

REG-PREAMBLE, FERCSR 1977-1981 ¶30,112, **Order Granting Rehearing for the Purpose of Further Consideration and Further Staying of Order No. 45 and Order No. 31-A, December 20, 1979, Docket No. RM79-19, Docket No. RM79-12, 18 CFR 2, 18 CFR 271, 44 FR 76482**

Order Granting Rehearing for the Purpose of Further Consideration and Further Staying of Order No. 45 and Order No. 31-A, December 20, 1979, Docket No. RM79-19, Docket No. RM79-12, 18 CFR 2, 18 CFR 271, 44 FR 76482

[30,777]

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44 F. R. 76482 (December 27, 1979)

18 CFR Parts 2 and 271

[Docket Nos. RM79-19 and RM79-12; Orders Nos. 45 and 31-A]

Order Granting Rehearing for the Purpose of Further Consideration and Further Staying of Order No. 45 and Order No. 31-A

Issued December 20, 1979.

AGENCY: Federal Energy Regulatory Commission.

ACTION: Order Staying Effective Dates.

SUMMARY: On August 24, 1979 the Commission issued Order No. 45 (Docket No. RM79-19) and Order No. 31-A (Docket No. RM78-12) [44 FR 51554, 41681, September 4, 1979]. By these orders the Commission amended regulations issued under the Natural Gas Policy Act and implemented a policy under the Natural Gas Act so that responsibility for production-related costs incurred in first sales of natural gas produced at Prudhoe Bay, Alaska for transport through the Alaska Natural Gas Transportation System could be addressed. Petitions to rehear both orders have been received and, in addition, the Secretary of Energy has requested a stay of the effective dates of the two orders to permit time for filing by him of certain data. For these reasons the Commission stays the effective date of the two orders until further notice by the Commission.

DATE: Effective dates of Order No. 45 and Order No. 31-A stayed until further notice by the Commission.

FOR FURTHER INFORMATION CONTACT: John Conway, Office of the General Counsel, Federal Energy Regulatory Commission, Room 8100-K, 825 North Capitol Street, N.E., Washington, D.C. 20426, (202) 357-8150.

Before Commissioners: Charles B. Curtis, Chairman; Georgiana Sheldon, Matthew Holden, Jr., and George R. Hall.

In the matter of treatment of certain production-related costs of natural gas

[30,778]

to be sold and transported through the Alaska Natural Gas Transportation System, [Docket No. RM79-19](#); and determination of incentive rate of return, tariff and related issues, [Docket No. RM78-12](#).

On August 24, 1979, the Commission issued [Order No. 45](#) under [Docket No. RM79-19](#) (44 FR 51554,

September 4, 1979). That order established regulations respecting the treatment of production-related costs under the Natural Gas Policy Act for natural gas produced at Prudhoe Bay, Alaska for transport through the Alaska Natural Gas Transportation System (ANGTS). At the same time, the Commission issued an order which applied the policy of [Order No. 45](#). This latter order, [Order No. 31-A](#), was issued under [Docket No. RM78-12](#) (44 FR 51681, September 4, 1979). Applications to rehear both of those orders were filed.¹ In addition, the Commission was informed by letter from the Secretary of Energy dated October 15, 1979, that a formal filing would be made by the Department of Energy under [Docket No. RM79-19](#). That filing would reflect discussions held by the Department and North Slope producers of producer financing commitments for the ANGTS and the impact of such commitments on [Order No. 45](#). In light of both the petitions to rehear and the offer of the Department of Energy to make a filing in this matter, the Commission granted limited rehearing for Orders 45 and 31-A and stayed the effective date of those two orders until December 21, 1979.²

On December 5, 1979, the Commission was notified by letter from the Secretary of Energy that discussions with the North Slope producers concerning financing for the ANGTS are continuing. In that letter, the Secretary requested that, because of the complexity of the undertaking and the need for additional negotiations, the time to rehear [Order No. 45](#) should be extended until such time as the Secretary can definitively report on the outcome of his discussions with North Slope producers. Accordingly, the Commission finds that it is appropriate to further stay the effective date of [Order No. 45](#) and [Order No. 31-A](#)³ to permit the Secretary of Energy the opportunity to intervene in the proceedings and to make such filings as he may deem appropriate.

The Commission Orders: (A) The petitions for rehearing of [Order No. 45](#) and [Order No. 31-A](#), filed in this proceeding, are granted solely for the purpose of affording further time for consideration of the petitions and to afford further time for relevant filings on the part of the Department of Energy. This action does not constitute a grant of denial of the petitions on their merits in whole or in part. As provided by §1.34(d) of the Commission's Regulations, no answer to the applications filed in this proceeding will be entertained by the Commission since this order does not grant rehearing on any substantive issues.

(B) Ordering Paragraph (1) of [Order No. 45](#), issued August 24, 1979, under [Docket No. RM79-19](#) and Ordering Paragraph (B) of [Order No. 31-A](#), issued August 24, 1979, under [Docket No. RM78-12](#) are stayed until further notice of the Commission.

By the Commission.

Kenneth F. Plumb,

Secretary.

[30,778]

¹ On September 21, 1979, the Atlantic Richfield Company, the Sohio Natural Resources Company, and the Phillips Petroleum Company filed separate applications for rehearing of these two orders. On September 24, 1979, the State of Alaska and the Exxon Corporation filed separate applications for rehearing of these two orders.

² Order Granting Rehearing for the Purpose of Further Consideration and Staying of [Order No. 45](#) and [Order No. 31-A](#), issued October 19, 1979 (44 *Fed. Reg.* 61327 October 25, 1979); Order Granting Rehearing for the Purpose of Further Consideration and Further Staying of [Order No. 45](#) and [Order No. 31-A](#), issued November 30, 1979 (44 *Fed. Reg.* 69935, December 5, 1979).

³ As with prior stays, this order does not apply to Order No. 31 or Order No. 31-B, issued under Docket No. RM78-12. Order Nos. 31 and 31-B are final orders now in effect.