

(16) *Alternative fuel* means alternative fuel as it is defined in Subpart C of this part.

(b) *Cross references.* (1) Essential agricultural requirements are calculated in accordance with § 281.208.

(2) *Index of entitlements* is that index of entitlements prepared in accordance in § 281.204(b).

[44 FR 26862, May 8, 1979, as amended by Order 29-C, 44 FR 61344, Oct. 25, 1979; Order 55-B, 45 FR 54739, July 18, 1980]

§ 281.204 Tariff filing requirements.

(a) *General rule.* Each interstate pipeline listed in § 281.202 shall file tariff sheets, including an index of entitlements, which provides that if the interstate pipeline is in curtailment, natural gas will be delivered in accordance with the provisions of this subpart. If the interstate pipeline has curtailment provisions in its currently effective tariff, the tariff sheets shall amend the existing curtailment provisions. If the interstate pipeline has no curtailment plan in its currently effective tariff, when it files tariff sheets to amend its currently effective tariff to include a curtailment plan such curtailment plan shall comply with the requirements of this subpart. The tariff sheets shall be filed no later than October 1, 1979, with a proposed effective date of November 1, 1979. The Data Verification Committee report prepared in accordance with § 281.213 shall be filed with the tariff sheets.

(b) *Index of entitlements.* (1) The index of entitlements for an interstate pipeline shall identify the natural gas entitlements in priority of service categories 1 and 2 (established in accordance with § 281.205(a)) for each direct sale customer, each local distribution company customer and each interstate pipeline purchaser on a daily, monthly, seasonal or other periodic basis used in the currently effective curtailment plan.

(2) *Periodic update.* Each interstate pipeline shall update its index of entitlements annually to reflect changes in Priority 2 entitlements. The new index of requirements shall be filed on September 15 of each year with a proposed

effective date of November 1, except that if the interstate pipeline uses a rolling base period in its currently effective curtailment plan it shall file its new index of entitlements on the date upon which other end-uses of the customers of the interstate pipeline are updated in accordance with the currently effective tariff.

(3) *Alternative fuel determination.* The index of entitlements shall not include the volumes of natural gas for which volumes the essential agricultural user has the ability to use an alternative fuel, as determined under Subpart C of this part. Each interstate pipeline shall amend its index of entitlements pursuant to paragraph (b)(2) of this section to remove from the priority 2 entitlements and place in an appropriate priority of service category any such volumes or natural gas included in any index of entitlements that is effective on or after October 31, 1979.

(c) *Other tariff provisions.* (1) Every tariff filed under this subpart shall contain provisions that will require the interstate pipeline:

(i) To provide for deliveries of sufficient volumes of natural gas to respond to emergency situations (including environmental emergencies) during periods of curtailment where additional supplies are required to forestall irreparable injury to life or to property; and

(ii) To provide for deliveries of sufficient volumes of natural gas to provide for minimum plant protection when the plant is shut down.

(2) *Volumetric delivery requirements.* Notwithstanding any other provisions of this subpart, an interstate pipeline which is delivering natural gas in accordance with this subpart shall not be required to deliver to any customer volumes of natural gas on a daily, monthly, seasonal or other periodic basis which exceed the volumes of natural gas that the interstate pipeline may deliver to such customer without causing the interstate pipeline to violate any daily, monthly, seasonal or other periodic volumetric limitations

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established in the contract between the interstate pipeline and such customer.

(Natural Gas Policy Act of 1978, 15 U.S.C. 3301-3432; Department of Energy Organization Act, 42 U.S.C. 7101-7352; E.O. 12009, 42 FR 46267; Administrative Procedure Act, 5 U.S.C. 551 *et seq.*)

[44 FR 26862, May 8, 1979, as amended at 44 FR 45923, Aug. 6, 1979; 44 FR 62490, Oct. 31, 1979; Order 55-B, 45 FR 54739, July 18, 1980; Order 145, 46 FR 27913, May 22, 1981]

§ 281.205 General rules.

(a) *Priority of service categories*—(1) *Priority 1.* Each interstate pipeline shall establish a new high-priority use category of service designated priority one (1) which shall include all the high-priority entitlements calculated in accordance with § 281.206 and those storage injection volumes calculated in accordance with paragraph (c)(2) of this section.

(2) *Priority 2.* Each interstate pipeline shall establish a new priority of service category designated priority two (2) which shall include all the essential agricultural use requirements calculated in accordance with § 281.207 and those storage injection volumes calculated in accordance with paragraph (c)(2) of this section.

(3) *Other priority of service categories.* Each interstate pipeline may retain the priority of service categories in its currently effective tariff, but such categories shall be placed at priorities below the new priorities 1 and 2. Each interstate pipeline shall reduce the entitlements in all other existing categories of service to the extent such entitlements have been placed into the new priority of service categories 1 or 2.

(b) *Method of curtailment.* All deliveries to all customers of the interstate pipeline for all volumes of natural gas not included in priorities 1 and 2 shall be fully curtailed by the interstate pipeline before priorities 1 and 2 entitlements are curtailed. Deliveries for priority 2 entitlements shall be fully curtailed by the interstate pipelines (in accordance with the currently effective curtailment plan) before priority 1 entitlements are curtailed by the interstate pipelines. Nothing in this paragraph is intended to alter the operation of any “small customer” or “small dis-

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tributor” exemption or waiver (as defined in an interstate pipeline’s currently effective curtailment plan).

(c) *Storage*—(1) *General rule.* Interstate pipelines shall classify customer storage injection volumes in the same manner as that used in the currently effective curtailment plan.

(2) *Storage sprinkling.* Interstate pipelines which classify customer storage injection volumes on the basis of the actual end-use of the natural gas shall recalculate storage injection volumes placed in each priority of service category based upon the index of entitlements to be filed on September 15.

(3) *Other treatment of storage.* Except as provided in paragraph (c)(2) of this section, no interstate pipeline shall recalculate or reclassify any customer storage injection volumes, and no customer storage injection volumes shall be included as priority 1 or 2 entitlements.

[44 FR 26862, May 8, 1979, as amended by Order 29-C, 44 FR 61344, Oct. 25, 1979; Order 145, 46 FR 27913, May 22, 1981]

§ 281.206 Priority 1 reclassification.

(a) *Definitions.* For purposes of this section “high-priority entitlements” means, with respect to a particular interstate pipeline.

(1) In the case of a direct sale customer, the volume of natural gas such direct sale customer is entitled to receive for high-priority uses (as defined in § 281.203) under the currently effective curtailment plan of the interstate pipeline;

(2) In the case of a local distribution company, the volume of natural gas which such local distribution company is entitled to receive on account of the high-priority uses (as defined in § 281.203) of its high-priority user customers under the currently effective curtailment plan of the interstate pipeline;

(3) In the case of an interstate pipeline purchaser the volume of natural gas such interstate pipeline purchaser is entitled to receive from an interstate pipeline supplier for the high-priority entitlements of its direct sale customers, local distribution company customers and interstate pipeline customers.