic impact on a substantial number of small entities. The Commission is not required to make such analyses if a rule would not have such an effect.

The Commission does not believe that this rule will have such an impact on small entities. Most filing companies regulated by the Commission do not fall within the RFA's definition of small entity. ¹⁶ Further, the filing requirements of small entities are reduced by the rule. Therefore, the Commission certifies that this rule will not have a significant economic impact on a substantial number of small entities.

V. Environmental Statement

The Commission has excluded certain actions not having a significant effect on the human environment from the requirement to prepare an environmental assessment or an environmental impact statement.¹⁷ No environmental consideration is raised by the promulgation of a rule that is clarifying, corrective, or procedural or that does not substantially change the

effect of legislation or regulations being amended. ¹⁸ The instant rule changes the information to be filed, and the manner by which that information is filed, with the Commission but does not substantially change the effect of the underlying legislation or the regulations being replaced or revised. Accordingly, no environmental consideration is necessary.

VI. Information Collection Statement

The Office of Management and Budget's (OMB) regulations ¹⁹ require that OMB approve certain information and recordkeeping requirements imposed by an agency. The information collection requirements in this proposed rule are contained in the following:

FERC Form 542 "Gas Pipeline Rates: Initial Rates, Rate Change and Rate Tracking'' (1902–0070); FERC Form 542A Tracking and Recovery of Alaska Natural Gas Transportation System' (1902-0129); FERC Form 543 "Gas Pipeline Rates: Rate Tracking, Formal Rates" (1902-0152); FERC Form 544 "Gas Pipeline Rates: Rate Change, Formal Rates" (1902-0153); FERC Form 545 "Gas Pipeline Rates: Rate Change, Nonformal Rates" (1902-0154); FERC Form 546 "Certificated Rate Filings: Gas Pipeline Rates" (1902-0155); and, FERC Form 547 Gas Pipeline Rates: Refund Report Requirements" (1902-0084).

The Commission, in this proposed, rule intends to modernize its regulations to reflect the current regulatory environment that it instituted with Order No. 636 and the restructuring of the natural gas industry. Specifically, the Commission intends to replace its regulations in part 154 to focus on transportation services instead of pipeline sales activities. The proposed filing requirements will improve the internal support of a pipeline's filing, reduce the discovery process in rate hearings for all parties and facilitate more rapid settlement or adjudication of pipeline rate proposals. The Commission's Office of Pipeline Regulation uses the data in its various rate proceedings to review rate and tariff changes by natural gas companies for the transportation of gas and for general industry oversight under the Natural Gas Act. The Commission's Office of Economic Policy also uses these data in its analysis of interstate natural gas pipelines.

The Commission is submitting to the Office of Management and Budget a notification of these proposed collections of information. Interested persons may obtain information on

^{15 5} U.S.C. 601-612.

¹⁶ 5 U.S.C. 601(3), citing to section 3 of the Small Business Act, 15 U.S.C. 632. Section 3 of the Small Business Act defines a "small-business concern" as a business which is independently owned and operated and which is not dominant in its field of operation.

¹⁷ 18 CFR 380.4.

^{18 18} CFR 380.4(a)(2)(ii).

^{19 5} CFR 1320.13.