

Code of Federal Regulations
Subchapter P - Regulations Under the Interstate Commerce Act
18 C.F.R. § 340 (1991)

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Part 340 of the Federal Energy Regulatory Commission's Regulations concerns suspended oil pipeline rate schedules, procedures, and refund requirements as administered by the Commission.

If an oil pipeline rate suspension proceeding initiated under section 15(7) of the Interstate Commerce Act has not been concluded by a final Commission order at the expiration of the suspension period, the proposed rate, charge, classification, or service shall go into effect, so long as the jurisdictional oil pipeline which filed the proposed rate, complies with all of the requirements of this section discussed below.

The filing pipeline whose proposed rates have been suspended, is required to keep accurate accounts of all amounts received for each billing period including: (1) the monthly billing determinants of oil or oil by-products transported to each consignee under the proposed new tariff; (2) the revenues which would result from the transportation services if they were computed under the rates in effect immediately prior to the effective date of the proposed new rate; (3) the revenues resulting from services under the proposed new rate when it becomes effective under the suspension period; and (4) the difference between the revenues computed before the proposed rate effective date, and thereafter.

The difference between what the final Commission rate order requires, and what has already been collected, together with interest, constitutes the refund amount.

Subchapter P—Regulations Under the Interstate Commerce Act

[¶ 26,300]

Part

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Part 340—Rate Schedules and Tariffs

Sec.

- 340.1 Suspended rate schedules; procedure; refund requirement; administered by the Federal Energy Regulatory Commission.

[26,301]**§ 340.1 Suspended rate schedules; procedure; refund requirement; administered by the Federal Energy Regulatory Commission.**

(a) *Effectiveness of suspended rate schedules.* If a rate suspension proceeding initiated under section 15(7) of the Interstate Commerce Act has not been concluded and an order has not been issued by the Commission at the expiration of the suspension period, the proposed rate, charge, classification, or service shall go into effect so long as the pipeline company complies with all of the requirements of this section.

(b) *Recordkeeping.* Any pipeline company whose proposed rates or charges were suspended and have gone into effect pending final order of the Commission pursuant to section 15(7) of the Interstate Commerce Act shall keep accurate accounts in detail of all amounts received by reason of the rates or charges made effective as provided in the Commission's order, for each billing period, including the following information by billing period, and by shipper:

(1) The monthly billing determinants of petroleum or petroleum by-products transported to each consignee under the suspended tariffs;

(2) The revenues which would result from such transportation services if they were computed under the rates in effect immediately prior to the date the proposed change became effective, if applicable;

(3) The revenues resulting from such transportation services as computed under the proposed increased rates or charges that became effective after the suspension period; and

(4) The difference between the revenues computed in paragraphs (b)(2) and (3) of this section, if applicable.

(c) *Refunds.* (1) Any pipeline company that collects charges pursuant to this section shall refund at such time, in such amounts, and in such manner as may be required by final order of the Commission, the portion of any rates and charges found by the Commission in that proceeding not to be justified, together with interest as required in paragraph (c)(2) of this section.

(2) Interest shall be computed from the date of collection until the date refunds are made as follows:

(i) At an average prime rate for each calendar quarter on amounts held on or after February 11, 1983. The applicable average prime rate for each calendar quarter shall be the arithmetic mean, to the nearest one-hundredth of one percent, of the prime rate values published in the *Federal Reserve Bulletin*, or in the Federal Reserve's "Selected Interest Rates" (Statistical Release G. 13) for the most recent three months preceding the beginning of the calendar quarter; and

(ii) The interest required to be paid under paragraph (2)(i) of this section shall be compounded quarterly.

(3) Any pipeline company required to make refunds pursuant to this section shall bear all costs of such refunding.

(4) If any rate or charge described in paragraph (a) that is found not to be justified by the Commission is shared between two or more pipeline companies, each pipeline company which shared in the unjustified rates or charges is required to refund to the pipeline company that published the tariff, not less than five days prior to the refund date ordered by the Commission under paragraph (c)(1) of this section,

(i) That portion of the unjustified rates or charges shared, and

(ii) The appropriate interest as required in paragraph (c)(2) of this section for the period during which the refundable amounts were held.

The pipeline company that published the tariff shall, on the date set by the Commission in its final order, make refunds with interest to the appropriate shipper for the full period during which the refundable amounts were held. (OMB Control No. 1902-0089)

01 48 F.R. 1279 (January 12, 1983).

.05 *Historical record.*—Section 340.1 originated 48 F.R. 1279 (1/12/82), effective 2/11/82.

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