FERC Form No. 1 format will relieve utilities of the necessity of compiling data in a format that has limited applicability. Further, utilities may be able to use the Statement as included in the FERC Form No. 1, depending upon the timing of the filings, thus further reducing the burden of compliance.

The final rule clarifies the interest coverage calculation worksheet required in Exhibit E by adding a line entitled "Interest Coverage" as suggested and a "division" sign at the end of the line entitled "Total Interest Expense" and an "equals" sign at the end of the line entitled "Income Before Interest and Income Taxes."

c. Sections 34.4 (g) and (h), Exhibits G and H. The NOPR proposed to delete paragraphs (g) and (h). The Commission noted that the information currently required by § 34.4(g) is directed toward competitively-bid securities placements, which the Commission intends that its regulations should no longer require. The preissuance filing contemplated by § 34.4(h) will no longer be necessary, since the Commission intends to authorize applicants to issue securities under conditions specified under proposed §34.2. The Commission pointed out that it will, therefore, only be necessary that applicants provide the Commission with a report of their securities issuances after the fact under the provisions of existing §131.43 and revised § 131.50.

No one commented on the proposed changes to Exhibits G and H; we will adopt those changes as proposed.

## 6. §34.10-Reports

In the NOPR, the Commission proposed to revise its rules to require applicants to file reports under § 131.43 and § 131.50 no later than 30 days after the sale or placement of long-term debt or equity securities or the entry into guarantees or assumptions of liabilities. The Commission has received no comments regarding this proposal and will adopt it unchanged.

7. § 34.11—Unopposed Applications to Issue Securities and/or Assume Liabilities

In the NOPR, the Commission proposed to revise part 34 by adding a new § 34.11 to provide for authorization of unopposed applications for authorization of the issuance of securities or assumption of liabilities upon the terms and conditions and for the purposes set forth in the application unless, within 90 days after the date of the application, the Commission issues an order delaying the effectiveness of the transaction, setting the matter for hearing or taking other action. The NOPR proposed the rule in order to eliminate needless regulation and aid the processing of unopposed applications, while preserving the right of interested parties to oppose the applications.

Baltimore Gas & Electric, Consumers Power, Detroit Edison, EEI, Gulf States and Utilicorp commented on the proposed 90-day period for automatic approval of security issuances (i.e., without Commission action). Several commenters 11 suggested different periods-30, 45 or 60 days after the date of the application, or 15 days after publication of the notice. Utilicorp noted that the proposal more than doubled the time presently taken to process most applications. Utilicorp also noted that, if the Commission adopts an automatic mechanism for the processing of these applications, utilities will have to obtain written assurances for their lenders that the Commission has a "self executing" rule, provide copies of the rule to the lenders and then provide a "date stamped" copy of the filing made with the Commission. The utilities would then have to prove that no one had protested their applications and that the Commission did not issue an order within the 90-day period that would preclude the automatic issuance.

Utilicorp's comments concerning an automatic approval mechanism are well taken. Utilities and their lenders rely on the certainty that a Commission order confers. The proposed automatic approval would introduce an element of uncertainty into the approval process and place a greater burden upon utilities to provide adequate assurances to their lenders. At this juncture, we believe the uncertainty and the concomitant burden upon lenders and utilities outweigh the time and resources that the Commission would save in preparing and issuing orders. Accordingly, we will not adopt the proposed automatic approval mechanism.

## 8. Part 131—Forms

Section 131.50. The NOPR proposed to rename § 131.50 to read "Report of proposals received." The NOPR also proposed to delete the current language of § 131.50 and to revise the language of § 131.50 to read as follows:

Section 131.50 Report of Proposals Received. No later than 30 days after the sale or placement of long-term debt or equity securities or the entry into guarantees or assumptions of liabilities (collectively referred to as "placement") pursuant to authority granted under part 34, the applicant shall file a summary of each proposal received for the placement. Each proposal accepted shall be indicated. The information to be filed shall include:

(a) Par or stated value of securities;(b) Number of units (shares of stock, number of bonds) issued;

(c) Total dollar value of the issue;

(d) Life of the securities, including

maximum life and average life of sinking fund issues;

(e) Dividend or interest rate;

(f) Call provisions;

(g) Sinking fund provisions;

(h) Offering price;

(i) Discount or premium;

(j) Commission or underwriter's

spread; (k) Net proceeds to company for each unit of security and for the total issue:

(l) Net cost to the company for securities with a stated interest or dividend rate.

The revision of this regulation represents a reclassification of information previously reported as Exhibit H under § 34.4. The NOPR noted that this information is necessary to analyze compliance with the Commission's regulations and orders authorizing placement. No one commented on this proposed revision, and we will adopt it.

## C. Part 35—Filing of Rate Schedules

1. Sections 35.13(a)(2)(i) (A) and (B)— Rate Increases of Less Than \$200,000, Regardless of Customer Consent, and Rate Increases Below \$1,000,000, with Customer Consent

The Proposed Rule. The NOPR proposed revising the abbreviated filing requirements of §§ 35.13(a)(2)(i)(A) and (B), involving certain rate increases of less than \$200,000, regardless of customer consent, and rate increases below \$1,000,000, with customer consent. The revised sections would require public utilities filing relatively small rate increases for requirements services to submit more information than the regulations currently require. This new information would include, inter alia, a cost of service analysis for an historical test year, a complete derivation of all allocation factors and special assignments, and a complete calculation of revenues for the test period and for the first twelve months after the proposed effective date. The Commission's preliminary view was that the proposed filing requirements would allow the Commission to process these applications more efficiently and would eliminate unnecessarily protracted proceedings (including, e.g.,

<sup>&</sup>lt;sup>11</sup> The commenters are Baltimore Gas & Electric, Consumers Power, Detroit Edison, EEI, Gulf States.