instituted this requirement to facilitate the preparation of financial statements to be submitted as part of the application because the utilities already prepare quarterly financial statements and may use such statements as the basis for the information required to be submitted. The use of the FERC Form No. 1 format will relieve utilities of the necessity of compiling data in a format that has limited applicability.

For the information to be filed in Part 35 and collected under the heading FERC–516, the Commission will require more information than is currently required on small rate increases for requirements services. However, the Commission believes that the additional information will allow for more efficient processing of applications and, by reducing or eliminating the need for extensive discovery, eliminate protracted proceedings. The final rule creates a new abbreviated filing option for small increases in rates for noncoordination, firm power and transmission services.

Concerning FERC–525, the final rule modifies shortened procedures for hearings on a utility's accounts, records and memoranda. The Commission seeks to reduce the amount of litigation, particularly the number of hearings when the material facts are not in

dispute.

The Commission estimates that the public reporting burden for the other filing requirements under this proposed final rule will reduce the existing reporting burden. The requirements for the certification of small power production and cogeneration facilities as qualifying facilities under Part 292 of the regulations has been revised and clarified to reflect changing industry conditions and the Commission's experience with the qualifying facilities program. In particular, the Commission intends to act within 90 days on the filing of an application for certification, or within 90 days of the filing of the supplement or amendment to the application. This will allow the application process to be conducted in a timely fashion and with some certainty to the applicant as to when the Commission deems an application complete.

In the NOPR, the Commission proposed a standardized application form, FERC Form 556, to facilitate successful applications for Commission certification of qualifying status. Form 556 allows cogenerators and small power producers to report the specific characteristics of their facilities and provides a step-by-step application of pertinent regulations to their facilities. To provide greater assurance to lenders,

electric utilities and state regulatory institutions, the final rule also adopts the use of the FERC Form 556 information requirement format for notices of self-certification. Through the use of Form 556, the self-certification process will be similar to the Commission certification process, for it will incorporate sufficient substantive information. But the notice of selfcertification will remain a simple procedure that is both quick and economical. There will be no Commission review or filing fee, and the process should promote discussions between the applicants, electric utilities and affected regulatory commissions to resolve any problems. To make Form 556 easier to use, the Commission is eliminating redundancies and, wherever possible, cross-referencing items to related sections of the Commission's regulations or stating the underlying Federal Power Act (FPA) or Commission requirement.

In the proposed rule, the Commission also sought to make it easier to determine the energy sources that certain qualifying small power production facilities may use. To make it easier to certify a qualifying facility, the Commission also proposed to list specific energy sources that it had previously approved for treatment as waste. In the final rule, the Commission publishes a list of waste energy inputs already approved by the Commission. In addition, the Commission is also streamlining its waste determination process for those energy inputs that do not appear on the list by changing its approach to require that the proposed waste fuel source only have little or no commercial value.

In its changes to Part 382 of the regulations concerning the submission of annual charges and the information collected under FERC–582, the final rule clarifies the Commission's requirements by making the calculation of annual charges consistent with the classification of transaction volumes as reported on the FERC Form 1.

For the information collected under FERC–585 under Part 294 of the Commission's regulations, the final rule provides a public utility with the option of not separately reporting its contingency plans if it already includes certain provisions in its wholesale rate schedules. Otherwise, the public utility must file a brief statement, summarizing its contingency plans. In the event the public utilities avail themselves of this option, it would reduce the number of annual respondents and total burden.

Comments regarding these burden estimates or any other aspects of these collections of information, including suggestions for reducing the burden, can be sent to the Federal Energy Regulatory Commission, 941 North Capitol Street, N.E. Washington, D.C. 20426 [Attention: Michael Miller, Information Services Division, (202) 208–1415]; and to the Office of Information and Regulatory Affairs, Office of Management and Budget [Attention: Desk Officer for Federal Energy Regulatory Commission], FAX: (202) 395–5167.

## III. Discussion

For the reasons discussed below, the Commission hereby deletes or revises the following regulations:

A. Part 2—General Policy and Interpretations: Section 2.4(d)—Initial Rate Schedules

The Commission noted in the NOPR that § 2.4(d) provides that an initial rate schedule can be suspended and an interim rate established, and that both can be made subject to refund. However, the United States Court of Appeals for the District of Columbia Circuit has held that the Commission does not have authority to suspend initial rate filings.4 Accordingly, in the NOPR the Commission proposed to delete this provision from the regulations. Only Southern Companies commented on this proposed change, and they agree that the deletion of the provision is appropriate.5 For the reasons given in the NOPR, and described above, the final rule will delete this provision from the Commission's regulations.

B. Part 34—Application for Authorization of the Issuance of Securities or the Assumption of Liabilities

1. Section 34.1(c)(1)—Exemptions if State Regulates Security Prior to

Under sections 19, 20 and 204 of the FPA,<sup>6</sup> utilities, licensees, and certain other entities are required to obtain Commission authorization to issue securities or to assume any obligation or liability with respect to the securities of another person.<sup>7</sup> The NOPR proposed

 $<sup>^4</sup>$  Middle South Energy, Inc. v. FERC, 747 F.2d 763 (D.C. Cir. 1984).

<sup>&</sup>lt;sup>5</sup>Southern Companies also disagrees with the Commission's interpretation of what constitutes an initial rate; however, that issue is beyond the scope of this proceeding.

<sup>616</sup> U.S.C. 812, 813, 824c.

<sup>&</sup>lt;sup>7</sup>There are certain exceptions to this requirement. Under section 204(e) of the FPA, a public utility does not require Commission authorization to issue, renew, or assume debt with a maturity date of not more than one year, if the debt, together with all of the other debt having a maturity of one year or less that the utility has then outstanding, does not exceed five percent of the par value of the utility's securities then outstanding.