# February 19, 1974—Pages 6043-6505



# TUESDAY, FEBRUARY 19, 1974

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FEDERAL REGISTER, VOL. 39, NO. 34-TUESDAY, FEBRUARY 19, 1974

# **Rules and Regulations**

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510. The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each month.

Title 9—Animals and Animal Products CHAPTER I—ANIMAL AND PLANT HEALTH INSPECTION SERVICE, DEPARTMENT OF AGRICULTURE

SUBCHAPTER D-EXPORTATION AND IMPOR-TATION OF ANIMALS (INCLUDING POULTRY) AND ANIMAL PRODUCTS

# PART 91—INSPECTION AND HANDLING OF LIVESTOCK FOR EXPORTATION

Standards for Export Inspection Facilities

Statement of considerations. On July 26, 1973, there was published in the FED-ERAL REGISTER (38 FR 19972-19973) a proposed amendment to the regulations in 9 CFR Part 91 which would (1) provide standards for approved export inspection facilities; (2) add Richmond, Virginia, and Honolulu, Hawaii, to the list of ports of export; and (3) delete the following ports of export from § 91.3(a) because such ports have been found to have inadequate or no export inspection facilities:

(1) Air and ocean ports. Portland, Maine; Boston, Massachusetts; Philadelphia, Pennsylvania; Baltimore, Maryland; Newport News and Norfolk, Virginia; Jacksonville and Port Everglades, Florida; Mobile, Alabama; New Orleans, Louisiana; Galveston, Texas; San Diego and Los Angeles, California; Seattle and Tacoma, Washington.

(2) Mexican border ports. Rio Grande and Roma, Texas, and Naco, Arizona.

Careful inspection of animals for export is required by statute and by regulations contained in Part 91 of this Chapter. It is not possible to provide such inspection without adequate facilities to properly handle such animals. The deletion of the named air, ocean, and Mexican Border Ports from the listing of ports of export in  $\S$  91.3 of this Part would permit the exportation of animals only through those ports which have adequate inspection facilities available.

A period of 45 days was allowed for submission of comments by interested persons. No comments were received concerning the standards for approved export inspection facilities; however, comments were received requesting an extension of time to consider building acceptable export inspection facilities and to have designated ports of export retain their status.

After due consideration of all relevant material, including that submitted in connection with such notice, the proposal is hereby adopted without change, except for the addition of Miami, Florida to the list of Ocean Ports in § 91.3(a) (2).

Therefore, 9 CFR 91.3, is amended to read:

#### § 91.3 Ports of export.

(a) The following ports which have facilities of the type defined in paragraph (c) of this section are hereby designated as ports of export. All animals shall be exported through said ports or through ports designated under paragraph (b) of this section.

(1) Airports. (i) Richmond, Virginia; Miami, Tampa and St. Petersburg, Florida; Houston, Texas; San Francisco, California; Portland, Oregon; and Honolulu, Hawaii.

(ii) New York, New York: Limited facilities are available for certain species of animals.<sup>1</sup>

(2) Ocean ports. (i) Richmond, Virginia; Miami and Tampa, Florida; Houston, Texas; San Francisco, California; Portland, Oregon; and Honolulu, Hawaii.

(ii) New York, New York: Limited facilities are available for certain species of animals.<sup>1</sup>

(3) Mexican border ports. Brownsville, Hidalgo, Laredo, Eagle Pass, Del Rio, and El Paso, Texas; Douglas and Nogales, Arizona; and Calexico and San Ysidro, California.

(4) Canadian border ports. All ports along the United States-Canada land border at which the Health of Animals Branch of the Canadian Department of Agriculture maintains veterinary inspection service.<sup>2</sup>

(b) In special cases other ports may be designated by the Deputy Administrator, Veterinary Services, with the concurrence of the Bureau of Customs. Such ports shall be designated only if facilities for export inspection are available at the port which meet the standards outlined in paragraph (c) of this section.

(c) Standards for approved export inspection facilities. The inspection facilities at the port of export shall meet the following requirements:

(1) Materials. Floors of pens, alley and chutes shall consist of concrete or other impervious materials and shall be finished so as to be skid-resistant. Fences, gates, and other parts of the facility may be constructed of wood, metal or any material that will safely and humanely hold the animals intended for export shipment.

<sup>3</sup> Information may be obtained from the Veterinary Director General, Health of Animals Branch, Department of Agriculture, Ottawa, Ontario, Canada. (2) Size. The facility shall be large enough to accommodate all the animals in the shipment at one time. Space shall be provided at the approximate rate of 35 square feet for each 1,000-pound animal and graduated up or down commensurate with the size of the animals.

(3) Inspection implements. A squeeze chute or similar restraining device and a crowding pen or pens shall be available for individual animal inspection and identification. The inspection portion of the facility shall be constructed to protect the animals and inspection personnel from inclement weather. Pens or yards shall be provided for appropriate segregation or treatment of animals of questionable health status apart from animals qualified for export.

(4) Cleaning and disinfection. The facility and equipment shall be cleaned and disinfected, using a disinfectant permitted for use under Part 71 of this chapter. under the supervision of a Federal inspector prior to each use as an export inspection facility. Personnel tending the export animals shall, if they come in contact with other animals, be required to change into clean outer clothing and to change or disinfect their footwear.

(5) Feed and water. An ample supply of potable water shall be made available and, in cold weather, kept free of ice. Adequate feed and feeding facilities appropriate for the animals intended for export shall be provided.

(6) Supervision. Access to all parts of the facility shall be afforded to a Veterinary Services inspector during each use for export purposes and arrangements for handling the species of animals involved shall be subject to the inspector's approval.

(7) Testing and treatment. Testing and treatment of animals in export inspection facilities shall be supervised by a Veterinary Services veterinarian. Tests related to Veterinary Services animal disease programs shall be performed in laboratories approved by the Deputy Administrator, Veterinary Services.<sup>3</sup>

(8) Location. The location and the arrangement of the facilities shall provide adequate isolation of the animals intended for export from all other animals. Such isolation depends upon the species of animals involved and the determination of adequate isolation shall be made by a Veterinary Services inspector.

<sup>&</sup>lt;sup>1</sup> Information may be obtained from the Deputy Administrator, Veterinary Services, Animal and Plant Health Inspection Service, Hyattsville, Maryland 20782.

<sup>&</sup>lt;sup>3</sup> A list of approved laboratories is available from the Veterinary Services office in the State of origin or from the Deputy Administrator, Veterinary Services, Federal Building. Hyattsville, Maryland 20782.

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(9) Approval. Approval of each export inspection facility shall be granted by the Veterinarian in Charge, Animal Health Programs, Veterinary Services, for the State where the facility is located. Approval of an export inspection facility under paragraph (a) of this section may be revoked for failure to meet the standards in this paragraph (c). A written notice of at least 60 days prior to the date of revocation shall be given to the owner or operator of the facility and he will be given an opportunity to present his views thereon. Such notice shall list in detail the deficiencies concerned in order to permit such deficiencies to be corrected. Approval of an export inspection facility in connection with the designation of a port of export in a special case under

#### **RULES AND REGULATIONS**

§ 91.3(b) shall be limited to the special case for which the designation was made.

(Secs. 4, 5, 23 Stat, 32, as amended; sec. 1, 32 Stat, 791, as amended; sec. 10, 26 Stat. 417; secs. 12, 13, 14, 18, 34 Stat. 1263, as amended, 81 Stat. 584, 588, 592; secs. 3, 11, 76 Stat. 130, 132; sec. 1109, 72 Stat. 799, as amended; 21 U.S.C. 105, 112, 113, 120, 121, 134b, 134f, 612, 613, 614, 618; 49 U.S.C. 1509(d); 37 FR 28464, 28477; 38 FR 19141.)

Effective date. The foregoing amendment shall become effective February 19, 1974.

The amendment imposes certain further restrictions necessary to prevent the exportation of diseased livestock and should be made effective promptly to be of maximum benefit to affected persons. It does not appear that further public participation in this rulemaking proceeding would make additional relevant information available to the Department.

Accordingly, under the administrative procedure provisions in 5 U.S.C. 553, it is found upon good cause that further notice and other public procedure with respect to the amendment are impracticable, unnecessary, and contrary to the public interest, and good cause is found for making it effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 12th day of February 1974.

J. M. HEJL, Acting Deputy Administrator, Veterinary Services, Animal and Plant Health Inspection Service,

[FR Doc.74-3866 Filed 2-15-74;8:45 am]

#### Title 24—Housing and Urban Development CHAPTER X—FEDERAL INSURANCE ADMINISTRATION SUBCHAPTER B—NATIONAL FLOOD INSURANCE PROGRAM

[Docket No. FI-201]

#### PART 1915-IDENTIFICATION OF SPECIAL HAZARD AREAS

#### List of Communities With Special Hazard Areas

The Federal Insurance Administrator finds that comment and public procedure and the use of delayed effective dates in identifying the areas of communities which have special flood or mudslide hazards, in accordance with 24 CFR Part 1915, would be contrary to the public interest. The purpose of such identifications is to guide new development away from areas of special flood hazard and has no binding effect on the sale of flood insurance or the commencement of construction, notice and public procedure are impracticable, unnecessary, and contrary to the public interest. Inasmuch as this publication is not a substantive rule, the identification of special hazard areas shall be effective on the date shown. Accordingly, § 1915.3 is amended by adding in alphabetical sequence a new entry to the table, which entry reads as follows:

§ 1915.3 List of communities with special hazard areas.

| State    | County          | Location                       | Map No.   | State map repository  | Local map repository   | Effective date of<br>identification of<br>areas which have<br>special flood<br>hazards |
|----------|-----------------|--------------------------------|---|---|--|--|
|          | •               |                                | •   |   |  |  |
| Arizona  | Maricopa        |                                | H 04 013 0030 01<br>through<br>H 04 013 0030 03 | Arizona State Land Department, 1624<br>West Adams, room 400, Phoenix,<br>Ariz. 36104.<br>Arizona Department of Insurance,<br>P.O. Box 7098, 718 West Glenrosa,<br>Phoenix, Ariz. 85011.   | Mayor, city of Avondale, Avondale,<br>Ariz. 85323.             | Feb. 15, 1974.   |
|          | San Luis Obispo | city of.                       | H 06 079 2705 01<br>through<br>H 06 079 2705 02 | Department of Water Resources, P.O.<br>Box 388, Sacramento, Calif. 95802.<br>California Insurance Department, 107<br>South Broadway, Los Angeles,<br>Calif. 90012.  | Paso Robles, Calif. 93446.                                     | Do.  |
| Do       | Santa Clara     |                                | H 06 085 0940 01<br>through<br>H 06 085 0940 04 | do  | Mayor, City Hall, 10300 Torre Ave,<br>Cnpertino, Calif. 95014. | Do.  |
| Colorado | Montrose        |                                |   | Colorado Water Conservation Board,<br>room 102, 1945 Sherman St., Denver,<br>Colo. 80208.<br>Colorado Division of Insurance, 106<br>State Office Bidg., Denver, Colo.<br>80203.   | Mayor, Montrose, Colo. 81401                                   | Do. •  |
| Do       | Pitkia          |                                | H 08 097 0090 01<br>through<br>H 08 097 0090 02 | do  | Mayor, City Hall, Aspen, Colo. 81611.                          | Do.  |
| Florida  | Brevard         |                                | H 12 009 0620 01<br>through<br>H 12 009 0620 03 | Department of Community Affairs,<br>2571 Executive Center Circle E.,<br>Howard Bidg., Tailahassee, Fia.<br>22301.<br>State of Florida Insurance Depart-<br>ment, Treasurer's Office, the Capi-<br>tol, Tailahassee, Fia. 22304. | Mayor, City Hall, Cocoa, Fla. 32922                            | - Do.  |
| Do       | do              | town of                        |   | do  | Malbourne Village Fla 32001                                    |  |
|          | Broward         | Coconut Creek,<br>city of.     | through   | do  | 45th Ave., Pompano Beach, Fla.                                 |  |
| Do       | do              | Margate, city of               | H 12 011 1927 01<br>through<br>H 12 011 1927 03 | do  | Municipal Bldg., 5790 Margate Blvd.;<br>Margate, Fla. 33063.   | Doc  |
| Do       | Seminole        | Altamonte<br>Springs, city of. | H 12 117 0030 01                                | do  | Mayor, City Hall, Altamonte Springs,<br>Fia. 32701.            | Dou  |

| State   | County     | Location                            | Map No.   | State map repository   | Local map repository   | Effective dat<br>of identification<br>of areas which<br>have special<br>flood hazards |
|---------|------------|-------------------------------------|---|--|--|---|
|         |            |                                     |   |  |  |   |
| daho    | . Benewan  | St. Maries, city of                 | H 16 009 1620 01                                | Department of Water Administration,<br>State House, annex 2, Boise, Idaho<br>83707.<br>Idaho Department of Insurance, room   | Mayor, Courthouse, St Maries, Idaho<br>83831.  |   |
| Do      | Blaine.    | Ketchum, city of                    | II 16 013 0880 01                               | 206, Statehouse, Boise, Idaho 83707.   | Mayor and city council. City Hall.   | Do.   |
|         |            | -                                   | through<br>H 16 013 0880 05                     |  | Ketchum, Idaho 83340.  |   |
| Do      | - Latah    | Moscow, city of                     | H 16 057 1140 01<br>through<br>H 16 057 1140 04 | do   | Mayor, City Hall, Moscow, Idaho<br>83843.  | Do:   |
| Wnois   | Calhoun    | Hamburg,<br>village of.             | H 16 037 1140 04<br>H 17 013 3677 01.           | <ul> <li>Governor's Task Force on Flood<br/>Control, Natural Resources Service<br/>Center, Thornhill Bidg., P.O. Box<br/>475, Lisle, Ill. 6032.</li> <li>Illinois Insurance Department, 509<br/>Grand Office Bidg., Indianapolis, Ill.<br/>Control of the Bidg., Indianapolis, Ill.</li> </ul> | Mayor's Office, Hamburg, Ill. 62045  | Do.   |
| Do      | Jefferson  | Bonnie, village of.                 | H 17 081 0891 01<br>through                     | 46204.<br>do   | Mayor, Bonnie, Ill. 62816  | Do.   |
| Do      | Madison    | Venice city of                      | H 17 081 0891 02                                | do   | City council City Hall Venice III.   | Do.   |
|         | do         |                                     |   | do   | 62090.   | Do.   |
|         |            | city of.                            | through<br>H 17 119 9550 02                     |  | Wood River, Ill. 62095.  | 20.   |
|         | Marion     | village of.                         | H 17 121 1501 01                                | do   | City, Ill.   | Do.   |
| Do      | Mercer     | Keithsburg, city<br>of.             | H 17 131 4420 01<br>through<br>H 17 131 4420 02 | do   | City clerk, Keithsburg, Ill. 61442   | Do.   |
| Do      | Williamson | Carterville, city of.               | H 17 199 1420 01.                               | do   | Mayor, City Hall, Carterville, Ill.  | Do.   |
| Do      | do         | Herrin, city of                     |   | do   | 62918.<br>Mayor, City Hall, Herrin, Ill, 62948   | Do.   |
| Indiana | Allen      | Fort Wayne, city                    | through<br>H 17 199 3870 03<br>H 18 003 1580 01 | Division of Water Department of  | Mayor Fort Wayne Planning Com-   | De  |
|         | AUCH       | of.                                 | 11 10 000 1000 01                               | <ul> <li>Division of Water, Department of<br/>Natural Resources, 608 State Office<br/>Bldg., Indianapolis, Ind. 46204.</li> <li>Indiana Insurance Department, 509<br/>State Office Bldg., Indianapolis, Ind.</li> </ul>  | mission and Allen County Plan<br>Commission, City County Bldg.,<br>Fort Wayne, Ind. 46802. | Do.   |
| Do      | De Kalb    |                                     | II 18 033 4631 01                               | 46204.<br>do   | County Plan Commission, Court-   |   |
| Do      | Floyd      | town of.<br>New Albany,<br>city of. | H 18 043 3400 01<br>throngh                     | do   | house, Auburn, Ind. 46706.<br>City Clerk's Office, City-County<br>Bldg., New Alhany, Ind.  | Do.   |
| Do      | Fulton     | Rochester, city of.                 | H 18 043 3400 04<br>H 18 049 4190 01            | do   | Mayor, City Bldg., Rochester, Ind.   | Do.   |
| Dó      | Grant      | Mariòn, town of                     | H 18 053 2850 01<br>through<br>H 18 053 2850 05 | do   | 46975.<br>Mayor, City Hall, Marion, Ind. 46952   | Do.   |
| Do      | Jasper     | Demotte, town of.                   | H 18 073 1206 01<br>through                     | do   | per County Courthouse, Rensselaer,   | Do.   |
| Do      | Lawrence   | Bedford, city of                    | H 18 073 1206 02<br>H 18 093 0300 01<br>through | do   | Ind. 47978.<br>Plan director, City Hall, Bedford, Ind.<br>47421.                           | Do.   |
| Do      | Madison    | Anderson, city of                   | H 18 093 0300 05<br>H 18 095 0140 01<br>through | do   | Mayor, City Hall, Anderson, Ind.<br>46011.   | Do.   |
| Kansas  | Brown      | Horton, city of                     | H 18 095 0140 12                                | . Division of Water Resources, State<br>Board of Agriculture, Topeka, Kans,  | Mayor, Horton, Kans. 66439   | Do.   |
|         | -          |                                     |   | 66612.<br>Kansas Insurance Department, 1st<br>floor, Statehouse, Topeka, Kans.   | <b>N</b> 20  |   |
| Do      | Coffey     | Waverly, city of                    | H 20 031 5700 01                                | 66612.<br>de   |  | Do.   |
| Do      | Crawlord   | Pittsburg, city of.                 | through   | de   | 66871.<br>City manager, 4th and Pine Sts.,<br>Pittshurg, Kans. 06762.                      | Do.   |
| Do      | Doniphan   | Highland, city of.                  | H 20 037 4460 04                                | do   | Mayor, City Hall, Highland, Kans.  | Do.   |
| Do      | do         | Troy, city of                       | H 20 043 5450 01.                               | do   | 66035.<br>Mayor, City Hall, Troy, Kans. 66087  | Do.   |
| Do      | Douglas    | Baldwin, city of                    | H 20 045 0340 01<br>through<br>H 20 045 0340 02 | do   | . Mayor, Baldwin City, Kans 66006  | . Do.   |
| Do      | Franklin   | Wellsville, city of                 | H 20 059 5750 01.                               | do   | Mayor, City Hall, Wellsville, Kans.<br>66092.  | Do.   |
|         |            | of.                                 |   | do   | Mayor, 307 Sycamore, Valley Falls,<br>Kans. 66088.   | Do.   |
| . Do    | Kingman    | Kingman, city of                    | H 20 095 2850 01<br>through<br>H 20 095 2850 02 | do   | Mayor, City Hall, Kingman, Kans.<br>67068.   | Do.   |
| Do      | Montgomery | Caney, city of                      | H 20 125 0780 01.                               | do   | Mayor, City Bldg., 211 West 5th St.,<br>Caney, Kans. 67333.                                | Do.   |
| Do      | do         | Cherryvale, city<br>of.             | H 20 125 0930 01.                               | do   | Mayor, City Hall, 123 West Main,<br>Cherryvale, Kans. 67335.                               | Do.   |
|         |            | Norton, city of                     |   | do   | Mayor, City Hall, Norton, Kans.<br>67654.  | Do.   |
| Do      | Rawlins    | Atwood, city of                     | H 20 153 0300 01.<br>H 20 157 0430 01           | do   | Mayor, Atwood, Kans. 67730   | Do.<br>Do.  |
|         |            |                                     |   | do   | 66935.   | Do.   |
| Do      | Riley      | Riley, city of                      | H 20 161 4760 01                                | do   | Kans. 67554.<br>. Mayor, City Bldg., Riley, Kans. 66531.                                   |   |
| Do      | Sherman    | Goodland, city of.                  | H 20 181 2110 01<br>through<br>H 20 181 2110 02 | do   | . Mayor, City Hall, Goodland, Kans.<br>67735.  | Do.   |
| Do      | Sumner     | Wellington,<br>city of.             | H 20 191 5730 01<br>through                     | do   | <ul> <li>City manager, Municipal Bldg., Well-<br/>ington, Kans. 67152.</li> </ul>          | Do.   |
| Do      | Thomas     | Colhy, city of                      | H 20 191 5730 02                                | đo   |  | Do  |

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| State       | County         | Location                                 | Map No.   | State map repository   | Local map repository  | Effective date<br>of identification<br>of areas which<br>have special<br>flood hazards |
|-------------|----------------|--|---|--|---|--|
|             |                |  |   |  | ***   |  |
| Kentucky    | . Campbell     | Wilder, town of                          | H 21 037 3560 01<br>through<br>H 21 037 3560 02                     | Division of Water, Kentucky Depart-<br>ment of Natural Resources, Capitol<br>Plaza Office Tower, Frankfort, Ky.<br>40601.  | Chairman, Campbell County Plan-<br>ning Zoning Board, Newport, Ky.<br>41073.                                      | Do   |
|             |                |  |   | Kentucky Insurance Department,<br>Old Capitol Annex, Frankfurt, Ky.<br>40601.  | -   |  |
| Do          | . Cumberland   | Burkesville,<br>city of.                 | H 21 057 0450 01<br>through<br>H 21 057 0450 02                     | do   | Mayor, City Hall, Burkesville, Ky. 42717.   | Do.  |
| Do          | . Fayette      | Lexington, city of.                      | H 21 067 1980 01<br>through   | do   | Lexington Municipal, 136 Walnut St.,<br>Lexington, Ky. 40507.   | Do.  |
| Do          | . Fulton       | Fuiton, city of                          | H 21 067 1980 02<br>H 21 075 1270 01<br>through                     | do   | Mayor, City Hall, Fulton, Ky. 42041   | Do.  |
| Do          | Hancock        | Hawesville.                              | H 21 075 1270 02  | do   | Mayor, town of Hawesville, Hawes-   | Do.  |
|             | Henderson      | town of.                                 |   | do   | ville, Kv. 42348.   | Do.  |
| D0          |                | city of.                                 | through   |  | Commission, 102 Water St., Hender-  | D0.  |
| Do          | Kenton         | Taylor Mill,<br>town of.                 | H 21 117 3239 01<br>through<br>H 21 117 3239 02                     | do   | Mayor, town of Taylor Mill, Taylor<br>Mill, Ky.   | Do.  |
| Do          | Webster        | Wheat Croft,                             | H 21 233 3500 01  | do   |   | Do.  |
| Maine       | . Androscoggin | town of.<br>Lisbon, town of              | H 23 001 4500 01<br>through<br>H 23 001 4500 08                     | Maine Soli and Water Conservation<br>Commission, Statehouse, Augusta,<br>Maine 04330.<br>Maine Insurance Department, Capitol<br>Shopping Center, Augusta, Maine<br>04330.  | Croft, Ky. 42463.<br>Town manager, Main St., Lisbon<br>Falls, Maine 04252.  | Do.  |
|             | do             | town of                                  | H 23 001 5050 01 .  |  | Town manager, Town Office, Me-  | Do.  |
| Maryland    | Cecil          | Elkton, town of                          | H 24 015 0520 01<br>through<br>H 24 015 0520 02                     | Department of Water Resources, State<br>Office Bldg., Annapolis, Md. 21401.<br>Maryland Insurance Department,<br>301 West Preston St., Baltimore, Md.<br>21201.  | chanic Falls, Maine 04256.<br>Elkton Town Hall, 101 East Main St.,<br>Elkton, Md. 21921.                          | Do.  |
| Do          | Washington     | Williamsport,<br>town of.                | H 24 043 1690 01<br>through<br>H 24 043 1690 03                     | do   | Mayor and city council, City Hall,<br>Williamsport, Md. 21795.  | Do.  |
| Michigan    | Genesee        | Flint, city of                           | H 24 043 1090 03<br>H 26 049 1730 01<br>through<br>H 26 049 1730 10 | Water Resources Commission, Bureau<br>of Water Management, Stevens T.<br>Mason Bldg., Lansing, Mich. 48913.  | City of Flint, Department of Public<br>Works, Municipal Center, 1101<br>South Saginaw St., Flint, Mich.<br>48502. | Do.  |
|             |                |  |   | Michigan Insurance Bureau, 111 North<br>Hosmer St., Lansing, Mich. 48913.  |   |  |
| Do          | Kalamazoo      | Kalamazoo,<br>city of.                   | H 26 077 2520 01<br>through<br>H 26 077 2520 10                     | do   | Mayor, City Hall, 241 West South St.,<br>Kalamazoo, Mich. 49006.  | Do.  |
| Do          | Mouroe         | Petersburg,                              | H 26 115 3920 01  | do   | Mayor, town of Petersburg, Peters-  | Do.  |
| Do          | do             | town of.<br>Raisinvilie,<br>township of. | through   | do.:   | sinville, 5915 North Custer, Monroe,  | Do.  |
| Do          | do             | Summerfield,<br>township of.             | H 26 115 4136 14<br>H 26 115 4764 01<br>through                     | do   | Mich. 48161.<br>Mr. Golden Carman, township of Sum-<br>merfield, 990 Dennison, Petersburg,                        | Do.  |
| Do          | do             | Bedford, town-                           | H 26 115 4764 02  | do   | Mich. 49270.<br>Mr. Reid Stout, town of Bedford, 8100   | Do.  |
|             | Dech           | ship of.                                 | H 26 115 0356 02  | Division of Watson Galls and Min   | Jackman Rd., Temperance, Mich.<br>48182.  | De   |
|             | Rock           | village of.                              | H 27 113 4320 01<br>through<br>H 27 113 4320 02                     | Division of Waters, Soils, and Min-<br>erals, Department of Natural Re-<br>sources, Centennial Office Bidg.,<br>St. Paul, Minn. 55101.<br>Minnesota Division of Insurance, R-<br>210 State Office Bidg., St. Paul,<br>Minn. 55101. | 56156. Minit, Luverne, Minit:   | Do.  |
| Mississippi | Perry          | New Augusta,<br>town of.                 | H 28 111 1745 01.   | Mississippi Research and Develop-<br>ment Center, P.O. Drawer 2470,<br>Jackson, Miss. 39205.Mississippi Insurance Department,<br>910 Wookfolk Bldg., Jackson, Miss.<br>39205.  | Mayor, New Augusta, Miss. 29462   | . Do.  |
| Missouri    | Grundy         | . Trenton, city of                       | . H 29 079 7780 01<br>through<br>H 29 079 7780 03                   | <ul> <li>Water Resources Board, P.O. Box 271,<br/>Jefferson City, Mo. 65101.</li> <li>Division of Insurance, P.O. Box 600,</li> </ul>  | Mayor, 113 East 10th St., Trenton,<br>Mo. 64683.  | Do.  |
| Do          | Howell         | West Plains,<br>city of                  | H 29 091 8330 01<br>through   | Jefferson City, Mo. 65101.   | City Hall, 401 Jefferson Ave., West<br>Plains, Mo. 65775.   | Doa  |
| Montana     | Dawson         |  | H 29 091 8330 03<br>H 30 021 0500 01<br>through<br>H 30 021 0500 02 | Montana Department of Natural Re-<br>sources and Conservation, Water<br>Resources Division, Sam W. Mitchell<br>Bidg, Helena, Mont. 5960.<br>Montana Insurance Department Capi-<br>tal Ridg, Helena Mont. 507                       | Mayor, City Hall, Box 780, Glendive,<br>Mont. 59330.  | Do.  |
| Do          | Flathead       | Kalispell,<br>city of.                   | H 30 029 0680 01<br>through   | tol Bldg., Helena, Mont. 59601.  | Mayor and city council, City Hall,<br>Kalispell, Mont. 59901.   | D0;  |
| Do          | Gallatin       | Bozeman,<br>city ol.                     | H 30 029 0680 02<br>H 30 031 0130 01<br>through                     | do   | . City manager, City Hall, Bozeman,<br>Mont. 59715.   | Do:  |
| De          | Tellowstone    |  | H 30 031 0130 03<br>H 30 111 0100 01                                | do   | . City Building Department, 302   | Do:  |
|             |                |  | through<br>H 30 111 0109 08   |  | Edwards St., Billings, Mont. 59102.   |  |

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| State           | County        | Location                        | Map No.   | State map repository   | Local map repository  | Effective date<br>of identification<br>of areas which<br>have special<br>flood hazards |
|-----------------|---------------|---------------------------------|---|--|---|--|
|                 |               |                                 |   |  |   |  |
| Nevada          | Clark         | North Las Vegas,<br>city of.    | H 32 003 0150 01<br>through<br>H 32 003 0150 10                     | Division of Water Resources, Depart-<br>ment of Conservation and Natural<br>Resources Bldg., Carson City, Nev.<br>89701.   | Planning Department, 2200 Civic<br>Center Dr., North Las Vegas, Nev.<br>89030.  | D <b>o</b> .   |
|                 |               |                                 |   | Nevada Insurance Division, Depart-<br>ment of Commerce, Nye Bldg., Car-  |   |  |
| New Jersey      | . Mercer      | East Windsor,<br>township of.   | H 34 021 0826 01<br>through<br>H 34 021 0826 02                     | son City, Nev. 89701.<br>Bureau of Water Control, Department<br>of Environmental Protection, P.O.<br>Box 1330, Trenton, N.J. 06025.<br>New Jersey Department of Insurance,<br>State House Annex, Trenton, N.J.   | Office of Township Clerk, Ward St.,<br>East Windsor, N.J. 08520.  | Do.  |
| Do              | Monmouth      | Freehold, town-<br>ship of.     | H 34 025 1094 01<br>through   | 08625,<br>do   | of Freehold, Schanck and Stillwells   | Do.  |
| Do              | Morris        | Passaie, township<br>of.        | H 34 025 1094 06<br>H 34 027 2504 01<br>through                     | do   | Corner Rd., Freehold, N.J. 07728.<br>Township Clerk's Office, township of<br>Passaic, 1802 Long Hill Rd., Milling-                            | Do.  |
| Do              | do            | Randolph, town-                 | H 34 027 2504 07<br>H 34 027 2746 01<br>through                     | do   | Office of the Township Manager  | Do.  |
| New York        | . Broome      | Baker, township<br>of.          | H 34 027 2746 68<br>H 36 007 0400 01<br>through<br>H 36 007 0400 10 | New York State Department of En-<br>vironmental Conservation, Division<br>of Resources, Management Services,<br>Albany, N.Y. 12201.<br>New York State Insurance Depart-  | Municipal Bldz, Od Brookside<br>Rd., Mount Freedom, N.J. 07970.<br>Town supervisor, R.D. No. 1, town of<br>Barker, Whitney Point, N.Y. 13862. | Do.  |
|                 |               |                                 |   | ment, 123 William St., New York,<br>N.Y. 10038, and 324 State St.,<br>Albany, N.Y. 12210.  |   |  |
|                 |               |                                 | through   | do   |   | D0,  |
| Do              | . Chantaugua  | Cleoron, village of.            | . H 36 013 1030 01  | do   | Village board, Village Hall, Ccloron,<br>N.Y. 14720.  | D0.  |
| Do              | . Cortland    | Preble, town of                 | through   | do   | Town supervisor, Town Hall, Preble,<br>N.Y. 13141.  |  |
| Do              | . Herkimer    | Dolgeville, town of.            |   | do   | N Y. 13329  | Do.  |
|                 | do            | West Winfield,<br>village of.   |   | do   | Mayor, village of West Winfield, West<br>Winfield N Y   | Do.  |
|                 | - Madison     | Chittenango,<br>village of.     |   | do   | Mayor, Municipal Bldg., Chittenango,<br>N.Y. 13987.   | Do.  |
| Do              | . Montgomery  | Mohawk, town of .               | H 36 057 2462 01<br>through<br>H 36 057 2462 03                     | do   | Supervisor, town of Mahawk, Fonda,<br>N.Y. 12068.   | Do.  |
| Do              | do            | Nelliston, city of              | H 36 057 4010 01.   | do   | N.Y. 13410.   | Do.  |
| Do              | do            | Palatine Bridge,<br>village of. | 11 36 057 4630 01.  | do   | Mayor, Paltine Bridge, N.Y. 13428.  | Do.  |
|                 | do            | St. Johnsville,<br>village of.  |   | do   |   | Do.  |
|                 | -             | Lewiston, village<br>of.        |   | do   | N.Y. 14092.   | Do.  |
|                 |               |                                 |   | do   | Mayor, Village Hall, Clinton, N.Y.<br>13323.  | Do.  |
| North Carolina. | _ Alleghany   | Sparta, city of                 | . II 37 006 4320 01.  | <ul> <li>North Carolina Office of Water and Alt<br/>Resources, Department of Natural<br/>and Economic Resources, P.O. Box<br/>27687, Raleigh, N.C. 27611.</li> <li>North Carolina Insurance Depart-<br/>ment, P.O. Box 26387, Raleigh, N.C.</li> </ul> | Mayor, City Hall, Sparta, N.C   | . · Do.  |
| Do              | . Chatham     | Silver City,<br>town of.        | 11 37 037 4200 01<br>through  | 27611.<br>do.  | Mayor, Town Hall, Silver City, N.C.<br>27344.   | Do.  |
| Do              | Chowan        | Edenton, town of.               | H 37 037 4200 02  | do   |   | Do.  |
| Do              | . Columbus    | Whiteville, city of.            | H 37 041 1440 02  | do   |   | Do.  |
| Do              | . Edgecombe   | Tarboro, town of                | H 37 047 5020 02<br>H 37 065 4560 01                                | do   | Town manager, Tarboro, N.C. 27886.  | Do.  |
| Do              | . New Hanover | Kure Beach.                     | through<br>H 37 065 4560 11<br>H 37 129 2480 01                     | do   | Mayor, Kure Beach, N.C. 28449   | . Do.  |
|                 |               | town of.                        |   | do   |   | . Do.  |
|                 |               |                                 |   | do   | N.C. 28445.   | Do.  |
|                 |               |                                 |   | do   | 27316.<br>Mayor, city of Fahrmont, Fairmont,  | Do.  |
| Obio            | Auglaize      | Wapakoneta, city<br>of.         | H 39 011 8520 01<br>through<br>H 39 011 8520 02                     | sources, Fountain Square, Colum-<br>bus, Ohio 43224.<br>Ohio insurance Department, 115 East  | N.C.<br>Mayor, City Bldg., Wapakoneta, Ohio<br>45895.   | Do.  |
| D0              | . Belmont     | Powhatan Point,<br>village of.  | H 39 013 6750 01<br>through   | Rich St., Columbus, Ohio 43215.  | Mayor, Municipal Bldg., Powhatan<br>Point, Ohio 43942.  | Do.  |
| Do              | . Bulter      | Hamilton, city of.              | through   | do   | City manager, City Bidg., Monument<br>and High St., Hamilton, Ohio 45011.   | Do.  |
| Do              | . Darke       | Greenville, city of             | H 39 017 3260 00<br>H 39 037 3180 01<br>through                     | do   | Mayor, City Bldg., Greenville, Ohio 45331.  | Do.  |
| De              | Delawara      | Galena village of               | H 89 037 3180 03  | do   |   | . Do.  |

FEDERAL REGISTER, VOL. 39, NO. 34-TUESDAY, FEBRUARY 19, 1974

| State        | County       | Location                      | Map No.   | State map repository  | Local map repository   | Effective date<br>of identification<br>of areas which<br>have special<br>flood hazards |
|--------------|--------------|-------------------------------|---|---|--|--|
|              |              |                               |   |   |  |  |
| Do           | Franklin     | Obetz, village of             | through   | sdo   | Mayor, Municipal Bidg., Columbus,<br>Ohio 43207.                           | Do.  |
| Do           | do           | Whitehall, city of.           | through   | do  | Bidg., 360 South Yearling Rd.  | Do.  |
| Do           | Hamilton     | Harrison, village             | H 39 049 8940 03<br>H 39 061 3350 01<br>through | do  | Columbus, Ohio 43213.<br>Mayor, 200 Harrison Ave., Harrison,<br>Ohio 45030 | Do.  |
| Do           | do           | Lockland, city of             | H 39 061 3350 02<br>H 39 061 4320 01.           | do  | Mayor, city of Lockland, City Hall,  | Do.  |
|              | Jackson      |                               |   | do  | Lockland, Ohio 45215.  | Do.  |
| Do           | Lawrence     | Ironton, City of              | H 39 079 8679 02                                | do  |  | Do.  |
| Do           | Licking      | Heath, City of                | H 39 087 3700 02<br>H 39 089 3428 01            | do  | Mayor, 1287 Hebron Rd., Heath, Ohio  | Do.  |
| De           | . Meigs      | Pomerov village of            | through<br>H 39 089 3428 04<br>H 39 105 6660 01 | do  | 43055.<br>Mayor Courthouse Pomerov Obio                                    | Do.  |
|              |              |                               | through<br>H 39 105 6660 03                     |   | 45769.   |  |
| B0           | . Miami      | Troy, city of                 | H 39 109 8190 01<br>through<br>H 39 109 8190 05 | do  |  | Do.  |
| Do           | . Montgomery | Brookville, vii-<br>lage of.  | H 39 113 1070 01.                               | do  | Mayor, Brookville, Ohio 45309  | Do.  |
| Do           | ob           | Riverside, vil-<br>iage of.   | H 39 113 6990 01.                               | do  | man Devton Obio 45431  | D0.  |
| Do           | do           | Trotwood, city<br>of.         | H 39 113 8180 91<br>through                     | do  | Mayor, North Broadway, Trotwood,<br>Ohio 45426.                            | De.  |
| D0           | . Muskingum  | Roseville, city of            | H 39 113 8180 02<br>H 39 119 7090 01<br>through | do  | Mayor, city of Roseville, Roseville,<br>Ohio 43777.                        | Do.  |
| Do           | . Sandusky   | Ciyde, city of                | H 39 119 7090 02<br>H 39 143 1740 04<br>through | do  | Mayor, City Hall, Ciyde, Ohio 43410  | Do.  |
| Okiahoma     | . Caddo      | Anadarko, city                | H 39 143 1740 02<br>H 40 015 0160 01.           | Oklahoma Water Resources Board,<br>2241 Northwest 40th St., Oklahoma  | Mayor, City Hall, Anadarko, Okla.<br>73005.                                | Do.  |
|              | 2011         | M. Alastan alka               | TT 40 101 0000 01                               | City, Okia. 73112.<br>Oklahoma Insurance Department,<br>room 408, Will Rogers Memorial<br>Bidg., Oklahoma City, Okla. 73105.  | City Manager Municipal Dida Ma   | De   |
| D0           | Pittsburg    | of.                           | H 40 121 2930 01<br>through<br>H 40 121 2930 03 | do  | City Manager, Municipal Bidg., Mc-<br>Alester, Okla. 74501.                | Do.  |
| Oregon       | Yamhill      | McMinnville,<br>city of.      | H 41 071 1260 01<br>through<br>H 41 071 1260 04 | Oregon, Salem, Oreg. 97310.<br>Oregon Insurance Division, Depart-<br>ment of Commerce, 158 12th St.   | Mayor, City Hall, McMinnville, Oreg.<br>97128.                             | Do.  |
| Pennsylvania | Allegheny    | Brackenridge,<br>borough of.  | H 42 003 0610 01.                               | NE., Salem, Oreg. 97310.<br>. Department of Community Affairs,<br>Commonwealth of Pennsylvania,<br>Harrisburg, Pa. 17120.<br>Pennsylvania Insurance Department,<br>106 Finance Bidg., Harrisburg, Pa.<br>17120. | Mayor, 1000 Brackenridge Ave.,<br>Brackenridge, Pa. 15014.                 | De.  |
| Do           | do           | Tarentum,<br>borough of.      | H 42 003 8360 01<br>through<br>H 42 003 8360 02 | do  | Mayor, 304 Lock St., Tarentum, Pa.<br>15084.                               | Do.  |
| Do           | . Cambria    | Lower Yoder,<br>township of.  | H 42 003 8300 02<br>H 42 021 4626 01.           | do  | Township of Lower Yoder, 242 Nash<br>St., Joinsontown, Pa. 15904.          | Do.  |
| De           | . Columbia   | Orange, township              | H 42 037 6354 01.                               | do  | Orange Township Rural Delivery   | Do.  |
| Do           | . Dauphin    |                               | H 42 043 3293 01<br>through                     | do  | Secretary, East Hanover Township,<br>Box 101, Grantville, Pa. 17028.       | Do.  |
| Do           | Lebanon      | Myerstown,<br>borough of.     |   | do  |  | Do.  |
| _            | Theodolea    |                               | TT 47 079 0000 01                               | Connectes State Diamine Office 600  | room No. 3, Municipal Bidg.,<br>Lebanon, Pa. 17042.                        | De   |
| Tennessee    | . Hawkins    | city of.                      | H 47 073 2080 01<br>through<br>H 47 073 2080 05 | Tennessee State Planning Office, 660<br>Capitol Hill Bidg., Nashville, Tenn.<br>37219.<br>Tennessee Department of Insurance<br>and Banking, 114 State Office Bidg.  | Mayor, City Hall, Rogersville, Tenn.<br>37857.                             | Do.  |
| D0           | . Humphreys  | New Johnson-<br>ville,        | H 47 085 1775 01<br>through                     | Nashville, Tenn. 37219.   | Mayor, Clty Hali, New Johnsonville,<br>Tenn.                               | Do.  |
| Do           | do           | Waverly, city of              | H 47 085 1775 03                                | do  |  | Do.  |
| Do           | . Lincoln    |                               | H 47 085 2530 05                                | đo  | Mayor, City Hall, Petersburg, Tenn.  | D0.  |
| Do           | . Marion     | city of.<br>Whitwell, city of | H 47 115 2500 01<br>through                     | do  | 37144.<br>Mayor, clty of Whitwell, Whitwell,<br>Tenn.                      | Do.  |
| Do           | . Maury      | Mount Pleasant,<br>city of.   | H 47 115 2590 65<br>H 47 119 1730 01<br>through | do  |  | Do.  |
| Do           | . Monroe     | Sweetwater,                   | H 47 119 1730 04<br>H 47 123 2369 01            | do  | Mayor, City Hall, Sweetwater, Tenn   | . Do:  |
|              |              | city of.                      | through<br>H 47 123 2369 04                     | 5 .   |  |  |

FEDERAL REGISTER, VOL. 39, NO. 34-TUESDAY, FEBRUARY 19, 1974

| State         | County           | Location                    | Map No.   | State map repository   | Local map repository   | Effective date<br>of identification<br>of areas which<br>have special<br>flood hazards |
|---------------|------------------|-----------------------------|---|--|--|--|
|               |                  |                             |   | •••  |  |  |
| exas          | Colorado         | Columbus,<br>eity of.       | H 48 089 1470 01<br>through<br>H 48 089 1470 02                     | Texas Water Development Board,<br>P.O. Box 13087, Capitol Station,<br>Austin, Tex. 78711.<br>Texas Insurance Department, 1110<br>San Jacinto St., Austin, Tex. 78701.  |  | Do.  |
| Do            | Cooke            | Gainesville,<br>city of.    | H 48 097 2550 01<br>through<br>H 48 097 2550 05                     | do   | Mayor, Gainesville, Tex. 76240   | Do.  |
| Do            | Hale             | Plainview, city of.         | H 48 189 5380 01<br>through<br>H 48 189 5380 04                     | do   | Building official, 901 Broadway,<br>Plainview, Tex. 79072.                             | <b>D</b> 0.  |
| Do            | Red River        | Clarksville,<br>otty of.    | H 48 387 1350 01<br>through<br>H 48 387 1350 02                     | do   | Mayor, City Hall, Clarksville, Tex. 75426.   | Do.  |
| Do            | Tarrant          | Southlake, city of.         | H 48 439 6485 01<br>through   | do   | Mayor, P.O. Box 868, Southlake, Tex. 76051.  | Do.  |
| Do            | Wise             | Decatur, city of            | through   | do   | Mayor, City Hall, Decatur, Tex. 76234.   | Do.  |
| Jtah          | Utah             | Provo, city of              | H 48 497 1780 04<br>H 49 049 1560 01<br>through<br>H 49 049 1560 08 | Department of Natural Resources,<br>Division of Water Resources, State<br>Capitol Bidg., room 436, Salt Lake<br>City, Utah S4114.<br>Utah Insurance Department, 115<br>State Capitol, Salt Lake City, Utah<br>S4114.                         | Mayor, City Hall, Provo, Utah 84601  | Do.  |
| ermont        | Orange           | Fairlec, town of            | H 50 017 0211 01<br>through<br>H 50 017 0211 05                     | <ul> <li>Management and Engineering Divi-<br/>sion, Water Resources Dept., State<br/>Office Bldg., Montpeller, Vt. 05602.</li> <li>Vermont Insurance Department,<br/>State Office Bldg., Montpeller, Vt.<br/>05602.</li> </ul>               | Chairman, Fairlee Board of Select-<br>men, c/o Town Clerk, Fairlee, Vt.<br>05045.      | Do.  |
| Do            | Washington       | Berlin, town of             | H 50 023 0076 01<br>through<br>H 50 023 0076 06                     | do   | Chairman, Berlin Board of Selectmen,<br>Rural Free Delivery, Montpelier,<br>Vt. 05602. | Do.  |
| ʻirginia      | Independent city | Fredericksburg,<br>city of. | H 51 000 1020 01<br>through<br>H 51 000 1020 02                     | Bureau of Water Control Manage-<br>ment, State Water Control Board,<br>2d floor, Davenport Bidg, 11 South<br>10th St., Richmend, Va. 32219.<br>Virginia Insurance Department, 200<br>Blanton Bidg., P.O. Box 1157, Rich-<br>mond, Va. 32309. |  | Do.  |
| Do            | do               | Lexington, city of.         | H 51 000 1450 01<br>through<br>H 51 000 1450 02                     | do   | City manager, City Hall, Lexington,<br>Va. 24450.                                      | Do.  |
| Do            | Rockingham       | Timberville,<br>town of.    | H 51 165 2450 01<br>through   | do   | Mayor, Timberville, Va. 22858  | D0.  |
| Vashington    | Cowlitz          | Kelso, city of              | H 51 165 2450 02<br>H 53 015 1010 01<br>through<br>H 53 015 1010 02 | Department of Ecology, Olympia,<br>Wash. 98501.  | City Hall, Kelso, Wash. 98628  | Do.  |
|               | ,                |                             |   | Insurance Bldg., Olympia, Wash.<br>98501.  |  |  |
| Vest Virginia | Randolph         | Elkins, city of             | H 54 083 0810 01<br>through<br>H 54 083 0810 05                     |  | Mayor, city of Elkins, Elkins, W. VA. 26241.   | Do.  |

(National Flood Insurance Act of 1968 (title XIII of the Housing and Urban Development Act of 1968), effective Jan. 28, 1969 (33 FR 17804, Nov. 28, 1968), as amended (secs. 408-410, Pub. L. 91-152, Dec. 24, 1969), 42 U.S.C. 4001-4127; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, Feb. 27, 1969)

Issued: February 6, 1974.

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لد ۲ ۳ [FR Doc.74-3708 Filed 2-15-74;8:45 am]

GEORGE K. BERNSTEIN, Federal Insurance Administrator.

6056

#### Title 13—Business Credit and Assistance CHAPTER I—SMALL BUSINESS ADMINISTRATION

#### PART 116-REQUIREMENT FOR FLOOD INSURANCE-SBA FINANCIAL ASSIST-ANCE

The Flood Disaster Protection Act of 1973 requires that the Small Business Administration publish rules which state the circumstances under which recipients of financial assistance must be covered by flood insurance authorized under that Act. Inasmuch as this Part 116 carries out a legislative mandate, it is made effective as of March 1, 1974, without a request for public comment. However, interested persons are invited to submit such comment as they may wish to make to David A. Wollard, Associate Administrator for Finance and Investment, Small Business Administration, 1441 L Street, NW., Washington, D.C. 20416, and such comment will be carefully considered.

#### Sec.

- 116.1 Purpose.
- 116.2 Scope. 116.3 Procedure.
- 116.4 Related regulations.

AUTHORITY: Sec. 205(b) of Pub. L. 93-234; 87 Stat. 983.

#### §116.1 Purpose.

This part is established by the SBA to implement the Agency's responsibilities under section 102(a) of the Flood Disaster Protection Act of 1973, which prohibits Federal financial assistance for acquisition or construction purposes in special flood hazard areas (as designated by the Secretary of Housing and Urban Development), when persons in such areas are eligible for flood insurance which has been made available under the National Flood Insurance Act of 1968, and have not obtained such insurance.

#### § 116.2 Scope.

"Financial assistance" is broadly defined in the Act to include any form of loan, grant, guaranty, insurance, payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance, other than general or special revenue sharing or formula grants to States. Therefore, for SBA purposes, the following types of loans and guarantees are considered to be subject to the legislation: 7(a) Business loans, economic opportunity loans, all loans under section 7(b), handicapped and water pollution loans, sections 501 and 502 loans, lease guarantees, and small business investment companies.

#### § 116.3 Procedure.

At the time that an applicant for SBA direct or indirect financial assistance receives such assistance, he will be required to meet the provisions of the Flood Disaster Protection Act in those cases when construction is involved. For this purpose, construction is defined to include the acquisition, construction, reconstruction, repair, or improvement of any building or mobile home, and any

machinery, equipment, fixtures, or furnishings contained or to be contained therein. If such applicant is both in an area which has been declared by the Secretary of Housing and Urban Development to be a special flood hazard area, and is eligible for flood insurance as authorized by the Act; then he must purchase insurance amounting to the lesser of: (a) The maximum amount available. (b) an amount equal to the Federal assistance sought for construction purposes, or (c) the value of the property to be insured, prior to any disbursement of the loan or issuance of a lease guarantee policy. If either the area has not been declared a special flood hazard area. or the flood insurance is not available, SBA assistance may be approved without regard to the other provisions of the Flood Disaster Protection Act.

#### § 116.4 Related regulations.

It is the intent of the Small Business Administration that this regulation be administered in a manner consistent with regulations issued by the Department of Housing and Urban Development (36 FR 24759, as amended by 39 FR 1980).

This part is effective March 1, 1974.

THOMAS S. KLEPPE,

Administrator.

FEBRUARY 13, 1974.

(Catalog of Federal Domestic Assistance Programs, (1) 59.012 Small Business Loans, (2) 59.003 Economic Opportunity Loans, (3) 59.-001 Displaced Business Loans, (4) 59.013 State and Local Development Company Loans, (5) 59.008 Physical Disaster Loans, (6) 59.002 Economic Injury Disaster Loans, (6) 59.010 Product Disaster Loans, (8) 59.014 Coal Mine Health and Safety Loans, (9) 59.018 Occupational Safety and Health Loans, (10) 59.017 Meat and Poultry Inspection Loans, (11) 59.004 Lease Guarantees for Small Business, and 59.011 Small Business Investment Companies)

[FR Doc.74-3957 Filed 2-15-74;8:45 am]

Title 14—Aeronautics and Space

#### CHAPTER I-FEDERAL AVIATION ADMIN-ISTRATION, DEPARTMENT OF TRANS-PORTATION

[Airworthiness Docket No. 70-WE-30-AD; Amdt. 39-1789]

#### PART 39—AIRWORTHINESS DIRECTIVES AiResearch Model TPE331–1 and –2 Engines

Amendment 39-1082 (35 FR 14692), AD 70-19-2, requires analysis of an oil sample, oil filter inspection, an extended overhaul acceptance test and revision of the applicable FAA-approved airplane flight manuals. After issuing Amendment 39-1082, the agency determined that improved high speed pinion gear bearing assembly designs developed by the manufacturer negate the need for the extended overhaul acceptance test required by the AD. Therefore, the AD is being amended to provide an alternative means of compliance with this provision.

Since this amendment provides an alternative means of compliance, and imposes no additional burden on any per-

son, notice and public procedure hereon are unnecessary and the amendment may be made effective in less than 30 days.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (31 FR 13697), § 39.13 of Part 39 of the Federal Aviation Regulations, Amendment 39–1082' (35 FR 14692), AD 70–18–2, is amended by adding a new paragraph (a) (4) as follows:

(a) (4) The provisions of (a) (1), (a) (2). and (a) (3) above do not apply to engines which have been modified in accordance with either Service Bulletin 632, Revision 2, dated December 4, 1972 or Service Builetin TPE331-72-0064 dated February 1, 1974, and which have been subjected to the acceptance test as described in the FAA-approved overhaul procedures as revised February 1, 1974, and a determination of acceptable oil filter contamination was made by AiResearch or other FAA-approved facility prior to returning the engine to service.

This amendment becomes effective February 20, 1974.

(Secs. 313(a), 601, 603, Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, and 1423); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Los Angeles, California, on Februarý 6, 1974.

ROBERT O. BLANCHARD, Acting Director, FAA Western Region.

[FR Doc.74-3806 Filed 2-15-74;8:45 am]

#### [Airspace Docket No. 73-GL-44]

#### PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CON-TROLLED AIRSPACE, AND REPORTING POINTS

#### Alteration of VOR Federal Airways; Correction

On December 4, 1973, FR Doc. 73-25567 was published in the FEDERAL REGISTER (38 FR 33393) amending § 71.123 of the Federal Aviation Regulations, effective 0901 G.m.t., March 28, 1974, by altering several VOR Federal Airways in the vicinity of Chicago, Ill., due to the planned decommissioning of the Naperville, Ill., VOR. A review of that Document indicates that in the description of V-9W between Pontiac, Ill., and Milwaukee, Wis., two words were inadvertently omitted, thereby creating doubt as to the intended routing of that portion of the airway. Action is taken herein to correct that error.

Since this amendment is minor in nature with no substantive change in the regulations, and one in which the public would have no particular reason to comment, notice and public procedure thereon are unnecessary.

In consideration of the foregoing, effective February 19, 1974, FR Doc. 73-25567 is amended as hereinafter set forth.

In No. 3. V-9 line 6 is amended as follows: "alternate via INT Pontiac 346°" is deleted and "alternate from Pontiac via Pontiac 346°" is substituted therefor. (Sec. 307(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a)); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Washington, D.C., on February 11, 1974.

CHARLES H. NEWPOL, Acting Chief, Airspace and Air Traffic Rules Division.

[FR Doc.74-3808 Filed 2-15-74;8:45 am]

#### [Airspace Docket No. 73-SW-53]

PART 71-DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CON-TROLLED AIRSPACE, AND REPORTING POINTS

#### Alteration of VOR Federal Airways

On September 26, 1973, a notice of proposed rule making (NPRM) was published in the FEDERAL REGISTER (38 FR 26812) stating that the Federal Aviation Administration (FAA) was considering an amendment to Part 71 of the Federal Aviation Regulations that would alter VOR Federal Airways Nos. 13, 17, 20, and 163 in south Texas.

Interested persons were afforded an opportunity to participate in the proposed rule making through the submission of comments. Four comments were received in response to the notice. The Air Transport Association of America, the Brownsville International Airport Manager, and the Brownsville Chamber of Commerce endorsed the proposal.

The Department of the Navy objected to the proposal stating that the recent introduction of 50 T-28 aircraft based at NAS Corpus Christi has created new requirements for training airspace within 30 miles of that air station. The Department of the Navy stated that the proposed VOR Federal Airway (in reference to V-13W/V-163W south of Corpus Christi) would cause unacceptable infringement of special use airspace within Alert Area A-632A. Designation of V-113W/V-163W as

Designation of V-113W/V-163W as proposed in the notice will decrease the existing Corpus Christi NAS alert area airspace of 11,400 square miles by only three percent. While it is acknowledged that use of close in airspace by the Navy would be more convenient and economical, the establishment of a long needed dual airway system for civil and military traffic between Corpus Christi and Brownsville will more than compensate for the loss of a small amount of close in alert area airspace.

Since publication of the NPRM, precise mathematical computations have revealed that slight changes should be made to some of the airway radials specified in the notice. Such changes are made herein. Since these changes are only one or two degrees, they are minor in the nature and notice and public procedure thereon are unnecessary.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0901 G.m.t., April 25, 1974, as hereinafter set forth.

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Section 71.123 (38 FR 33392, 39 FR 307) is amended as follows:

a. In V-13, "From Corpus Christi, Tex.; via" is deleted, and "From Mc-Allen, Tex., via Harlingen, Tex.; INT Harlingen 033° and Corpus Christi, Tex., 178° radials; 27 miles standard width, 37 miles 7 miles wide (3 miles E and 4 miles W of centerline), Corpus Christi; including a W alternate from Harlingen via INT Harlingen 006° and Corpus Christi 193° radials; 34 miles standard width, 37 miles 7 miles wide (4 miles E and 3 miles W of centerline), Corpus Christi;" is substituted therefor.

b. In V-17, all before "Laredo, Tex." is deleted, and "From Brownsville, Tex., via Harlingen, Tex.; McAllen, Tex.; 29 miles 12 AGL, 34 miles 25 MSL, 37 miles 12 AGL," is substituted therefor.

c. In V-20, all before "Palacios, Tex." is deleted, and "From Reynosa, Mex., via McAllen, Tex.; INT McAllen 038° and Corpus Christi, Tex., 178° radials; 10 miles 8 miles wide, 37 miles 7 miles wide (3 miles E and 4 miles W of centerline), Corpus Christi; INT Corpus Christi 054° and" is substituted therefor.

d. In V-163, all before "Three Rivers, Tex." is deleted, and "From Matamoros, Mex., via Brownsville, Tex.; INT of Brownsville 358° and Corpus Christi, Tex., 178° radials; 27 miles standard width, 37 miles 7 miles wide (3 miles E and 4 miles W of centerline), Corpus Christi; including a W alternate from Brownsville via INT of Brownsville 338° and Corpus Christi 193° radials; 34 miles standard width, 37 miles 7 miles wide (4 miles E and 3 miles W of centerline), to Corpus Christi;" is substituted therefor.

(Sec. 307(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a)); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Washington, D.C., on February 11, 1974.

> CHARLES H. NEWPOL, Acting Chief, Airspace and Air Traffic Rules Division.

IFR Doc.74-3807 Filed 2-15-74;8:45 am]

#### [Airspace Docket No. 74-EA-5]

#### PART 71-DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CON-TROLLED AIRSPACE, AND REPORTING POINTS

#### **Alteration of Control Zone**

The Federal Aviation Administration is amending \$ 71.171 of Part 71 of the Federal Aviation Regulations so as to alter the Latrobe, Pa., Control Zone (39 FR 398).

A recent change in the control tower hours of operation requires an alteration in the description of the control zone.

Since the amendment is minor in nature and less restrictive, notice and public procedure hereon are unnecessary and the amendment may be made effective in less than 30 days.

In view of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective February 19, 1974, as follows:

1. Amend § 71.171 so as to alter the description of the Latrobe, Pa. control zone by deleting the last sentence and substituting in lieu thereof, the following:

This control zone shall be effective from 0700 to 2200 hours, local time, daily.

(Sec. 307(a), Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Jamaica, N.Y., on February 4, 1974.

ROBERT H. STANTON, Director, Eastern Region.

[FR Doc.74-3810 Filed 2-15-74;8:45 am]

#### [Airspace Docket No. 73-EA-89]

#### PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CON-TROLLED AIRSPACE AND REPORTING POINTS

#### **Alteration of Control Zone**

The Federal Aviation Administration is amending § 71.171 of Part 71 of the Federal Aviation Regulations so as to alter the Jamestown, N.Y., Control Zone (39 FR 393, 38 FR 34173).

The weather reporting required for the control zone is presently provided by Allegheny Airlines. However, because of variations in seasonal airline schedules the weather reporting will be changed from time to time to meet the airline's varied schedules. To provide the changing schedule information, the control zone description will be altered to allow the schedules and therefore the duration of the control zone to be published in the Airman's Information Manual.

Since the foregoing amendment is not more restrictive than the present rule but merely prescribes a change in the manner of providing the information, notice and public procedure hereon are unnecessary and the amendment may be made effective in less than 30 days.

In view of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective February 19, 1973, as follows:

1. Amend § 71.171 so as to alter the description of the Jamestown, N.Y., control zone by deleting the last sentence and substituting in lieu thereof:

This control zone is effective during specific days and times established in advance by a Notice to Airmen. The effective days and times will thereafter be published continuously in the Airman's Information Manual.

(Sec. 307(a), Federal Aviation Act of 1958 72 Stat. 749; 49 U.S.C. 1349; sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c))).

Issued in Jamaica, N.Y., on January 31, 1974.

ROBERT H. STANTON, Director, Eastern Region. [FR Doc.74-3813 Filed 2-15-74;8:45 am]

#### [Airspace Docket No. 74-EA-3]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CON-TROLLED AIRSPACE AND REPORTING POINTS

#### **Alteration of Control Zone**

The Federal Aviation Administration is amending § 71.171 of Part 71 of the Federal Aviation Regulations so as to alter the Ithaca, N.Y., Control Zone (39 FR 392).

The weather reporting required for the control zone is presently provided by Allegheny Airlines. However, because of variations in seasonal airline schedules the weather reporting will be changed from time to time to meet the airline's varied schedules. To provide the changing schedule information, the control zone description will be altered to allow the schedules, and therefore the duration of the control zone, to be published in the Airman's Information Manual.

Since the foregoing amendment is not more restrictive than the present rule but merely prescribes a change in the manner of providing the information, notice and public procedure hereon are unnecessary and the amendment may be made effective in less than 30 days.

In view of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective February 19, 1974, as follows:

1. Amend § 71.171 so as to alter the description of the Ithaca, N.Y., control zone by deleting the last sentence and substituting therefor the following:

This Control Zone is effective during specific days and times established in advance by a Notice to Airmen. The effective days and times will thereafter be published continuously in the Airman's Information Manual.

(Sec. 307(a), Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Jamaica, N.Y., on February 4, 1974.

#### ROBERT H. STANTON,

Director, Eastern Region. [FR Doc.74-3812 Filed 2-15-74;8:45 am]

# [Airspace Docket No. 74-EA-4]

PART 71-DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CON-TROLLED AIRSPACE, AND REPORTING POINTS

Alteration of Control Zone and Transition

The Federal Aviation Administration is amending §§ 71.171 and 71.181 of Part 71 of the Federal Aviation Regulations so as to amend the Elkins, W. Va., Control Zone (39 FR 377) and Transition Area (39 FR 486).

A recent change in the name of the Elkins-Randolph County Airport requires an alteration of the description of the control zone and transition area.

Since the amendment is editorial in nature, notice and public procedure

hereon are unnecessary and the amendment may be made effective in less than 30 days.

In view of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective February 19, 1974, as follows: 1. Amend § 71.171 of Part 71 Federal

1. Amend § 71.171 of Part 71 Federal Aviation Regulations so as to alter the description of the Elkins, W. Va., Control Zone by deleting, "Elkins-Randolph County Airport" and by substituting, "Elkins - Randolph County - Jennings Randolph Field," therefor.

2. Amend § 71.181 of Part 71, Federal Aviation Regulations so as to alter the description of the Elkins, W. Va., 700foot floor transition area by deleting, "Elkins-Randolph County Airport", and by substituting, "Elkins - Randolph County-Jennings Randolph Field," therefor.

(Sec. 307(a), Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348); sec. 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Jamaica, N.Y., on February 4, 1974.

ROBERT H. STANTON, Director, Eastern Region.

[FR Doc. 74-3811 Filed 2-15-74; 8:45 am]

#### [Airspace Docket No. 73-GL-51]

#### PART 71-DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CON-TROLLED AIRSPACE, AND REPORTING POINTS

#### Alteration of Transition Area

On Page 33404 of the FEDERAL REGISTER dated December 4, 1973, the Federal Aviation Administration published a notice of proposed rule making which would amend § 71.181 of Part 71 of the Federal Aviation Regulations so as to alter the transition area at Quincy, Illinois.

Interested persons were given 30 days to submit written comments, suggestions, or objections regarding the proposed amendment.

No objections have been received and the proposed amendment is hereby adopted without change and is set forth below.

This amendment shall be effective 0901 G.m.t., March 28, 1974.

(Sec. 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 18...); sec. 6(c), Department of Transportation Act (49 U.S.C. 1665(c)))

Issued in Des Plaines, Illinois, on January 31, 1974.

R. O. ZIEGLER.

#### Acting Director, Great Lakes Region.

#### QUINCY, ILL.

That airspace extending upward from 700 feet above the surface within an 8.5 mile radius of Quincy Municipal Baldwin Field Airport (latitude 39\*56'30" N, longitude 91\*11\*45" W), and within 5 miles northwest and 8 miles southeast of the Quincy ILS localizer southeast of the Quincy ILS localizer southwest course, extending from the 8.5 mile radius to 12 miles southwest of the OM.

[FR Doc.74-3815 Filed 2-15-74;8:45 am]

#### [Airspace Docket No. 73-GL-54]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CON-TROLLED AIRSPACE, AND REPORTING POINTS

#### **Alteration of Transition Area**

On page 34671 of the FEDERAL REGISTER dated December 17, 1973, the FAA published a notice of proposed rule making which would amend § 71.181 of Part 71 of the Federal Aviation Regulations so as to alter the control zone and transition area at Camp Ripley, Minnesota.

Interested persons were given 30 days to submit written data, objections, and comments concerning the proposed amendments. Three comments were received. The Air Transport Association concurred with the proposal. The Aircraft Owners & Pilots Association and Mr. John C. Riedl of Airmotive Enterprises, Inc., Brainerd, Minnesota, advised they thought the required transition area was too extensive and the procedure would interfere with a student training area that is near Camp Ripley. A revision to the procedure was made which will allow a decrease in the required transition area, although the training area may still have to be relocated.

In view of the foregoing, the proposed amendment is hereby adopted subject to the following paragraph change:

In § 71.181 (39 FR 440), the following transition area is added:

#### CAMP RIPLEY, MINN.

That airspace extending upward from 700 feet above the surface within a 6-mile redus of Ray S. Miller Army Air Field (latitude  $46^{\circ}05'00''$  N., longitude  $94^{\circ}21'10''$  W.).

(Sec. 307(a), Federal Aviation Act of 1958 (49 U.S.C. 1348); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

This amendment shall be effective April 25, 1974.

Issued in Des Plaines, Illinois, on January 31, 1974.

> R. C. ZIEGLER, Acting Director, Great Lakes Region.

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[FR Doc.74-3814 Filed 2-15-74:8:45 am]

#### [Airspace Docket No. 74-WA-5]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CON-TROLLED AIRSPACE, AND REPORTING POINTS

#### **Reporting Point; Name Change**

The purpose of this amendment is to change the name of the Houston, Tex., VORTAC to Hobby, Tex., in the description of the Kan, Tex., Reporting Point. The VORTAC name change, effective February 28, 1974, affects the description of this reporting point.

Since changing the description of the reporting point to conform to the changed name of the VORTAC is a minor matter upon which the public would have no particular reason to comment, notice and public procedure thereon are unnecessary. However, to avoid the consequences of the VORTAC being referred

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0901 G.m.t., February 28, 1974, as hereinafter set forth.

Section 71.207 (39 FR 627, 38 FR 29073) is amended as follows: In Kan, Tex. "(INT Houston, Tex., 198° radial" is deleted and "(INT Hobby, Tex., 198° radial" is substituted therefor.

(Sec. 307(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a)); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Washington, D.C., on February 11, 1974

> CHARLES H. NEWPOL, Acting Chief, Airspace and Air Traffic Rules Division.

[FR Doc.74-3809 Filed 2-15-74;8:45 am]

[Airspace Docket No. 74-EA-8]

# PART 73-SPECIAL USE AIRSPACE

#### **Alteration of Restricted Areas**

The purpose of this amendment to Part 73 of the Federal Aviation Regulations is to change the using agency of Restricted Areas, R-5202, Gardiner's Island, N.Y., and R-6608, Quantico, Va.

The U.S. Navy requested the changes in order to correctly identify the organizations now responsible for using agency activities within the restricted areas. The Federal Aviation Administration concurred with the Navy's request.

Since this amendment is a minor amendment upon which the public is not particularly interested, notice and public procedure thereon are unnecessary. However, since it is necessary that sufficient time be allowed to permit appropriate changes to be made on aeronautical charts, this amendment will become effective more than 30 days after publication.

In consideration of the foregoing, Part 73 of the Federal Aviation Regulations is amended, effective 0901. G.m.t., April 25, 1974, as hereinafter set forth.

In § 73.52 (39 FR 680) Restricted Area R-5202 Gardiner's Island, N.Y., is amended by deleting the present using agency and substituting the following therefor:

Naval Plant Representative Office, Grumman Aerospace Corporation, Bethpage, N.Y.

In § 73.66 (39 FR 690) Restricted Area R-6608 Quantico, Va., is amended by deleting the present using agency and substituting the following therefor:

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Commanding General, Marine Corps Development and Education Command, Quantico, Va.

(Sec. 307(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a)); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Washington, D.C., on February 11, 1974.

CHARLES H. NEWPOL, Acting Chief, Airspace and Air Traffic Rules Division. IFR Doc.74-3816 Filed 2-15-74:8:45 am]

No. 34-Pt. I-3

## RULES AND REGULATIONS

#### [Airspace Docket No. 73-SW-64]

#### PART 75—ESTABLISHMENT OF JET ROUTES AND AREA HIGH ROUTES Alteration of Jet Route Segments

On October 15, 1973, a notice of proposed rule making (NPRM) was published in the FEDERAL REGISTER (38 FR 28572) stating that the Federal Avlation Administration (FAA) was considering an amendment to Part 75 of the Federal Avlation Regulations that would realign the segments of Jet Routes No. 25 and No. 29 between Brownsville, Tex., and Corpus Christi, Tex.

Interested persons were afforded an opportunity to participate in the proposed rule making through the submission of comments. No adverse comments were received.

Since publication of the NPRM, it has been determined that the Brownsville radial should have been specified as 358°T rather than 359°T. This one degree change is made herein to comply with the intent stated in the NPRM of using the same radials for the jet routes as used for the underlying airway. Since this alteration is only one degree, it is considered minor in nature, and notice and public procedure thereon are unnecessary.

In consideration of the foregoing, Part 75 of the Federal Aviation Regulations is amended, effective 0901 G.m.t., April 25, 1974, as hereinafter set forth.

Section 75.100 (39 FR 699) is amended as follows:

a. In Jet Route No. 25, "INT of the Brownsville 357° and the Corpus Christi, Tex., 179° radials;" is deleted and "INT of the Brownsville 358° and the Corpus Christi, Tex., 178° radials;" is substituted therefor.

b. In Jet Route No. 29, "INT Brownsville 357° and Corpus Christi, Tex., 179° radicals;" is deleted and "INT Brownsville 358° and Corpus Christi, Tex., 178° radials;" is substituted therefor.

(Sec. 307(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a)); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Washington, D.C., on February 12, 1974.

CHARLES H. NEWPOL, Acting Chief, Airspace and Air Traffic Rules Division. [FR Doc.74-3817 Filed 2-15-74;8:45 am]

Title 15—Commerce and Foreign Trade CHAPTER IX—NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE

SUBCHAPTER A-GENERAL REGULATIONS PART 903-PUBLIC INFORMATION

The amended regulations that follow reflect a number of changes in official titles, nomenclature, and organizational description. Also, § 903.7 (b) and (d) are amended to reflect a specific delegation to the Administrative Documentation Officer to initially determine availability of NOAA records to the public.

The amended regulations are effective February 19, 1974.

T. P. GLEITER, Assistant Administrator for Administration.

## FEBRUARY 12, 1974.

Part 903 is revised to read as follows:

Sec.

- 903.1 Scope and purpose. 903.2 Policies.
- 903.3 Definitions.
- 903.4 Publication in the FEDERAL REGISTER.
   903.5 Availability of materials for inspection and copying.
- 903.6 Requests for identifiable records.
   903.7 Determination of availability of records.
- 903.8 Fees and charges.
- 903.9 Arrangements for public inspection and copying of available records.
- 903.10 Requests for reconsideration of nonavailability.
- 903.11 Subpoena or other compulsory process.

AUTHORITY: 5 U.S.C. 552, 553; Reorg. Plan No. 2 of 1965, 15 U.S.C. 311 nt; 32 FR 9734, 31 FR 10752, and Reorganization Plan No. 4 of 1970.

§ 903.1 Scope and purpose.

This part establishes the rules whereby the materials specified in 5 U.S.C. 552(a)(2), and the identifiable records of the following organizations of the National Oceanic and Atmospheric Administration (NOAA) requested under 5 U.S.C. 552(a) (3) are to be made publicly available:

(a) The Office of the Administrator and the Office of the Federal Coordinator for Meteorological Services and Supporting Research.

(b) The general and special staff offices of the Administration.

(c) The National Weather Service.

(d) The National Ocean Survey.

(e) The Environmental Data Service. (f) The National Environmental Satellite Service.

(g) The Environmental Research Laboratories.

(h) The National Marine Fisheries Service.

#### § 903.2 Policies.

Policies and other factors considered in issuing the rules in this part are set forth in Department of Commerce Administrative Order 205-12, as amended (formerly Department of Commerce Order 64) (32 FR 9734) and Part 4 of this title.

#### § 903.3 Definitions.

(a) To the extent that terms used in this part are defined in 5 U.S.C. 551, they shall have the same definition herein.

(b) The organizational units defined in the terms "Office of the Administrator," "Federal Coordinator for Meteorological Services and Supporting Research," "general staff offices," and "special staff offices," are identified in Department Organization Order 25–5B, as amended (formerly Department Order 2b) (31 FR 10700).

§ 903.4 Publication in the Federal Register.

(a) Those materials which are required to be published in the FEDERAL REGISTER

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pursuant to the provisions of 5 U.S.C. 552(a) (1) have been and will continue to be published in the FEDERAL REGISTER in the form of or included in:

(1) Department Organization Orders of the Department of Commerce, including any supplements and appendices thereto, Secretary of Commerce Circulars, and Department Administrative Orders.

(2) NOAA rules and regulations set forth in this part.

(3) Notices or otherwise in the FED-ERAL REGISTER.

(4) Other publications, when incorporated by reference in the FEDERAL REG-ISTER with the approval of the Director of the Federal Register.

(b) Those materials which are published in the FEDERAL REGISTER pursuant to 5 U.S.C. 552(a) (1) will, to the extent practicable and to further assist the public, be made available for inspection and copying at the facility identified in § 903.5(c).

§ 903.5 Availability of materials for inspection and copying.

(a) The Administrative Documentation Officer, as provided in 5 U.S.C. 552 (a) (2) and subject to other provisions of law, will establish and maintain a NOAA Public Reference Facility for the public inspection and copying of:

(1) Final opinions, including concurring and dissenting opinions, as well as orders, made in the adjudication of

(2) Statements of policy and interpretations adopted by NOAA and not published in the FEDERAL REGISTER;

(3) Administrative staff manuals and instructions to staff that affect a member of the public;

(4) A current index providing identifying information for the public as to any matter issued, adopted, or promulgated after July 4, 1967, and required to be made available or published by 5 U.S.C. 552(a) (2) :

(5) Such additional materials as the NOAA Public Reference Facility may consider desirable and practicable to make available for the convenience of the public.

(b) NOAA may, to prevent unwarranted invasion of personal privacy, delete identifying details when it makes available or publishes an opinion, statement of policy, interpretation, staff manual or instruction, and will, in each such case, explain in writing the justification for the deletion.

(c) The above materials may be inspected in the NOAA Public Reference Facility, Room 523, Building 5, 6010 Executive Boulevard, Rockville, Md. Mail to this facility should be addressed as follows: Administrative Documentation Officer (AD161), National Oceanic and Atmospheric Administration, Rockville, Md. 20852. The telephone number for this facility is Area Code 301, 496-8192. This facility is open to the public Monday through Friday of each week, except on official Federal holidays, between the hours of 9 a.m. and 4:30 p.m. There are record receipt of the fee. If the applica-

no fees or formal requirements for such inspections. Photo copies of these materials can be provided on demand at the prices established in 903.8. In addition, printed copies of various administrative publications may be purchased from the facility, at the price established in 903.8. '§ 903.6 Requests for identifiable records.

(a) The procedures of this section are applicable only to the records of the organizations listed in § 903.1 and only to those records not customarily available to the public as part of the regular information activities of NOAA. A person desiring to inspect or copy a record or obtain other information about or from one of the organizations listed in 903.1 should contact the appropriate office responsible for providing such information to the public. Such information offices are listed in one or more of the following: (1) The "public informa-tion appendices" to the relevant De-partment orders, which are published in the FEDERAL REGISTER. (2) various guides and handbooks issued by the Department and its operating units, (3) the U.S. Government Organization Manual, and (4) the Department of Commerce Telephone Directory. The latter two publications are for sale by the Superintendent of Documents, Washington, D.C. 20402.

(b) If the appropriate information office is not known, the public should direct its inquiries to the NOAA Public Reference Facility identified in § 903.5 (c). This facility will route the request. if it appears to be for information regularly available, to the appropriate information office; if the request is for other types of information, the facility will advise the inquirer as to how to proceed.

(c) A person who wishes to inspect a record not part of the regular information activities of NOAA should complete Form CD-244, "Application To Inspect Records", and submit this form, in person or by mail, to the NOAA Public Reference Facility. Copies of Form CD-244 are available from this facility and from many of the information offices of NOAA.

(d) An application form shall be submitted for each record or group of records related to the same general subject matter. Each application form shall be accompanied by the nonrefundable application fee of \$2.

(e) Detailed instructions for the completion of Form CD-244 are stated on the back of the form. Employees of the facility will assist the public to a reasonable extent in completing the form; however, the responsibility rests with the applicant for identifying each record sought in sufficient detail so that it can be located by personnel familiar with the filing of agency records. Each application shall clearly itemize, when there are more than one, each record requested so that it may be identified and its availability separately determined.

(f) The staff of the facility will review the application for completeness, and will

tion appears in order, it will be processed by the facility as described in § 903.7, to determine if it is an identifiable and disclosable record. If the application is incomplete in some substantial and material respect, it will be promptly returned to the applicant to complete.

§ 903.7 Determination of availability of records.

(a) Upon finding that the application is otherwise in order, the NOAA Pub-lic Reference Facility will determine:

(1) Whether the requested record can be identified on the basis of the information supplied by the applicant. If the facility cannot identify the record, it will return the application, specifying why the record is not identifiable and what additional clarification, if any, the applicant may make to assist the organization in its identification.

(2) Whether the record, if identifiable, is still in existence and in the possession of NOAA. If the record no longer exists, the applicant will be so notified. If the record is not in NOAA's possession and its existence is not otherwise reasonably ascertainable, the applicant will be so notified. If the requested record is in another organization of the Department, or is the exclusive or primary concern of another executive department or agency, the application for such record will be promptly referred to that other organization or agency for further action under its rules, and the applicant will be promptly informed of this referral.

(b) If the requested record is identifiable and subject to NOAA's determination as to availability, the application will be reviewed by the Administrative Documentation Officer, who is authorized, pursuant to Department Administrative Order 205-12, to initially determine availability.

(c) If the Administrative Documentation Officer determines that the record is not to be made available, he shall so notify the applicant in writing stating the reason(s) why the record is not being made available.

(d) If the Administrative Documentation Officer determines that the record is to be made available, he shall so notify the applicant specifying the estimated costs to be recovered in accordance with 903.8. Upon payment of such estimated costs, subject to adjustment as provided in § 903.8, the record will be made available to the applicant at the NOAA Public Reference Facility or transmitted to him by it.

§ 903.8 Fees and charges.

(a) Fees and charges are hereby established to recover costs for application handling, record searching, reproduction, certification and authentication. and for related expenses incurred by NOAA.

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(1) Application fee-\$2. This fee is nonrefundable, and covers costs of accepting and reviewing the application. and making a determination as to the availability of the requested record, or group of related records.

(2) Records search fee-per manhour-\$5. This fee covers the costs of locating the desired record, transporting it by Government messenger service to the point of inspection, supervising the inspection, and returning the record to its regular file. It also includes the costs of any copies of records made at NOAA's option. The minimum fee charged for records search will be \$2.50.

(3) Copies of records, if requested by applicant:

(i) Xerographic or similar process—Up to 9 x 14 inches (each page)—\$0.25.

(ii) Photocopy or similar process—Up to 12 x 18 inches (each page)—\$1. Over 12 x 18 inches, but less than 18 x 25 inches (each)—\$2.

(4) Single printed copy of administrative publications—12 pages or less, 10 cents; 13 to 36 pages, 25 cents; 37 to 60 pages, 50 cents; 61 to 80 pages, 75 cents; 81 to 100 pages, \$1; and over 100 pages, 1 cent a page rounded upward to the next quarter dollar. Each blank page and each introductory (Roman numeral) page is to be considered as one page, and separate paper covers are to be considered as four pages.

(5) Certification fee, if requested, per certification—\$1.

(6) Postage, registration, or other forwarding or packing fees—Actual cost (Applicable only if copies of records are requested to be shipped to a point other than the NOAA Public Reference Facility).

(b) All fees and charges will be collected in advance. The applicant will be given an estimate of the cost of records search for each application where disclosure availability is authorized. If actual cost exceeds the estimate, the applicant will have the option of either paying any additional costs, or inspecting that requested record to the extent covered by his payment. If the advance estimated payment is \$1 or more in excess of both the actual cost and the minimum charge, a refund will be made of the excess above the higher of these two amounts.

(c) The above fees are established solely for services provided pursuant to section 5 U.S.C. 552(a)(3), and do not affect fees charged for other services to the public, as may be performed under other authorities.

§ 903.9 Arrangements for public inspection and copying of available records.

(a) During his inspection of the record at the NOAA Public Reference Facility, the applicant may extract or have copied any portion of the record, and may obtain certification of a machine-copied record, subject to the fees established in 903.8.

(b) No changes or alterations of any type may be made to the record being inspected, nor may any matter be added to or subtracted therefrom. Papers bound or otherwise assembled in a record file may not be disassembled during inspection. Staff of the facility shall provide assistance if disassembly of a record is necessary for copying purposes, and are authorized to supervise public

inspection as necessary to protect the records. The public is reminded of Title 18, United States Code, section 2701(a), which makes it a crime to conceal, remove, mutilate, obliterate, or destroy any record filed in any public office, or to attempt to do any of the foregoing.

(c) If an applicant does not want to inspect a record by personal visit to the NOAA Public Reference Facility, he may request that a copy thereof be mailed to him, upon payment of the copying and postage fees set forth in § 903.8.

(d) Copies of transcripts of hearings will be made available for inspection when not in use. If NOAA's contract with a reporting service stipulates that copies of such transcripts may be sold only by the latter, persons requesting copies shall be referred to the reporting service.

(e) When appropriate in the interests of its program, NOAA may make exceptions to established charges.

§ 903.10 Requests for reconsideration of nonavailability.

(a) Any person whose application to inspect a record has been denied under § 903.7(c) may request a consideration of the initial denial, as set forth herein.

(b) The request for reconsideration should be made by completing the applicable portion of the Form CD-244, and returning it to the NOAA Public Reference Facility within 30 days following the date of the initial denial. (This date is shown on the Form CD-244.) No additional fee is required to obtain reconsideration. In submitting a request for reconsideration, the applicant should include any written arguments he desires to support his belief that the record requested should be made available. No personal appearance, oral argument or hearing shall be permitted.

(c) The decision upon such review shall be made by the Administrator, NOAA, and shall be based upon the original application, the denial, and any written argument submitted by the applicant.

(d) The decision upon review shall be promptly made in writing and communicated to the applicant. If the decision is wholly or partly in favor of the applicant, the requested record to such extent will be made available for inspection, as described in §§ 903.8 and 903.9. To the extent that the decision is adverse to the request, the reasons for the denial will be stated.

(e) A decision upon review under this section shall constitute the final action and decision of NOAA as to the availability of a requested record, except as may be required by court proceedings initiated pursuant to 5 U.S.C. 552(a) (3).

(f) Reconsideration resulting in final decisions as prescribed herein will be indexed and kept available for public reference in the NOAA Public Reference Facility.

§ 903.11 Subpoena or other compulsory process.

Procedures applicable in the event of a subpoena, order, or other compulsory process or demand of a court or other

authority are set forth in section 7 of Department Administrative Order 205-12 (32 FR 9734).

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Title 16—Commercial Practices CHAPTER II—CONSUMER PRODUCT SAFETY COMMISSION

SUBCHAPTER B-CONSUMER PRODUCT SAFETY ACT REGULATIONS

PART 1115—SUBSTANTIAL PRODUCT HAZARD NOTIFICATIONS

Submission of Information by Manufacturers, Distributors, and Retailers

In the FEDERAL RECISTER of August 3, 1973 (38 FR 20902), the Consumer Product Safety Commission, pursuant to section 15 of the Consumer Product Safety Act (15 U.S.C. 2064), proposed a regulation (16 CFR 1100.25) regarding the informing of the Commission by manu-facturers, distributors, and retailers of noncomplying or defective consumer products. This document acts on that proposal, however, the material promulgated below has been expanded from a section (16 CFR 1100.25) to a part (16 CFR Part 1115).

Principal features of Part 1115. The purpose of Part 1115 is to establish notification requirements to be followed by manufacturers, distributors, and retailers who obtain information reasonably supporting the conclusion that one of their consumer products fails to comply with an applicable consumer product safety rule or contains a defect that could create a substantial product hazard.

Part 1115 provides that when such information is obtained, the manufacturer, distributor, or retailer shall make an initial notification to the Commission, by some means, within 24 hours. If the initial notification is by a means other than in writing, it must be confirmed in writing within 48 hours.

Thereafter, additional information submitted to the Commission shall address the nature of the hazard involved; the manner in which information concerning the hazard was obtained, including copies of consumer complaints, if applicable; the number, nature, and severity of injurles related to the product; the number of units of the product in inventory; identifying marks on the potentially hazardous units; corrective action taken; preventive measures taken; and plans regarding notice to consumers.

The information to be submitted under Part 1115 is necessary to enable the Commission to evaluate the notification and to determine if a reported product that could create a substantial product hazard does, in the Commission's opinion, create a substantial product hazard. In those cases where a manufacturer, distributor, or retailer determines that a substantial product hazard does exist, the information is necessary to help the Commission determine if the substantial product hazard has been reported in a timely fashion. if the notification is adequate, and if the corrective measures taken are appropriate for the circumstances.

Response to the proposal. In response to the proposal of August 3, 1973 (38 FR 20902), comments were received from 18 manufacturers, 24 associations of manufacturers, 3 retail organizations, 7 associations of retailers, an association of distributors, 2 public interest groups, 2 members of the public, an employer's council, and a law firm.

Principal changes in provisions. Al-though the provisions of the regulation promulgated below are substantially similar to those of the proposal, there are some additions, deletions, changes, etc. As stated above, the regulation has been expanded from a section to a new Part 1115. The proposed regulation required that the notification state whether injuries associated with the hazard have occurred: the promulgated regulation expands this requirement to include the number, nature, and severity of injuries associated with the hazard. The proposed requirement that a list of names and addresses of distributors, retailers, and purchasers of the product involved be submitted to the Commission has been deleted. The promulgated regulation, however, provides that persons notifying under the regulation shall make this information available to the Commission if requested. In addition, the promulgated regulation requires manufacturers to inform the Commission whether the product involved is still being manufactured. requires the submission to the Commission of copies of consumer complaints that deal particularly with the potential product hazard, and requires that the Commission be informed whether refund. replacement, or repair actions have or will be taken and, if applicable, how the manufacturer plans to dispose of existing inventory.

Issues raised by the comments and CPSC decisions thereon—A. Authority to promulgate section 15(b) notification requirements. Comments were received from one manufacturer, one association of retailers, and seven associations of manufacturers regarding the authority of the Commission to promulgate the proposed regulation dealing with notification requirements under section 15(b) of the Consumer Product Safety Act. The comments contend that the notification requirements exceed the Commission's authority.

Because section 15(b) is viewed as contemplating a notice of "failure to comply" or of a defect which could create a "substantial product hazard" to the Commission, the extensive notification requirements are viewed by the commenters as going beyond the statutory authority. In particular, the comments question the Commission's reliance on sections 15(a), 15(b), 27(b), and 27(e) of the act to justify the proposed regulation.

Three comments specifically question the general jurisdiction of the Commission with respect to the items specified in paragraph (c) of the proposed regulation, which enumerates the types of information the Commission considers essential in determining the existence of a substantial product hazard.

Section 15(b) of the act specifically requires every manufacturer, distributor, and retailer of a consumer product distributed in commerce to immediately notify the Commission "upon obtaining information which reasonably supports the conclusion that such product fails to comply with an applicable consumer product safety rule or contains a defect which could create a substantial product hazard" (15 U.S.C. 2064(b)). The proposed regulation details an effective manner for compliance with section 15(b) of the act.

Moreover, other sections of the act provide support for the Commission's proposed regulation. Section 27(b) of the act grants to the Commission the power to require, by general order, any person to submit in writing such reports and answers to questions as the Commission may prescribe (15 U.S.C. 2076(b)). This section applies with particularity to distributors and retailers who obtain information which reasonably supports the existence of a substantial product hazard and it is the basis on which the Commission exercises jurisdiction over distributors and retailers. Section 27(e) grants authority to the Commission to require performance and technical data from any manufacturer in order to carry out the purposes of the act (15 U.S.C. 2076(e)). This section provides the Commission with the authority to require manufacturers to supply the Commission with data which are within the knowledge of the manufacturer and are essential in carrying out the purposes of section 15(b).

The Commission does not consider the information sought in § 1115.7(a) of the promulgated regulation to be unreasonable. The most complete notification possible is required to protect the public against unreasonable risks of injury associated with consumer, products.

For these reasons the Commission reaffirms not only its authority to promulgate this regulation but also the statutory basis for 16 CFR Part 1115.

B. Application of notification requirements to the transferred acts. Comments were received from one retail organization, two associations of retailers, and three associations of manufacturers questioning the Commission's authority to apply the notification requirements of section 15(b) of the act to the prod-ucts subject to regulations under authority of the acts transferred to the Commission by section 30 of the Consumer Product Safety Act (15 U.S.C. 2079); namely, the Federal Hazardous Substances Act (15 U.S.C. 1261 et seq.), the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471 et seq.), the Flammable Fabrics Act (15 U.S.C. 1191 et seq.), and the Refrigerator Safety Act (15 U.S.C. 1211 et seq.). The comments rely on section 30(d) of the Consumer Product Safety Act which states that a "risk of injury associated with consumer products which could be elin:inated or reduced to a sufficient extent" by action taken under the Federal Hazardous Substances Act, the Poison Prevention Pack-

aging Act of 1970, and the Flammable Fabrics Act may only be regulated by the provisions of those acts. One association of retailers also requested clarification on the status of the Refrigerator Safety Act, which is covered in section 30(c). but is not mentioned in section 30(d) of the act.

The Commission affirms the position expressed in the proposed regulation that it has the authority to require manufacturers, distributors and retailers of "consumer products" (as that term is defined in section 3(a) of the act) which are subject to regulation by the Commission under provisions of the Federal Hazardous Substances Act, the Poison Prevention Packaging Act of 1970, the Flammable Fabrics Act, or the Refrigerator Safety Act to comply with the requirements for notification of defects set forth in section 15(b) of the Consumer Product Safety Act and the provisions of Part 1115 promulgated below. Reports are required for defects which create or could create a substantial product hazard. Failures to comply with a standard or regulation issued under the provisions of the transferred acts are not required to be reported unless such failures to comply are also defects which create or could create a substantial product hazard.

Upon considering the numerous possibilities of risk to the consuming public by products falling within the authority of these acts, the Commission finds under section 30(d) of the act that such risks can neither be eliminated nor reduced to a sufficient extent in a timely fashion unless the Commission is notified under section 15(b) of the act. This finding by the Commission is based on the fact that none of the provisions of the transferred acts require notification to be made to the Commission upon the obtaining of information which reasonably supports the existence of a substantial product hazard. The Commission has determined this type of notification to be essential for the purpose of protecting the consuming public against unreasonable risks of injury associated with consumer products. The lack of notification requirements under the transferred acts combined with the clear intent of the Congress to give the Commission discretion to regulate risks of injury which cannot be eliminated or reduced to a sufficient extent under the transferred acts supports the Commission's findings. based on section 30(d) of the act, that it is essential for the Commission to obtain all available information from manufacturers, distributors and retailers of consumer products regarding substantial product hazards.

The Commission reemphasizes that this section 15(b) notification applies only to defects and not to violations of standards or regulations issued under the transferred acts which do not involve a defect. Moreover, this finding by the Commission is not contrary to the purposes of section 30(d) of the Act since the Commission intends to regulate those products subject to the transferred acts according to the provisions of such acts;

the requirement of a section 15(b) notification does not carry with it automatic regulation of the product under the Consumer Product Safety Act. If a notification were received of a defect in a product subject to a transferred act, a further determination under the provisions of section 30(d) as to the specific risk of injury presented by that defect would be required before any further action could be taken under the provisions of the Consumer Product Safety Act.

In response to the request for clarification concerning the applicability of the notification requirements of the act to manufacturers, distributors, and retailers of consumer products subject to regulation under provisions of the Re-frigerator Safety Act, the Commission observes that section 30(d) of the Act is not applicable to risks of injury associated with consumer products subject to regulation under provisions of the Refrigerator Safety Act. Therefore, all manufacturers, distributors, and retailers of consumer products subject to regulation under provisions of the Refrigerator Safety Act are subject to the notification requirements of the Consumer Product Safety Act without a further determination under section 30(d).

C. Specific jurisdictional questions. 1. Comments were received from two associations of manufacturers regarding the application of the act to boats and associated equipment. The comments state that section 3(a) (1) (G) of the act specifically reserves to the Coast Guard exclusive jurisdiction over all boats and vessels falling within the scope of the regulatory authority of the Boat Safety Act of 1971. The area of "associated equipment" is viewed by the commenters as posing a more difficult jurisdictional question as the Boat Safety Act is broad enough to cover marine safety articles "intended for use by a person on board a boat" (46 U.S.C. 1452(8)(c)), which would seem to cover many consumer products such as flashlights, fire extinguishers, etc. The commenters suggest that this area of overlap could be avoided if manufacturers whose products are intended exclusively for marine application were to label their products "For Marine Use Only" or words to that effect.

The Commission finds that boats and vessels, as defined at 46 U.S.C. 1452(1) and (2), are specifically exempted from the coverage of the Consumer Product Safety Act and, therefore, the notification requirements of the act are-not binding on manufacturers, distributors, or retailers of such products.

Associated equipment, as defined at 46 U.S.C. 1452(8), which is not capable of nonmarine application, is also specifically exempted from the coverage of the Consumer Product Safety Act.

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Equipment or accessories which are capable of both marine and nonmarine applications are within the jurisdiction of both the Boat Safety Act of 1971 and the Consumer Product Safety Act. However, if the item may be used as a "con-

sumer product," as defined at 15 U.S.C. 2052, even though that may not be its predominant use, it comes within the jurisdiction of the Consumer Product Safety Act, and manufacturers, distributors and retailers of such items must comply with the notification requirements of this act.

2. Comments were received from two trade associations regarding the authority of the Consumer Product Safety Commission to require manufacturers, distributors, and retailers of drugs to comply with section 15(b) of the act. The comments state that drugs are specifically excluded from the definition of a consumer product (15 U.S.C. 2052) and therefore the notification requirement of section 15(b) are inapplicable.

The Commission agrees with these comments. Section 15(b) of the Act applies only to "consumer products distributed in commerce" and since drugs are not consumer products according to the act, the notification requirements of the act are inapplicable to manufacturers, distributors, and retailers of drugs.

Child-resistant packaging in which drugs and other products are packaged so as to comply with the provisions of the Poison Prevention Packaging Act of 1970 does come within the coverage of section 15(b); therefore, manufacturers, distributors, and retailers of such packaging must comply with the notification requirements of the act as to any defects in the packaging which create or could create a substantial product hazard.

3. Comment was received from the National Association of Bedding Manufacturers (NABM) questioning the Consumer Product Safety Commission's authority to require the mattress industry to comply with the notification requirements of section 15(b) of the act. NABM states that it would be "both inappropriate and unwarranted to place the requirements of proposed § 1100.25 on the mattress industry," which is currently regulated by the provisions of the Flammable Fabrics Act. As has been fully explained in paragraph B of this preamble, there is no inconsistency in the application of the notification requirements of the act as to any defects which create or could create a substantial product hazard and in the application of the Flammable Fabrics Act. The Flammable Fabrics Act and its implementing standards do not require reports of defects. Manufacturers, distributors, and retailers of products subject to the Flammable Fabrics Act must therefore comply with the notification requirements of the Con-sumer Product Safety Act. This in no way affects the duty of manufacturers of mattresses to comply with the existing Flammability Standard for Mattresses (FF 4-72).

4. Comment received from the Recreational Vehicle Institute questioned the jurisdiction of the Consumer Product Safety Commission over recreational vehicles and equipment, including motor homes, travel trailers, camping trailers, fifth-wheel travel trailers, slide-in campers, and pickup covers. Any motor ve-

hicle, as defined at 15 U.S.C. 1391(3), and any motor vehicle equipment, as defined at 15 U.S.C. 1391(4), is specifically excluded from the coverage of the act (15 U.S.C. 2052). Therefore, manufacturers, distributors, and retailers of such products are not required to comply with the notification requirements of the act.

A more complex jurisdictional question arises in the area of components, appliances, or equipment which are manufactured both for use in recreational vehicles and for use in other types of accommodations or activities. Such an item would seemingly fall within the scope of both the Motor Vehicle Safety Act and the Consumer Product Safety Act. However, if the item may be used as a consumer product, as defined as 15 U.S.C. 2052, even though that may not be its predominant use, it comes within the jurisdiction of the Consumer Product Safety Act. Manufacturers, retailers and distributors of recreational items that are consumer products must therefore comply with the notification requirements of the act.

It should be noted that mobile homes do not come within the definition of consumer product (15 U.S.C. 2052) and therefore are not covered by the act. However, any component, equipment, or appliance sold with or used in or around a mobile home does come within the scope of the act and manufacturers, distributors and retailers of such products must comply with the notification requirements of the act.

Snowmobiles and minibikes, which are not primarily used on the public streets, roads, or highways, do fall within the coverage of the act; therefore, manufacturers, distributors, and retailers of such products must comply with the notification requirements of the act.

5. A specific comment dealing with the Commission's authority with respect to toys was received from the Toy Manufacturers of America (TMA). TMA states that unless the Commission exercises its authority pursuant to section 30(d) of the Consumer Product Safety Act to regulate risks of injury associated with toys or other articles intended for use by children under the terms of the Consumer Product Safety Act. the Commission can only regulate such items under the provisions of the Federal Hazardous Substances Act. TMA emphasizes, however, its preference for regulation under the Consumer Product Safety Act and has submitted a petition to this effect which was denied by the Commission on October 16, 1973 (38 FR 28715).

As stated in Part B of this Preamble, the Commission finds that risks of injury associated with consumer products falling under jurisdiction of the Federal Hazardous Substances Act can neither be eliminated nor reduced to a sufficient extent unless the Commission is notified pursuant to section 15(b) of the act. Therefore, as to defects which could create a substantial product hazard, manufacturers, distributors, and retailers of toys or other articles intended for use by children, to the extent these are consumer products as defined at 15 U.S.C. 2052, must comply with the notification requirements of the act.

D. Due process controversy. Comments were received from one association of retailers, two manufacturers, and four associations of manufacturers stating that the section 15(b) notification requirements and the provisions of the regulation published on August 3, 1973, would deprive manufacturers, distributors, and retailers of due process of law. The thrust of the comments is that complete notification will circumvent the procedures of section 15(c) and (d) of the act; will deprive manufacturers, distributors, and retailers of the basic due process right to an adjudicatory hearing; and will alter the statutory provisions used to determine whether public or personal notice, or repair, replacement, or refund must be provided.

The Commission finds these arguments to be without merit. The information sought by the regulation promulgated below is required by the Commission in making an informed decision whether further action by the Commission is necessary. After review by the Commission it may be decided that the reported defect does not present a substantial prodnet hazard or that the actions already taken adequately protect the public. Compliance with the notification requirements of the act in no way circumvents section 15 (c) and (d) of the act, which allow for remedial action only upon a finding based on a hearing. The right to a hearing, prior to notice and remedy orders, in accordance with the Administrative Procedure Act is specifically mandated by the act (15 U.S.C. 2064(f)) and will be followed by the Commission. The statutory provisions in section 15 (c) and (d) of the act will also be followed. The Commission does not have the authority to make the information received in the notification requirements the basis for notice and remedy orders without following the statutory provisions of section 15 (c) and (d). It is expressly stated that notice and remedy orders may be issued only after a hearing (15 U.S.C. 2064 (c) and (d)) and the Commission intends to comply with this statutory language. Therefore, the Commission finds no denial of due process in the provisions of the regulation.

E. Time requirements: Initial notification. Comments were received from ten manufacturers, nine associations of manufacturers, two associations of retailers, and one member of the public regarding the time period within which initial notification is to be made to the Commission. The comments stress the impossibility of complying with detailed initial notification requirements within such a short time span and suggest that between thirty days and six months be given for compliance. One comment suggests that notification to the Commission include a definite statement as to whether or not manufacture of the product has been halted and a statement regarding proposed disposition of finished goods and work in process inventory.

The Commission reaffirms its position in the proposed regulation, but recognizes that clarification is needed in the area of time requirements for initial notification. It is the intent of the Commission that manufacturers, distributors and retailers of consumer products immediately inform the Director of the Bureau of Compliance, Consumer Product Safety Commission, Washington, D.C. 20207, phone (301) 496–7631, upon "obtaining information which reasonably supports the conclusion that a consumer product fails to comply with an applicable consumer product safety rule or contains a defect which could create a substantial product hazard." Despite the use of the statutory language to pinpoint the tolling of the twenty-four hour notification period, questions will inevitably arise as to the exact point at which this time period begins to run. Although it is obvious that no exacting standard can be formulated on this issue because of the differences in the manufacture and distribution of consumer products, the Commission intends that this provision for immediate notification be met without placing an unreasonable burden on the notifying party. For example, it is not intended that this twenty-four hour notification period begin to run when a potential defect or failure to comply is discovered by an employee working on the assembly line; however, when this information is conveyed to management and confirmed as presenting a potential product hazard, the twenty-hour notification period begins to run. The Commission emphasizes that no delay in the process of notification to management or in the confirmation by management of a potential product hazard will be tolerated. Information regarding a defect or a failure to comply which could create a substantial product hazard must be treated as a matter of top priority at all times by persons subject to this regulation.

The initial notification shall include responses to those items listed in § 1115.5 of the regulation and, to the extent such information is available, responses to those items listed in § 1115.7. This information shall be submitted by any means but shall be received by the Commission within twenty-four hours of obtaining information which reasonably supports the conclusion that a defect or a failure to comply with an applicable consumer product safety rule has occurred.

If the initial notification is by any means other than in writing, it shall be confirmed in writing within forty-eight hours of obtaining information which reasonably supports the conclusion that a defect or a failure to comply with an applicable consumer product safety rule has occurred. Such written confirmation shall contain responses to the items listed in § 1115.5 of the regulation and, to the extent such information is then reasonably available, responses to the items listed in § 1115.7(a).

The Commission realizes that all of the information sought in § 1115.7(a) will

not be available within 48 hours. The regulation requires only that information which is reasonably available. The balance of the material sought is to be furnished as soon as it can be obtained by the person making the notification.

The Commission also realizes that in some cases no one in the manufacturing or distributing chain will be able to supply all of the information requested in § 1115.7(a). Should this be the case the Commission would treat a response stating that such information is not available as an adequate response for the purposes of this regulation. However, the Commission would, in those cases, have to make any regulatory decision based on the assumption that the worst possible answer, in terms of hazard to consumers, had been received.

These time limits refer to notification during working hours within the business week. Thus, if a manufacturer, distributor, or retailer obtains information regarding a defect or a failure to comply on Friday, he is obliged to make immediate notification no later than the following Monday and is obliged to make written confirmation no later than the following Tuesday. The additional notification require-

The additional notification requirements requested in the comments concerning whether or not the manufacture of a particular consumer product has ceased and concerning the proposed disposition of finished goods and work in process inventory are favored by the Commission and have been included as \$1115.7(a)(14) and (23) of the regulation.

F. Time requirements: Complete notification. Comments were received from four trade associations questioning the "open-endedness" of paragraph (d) of the proposed regulation. The comments emphasize a desire for a time limit within which complete notification will have occurred.

The Commission understands the interest of manufacturers in securing a time limit, but emphasizes that such a time limit can work to the disadvantage of manufacturers as well as to their advantage. If a time limit for complete notification were to be ordered by the Commission, manufacturers, distributors, and retailers would be forced to furnish extensive notification reports within a short time period irrespective of the current status of their recordkeeping, the type of consumer product distributed in commerce, and the number of consumer products so distributed. The Commission finds that the explanation of "complete notification" in § 1115.7(d) and (e) of the regulation will allow for the receipt of all pertinent information without placing an undue burden on manufacturers, distributors, and retailers and will also give the Commission the flexibility it needs to deal with each problem on a case-by-case basis. The Commission, therefore, reaffirms its position on complete notification and no time limit is established.

tion 15(b) of the act. The Commission recognizes the hesitation of a manufacturer to turn over information which could aid his competitors. However, \$1115.7(a) (24) of the regulation does not place an undue burden on the manufacturer. It emphasizes the right of the reporting party to separate that information which the reporting party believes is entitled to protection under the provisions of the Freedom of Information Act (5 U.S.C. 552) and section 6 of the Consumer Product Safety Act (15 U.S.C. 2055).

with the notification requirements of sec-

Section 6 provides that "any information described by subsection (b) of section 552, title 5, United States Code," any information "otherwise protected by law from disclosure to the public," or any information "which contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code" shall be confidential (15 U.S.C. 2055(a) (1) and (2)). The Commission fully intends to provide protection for the above-mentioned types of proprietary information which are received in response to § 1115.7(a) (24) of the regulation. Moreover, section 6(b) of the act would apply to any information to be released by the Commission which would permit the public to readily identify the manufacturer. Thus, if information were obtained from a retailer or distributor about a manufacturer's product, the Commission is bound by this provision of the act to give the manufacturer an opportunity to assess and respond to this information before the Commission may make a public release. However, it should be pointed out that section 6(b) of the act grants to the Commission the power to substantially shorten the notice to a manufacturer if health and safety factors are involved.

For these reasons, the Commission reaffirms the position taken in the proposed regulation.

H. Request for additional information. Comments were received questioning the ability of the Commission to request additional information in \$ 1115.7 (d) and (e). The comments state such requests are "an invitation to open-ended and unlimited investigations and to harassment of persons who have given the type of notice contemplated by the statute, but who, for whatever reason, do not provide the types of answers desired by the staff, to the numerous extraneous questions reflected in the proposed regulations."

While the Commission recognizes the broadness of the language used in these paragraphs, it emphasizes that its intent is to obtain relevant information from manufacturers, distributors, and retailers. The Commission realizes that additional information may be essential to complete notification and, therefore, no change in the regulation is warranted.

03

I. Waiver of defenses. One association of manufacturers questioned whether the final statement described in paragraph (f) of the proposal published on August 3, 1973, was a waiver of all defenses.

The Commission in no way views the final statement in this light. Manufacturers, distributors and retailers are entitled to a hearing under section 15(f)of the act before any order may be issued by the Commission pursuant to section 15(c) and (d), and this legislative intent would be circumvented if the manufacturer, distributor, or retailer had waived all defenses at the time of the hearing by complying with the requirements of section 15(b) of the act. Therefore, no substantive change is made in the section dealing with final statements.

J. Comments on language used in proposed regulation. 1. Comments were received from two manufacturers and two associations of manufacturers regarding the reference made in the proposed regulation to the applicability of the definitions of terms made in section 3 of the act. The commenters request a clarification of the meaning of "substantial product hazard" as that term is used in section 15(a) and, by reference, in section 15(b) of the act.

The Commission finds that the statutory definition of "substantial product hazard" is sufficient for the purposes of the notification requirements of the act.

2. Comment was received from one association of retailers requesting elaboration of the phrase "potential product hazard."

The Commission chose these words to emphasize that section 15(b) requires the reporting of defects which "could create a substantial product hazard." The notifying party should consider the number, nature, and severity of the defective or noncomplying products before notifying the Commission of a potential product hazard. Accordingly, the subject phrase has not been changed.

3. Two trade associations requested clarification on the exact meaning of a merce," as that phrase is used in section 15(b) of the Consumer Product Safety Act. The comments questioned whether a notification, under section 15(b) of the act, must be given when according to the best information available to the manufacture, a defect in a consumer product or a failure of a consumer product to comply with an applicable consumer product safety rule is discovered and remedied before leaving the manufacturers plant.

In response to these comments, the Commission emphasizes the broad statutory definition gievn to "commerce" in section 3(a) (12) of the act. For the purposes of this regulation, however, a manufacturer who corrects a defect in a consumer product or a failure of a consumer product to comply with an applicable consumer product safety rule while all units of such product are still within his plant, need not comply with the notification requirements of the act.

4. Comments were received from seven manufacturers, ten associations of

manufacturers, two retail organizations, and one association of retailers questioning the use of the word "discovery" in paragraphs (b)(1), (b)(3), and (c) of the proposed regulation to describe the manner in which a reporting party learns of a defect or of a failure to comply. According to the comments, the idea that a defect is "discovered" is overly simplistic. "A determination that a defect exists in a consumer product or that a failure to comply with an applicable consumer product safety rule has occurred involves investigation and deliberation."

The Commission agrees with the comments and concludes that the word "discovery" should be replaced with the statutory language "upon obtaining information which reasonably supports the conclusion that such product fails to comply with an applicable consumer product safety rule or creates a substantial product hazard." Sections 1115.4, 1115.3, and 1115.7(a) of the regulation read accordingly.

5. One manufacturer, one association of manufacturers, one retail organization, and one consumer group expressed interest in the phrase "as available" in paragraph (b) (3) of the proposed regulation which is used to qualify the amount of information which must be forwarded to the Commission for the purposes of initial notification. Two commenters feel that the phrase should be changed to read "as is readily available"; another states that the phrasing should be changed to place less responsibility on retailers; while still another states that the phrase should be deleted as it provides a "loop-hole" through which to escape the notification requirements of the act.

The Commission recognizes the merit of all the comments but finds that a proper balance can be best struck by leaving the wording as originally published.

The Commission, however, is aware that retailers and distributors may not be in a position to comment on the various requested items in § 1115.7(a) of the regulation and, for that reason, has designated the person(s) it considers primarily responsible for supplying the specific information requested by this regulation. In connection with this designation of the most appropriate notifying party, the Commission emphasizes that, according to section 3(a) (4) of the act, a manufacturer includes any person who manufactures or imports a consumer product. This designation is not to be reviewed as a limitation on the responsibility of a notifying party who obtains information in addition to that for which he is primarily responsible; the notifying party is responsible for the most complete notification possible. The Commission finds that this approach is the most reasonable way in which to accomplish the purposes of section 15(b) of the act without placing an impossible burden on the manufacturer, distributor or retailer. § 1115.7(a) of the regulation reads accordingly.

K. Extent of Notification Requirements. Many comments were received questioning the enumerated items appearing in paragraph (c) of the proposed regulation. The comments state that some of the information requested, particularly that requested in paragraph (c) (14)-(22) of the proposed regulation, goes beyond that needed by the Commission to carry out the purposes of section 15(b) of the act. Other comments question the language of the individual items. The Commission will discuss these comments individually.

1. One manufacturer asked that the word "potential," as used in paragraph (c)(3), (4), (5), (6), and (7) of the proposed regulation to describe the type of product hazard which is the subject of a 15(b) notification, be changed to "possible" as the former word carries the import of a hazard which might exist in the future while the intention of the request should be to discern the possibility of a defect or of a failure to comply with an applicable consumer product safety rule.

The Commission finds no merit in this request. Webster's Third New International Dictionary defines "potential" as "expressing possibility" and, thus, the comment seems to hinge on subjective semantics.

2. One manufacturer questioned the importance of paragraph (c) (5) of the proposed regulation which requires the reporting party to disclose the manner in which the potential hazard was discovered. The manufacturer states that the paragraph "seems to have little relevance to the steps to be taken to protect the public from hazard."

The Commission finds this paragraph to be helpful in pinpointing the place in the channels of commerce where the consumer product has come to rest and, more importantly, it is helpful in determining the extent of the potential danger posed by the consumer product. For these reasons, this paragraph is included in the regulation.

3. Several comments were received regarding the wording of paragraph (c) (7) of the proposed regulation which requires information on any injuries associated with the hazard or potential product hazard. One comment requests that the words "associated with" be changed to "that were caused by."

Another commentor suggests that the number, nature and severity of such injuries be reported to the Commission.

The Commission rejects the first suggestion as it places an extremely narrow construction on the intended meaning of the requirement. The Commission finds merit in the other suggestion and  $\S$  1115.7(a) (7) of the regulation reads accordingly.

4. (i) Paragraph (c) (8) of the proposed regulation which deals with the number of products and the number of units of each such product which presents a hazard or potential product hazard, was commented on by one manufacturer and one association of manufacturers. The manufacturer states that

"information requested by paragraph (c) (8) is not required until such time as the product hazard is identified and jurisdiction attaches under section 15(c) and (d)."

As the Commission has tried to make clear throughout the course of this preamble, the notification requirements of the act do not take the place of the provisions of sections 15(c) and (d) of the act. The purpose of § 1115.7(a) (8) is clearly to identify the product(s) and the number of units of such product(s) which present a potential product hazard.

(ii) Another comment requested that the term "product," as used in paragraph (c) (8) of the proposed regulation, be defined as "an article, a single generic type of consumer good (or component thereof) and shall be distinct from variations due to design" and that the term "unit" be defined as "a single item of a product."

The Commission finds that the definition provided for "consumer product" in section 3(a) of the act is adequate and also finds that the term "unit" is sufficiently understood by the general public and needs no further elaboration. Accordingly, paragraph (c) (8) of the proposal is included in the promulgated regulation as  $\S$  1115.7(a) (8).

5. Two comments were received dealing with paragraph (c) (9) of the proposed regulation which requires information on the number of units of each product in the hands of consumers. Once again, a comment states that such information is not required until section 15(c) and (d) of the act have come into play. The Commission has dealt with this issue throughout this preamble and finds no merit in it.

Another comment states that "it will be difficult, and in some cases impossible, for manufacturers to obtain this information. It may be possible to accomplish this only through computerization of inventory, shipping, and sales records. Many manufacturers and their dealers will find that this responsibility may put them out of business."

The Commission does not intend to take a callous attitude toward manufacturing interests and recognizes that the burden placed on manufacturers, distributors, and retailers by these notification requirements may be extensive. However, the Commission is not, at this time, requiring specific records to be maintained, leaving a manufacturer free to make a public announcement of a substantial product defect in lieu of pinpoint notification. Therefore, the Commission supports the inclusion of paragraph (a) (9) of § 1115.7.

6. Comments were received from one manufacturer, one retailer, and one association of manufacturers regarding paragraph (c) (10) of the proposed regulation, which concerns the dates when the units were manufactured and distributed. Two commenters find the word "faulty" a poor choice to describe a defect in a consumer product or a failure to meet an applicable consumer product

safety rule and suggest that the statutory language be substituted or that the word "potentially" be included before "faulty."

The retailer points out "since the distribution system is covered by paragraph (c) (11), paragraph (c) (10) should be confined to the date when the units were manufactured and shipped from the factory."

The Commission agrees that the word "faulty" is inappropriate and has removed it from § 1115.7(a) (10). Moreover, the Commission also agrees with the retailer's comment regarding the redundancy of paragraph (c) (10) and (11) of the proposed regulation. Section 1115.7 (a) (10) of the regulation is changed accordingly.

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7. Comments were received from one retail organization and one manufacturer regarding the necessity of paragraph (c)(11) of the proposed regulation which requires an accounting of when and where such products (and the number of units of each product) were distributed. The comments state that providing the information requested is premature and that the tracing of the units through the channels of commerce is not necessary for the Commission's purposes.

The Commission finds these arguments to be without merit. It is precisely the type of information requested in § 1115.7 (a) (11) of the regulation that will allow the Commission to adequately weigh the dangers posed by the potential product hazard. The Commission, therefore, includes § 1115.7(a) (11) in this promulgation.

8. One manufacturer and one trade association request that paragraph (c) (12) and (13) of the proposed regulation be modified with a qualifying phrase, such as "for products so identified," as many consumer products cannot practically be serialized.

The Commission recognizes the narrow scope of these two paragraphs and amends both to include "identifying marks."

The Commission also finds the comments to have merit and has added to paragraph (a) (12) and (13) of § 1115.7 the phrase: "for products so identified."

9. Comments were received from one manufacturer and one retail organization objecting to paragraph (c) (14) of the proposed regulation which would require a company involved in 15(b) notification to produce lists of names and addresses of every distributor, retailer, and purchaser and to have them available in connection with its records of defect. Paragraph (c) (14) of the proposed regulation is viewed as posing a voluminous, if not impossible, recordkeeping requirement.

The Commission has reassessed paragraph (c) (14) of the proposed regulation and agrees with the comments that submission automatically of all the requested information could work an undue hardship on persons reporting under the provisions of the regulation without, in some cases, aiding the Commission in its mission. Accordingly, this requirement has not been included in Part 1115.

However, the Commission has added paragraph (c) of § 1115.7 to the regulation and paragraphs (d), (e), and (f) of the proposed regulation are being issued as § 1115.7(d), § 1115.7(e) and § 1115.8, respectively.

The new paragraph requires persons reporting under the provisions of the regulation to make available to the Commission, upon request, the information previously required to be sent to the Commission in paragraph (c) (14) of the proposed regulation. In this manner the information will be requested only when necessary. If the information sought by the Commission is not available because the recordkeeping system of the reporting person cannot furnish such material, the Commission will then have to base its regulatory action upon the best available information.

10. One association of manufacturers states that paragraph (c) (16), (17), (18), and (19) of the proposed regulation tends to be coercive of results which the statute provides will be obtained, if at all, as a result of a full adjudicatory hearing under 5 U.S.C. 554.

The Commission has addressed this argument on numerous occasions in this preamble and finds no merit in the suggestion.

11. One retail organization objects to the word "purchasers" in paragraph (c) (16) of the proposed regulation when that term is used to describe the persons to whom the reporting party has, is, or will be giving advice regarding a potential product hazard. The commenter emphasizes his objection to the term if it is intended to include consumers. The retail organization states that it may be impossible to advise many purchasers of corrective action due to the inability to ascertain the identity of the purchasers.

The Commission does indeed intend the word "purchaser" to include consumers, but it does not find that paragraph (c) (16) of the proposed regulation presents an impossible task. Paragraph (c) (16) of the proposed regulation is not an order to take corrective action; this would be contrary to the provisions of section 15 (c) and (d) of the act. It is merely an inquiry regarding what corrective action has been independently taken by manufacturers, retailers, or distributors. The fact that complete lists of purchasers many be unavailable is recognized by the Commission. The Commission is merely interested in the steps that have been taken to remedy a potential product hazard. Paragraph (c) (16) of the proposed regulation is included in the regulation as § 1115.7(a) (19).

12. It was requested that a new provision be added to § 1115.7(a) that will read "What efforts have been or will be made to repair, replace, or refund the price of such products?"

The Commission recognizes that it is inconsistent to inquire about one form of corrective action, namely, notification,

without making inquiry into the other areas of corrective action. For this reason, the Commission finds the suggestion to have merit and has changed the regulation accordingly. The Commission stresses, however, that this is not a requirement that corrective action be taken.

13. Comment from one member of the public suggests that information submitted in response to paragraph (c) (19), (20), and (21) of the proposed regulation be submitted at some later date, "perhaps no later than six months after the initial notification."

As the Commission has fully explained in Part F of this preamble, complete notification is extremely important in carrying out the functions of the Commission. For this reason, the Commission denies this request and these paragraphs appear as (a) (16)-(18) of § 1115.7 of the regulation.

14. Comments dealing with § 1115.7(a) (24) of the regulation have been fully covered in part G of this preamble, which deals with proprietary information. However, in response to numerous inquiries, the Commission wishes to point out that the last sentence in paragraph (c) (22) of the proposed regulation should be a separate paragraph. Accordingly, that provision appears in the regulation as § 1115.7(b).

L. Additional Requests. 1. One consumer group suggests that the Commission require manufacturers, distributors, and retailers to forward to the Commission copies of consumers' complaints which relate to the potential product hazard that is the subject of the section 15(b) notification.

The Commission finds merit in this suggestion and § 1115.7(a)(5) of the regulation read accordingly.

2. Another comment suggests that a retailer or distributor who notifies the Commission of a potential consumer product defect or of a failure to comply with an applicable consumer product safety rule also forward such information to the manufacturer of the consumer product.

While the Commission does not have the authority to require that such notification be made to a manufacturer, it finds merit in the proposal and suggests that retailers and distributors forward this notification to manufacturers.

3. Comments were received from one law firm and one association of manufacturers questioning whether section 15 (b) of the act and the regulations promulgated thereunder are prospective or retrospective in scope. One of the comments requests that notification be required only for those consumer products distributed in commerce after the effective date of the act.

The Commission does not accept this view. Nothing in the act states that the Commission's authority extends only to those consumer products distributed in commerce after May 14, 1973. The Commission is expressly mandated to "protect consumers against unreasonable

risks of injury from hazardous products" and the Commission finds this includes any consumer product which has been distributed in commerce and has come or could come into the hands of the consuming public. This does not mean that a manufacturer, distributor, or retailer who obtained information which reasonably supported the existence of a defect or of failure to comply prior to May 14, 1973 (the date the Commission was activated), is now required to comply with the notification requirements of section 15(b) and the provisions of the regulation promulgated below; rather, every manufacturer, distributor, or retailer who obtains information after May 14. 1973, which reasonably supports the conclusion that a consumer product, which has been distributed in commerce and which has come or could come into the hands of the consuming public, contains a defect or a failure to comply with an applicable consumer product safety rule, is required to notify the Commission in accordance with section 15(b) and the provisions of the regulation promulgated below.

M. Filing a section 15(b) notification. The chief executive officer of the notifying company shall sign and certify any information forwarded to the Commission for the purposes of complying with section 15(b) of the act, or shall delegate this responsibility and so advise the Commission in writing. The form set forth in § 1115.9 may be used to inform the Commission of this delegation of responsibility.

Conclusion. Having evaluated the comments received and other relevant information, the Commission concludes that the proposed regulation, with the changes discussed above, should be adopted as set forth below.

Accordingly, pursuant to provisions of the Consumer Product Safety Act (Pub. L. 92-573), secs. 15 (a), (b), 27 (b), (e), 30, 86 Stat. 1221, 1228, 1231 (15 U.S.C. 2064 (a), (b), 2076 (b), (e), 2079)), Title 16 is amended by adding the following Part 1115 to Subchapter B of Chapter II:

- 1115.1 Scope.
- 1115.2 Purpose.
- 1115.3 Definitions.
- 1115.4 General requirements.
- 1115.5 Initial notification.
- 1115.6 Time limits for initial notificatio...
- 1115.7 Subsequent notification.
- 1115.8 Final statement.
- 1115.9 Delegation of authority.

AUTHORITY: Secs. 15 (a), (b), 27 (b), (e), 30, 86 Stat. 1221, 1228, 1231 (15 U.S.C. 2064 (a), (b), 2076 (b) (, (e), 2079).

§ 1115.1 Scope.

This Part 1115 prescribes notification requirements to be followed by manufacturers, distributors, and retailers who obtain information which reasonably supports the conclusion that one of their products fails to comply with an applicable consumer product safety rule or contains a defect which could create a substantial product hazard.

(1)

#### § 1115.2 Purpose.

The purpose of this Part 1115 is to enable the Commission to evaluate notifications to determine if a reported product which could create a substantial product hazard does, in the Commission's opinion, create a substantial product hazard and to determine the adequacy of a substantial product hazard notification.

#### § 1115.3 Definitions.

The definitions of terms set forth in section 3 of the Consumer Product Safety Act (15 U.S.C. 2052) shall apply to such terms as used in this Part 1115.

#### § 1115.4 General requirements.

Every manufacturer of a consumer product distributed in commerce and every retailer and distributor of such consumer product shall immediately inform the Director, Bureau of Compliance, Consumer Product Safety Commission, Washington, D.C. 20207 (phone (301) 496-7631), of any defect or failure to comply immediately upon obtaining information which reasonably supports the conclusion that a consumer product fails to comply with an applicable consumer product safety rule or upon ob-taining information which reasonably supports the conclusion that a product contains a defect which creates or could create a substantial product hazard. Such manufacturer, distributor, or retailer need not so inform the Commission if the manufacturer, distributor, or retailer has actual knowledge that the Commission has been adequately informed of such defect or failure to comply. For the purposes of this Part 1115, the Commission will be "adequately informed" when it has received the information specified in this Part 1115.

#### § 1115.5 Initial notification.

The initial notification to the Commission shall:

(a) Identify the product.

(b) Give the name and address of the manufacturer, or if the manufacturer is unknown, the name and address of every distributor and/or retailer of such product known to the manufacturer, distributor, or retailer making the notification.

(c) Specify the nature and extent of the defect or the failure to comply with an applicable consumer product safety rule.

(d) Give the name and address of the person informing the Commission.

(e) Furnish (to the extent such information is then reasonably available) the data specified in § 1115.7(a).

§ 1115.6 Time limits for initial notification.

(a) The initial notification to the Commission may be by any means but should be received by the Commission within 24 hours after the reporting party has obtained information which reasonably supports the conclusion that a defect or a failure to comply with an applicable consumer product safety rule has occurred. If the initial notification is by means other than a written communica-

tion, it shall be confirmed in writing within 48 hours of obtaining information which reasonably supports the conclusion that a defect or a failure to comply with an applicable consumer product safety rule has occurred and shall include the data (as is then reasonably available) specified in § 1115.7(a).

(b) The time requirements referred to in paragraph (a) of this section pertain to notification during working hours within the business week.

#### § 1115.7 Subsequent notification.

(a) Subsequent notification to the Commission shall be made in writing and shall include, but not be limited to, the information listed below in this paragraph (a). The person(s) responsible for supplying such information is (are) placed in parentheses after each item of information requested. For the purposes of this Part 1115 and in accordance.with the act, "manufacturer" includes any importer of consumer products.

(1) Name and address of the person informing the Commission (manufacturer, distributor, retailer).

(2) Identification of the product, including description and retail price; name and address of the manufacturer of the product; and location of manufacturing plants (manufacturer, distributor, retailer, to the extent known to each).

(3) Nature of the potential product hazard (manufacturer, distributor, re-tailer).

(4) Date upon which information was obtained which reasonably supported the conclusion that a potential product hazard existed (manufacturer, distributor, retailer).

(5) Manner in which information was obtained supporting the existence of a potential product hazard, such as consumer complaint, quality control testing, etc. If consumer complaints are involved, copies of such complaints should be forwarded to the Commission. (Manufacturer, distributor, retailer.)

(6) Nature of the potential injury associated with the potential product hazard (manufacturer, distributor, retailer).

(7) Whether injuries have occurred associated with the hazard or potential product hazard. Include the number, nature, and severity of such injuries. (Manufacturer, distributor, retailer, to the extent known to each.)

(8) Number of products which present a hazard or a potential product hazard and the number of units of each such product involved (manufacturer, distributor, retailer, but distributor and retailer only to the extent known from products at hand).

(9) Number of units of each product in the hands of consumers (manufacturer, distributor, retailer, but distributor and retailer only to the extent known from products at hand).

(10) Specific dates when units were manufactured and shipped from the factory (manufacturer, but distributor and retailer to the extent known).

(11) An accounting of when and where such products were distributed and the

number of units of each product so distributed (manufacturer, distributor).

(12) Model numbers, serial numbers, or identifying marks involved for products so identified (manufacturer, distributor, retailer).

(13) Location on product where model number, serial number, or identifying mark appears for products so identified (manufacturer, distributor, retailer).

(14) Whether manufacture of the product has ceased (manufacturer).

(15) Whether corrective action has been, is being, or will be taken by the manufacturer and how long it has or will take (manufacturer).

(16) What engineering changes will be made to correct the defect and/or failure to comply with an applicable consumer product safety rule and the timetable for accomplishing such changes (manufacturer).
(17) Description of those tests con-

(17) Description of those tests conducted in factories to avoid the defect and/or failure to comply with an applicable consumer product safety rule (manufacturer).

(18) What new quality controls will be initiated to avoid the defect and/or the failure to comply with an applicable consumer product safety rule and the timetable for changes to be placed in effect (manufacturer).

(19) Whether advice about the product has been, is being, or will be given to purchasers, including consumers, and how such advice was or will be given (manufacturer, distributor, retailer).

(20) Whether public notice of the defect or failure to comply has been or will be given. If already given, furnish copy to the Commission. (Manufacturer, distributor, retailer.)

(21) Whether refund, replacement, or repair actions have been, are being, or will be taking place (manufacturer, distributor, retailer).

(22) Whether notice has been or will be mailed to each person who is a manufacturer, distributor, or retailer of such product and what effort has been or will be made to notify consumers directly where such consumers are known (manufacturer, distributor, retailer).

(23) Plans for the proposed disposition of finished goods and work-in-process inventory (manufacturer).

(b) Unavailability of any portion of the information specified in paragraph (a) of this section shall not delay submission of available data.

(c) Upon request, the reporting person shall furnish to the Commission a list of the names and addresses of all distributors, retailers, and purchasers, including consumers, to the extent known to the reporting party.

(d) Subsequent notification to the Commission by a manufacturer shall be considered complete whenever the information specified in paragraph (a) of this section and any additional information requested by the Commission during the course of its investigation has been furnished.

(e) Subsequent notification to the Commission by a distributor or retailer shall be considered complete whenever the information specified in paragraph (a) of this section (as is available to the distributor or retailer) and any additional information requested by the Commission during the course of its investigation has been furnished.

(f) In submitting information, the reporting person should state whether any of the information is believed to be entitled to exemption from disclosure under the provisions of the Freedom of Information Act (5 U.S.C. 552) or regulations issued thereunder. Information for which exempt status is claimed (such as trade secrets, confidential financial or commercial information, or information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy) should be specifically identified, and reasons should be given to substantiate the claim for exemption.

#### § 1115.8 Final statement.

A written report by a responsible official of the manufacturer shall be submitted to the Director, Bureau of Compliance, Consumer Product Safety Commission, Washington, D.C. 20207, when all of the information specified in § 1115.7 has been supplied.

#### § 1115.9 Delegation of authority.

The chief executive officer of the notifying company shall sign and certify any information forwarded to the Commission for the purposes of complying with section 15(b) of the act, or shall delegate this responsibility and so inform the Commission in writing. Information regarding such delegation may be submitted in the following form:

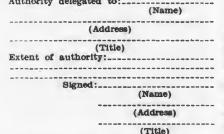
#### DELEGATION OF AUTHORITY

(Name of company)------I \_\_\_\_\_\_ hereby certify that (type name)

I am Chairman and Chief Executive Officer of the above-named company and that as such I am authorized to sign documents and to certify on behalf of said company the accuracy and completeness of information in such documents.

Pursuant to the power vested in me, I hereby delegate all or, to the extent indicated below, a portion of that authority to the person listed below.

This delegation is effective until revoked in writing. Authority delegated to:\_\_\_\_\_



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Effective date. The regulation promulgated above, 16 CFR Part 1115, shall become effective March 21, 1974.

(Secs. 15(a), (b), 27(b), (e), 30, 86 Stat. 1221, 1228, 1231 (15 U.S.C. 2064(a), (b), 2076(b), (e), 2079))

#### Dated: February 13, 1974.

SADYE E. DUNN, Secretary, Consumer Product Safety Commission.

Title 17—Commodity and Securities Exchanges

CHAPTER II—SECURITIES AND EXCHANGE COMMISSION [Release No. 33-5453]

PART 230-GENERAL RULES AND REGULATIONS, SECURITIES ACT OF 1933

#### Filing Fees

The Securities and Exchange Commission announced today that it has adopted an amendment to Rule 457 (17 CFR 230.-457) of the rules and regulations under the Securities Act of 1933 ("the Act"). Rule 457 sets forth the method by which the registration fee required by section  $6(b)^{1}$  of the Act is calculated in various situations in which the maximum aggregate offering price is based upon fluctuating factors, such as market price or underlying asset values or is otherwise uncertain at the time of filing due to the nature of the proposed offering.

The newly adopted amendment adds a new paragraph (1) to Rule 457 to reduce the extremely high registration fee under the Act for certain offerings of commercial paper. By this action the Commission hopes to encourage the registration of offerings of commercial paper.

At the present time securities which, but for the application of proceeds, meet the requirements of the exemption from registration under the Act provided in section 3(a) (3) <sup>2</sup> thereof are deemed subject to the Act's registration requirements. When these non-exempt securities are issued in tandem with commercial paper meeting all the provisions of section 3(a)(3), the exempt and nonexempt notes may be deemed to be part of the same issue and the entire amount may be required to be registered. Further, when such securities are rolled over each reissuance is viewed as the issuance of a new security subject to the registration requirements. The registration fee imposed by section 6 of the Act for such of-

<sup>2</sup>Section 3(a) (3) of the Act provides an exemption from the registration requirements of section 5 for: "(3) Any note, draft, bill of exchange, or bankers' acceptance which arises out of a current transaction or the proceeds of which has been or are to be used for current transactions, and which has a maturity at the time of issuance of not exceeding nine months, exclusive of days of grace, or any renewal thereof the maturity of which is likewise limited."

ferings would presently be calculated upon the aggregate amount of exempt and non-exempt commercial paper covered by the registration statement. Calculation of the filing fee in this manner results in inordinately high registration costs which tend to impair and discourage the registration of commercial paper.

To alleviate this situation, the newly adopted amendment provides that the registration fee for commercial paper would be calculated on the basis of the total amount of non-exempt paper and no registration fee would be required in respect of securities meeting the standards for exemption under section 3(a) (3).

#### § 230.467 Computation of fee.

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(1) Notwithstanding the other provisions of this rule, where the securities to be registered include (1) any note, draft, bill of exchange, or bankers' acceptance which meets all the conditions of section 3(a)(3) hereof, and (2) any note, draft, bill of exchange or bankers' acceptance which has a maturity at the time of issuance of not exceeding nine months exclusive of days of grace, or any renewal thereof the maturity date of which is likewise limited, but which otherwise does not meet the conditions of section 3(a) (3), the registration fee shall be calculated by taking one-fiftieth of 1 per centum of the maximum principal amount of only those securities not meeting the conditions of section 3(a) (3).

The foregoing amendment has been adopted pursuant to sections 6(b), 7, and 19(a) of the Act. Because the amendment is in the nature of an interpretation of an existing statutory provision, and is intended to increase investor protection by decreasing an unnecessary burden of registration, the Commission, for good cause, finds that the notice and procedures specified in the Administrative Procedure Act (5 U.S.C. 553) are unnecessary, and accordingly it adopts the amendment effective February 19, 1974.

#### By the Commission.

(Secs. 6, 7, 19, 48 Stat. 78, 85; sec. 209, 48 Stat. 908; sec. 1, 79 Stat. 1051; 15 USC 77f(b). 77g, 77s(a))

> GEORGE A. FITZSIMMONS, Secretary.

FEBRUARY 1, 1974.

[FR Doc.74-3853 Filed 2-15-74;8:45 am]

#### [Release Nos. 33-5452; 34-10626] PART 230-GENERAL RULES AND REGULATIONS, SECURITIES ACT OF 1933

# PART 249-FORMS, SECURITIES EXCHANGE ACT OF 1934

#### **Adoption of Amendments**

The Securities and Exchange Commission announced today the adoption

<sup>&</sup>lt;sup>1</sup>Section 6(b) provides that: "At the time of filing a registration statement the applicant shall pay to the Commission a fee of one-fiftleth of 1 per centum of the maximum aggregate price at which such securities are proposed to be offered, but in no case shall such fee be less than \$100."

of amendments to paragraphs (c)(1) and (g)(2), division (e)(3)(vii) and paragraph (h) of Rule 144 (17 CFR 230.144) under the Securities Act and to Forms 7-Q (17 CFR 249.307a), 10-Q (17 CFR 249.308a) and 10-K (17 CFR 249.310) under the Securities Exchange Act of 1934 ("Exchange Act"). Rule 144, which relates to the resale of securities acquired directly or indirectly in transactions not involving any public offering and of securities held by persons in a control relationship with an issuer, was adopted on January 11, 1972, effective April 15, 1972 (Securities Act of 1933 Release No. 5223) (37 FR 590, 4329). Paragraph (c) (1) of the rule, which is concerned with the availability of information about an issuer, has been amended so that there shall be deemed to be available adequate public information if an issuer has been subject to the reporting requirements of section 13 or 15(d) of the Exchange Act for at least 90 days and has filed all reports required to be filed pursuant to those sections during the 12 months preceding the sale of securities. The Commission has adopted amendments to the facing sheets of Forms 10-Q and 10-K conforming the required statement thereon to the changes in paragraph (c) (1). The facing sheet of Form 7-Q, which previously did not include any statement indicating compliance with the Exchange Act reporting requirements, has been amended to include the same statement as required by Forms 10-Q and 10-K.

Paragraph (e) (3) (vii) provides that in determining the amount of securities that may be sold in reliance upon Rule 144, securities sold pursuant to an effective registration statement under the Securities Act or pursuant to an exemption provided by section 4(2) of the Securities Act or by Regulation A thereunder need not be included. In place of the reference to section 4(2), the amendment refers to a transaction exempt pursuant to section 4 of the Act and not involving any public offering.

Paragraph (g) (2), which deals with solicitations by brokers, has been amended to permit brokers, while selling securities pursuant to the rule, to continue their quotations in an inter-dealer quotation system subject to certain conditions. In addition, the amendment provides that a broker may make inquiries of his customers who have indicated a bona fide unsolicited interest in the securities within ten business days preceding receipt of the order to sell securities pursuant to Rule 144. These amendments reflect consideration of comments received from the public (Securities Act Release No. 5307, September 26, 1972) (37 FR 20576) and the Commission's experience in administering and interpreting Rule 144.

Paragraph (h) has been amended to require transmittal of all amended notices of proposed sale on Form 144 (17 CFR 239.144) to the principal stock exchange on which the securities to be sold are listed for trading.

#### **RULES AND REGULATIONS**

AMENDED PARAGRAPH (C) (1) OF RULE 144

Current public information-filing of reports. Rule 144 provides that there shall be available adequate current public information with respect to the issuer of the securities. Under paragraph (c) (1) of the rule, this requirement is deemed satisfied if an issuer has filed the reports required to be filed by section 13 or 15(d) of the Exchange Act of a period of at least 90 days immediately preceding the sale of the securities and in addition has filed the most recent annual report required to be filed. The Commission has interpreted this subparagraph to limit the availability of Rule 144 to those selling securities of an issuer which has filed all the reports required to be filed under the Exchange Act and has been subject to the reporting requirements of that Act for a period of at least 90 days immediately preceding the proposed sale (Securities Act Release No. 5306, September 26, 1972) (37 FR 23180).

The Commission has reconsidered its position with regard to paragraph (c) (1) in view of the purposes of the rule and has determined that conditioning the availability of Rule 144 upon the filing of all reports ever required to be filed may place an 'indue burden upon the issuer not commensurate with the public benefits to be obtained. This is particularly true where a report required to be filed several years ago is not filed but the issuer is making available adequate current information to the public.

The Commission has amended paragraph (c)(1) so that the requirement that there shall be available adequate current public information is deemed satisfied if an issuer has been subject to the reporting requirements of section 13 or 15(d) of the Exchange Act for a period of at least 90 days immediately preceding the sale of the securities and has filed all the reports required to be filed thereunder during the 12 months preceding the sale of the securities (or for such shorter period that the issuer was required to file such reports). Since this amendment provides a relief from previously imposed restrictions on the availability of Rule 144, the Commission finds that publication for comment pursuant to the Administrative Procedure Act is unnecessary.

#### Amendments to Forms 7-Q, 10-Q and 10-K

In determining the availability of adequate public information, paragraph (c) (1) permits a person selling the securities to rely upon a statement in the most recent quarterly or annual report filed by the issuer that the issuer has complied with the reporting requirements of the Exchange Act. The Commission has previously adopted amendments to Forms 10-Q and 10-K to provide the issuer with a means of indicating its compliance with these requirements and the present amendments are intended to reflect the changes in paragraph (c) (1). The Commission also adopted an amend-

ment to Form 7-Q-a quarterly report of certain real estate companies-to require inclusion of the same statement on the facing sheet of Form 7-Q, which previously did not contain this requirement. Since the amendments to Forms 10-Q and 10-K merely reflect the amendment to paragraph (c)(1), the Commission finds that the amendments provide relief from previously imposed restrictions on the availability of Rule 144 and that publication for comment pursuant to the Administrative Procedure Act is unnecessary. In addition, with regard to the amendment of Form 7-Q, the Commission finds that the amendment is minor and not of material substance and, therefore, publication for comment pursuant to the Administrative Procedure Act is unnecessary.

#### Amended Paragraph (e) (3) (vii) of Ruie 144

Limitation on amount of securities sold; determination of amount. Paragraph (e) (3) (vil) provides that in determining the amount of securities that may be sold in reliance upon Rule 144, securities sold pursuant to an effective registration statement under the Securities Act or pursuant to an exemption provided by section 4(2) of the Securities Act or by Regulation A thereunder need not be included.

The amendment, which changes the reference from section 4(2) to a transaction exempt pursuant to section 4 of the Act and not involving any public offering, reflects the Commission's original intent in adopting the rule, as well as subsequent staff interpretations. Since this is an interpretative amendment for purposes of clarification, the Commission does not find it necessary to publish the amendment for comment pursuant to the Administrative Procedure Act.

#### AMENDED PARAGRAPH (g) (2) OF RULE 144

Brokers' transactions. Paragraph (g)(2) presently prohibits the solicitation of customers' orders to buy securities offered and sold pursuant to Rule 144 with the proviso that "this shall not preclude inquiries by the broker [of] other brokers or dealers who have indicated an interest in the securities within the preceding 60 days."

In a previously proposed version of Rule 144 (Securities Act of 1933 Release No. 5087, September 22, 1970) (35 FR 15447) and in a predecessor group of proposals, the so-called "160 series" (Securities Act of 1933 Release No. 4997 September 15, 1969), (34 FR 14228) the Commission indicated that it was considering a provison permitting a broker, while selling securities pursuant to the then proposed rule, to continue to insert quotations in an inter-dealer quotation system on the class of securities to be sold by the broker pursuant to such rule (i.e., "remain in the sheets").' The Commis-

<sup>&</sup>lt;sup>1</sup>A similar proposal had been made in the report of the Commission's Disclosure Policy Study. Disclosure to Investors, A Reappraisal of Federal Administrative Policies Under the '33 and '34 Acts, April 1969 ("Wheat Report"), 1969.

sion, however, did not include such a provision when it announced it was considering a revised version of Rule 144 or in adopting Rule 144 because of the question of conflict with the anti-manipulative provisions of Rule 10b-6 (17 CFR 240.10b-6) under the Exchange Act.<sup>2</sup>

The Commission, having observed the operation of Rule 144, now believes that prohibiting a broker from continuing to enter bona fide quotations in an interdealer quotation system when he has an order to sell securities pursuant to Rule 144 may operate to limit the liquidity of the investments both of persons desiring to resell securities pursuant to Rule 144 through the broker and of other persons who are deprived of the service of a market-maker.

The proposed amendment to paragraph (g)(2) would have permitted a broker to continue to insert bid and ask quotations for a security in an inter-dealer quotation system<sup>8</sup> provided that the quotations were incident to the maintenance of a bona fide inter-dealer market for the broker's own account and the broker had published such bona fide bid and ask quotations on at least fifteen out of the last twenty days and four out of the last five business days before receipt of the order. The paragraph as adopted is the same, except that the broker must have published such bona fide bid and ask quotations on each of at least twelve days within the preceding thirty calendar days with no more than four business days in succession without such two-way quotations. The revision was designed to conform the standards of paragraph (g)(2) with those in Rule 15c2-11 (f) (3) under the Exchange Act.

In addition, the amendment as adopted provides that a broker may make inquiries of any of his customers who have indicated a bona fide unsolicited interest in the securities within the ten business days preceding the broker's receipt of the order to sell Rule 144 securities. The substance of this amendment was contained in published interpretations of Rule 144 (Securities Act Release No. 5306, September 26, 1972) (37 FR 23180). It has been added to the rule itself to create greater certainty. As noted in that interpretative release, and as now set forth in the Note to paragraph (g)(2), brokers should keep written records of indications of interest from customers in order to help establish the bona fide nature of such indications. It also must be remembered, as the intepretative release pointed out, that such inquiries cannot be part of a plan to evade the provisions of the rule.

<sup>2</sup>Securities Act of 1933 Release No. 5186 (September 10, 1971) note 7 (36 FR 18586) and Securities Act of 1933 Release No. 5223 (January 11, 1972), note 6 (37 FR 590, 4329). <sup>3</sup> Rule 15c2-11 (17 CFR 240.15c2-11) under the Exchange Act, which is concerned with the initiation or resumption of quotations without specified information, defines "interdealer quotation system" as "any system of general circulation to brokers or dealers which regularly disseminates quotations of identified brokers or dealers."

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The amended rule also contains several minor changes which are intended to

clarify the meaning of the rule, such as the substitution of the word "of" in place of the word "or" in paragraph (g) (2) and the reorganization of the proviso of that paragraph.

When the Commission proposed the amendment to paragraph (g)(2) for comment, it stated that it was considering adding a condition to paragraph (g) (2) that would limit the amount of securities that could be sold pursuant to Rule 144 by a market-maker acting as agent. It was suggested that such a limitation might be a percentage of the dealer's average daily trading volume over a prior period of time. The objective of such a condition would be to assure that the predominant percentage of the market-maker's transactions on a given day in the particular security would be unrelated to Rule 144 transactions. The Commission specifically invited comments on the desirability of such a condition.

All the public comments received on this point were adverse to the imposition of any volume limitation on marketmakers selling Rule 144 stock, other than the limitations imposed on the seller by Rule 144 itself. The primary objection was that such a limitation would decrease liquidity and conteract the intended effect of the proposed amendment to paragraph (g)(2) allowing marketmakers to continue to insert quotations in an inter-dealer quotation system even though engaged in Rule 144 transactions. The Commission believes that there is merit in these comments and that a condition imposing a volume limitation on market-makers in connection with the execution of Rule 144 sales should not be adopted at this time. If experience with amended paragraph (g) (2) demonstrates that such a limitation is necessary, appropriate action will then be considered.

#### AMENDED PARAGRAPH (h) OF RULE 144

Notice of proposed sales. The Commission previously adopted an amendment to paragraph (h) requiring transmittal of one copy of the notice on Form 144 to the principal national securities exchange on which the security to be sold is traded (Securities Act of 1933 Release No. 5307 September 26, 1972). The present amendment to paragraph (h), which requires transmittal of all amended notices of proposed sale to the principal national securities exchange on which the security to be sold is traded, reflects the Commission's intent in adopting the previous amendment to paragraph (h). The Commission finds that the amendment to paragraph (h) is minor and not of material substance and, therefore, publication for comment pursuant to the Administrative Procedure Act is unnecessary.

The text of the amendments to Rule 144 is as follows:

- § 230.144 Persons deemed not to be engaged in a distribution and therefore not underwriters.
  - . . .
- (c) \* \* \*

(1) Filing of reports. The issuer has clude (i) inquiries by the broker of other securities registered pursuant to section brokers or dealers who have indicated an interest in the securities within the

1934, has been subject to the reporting requirements of section 13 of that Act for a period of at least 90 days immediately preceding the sale of the securities and has filed all the reports required to be filed thereunder during the 12 months preceding such sale (or for such shorter period that the issuer was required to file such reports); or has securities regis-tered pursuant to the Securities Act of 1933, has been subject to the reporting requirements of section 15(d) of the Securities Exchange Act of 1934 for a period of at least 90 days immediately preceding the sale of the securities and has filed all the reports required to be filed thereunder during the 12 months preceding such sale (or for such shorter period that the issuer was required to file such reports). The person for whose account the securities are to be sold shall be entitled to rely upon a statement in whichever is the most recent report, quarterly or annual, required to be filed and filed by the issuer that such issuer has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the proceeding 12 months (or for such shorter period that the issuer was required to file such reports) and has been subject to such filing requirements for the past 90 days, unless he knows or has reason to believe that the issuer has not complied with such requirements. Such person shall also be entitled to rely upon a written statement from the issuer that it has complied with such reporting requirements unless he knows or has reasons to believe that the issuer has not complied with such.

(e) Limitation of amount of securities sold. Except as hereinafter provided, the amount of securities which may be sold in reliance upon this rule shall be determined as follows:

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(3) Determination of amount. For the purpose of determining the amount of securities specified in paragraphs (e) (1) and (2) of this section, the following provisions shall apply.

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(vil) Securities sold pursuant to an effective registration statement under the Act or pursuant to an exemption provided by Regulation A under the Act or in a transaction exempt pursuant to section 4 of the Act and not involving any public offering need not be included in determining the amount of securities sold in reliance upon this rule.

(g) Brokers' transactions. The term "brokers' transactions" in section 4(4) of the Act shall for the purposes of this rule be deemed to include transactions by a broker in which such broker—

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(2) Neither solicits nor arranges for the solicitation of customers' orders to buy the securities in anticipation of or in connection with the transaction; provided, that the foregoing shall not preclude (1) inquiries by the broker of other brokers or dealers who have indicated an interest in the securities within the

preceding 60 days, (ii) inquiries by the broker of his customers who have indicated an unsolicited bona fide interest in the securities within the preceding 10 business days; or (iii) the publication by the broker of bid and ask quotations for the security in an inter-dealer quotation system provided that such quotations are incident to the maintenance of a bona fide inter-dealer market for the security for the broker's own account and that the broker has published bona fide bid and ask quotations for the security in an inter-dealer quotation system on each of at least twelve days within the preceding thirty calendar days with no more than four business days in succession without such two-way quotations;

NOTE TO PARAGRAPH (g)(2)(ii): The broker should obtain and retain in his files written evidence of indications of bona fide unsolicited interest by his customers in the securities at the time such indications are received.

(h) Notice of proposed sale. Concurrently with the placing with a broker of an order to execute a sale of any securities in reliance upon this rule, there shall be transmitted to the Commission, at its principal office in Washington, D.C., for filing three copies of a notice on Form 144 which shall be signed by the person for whose account the securities are to be sold; and, if such securities are admitted to trading on any national exchange, one copy of such notice shall be transmitted to the principal national securities exchange on which such securities are so admitted: Provided, That such a notice need not be filed if the amount of securities to be sold during any period of six months does not exceed 500 shares or other units and the aggregate sale price thereof does not exceed \$10,000. If all of the securities for which a notice is filed are not sold within 90 days after the filing of such notice. an amended notice shall be transmitted to the Commission concurrently with the commencement of any further sales of such securities; and, if such securities are admitted to trading on any national exchange, one copy of such amended notice shall be transmitted to the principal national securities exchange on which such securities are so admitted. Neither the filing of such notice nor the failure of the Commission to comment thereon shall be deemed to preclude the Commission from taking any action it deems necessary or appropriate with respect to the sale of the securities referred to in such notice.

The text of the amendments to Forms 7-Q, 10-Q and 10-K is as follows:

The following statement will be made at the end of the facing sheet of Forms 10-Q and 10-K and added to the facing sheet of Form 7-Q:

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 12 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such aborter period that the registrant was required to file

such reports), and (2) has been subject to such filing requirements for the past 90 days.

The Commission, acting pursuant to the Securities Act of 1933, particularly sections 2(11), 4(1), 4(2), 4(4) and 19 (a) thereof, hereby amends, as of March 15, 1974, applicable to transactions on or after that date, paragraphs (c) (1), (e) (3) (G), (g) (2), and (h) of § 230.144, Rule 144, under that Act.

The Commission acting pursuant to the Securities Exchange Act of 1934, particularly sections 13, 15(d) and 23(a) thereof, hereby amends, as of March 15, 1974 for forms filed on or after that date, Forms 7-Q, 10-Q and 10-K.

The Commission finds that the amendments to paragraphs (c) (1), (e) (3) (G), (h) of § 230.144 and Forms 7-Q, 10-Q and 10-K are interpretative, minor and not of material substance, are in the public interest and should not impose burdens on issuers or others or sacrifice the protection of investors, and thus, further notice and rule-making procedures pursuant to the Administrative Procedure Act are unnecessary.

Effective date: March 15, 1974.

By the Commission.

(Secs. 2, 4, 19, 48 Stat. 74, 77, 85; secs. 13, 15, 23, 48 Stat. 894, 895, 901; sec. 209, 48 Stat. 906; secs. 3, 8, 49 Stat. 1377, 1379, sec. 4, 68 Stat. 683; secs. 4, 6, 12, 78 Stat. 569, 574, 580; sec. 2, 96 Stat. 454; secs. 1, 2, 84 Stat. 1497; 15 U.S.O. 77 b, 77 d, 77 s, 78 m, 78 o, 78 w).

[SEAL] GEORGE A. FITZSIMMONS.

FEBRUARY 1, 1974.

[FR Doc.74-3854 Filed 2-15-74;8:45 am]

#### Title 18—Conservation of Power and Water Resources

#### CHAPTER I-FEDERAL POWER COMMISSION

[Docket Nos. R-424, R-446; Order No. 504] UNIFORM SYSTEMS OF ACCOUNTS FOR PUBLIC UTILITIES AND LICENSEES AND NATURAL GAS COMPANIES

#### Deferred Income Taxes

#### FEBRUARY 11, 1974.

Secretary.

On August 6, 1971, the Commission issued a notice of proposed rulemaking Docket No. R-424 (36 FR 16069, August 19, 1971) amended October 13, 1971 (36 FR 20445, October 22, 1971). This rulemaking essentially proposed to establish accounting procedures (a) for premium, discount and expense related to the issuance of long-term debt and for the gains and losses relating to the refunding and reacquisition of long-term debt and for (b) comprehensive interperiod income tax allocation.

On July 6, 1972, the Commission issued a notice of proposed rulemaking Docket No. R-446 (37 FR 13805, July 14, 1972). This rulemaking proposed aspects of interperiod income tax allocation which were more comprehensive in nature than those initially proposed in former Docket No. R-424 in that it proposed to defer the tax effect differences

in the depreciable bases used for taxes and general books of accounting. Also included were proposals to defer the tax effect of differences which result from depreciation taken for tax purposes being greater than that taken for general book purposes. And finally, the rulemaking proposed accounting to be followed by utilities when electing the use of the Class Life Asset Depreciation Range System (ADR) prescribed by the Revenue Act of 1971.

Comments were invited from interested parties on Docket No. R-424 on or before October 5, 1971. Due to requests, this date was extended to September 3, 1972. The Commission recomments from sixty-seven ceived respondents, Attachment A. On Docket No. R-446 the comments were due by August 21, 1972. Due to requests, this date was extended to October 20, 1972, with forty comments being received, Attachment A. A conference was held with interested parties and the Commission staff on both dockets December 5, 1972, with seventy-five parties excluding Commission staff, attending.

We have decided to implement, at this time, Dockets No. R-424 and R-446 as proposed with the exception of portions dealing with comprehensive interperiod income tax allocation and accounting procedures for premium, discount and expense of issuance on long-term debt, in this single order. The Commission policy and prescribed accounting procedures relating to comprehensive interperiod tax allocation is being given continued study with a position on this subject to be announced at some later date. The procedures to be prescribed for accounting for premium, discount and expense of issuance of long-term debt shall be contained in a separate Commission order.

Essentially, this order contains accounting provisions for:

1. Class Life Asset Depreciation Range System (ADR) prescribed by the Revenue Act of 1971 (Docket No. R-446).

2. The elimination of control accounts 408, Taxes Other Than Income Taxes; 409, Income Taxes; 410, Provisions for Deferred Income Taxes; and 411, Income Taxes Deferred in Prior Years—Credit (Docket No. R-424).

3. The establishment of a new account 190, Accumulated Deferred Income Taxes (Docket No. R-424), so as to allow debit income tax deferrals in cases where income taxes payable for the year are higher because of the inclusion of certain items in income for tax purposes. These items for general accounting purposes will not be fully reflected in the utility's determination of annual net income until subsequent years. The account will be credited when income taxes payable for the year are lower due to prior payment of taxes and because of a timing difference of particular tax items of income or income tax deductions from that recognized by the utility for general book accounting purposes.

4. The reclassification of balance sheet accounts 281, Accumulated Deferred Income Taxes—Accelerated Amortization;

5. Interperiod tax allocation on those items recorded in accounts 182, Extraordinary Property Losses; 187, Deferred Losses from Disposition of Utility Plant; 188, Research and Development Expenditures; and 256, Deferred Gains from Disposition of Utility Plant. Even though these accounts have heretofore been designed to allow interperiod tax allocation, final provisions had not been prescribed to allow recording the tax deferrals generated as deferred credits.

No provisions are included for tax deferral accounting for the "dismantling cost" (often referred to as removal cost) portion of the salvage value feature of the Revenue Act of 1971, since there would be no remaining property to relate the "flowback" or "feedback" amounts to.

Unless otherwise ordered by the Commission, the accounting procedures prescribed herein shall not necessarily be followed for rate purposes.

The Commission finds:

(1) The notice and opportunity to participate in this rulemaking proceeding with respect to the matters presently before this Commission through the submission, in writing, of data, views, comments, and suggestions in the manner described above, are consistent and in accordance with the procedural requirements prescribed by 5 U.S.C. 553.

(2) The amendments to Parts 101 and 104 of the Commission's Uniform System of Accounts for Public Utilities and Licensees, and Annual Report Forms No. 1, No. 1-F, and No. 5, prescribed by § 141.1, 141.2, and 141.25 in 18 CFR Chapter I, herein prescribed, are necessary and appropriate for the administration of the Federal Power Act.

(3) The amendments to Parts 201 and 204 of the Commission's Uniform System of Accounts for Natural Gas Companies, and Annual Report Forms No. 2, No. 2-A, and No. 11, prescribed by § 260.1, 260.2, and 260.3 in 18 CFR. Chapter I, herein prescribed, are necessary and appropriate for the administration of the Natural Gas Act.

(4) Since the amendments prescribed herein, which were not included in the notice of this proceeding, are consistent with the prime purpose of the proposed rulemaking, further compliance with the notice provision of 5 U.S.C. 553 is unnecessary.

(5) Good cause exists for making the amendments to the Uniform Systems of Accounts for Public Utilities and Licensees and Natural Gas Companies ordered herein, and reporting requirements effective January 1, 1974. However, since certain of the accounting provisions herein relate to the Revenue Act of 1971, the relative provisions as related to this Act shall coincide with

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the effective dates provided for in the Revenue Act of 1971.

The Commission, acting pursuant to the provisions of the Federal Power Act, as amended, particularly sections 301, 302, 303, 304, and 309 thereof (49 Stat. 854, 855, 856, 858, 859; 16 U.S.C. 825, 825a, 825b, 825c, 825h) and of the Natural Gas Act, as amended, particularly sections 8, 9, 10 and 16 thereof (52 Stat. 825, 826, 830; 15 U.S.C. 717g, 717h, 717i, 7170), orders:

#### PART 101-UNIFORM SYSTEM OF AC-COUNTS PRESCRIBED FOR CLASS A AND CLASS B PUBLIC UTILITIES AND LICENSEES

(A) The Commission's Uniform System of Accounts for Class A and Class B Public Utilities and Licensees prescribed by Part 101, Chapter I, Title 18 of the Code of Federal Regulations is amended as follows:

(1) The Chart of Balance Sheet Accounts is amended:

(a) Immediately following account "188. Research and Development Expenditures," by adding a new account title 190, Accumulated Deferred Income Taxes.

(b) Immediately following account "256, Deferred Gains from Disposition of Utility Plant," add accounts titled 281, Accumulated Deferred Income Taxes— Accelerated Amortization, 282, Accumulated Deferred Income Taxes—Liberalized Depreciation, and 283, Accumulated Deferred Income—Other.

(c) Immediately following account title "265, Miscellaneous Operating Reserves," revoke the classification heading "10. Accumulated Deferred Income Taxes," and account titles "281, Accumulated Deferred Income Taxes—Accelerated Amortization, 282, Accumulated Deferred Income Taxes—Liberalized Depreciation," and "283, Accumulated Deferred Income Taxes—Other," located thereunder.

As so amended, those portions of the Chart of Balance Sheet Accounts reads:

## **Balance Sheet Accounts**

ASSETS AND OTHER DEBITS

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4. DEFERRED DEBITS

190 Accumulated deferred income taxes. LIABILITIES AND OTHER CREDITS

|  | <br> |
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| 8. | DEFERRED | CREDITS |  |
|----|----------|---------|--|
|    |          |         |  |

 281 Accumulated deferred income taxes— Accelerated amortization.
 282 Accumulated deferred income taxes—

 282 Accumulated deferred income taxes-Liberalized depreciation.
 283 Accumulated deferred income taxes-

Other.

## 10. [REVOKED]

- 281 [Revoked]
- 282 [Revoked]
- 283 [Revoked]

(2) The Balance Sheet Accounts are amended as follows:

(b) Amend paragraph C of account "188, Research and Development Expenditures," by amending the second sentence of the paragraph by deleting the words "net of taxes." As amended, this portion of account 188 reads:

#### **Balance Sheet Accounts**

#### ASSETS AND OTHER DEBITS

#### 4. DEFERRED DEBITS

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188 Research and development expenditures.

C. \* \* \* In such a case the portion of such amounts that cause the distortion may be amortized to the appropriate operating expense account over a period not to exceed five years unless otherwise authorized by the Commission.

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(c) Immediately following account "188, Research and Development Expenditures," add a new account identified as 190, Accumulated Deferred Income Taxes, to read as follows:

#### 190 Accumulated deferred income taxes.

A. This account, when its use has been authorized by the Commission, shall be debited and account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, or account 411.2, Provision for Deferred Income Taxes-Credit, Other Income and Deductions, as appropriate, shall be credited with an amount equal to that by which income taxes payable for the year are higher because of the inclusion of certain items in income for tax purposes, which items for general accounting purposes will not be fully reflected in the utility's determination of annual net income until subsequent years. Commission approval to use this account need not be received for items included in the Items list.

B. This account shall be credited and account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or account 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which income taxes payable for the year are lower because of prior payment of taxes as provided by paragraph A above, because of difference in timing for tax purposes of particular items of income or income deductions from that recognized by the utility for general accounting purposes. Such credit to this account and debit to account 410.1 or 410.2 shall, in general, represent the effect on taxes payable in the current year of the smaller amount of book income recognized for tax purposes as compared to the amount recognized in the utility's current ac-counts with respect to the item or class of items for which deferred tax accounting by the utility was authorized by the Commission.

C. Vintage year records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factor of calculation with respect to each annual amount of the item or class of items for which deferred tax accounting by the utility is utilized.

D. The utility is restricted in its use of this account to the purposes set forth above. It shall not make use of the balance in this account or any portion thereof except as provided in the text of this account, without prior approval of the Commission, Any remaining deferred tax account balance with respect to an amount for any prior year's tax deferral, the amortization of which or other recognition in the utility's income accounts has been completed, or other disposition made, shall be debited to account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or account 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, or otherwise disposed of as the Commission may authorize or direct.

# ITEM

1. Tax effects of deferred gains from disposition of utility plant. (See account 256, Deferred Gains from Disposition of Utility Property.)

#### 256 [Amended]

(d) Amend account "256, Deferred Gains from Disposition of Utility Plant," by deleting the last sentence which reads, "Amounts recorded in this account shall be net of related income taxes."

(e) Immediately following account "256, Deferred Gains from Disposition of Utllity Plant," add a new subheading Special Instructions—Accumulated Deferred Income Taxes, and immediately following text of this new subheading, add relocated accounts 281, Accumulated Deferred Income Taxes—Accelerated Amortization, 282. Accumulated Deferred Income Taxes—Liberalized Depreciation, and 283, Accumulated Deferred Income Taxes—Other. As so amended, this portion of the balance sheet accounts reads:

#### SPECIAL INSTRUCTIONS

Accumulated Deferred Income Taxes

Public utilities and licensees shall use the accounts provided below for prior accumulation of deferred federal, state and local taxes on income and for additional provisions. A copy of the order or other authorization to practice deferred tax accounting of the state public service commission also having jurisdiction shall be filed with the Commission, or, in the absence of a state public service commission having accounting jurisdiction, the public utility or licensee shall file with this Commission a copy of its plan of accounting for deferred taxes on income. The filing of such order or other authorization, or accounting plan, shall constitute permission for additional accumulations of deferred taxes on income. Once the deferred tax accounting concept has been initiated as specified within

the respective accounts, such accounting shall not be discontinued on that property without Commission approval.

The text of these accounts are designed primarily to cover deferrals of Federal income taxes. However, they are also to be used when making deferrals of state and local income taxes. Public utilities and licensees which, in addition to an electric utility department, have another utility department, gas, water, etc., and nonutility property and which have deferred taxes on income with respect thereto shall separately classify such deferrals in the accounts provided below so as to allow ready identification of items relating to each utility Deductions.

Account 283, Accumulated Deferred Income Taxes—Other, is provided for those specific types of tax deferrals approved by the Commission, which do not relate to accelerated amortization recorded in account 281, Accumulated Deferred Incomes Taxes—Accelerated Amortization, or Ilberalized depreciation recorded in account 282, Accumulated Deferred Income Taxes—Liberalized Deferred Income Taxes—Liberalized Depreciation.

# 281 Accumulated deferred income taxes-Accelerated amortization.

A. This account shall be credited and account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of accelerated (5year) amortization of (1) certified defense facilities in computing such taxes, as permitted by Section 168 of the In-ternal Revenue Code and (2) certified pollution control facilities in computing such taxes, as permitted by Section 169 of the Internal Revenue Code of 1954, as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes according to the straight line or other nonaccelerated depreciation method and appropriate estimated useful life for such property.

B. This account shall be debited and account 411.1, Provision for Deferred Income Taxes Credit, Utility Operating Income, or 411.2, Provision for Deferred Income Taxes-Credit, Other Income and Deductions, as appropirate shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of accelerated (5-year) amortization of (1) certified defense fa-cilities and (2) pollution control facilities, instead of nonaccelerated or nonliberalized depreciation otherwise appropriate for income tax purposes, and deferral of taxes in such prior years as described in paragraph A above. Such debit to this account and credit to account 411.1 or 411.2 shall, in general, represent the effect on taxes payable for the current year of the unavailability of a depreciation deduction for tax pur-

poses, or a reduced amount, with respect to any depreciable property for which accelerated amortization was used in prior years, as compared to the depreciation deduction otherwise available and appropriate for such property, considering its estimated useful life, according to the depreciation method ordinarily used by the utility for similar property in computing depreciation for tax purposes by a nonaccelerated or nonliberalized depreciation method.

C. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the facilities of each certification or authorization of accelerated amortization for tax purposes.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy elects not to follow deferred tax accounting even though accelerated amortization is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any certified facility, the accounting shall not be suspended or discontinued on the property covered by that certificate, without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of the Commission. Upon the disposition by sale exchange, transfer, abandonment or premature retirement of plant on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax expense. if any, arising from such disposition and account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, or 411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deductions, as appropriate, shall be credited. When the remaining balance, after consideration of any related income tax expense, is less than \$25,000, this account shall be charged and ac-count 411.1 or 411.2, as appropriate, credited with such balance. If after consideration of any related income tax expense, there is a remaining amount of \$25,000 or more, the Commission shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant is disposed of by transfer to a wholly owned subsidiary the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balances would be necessary to be retained to offset future group item tax deficiencies.

282 Accumulated deferred income taxes—Liberalized depreciation.

A. This account shall be credited and account 410.1, Provision for Deferred In-come Taxes, Utility Operating Income, or 410.2. Provision for Deferred Income Taxes. Other Income and Deductions. as appropriate, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of liberalized depreciation in computing such taxes, as permitted by Section 167 of the Internal Revenue Code of 1954, as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes for similar property of the same estimated useful life according to the straight line or other nonliberalized method of depreciation, to include those accumulated tax deferrals arising from the use of the Class Life Asset Depreciation Range, as provided and required by the Revenue Act of 1971.

B. This account shall be debited and account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, or 411.2, Provision for Deferred Income Taxes-Credit, Other Income and Deductions, as appropriate, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of liberalized depreciation for income tax purposes, and deferral of taxes in such prior years as described in paragraph A above. Such debit to this account and credit to account 411.1 or 411.2 shall, in general, represent the effect on taxes payable for the current year of the smaller amount of depreciation permitted for tax purposes for the current year with respect to any depreciable property for which liberalized depreciation was used in prior years, as compared to the depreciation deduction otherwise appropriate and available for similar property of the same estimated useful life according to the straight line or other nonliberalized depreciation method ordinarily used by the utility in computing depreciation for tax purposes.

C. Records with respect to entries to this account, as described above, and account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the plant additions of each vintage year for each class, group, or unit as to which different liberalized depreciation methods and estimated useful lives have been used. The underlying calculations to segregate and associate deferred tax amounts with the respective vintage years may be based on reasonable methods of approximation, if necessary, consistently applied.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy, elects not to follow deferred tax accounting even though liberalized depreciation is used in computing taxes on income. If however, deferred tax accounting is initiated with respect to any property such accounting shall not be discontinued on

that property, without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of plant on which there is a related balance herein. this account shall be charged with an amount equal to the related income tax expense, if any, arising from such disposition and account 411.1, Income Taxes Deferred in Prior Years-Credit, Utility Operating Income, or 411.2, Income Taxes Deferred in Prior Years—Credit, Other Income and Deductions, shall be credited. When the remaining balance after consideration of any related tax expenses, is less than \$25,000, this account shall be charged and account 411.1 or 411.2, as appropriate, credited with such balance. If after consideration of any related income tax expense, there is a remaining amount of \$25,000 or more, the Commission shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant disposed of by transfer to a wholly owned subsidiary, the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance would be necessary to be retained to offset future group item tax deficiencies.

283 Accumulated deferred income taxes—Other.

A. This account, when its use has been authorized by the Commission, shall be credited and account 410.1. Provision for Deferred Income Taxes, Utility Op-erating Income, or 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that which taxes on income payable for bv the year are lower because of the current use of deductions other than accelerated amortization or liberalized depreciation, in the computation of income taxes which deductions for general accounting purposes will not be fully reflected in the utility's determination of annual net income until subsequent years. Commission approval to use this account need not be received for items included in the Items list.

B. This account shall be debited and account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, or 411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deductions, as appropriate, shall be credited with an amount equal to that, by which taxes on income payable for the year are greater because of deferral of taxes on income in previous years, as

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provided by paragraph A, above, because of difference in timing for tax purposes of particular income deductions from that recognized by the utility for general accounting purposes, other than with respect to accelerated amortization or liberalized depreciation. Such debit to this account and credit to account 411.1 or 411.2 shall, in general, represent the effect on taxes payable in the current year of the smaller deduction permitted for tax purposes as compared to the amount recognized in the utility's current accounts with respect to the item or class of items for which deferred tax accounting by the utility was authorized by the Commission.

C. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation with respect to each annual amount of the item or class of items.

D. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in the account or any portion thereof to retained earnings or to any other account or make any use thereof except as provided in the text of this account, without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of items on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax effect, if any, arising from such disposition and account 411.1, Income Taxes Deferred in Prior Years-Credit, Utility Operating Income. or 411.2. Income Taxes Deferred in Prior Years-Credit, Other Income and Deductions, as appropriate, shall be credited. When the remaining balance, after consideration of any related tax expenses, is less than \$25,000, this account shall be charged and account 411.1 or 411.2. as appropriate, credited with such balance. If after consideration of any related income tax expense, there is a remaining amount of \$25,000 or more, the Commission shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant is disposed of by transfer to a wholly owned subsidiary, the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance would be necessary to be retained to offset future group item tax deficiencies.

#### ITEMS

1. Tax effects of extraordinary property losses.

2. Tax effects of deferred losses from disposition of utility plant. (See account 187, Deferred Losses From Disposition of Utility Plant.)

3. Tax effect of research and development expenditures amortized.

4. Tax deferrals arising from the use of the "asset guideline class repair allowance" feature of the Revenue Act of 1971.

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(f) Immediately following account "265, Miscellaneous Operating Reserves," revoke the classification heading "10. Accumulated Deferred Income Taxes," and accounts "281, Accumulated Deferred Income Taxes-Accelerated Amortization, 282, Accumulated Deferred Income Taxes—Liberalized Depreciation," and "283, Accumulated Deferred Income Taxes-Other," located thereunder. After revocation this portion of the balance sheet accounts will appear as follows:

10. [REVOKED]

281 [Revoked]

282 [Revoked]

283 [Revoked]

(3) The Chart of the Income Accounts is amended as follows:

(a) Immediately following account "407, Amortization of Property Losses," revoke account title "408, Taxes Other Than Income Taxes."

(b) Immediately following account "408.1, Taxes Other Than Income Taxes, Utility Operating Income," revoke account title "409, Income Taxes."

(c) Immediately following account "409.1, Income Taxes, Utility Operating Income," revoke account title "410, Provision for Deferred Income Taxes."

(d) Immediately following account "410.1, Provision for Deferred Income Taxes, Utility Operating Income," revoke account title "411, Income Taxes De-ferred in Prior Years—Credit."

(e) Revise the title of account "411.1, Income Taxes Deferred in Prior Years-Credit, Utility Operating Income," to read 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income.

(f) Revise the title of account "411.2, Income Taxes Deferred in Prior Years-Credit, Other Income and Deductions." to read 411.2, Provision for Deferred Incomes Taxes-Credit, Other Income and Deductions.

As so amended the Chart of Income Accounts reads:

#### **Income Accounts**

1. UTILITY OPERATING INCOME

. . .

OPERATING EXPENSES

. .

407 Amortization of property losses. 408

- [Revoked] Taxes other than income taxes, utility 408.1
- operating income. [Revoked] 409
- Income taxes, utility operating in-409.1 come.
- 410 [Revoked] 410.1
- Provision for deferred income taxes, utility operating income. 411 [Revoked]
- Provision for deferred income taxes-411.1 Credit, utility operating income.
  - 2. OTHER INCOME AND DEDUCTIONS
  - . . .
- C. TAKES APPLICABLE TO OTHER INCOME AND DEDUCTIONS
- . 411.2 Provision for deferred income taxes-Credit, other income and deductions.

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**RULES AND REGULATIONS** 

(4) The text of the Income Accounts is amended and revised as follows:

(a) Revoke account "408, Taxes Other Than Income Taxes."

(b) Immediately following account "407, Amortization of Property Losses," add Special Instructions-Accounts 408.1 and 408.2, with text.

(c) Revise the text of accounts "408.1, Taxes Other Than Income Taxes, Utility Operating Income," and "408.2, Taxes Other Than Income Taxes, Other Income and Deductions."

(d) Revoke account "409, Income Taxes."

(e) Immediately following account "408.2, Taxes Other Than Income Taxes, Other Income and Deductions," add Special Instructions-Accounts 409.1, 409.2 and 409.3, with text.

(f) Revise the text of accounts "409.1, Income Taxes, Utility Operating In-come," "409.2, Income Taxes, Other In-come and Deductions," and "409.3, Income Taxes, Extraordinary Items."

(g) Revoke account "410, Provision for Deferred Income Taxes."

(h) Immediately following account "409.3, Income Taxes, Extraordinary Items," add Special Instructions—Accounts 410.1, 410.2, 411.1 and 411.2, with text.

(i) Revise the text of accounts "410.1, Provision for Deferred Income Taxes, Utility Operating Income," and "410.2, Provision for Deferred Income Taxes, Other Income and Deductions."

(j) Revoke account "411, Income Taxes Deferred in Prior Years—Credit."

(k) Revise the title and text of accounts "411.1, Income Taxes Deferred in Prior Years—Credit, Utility Operating Income," and "411.2, Income Taxes Deferred in Prior Years—Credit, Other In-come and Deductions."

As so amended this portion of the text of the Income Accounts reads:

#### **Income Accounts**

1. UTILITY OPERATING INCOME .

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408 [Revoked]

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Special Instructions, Accounts 408.1 and 408.2. A. These accounts shall include the amounts of ad valorem, gross revenue or gross receipts taxes, state unemployment insurance, franchise taxes, federal excise taxes, social security taxes, and all other taxes assessed by federal, state, county, municipal, or other local governmental authorities, except income taxes.

B. These accounts shall be charged in each accounting period with the amounts of taxes which are applicable thereto, with concurrent credits to account 236, Taxes Accrued, or account 166, Prepayments, as appropriate. When it is not possible to determine the exact amounts of taxes, the amounts shall be estimated and adjustments made in current accruals as the actual tax levies become known.

C. The charges to these accounts shall be of each tax and the basis upon which each charge is made. In the case of a utility rendering more than one utility service, taxes of the kind includible in these accounts shall be assigned directly to the utility department the operation of which gave rise to the tax in so far as practicable. Where the tax is not attributable to a specific utility department, it shall be distributed among the utility de-

partments or nonutility operations on an equitable basis after appropriate study to determine such basis. Nors A: Special assessments for street and

similar improvements shall be included in the appropriate utility plant or nonutility property account.

Note B: Takes specifically applicable to construction shall be included in the cost of construction.

Note C: Gasoline and other sales taxes shall be charged as far as practicable to the same account as the materials on which the tax is levied.

Note D: Social security and other forms of so-called payroli taxes shall be distributed to utility departments and to nonutility functions on a basis related to payroli. Amounts applicable to construction shall be charged to the appropriate plant account.

Note E: Interest on tax refunds or deficiencies shall not be included in these ac-counts but in account 419. Interest and Dividend Income, or 431, Other Interest Expense, as appropriate.

408.1 Taxes other than income taxes, utility operating income.

This account shall include those taxes other than income taxes which relate to utility operating income. This account shall be maintained so as to allow ready identification of the various classes of taxes relating to Utility Operating In-come (by department), Utility Plant Leased to Others and Other Utility Opperating Income.

408.2 Taxes other than income taxes, other income and deductions.

This account shall include those taxes other than income taxes which relate to Other Income and Deductions.

409 [Revoked]

Special Instructions, Accounts 409.1, 409.2, and 409.3. A. These accounts shall include the amounts of local, state and federal income taxes on income properly accruable during the period covered by the income statement to meet the actual liability for such taxes. Concurrent credits for the tax accruals shall be made to account 236, Taxes Accrued, and as the exact amounts of taxes become known, the current tax accruals shail be adjusted by charges or credits to these accounts unless such adjustments are properiy includible in account 439, Adjustments to Retained Earnings, so that these accounts as nearly as can be ascertained shall include the actual taxes payable by the utility. (See General Instruction 7.1 for prior period adjustments.)

B. The accruais for income taxes shall be apportioned among utility departments and to Other Income and Deductions so that, as nearly as practicable, each tax shall be included in the expenses of the utility depart-ment or Other Income and Deductions, the income from which gave rise to the tax. The income tax effect of amounts recorded in account 439, Adjustments to Retained Earnings, shall be recorded in that account. The tax effects relating to Interest Charges shall be allocated between utility and nonutility operations. The basis for this allocation shall be the ratio of net investment in utility plant to net investment in nonutility plant.

NOTE A: Taxes assumed by the utility on interest shall be charged to account 431, Other Interest Expense.

Nore B: Interest on tax refunds or deficiencies shall not be included in these accounts but in account 419, Interest and Dividend Income, or account 431. Other Interest Expense, as appropriate.

409.1 Income taxes, utility operating income.

This account shall include the amount of those local, state and federal income taxes which relate to utility operating income. This account shall be maintained so as to allow ready identification of tax effects (both positive and negative) relating to Utility Operating Income (by department), Utility Plant Leased to Others and Other Utility Operating Income.

409.2 Income taxes, other income and deductions.

This account shall include the amount of those local, state and federal income taxes (both positive and negative), which relate to Other Income and Deductions.

409.3 Income taxes, extraordinary items,

This account shall include the amount of those local, state and federal income taxes (both positive and negative), which relate to Extraordinary Items.

#### 410 [Revoked]

Special Instructions, Accounts 410.1, 410.2, 411.1, and 411.2. A. Accounts 410.1 and 410.2 shall debited, and Accumulated Deferred Income Taxes shall be credited, with amounts equal to any current deferrals of taxes on income or any allocations of deferred taxes originating in prior periods, as provided by the texts of accounts 190, 281, 282, and 283. There shall not be netted against entries required to be made to these accounts any credit amounts appropriately includible in account 411.1 or 411.2.

B. Accounts 411.1 and 411.2 shall be credited, and Accumulated Deferred Income Taxes shall be debited, with amounts equal to any allocations of deferred taxes orig-inating in prior periods or any current deferrals of taxes on income, as provided by the texts. of accounts 190, 281, 282, and 283. There shall not be netted against entries required to be made to these accounts any debit amounts appropriately includible in account 410.1 or 410.2.

410.1 Provision for deferred income taxes, utility operating income.

This account shall include the amounts of those deferrals of taxes and allocations of deferred taxes which relate to Utility Operating Income (by department).

410.2 Provision for deferred income taxes, other income and deductions.

This account shall include the amounts of those deferrals of taxes and allocations of deferred taxes which relate to Other Income and Deductions.

#### 411 [Revoked]

411.1 Provision for deferred income taxes-Credit, utility operating income.

This account shall include the amounts of those allocations of deferred taxes and deferrals of taxes, credit, which relate to Utility Operating Income (by department).

411.2 Provision for deferred income taxes-Credit, other income and deductions.

This account shall include the amounts of those allocations of deferred taxes and revised the Note to account 418 reads:

deferrals of taxes, credit, which relate to Other Income and Deductions.

(1) Account "411.6. Gains from Disposition of Utility Plant," is amended by adding a new sentence at the end of the paragraph. As amended account 411.6 reads:

411.6 Gains from disposition of utility plant.

\* \* \* Income taxes relating to gains recorded in this account shall be recorded in account 409.1. Income Taxes. Utility Operating Income.

(m) Account "411.7, Losses from Dis-position of Utility Plant," is amended by adding a new sentence at the end of the paragraph. As amended account 411.7 reads:

411.7 Losses from disposition of utility plant.

\* \* Income taxes relating to losses recorded in this account shall be recorded in account 409.1. Income Taxes, Utility Operating Income.

412, 413 [Amended]

(n) In accounts "412, Revenues from Electric Plant Leased to Others," and "413, Expenses of Electric Plant Leased to Others," the Note is revised. As revised the Note to accounts 412 and 413 reads:

Nore: Related taxes shall be recorded in account 408.1. Taxes Other Than Income Taxes, Utility Operating Income, or account 409.1, Income Taxes, Utility Operating Income, as appropriate.

#### 414 [Amended]

(o) In account "414, Other Utility Operating Income," the Note is revised. As revised the Note to account 414 reads:

NorE: Related taxes shall be recorded in account 408.1. Taxes Other Than Income Taxes, Utility Operating Income, or account 409.1, Income Taxes, Utility Operating Income, as appropriate.

#### 415, 416 [Amended]

(p) In accounts "415, Revenues from Merchandising, Jobbing and Contract Work," and "416, Costs and Expenses of Merchandising, Jobbing and Contract Work," Note B is revised. As revised, Note B to accounts 415 and 416 reads:

Norre B: Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

#### 417, 417.1 [Amended]

(q) In accounts "417, Revenues from Nonutility Operations," and "417.1, Ex-penses of Nonutility Operations," the Note is revised and relocated to follow the account text. As so revised, the Note to accounts 417 and 417.1 reads:

NorE: Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

(r) In account "418, Nonoperating Rental Income," the Note is revised. As

418 Nonoperating rental income.

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NorE: Related taxes shall be recorded in account 408.2. Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

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(s) In account "419, Interest and Di-vidend Income," Note A is revised. As revised, Note A to account 419 reads:

419 Interest and dividend income.

NOTE A: Related taxes shall be recorded in account 408.2. Taxes Other Than' Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

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(t) In account "421, Miscellaneous Nonoperating Income," revise the last sentence of the paragraph. As revised, that portion of account 421 reads:

421 Miscellaneous nonoperating income.

\* \* \* Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes. Other Income and Deductions, as appropriate.

(u) In account "421.1, Gain on Disposition of Property," revise the last sentence of the paragraph. As revised, this portion of account 421.1 reads:

421.1 Gain on disposition of property.

\* \* \* Income taxes on gains recorded in this account shall be recorded in account 409.2, Income Taxes, Other Income and Deductions.

(v) In account "421.2, Loss on Disposition of Property," revise the last sentence of the paragraph. As revised, this portion of account 421.2 reads:

421.2 Loss on disposition of property.

\* \* \* The reduction in income taxes relating to losses recorded in this account shall be recorded in account 409.2, Income Taxes, Other Income and Deductions.

(w) In account "434, Extraordinary Income," amend the last sentence of the paragraph. As amended, this portion of account 434 reads:

434 Extraordinary income.

\* \* \* Income tax relating to the amounts recorded in this account shall be recorded in account 409.3, Income Taxes, Extraordinary Items. (See Gen-

eral Instruction 7.) (x) In account "435, Extraordinary Deductions," amend the last sentence of the paragraph. As amended, this portion of account 435 reads:

435 Extraordinary deductions.

\* \* \* Income tax relating to the amounts recorded in this account shall be recorded in account 409.3, Income Taxes, Extraordinary Items. (See General Instruction 7.)

(5) Revise the Operation and Maintenance Expense Accounts by revising Note A of account "927, Franchise Requirements." As revised, Note A of account 927 reads:

#### 927 Franchise requirements.

Nore A: Franchise taxes shall not be charged to this account but to account 408.1, Taxes Other Than Income Taxes, Utility Operating Income.

#### PART 104-UNIFORM SYSTEM OF AC-COUNTS FOR CLASS C PUBLIC UTILI-TIES AND LICENSEES

(B) The Commission's Uniform System of Accounts for Class C and Class D Public Utilities and Licensees prescribed by Part 104, Chapter I, Title 18 of the Code of Federal Regulations is amended as follows:

(1) The Chart of Balance Sheet Accounts is amended:

(a) Immediately following account "187, Deferred Losses from Disposition of Utility Plant," by adding account 190, Accumulated Deferred Income Taxes.

(b) Immediately following account title "256, Deferred Gains from Disposition of Utility Plant," add account titles 281, Accumulated Deferred Income Taxes—Accelerated Amortization, 282, Accumulated Deferred Income Taxes— Liberalized Depreciation, and 283, Accumulated Deferred Income Taxes— Other.

(c) Immediately following account title "265, Miscellaneous Operating Reserves," revoke the classification heading "10, Accumulated Deferred Income Taxes," and account titles "281, Accumulated Deferred Income Taxes—Accelerated Amortization, 282, Accumulated Deferred Income Taxes—Liberalized Depreciation," and "283, Accumulated Deferred Income Taxes—Other," located thereunder.

As so amended, those portions of the Chart of Balance Sheet Accounts reads:

#### Balance Sheet Accounts

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ASSETS AND OTHER DEBITS

- . . .
- 4. DEFERED DEBITS
- . . . . .
- 190 Accumulated deferred income taxes. LIABILITIES AND OTHER CREDITS

#### . . . .

- 8. DEFERRED CREDITS
- 281 Accumulated deferred income taxes-Accelerated amortization.
- 282 Accumulated deferred income taxes-Liberalized depreciation.
- 283 Accumulated deferred income taxes-Other.
  - . . .
  - 10. [Revoked]
- 281 [Revoked]
- 282 [Revoked]
- 283 [Revoked]

(2) The Balance Sheet Accounts are amended as follows:

(a) Amend account "187. Deferred Losses on Disposition of Utility Plant,"

by deleting the last sentence which reads, "Amounts recorded in this account shall be net of related income taxes".

(b) Immediately following account "187, Deferred Losses from Disposition of Utility Plant," add a new account identified as 190, Accumulated Deferred Income Taxes, to read as follows:

#### 90 Accumulated deferred income taxes.

A. This account, when its use has been authorized by the Commission, shall be debited and account 411.1. Provision for Deferred Income Taxes-Credit, Utility Operating Income, or account 411.2, Provision for Deferred Income Taxes Credit, Other Income and Deductions, as appropriate, shall be credited with an amount equal to that by which income taxes payable for the year are higher because of the inclusion of certain items in income for tax purposes, which items for general accounting purposes will not be fully reflected in the utility's determination of annual net income until subsequent years. Commission approval to use this account need not be received for items included in the Items list.

B. This account shall be credited and account 410.1, Provision for Deferred In-come Taxes, Utility Operating Income, or account 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which income taxes payable for the year are lower because of prior payment of taxes as provided by paragraph A above, because of difference in timing for tax purposes of particular items of income or income deductions from that recognized by the utility for general accounting purposes. Such credit to this account and debit to account 410.1 or 410.2 shall, in general, represent the effect on taxes payable in the current year of the smaller amount of book income recognized, or the larger deduction permitted, for tax purposes as compared to the amount recognized in the utility's current accounts with respect to the item or class of items for which deferred tax accounting by the utility was au-thorized by the Commission.

C. Vintage year records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factor of calculation with respect to each annual amount of the item or class of items for which deferred tax accounting by the utility is utilized.

D. The utility is restricted in its use of this account to the purposes set forth above. It shall not make use of the balance in this account or any portion thereof except as provided in the text of this account, without prior approval of the Commission. Any remaining deferred tax account balance with respect to an amount for any prior year's tax deferral, the amortization of which or other recognition in the utility's income accounts has been completed, or other disposition made, shall be debited to account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or account

410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, or otherwise disposed of as the Commission may authorize or direct.

#### ITEM

1. Tax effects of deferred gains from disposition of utility plant. (See account 256, Deferred Gains From Disposition of Utility Flant.)

#### 256 [Amended]

(c) Amend account "256, Deferred Gains from Disposition of Utility Plant," by deleting the last sentence which reads, "Amounts recorded in this account shall be net of related income taxes".

(d) Immediately following account "256, Deferred Gains from Disposition of Utility Plant," add a new subheading Special Instructions—Accumulated Deferred Income Taxes, and immediately following text of this new subheading, add relocated accounts 281, Accumulated Deferred Income Taxes—Accelerated Amortization, 282, Accumulated Deferred Income Taxes—Liberalized Depreciation, and 283, Accumulated Deferred Income Taxes—Other. As so amended, this portion of the balance sheet accounts reads:

#### SPECIAL INSTRUCTIONS

#### Accumulated Deferred Income Taxes

Public utilities and licensees shall use the accounts provided below for prior accumulation of deferred federal, state and local taxes on income and for additional provisions. A copy of the order or other authorization to practice deferred tax accounting of the state public service commission also having jurisdiction shall be filed with the Commission, or, in the absence of a state public service commission having accounting jurisdiction, the public utility or licensee shall file with this Commission a copy of its plan of accounting for deferred taxes on income. The filing of such order or other authorization, or accounting plant, shall constitute permission for additional accumulations of deferred taxes on income. Once the deferred tax accounting concept has been initiated as specified within the respective accounts, such accounting shall not be discontinued on that property without Commission approval.

The text of these accounts are designed primarily to cover deferrals of Federal income taxes. However, they are also to be used when making defarrals of state and local income taxes. Public utilities and licensees, which in addition to an electric utility department, have another utility department, gas, water, etc., and nonutility property and which have deferred taxes on income with respect thereto shall separately classify such deferrals in the accounts provided below so as to allow ready identification of items relating to each utility department and to Other Income and Deductions.

2.1

Account 283, Accumulated Deferred Income Taxes—Other, is provided for those specific types of tax deferrals approved by the Commission, which do not

relate to accelerated amortization recorded in account 281, Accumulated Deferred Income Taxes—Accelerated Amortization, or liberalized depreciation recorded in account 282, Accumulated Deferred Income Taxes—Liberalized Depreciation.

231 Accumulated deferred income taxes—Accelerated amortization.

A. This account shall be credited and account 410.1. Provision for Deferred Income Taxes, Utility Operating Income, or 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of accelerated (5year) amortization of (1) certified defense facilities in computing such taxes, as permitted by Section 168 of the Internal Revenue Code and (2) certified pollution control facilities in computing such taxes, as permitted by Section 169 of the Internal Revenue Code of 1954, as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes according to the straight line or other nonaccelerated depreciation method and appropriate estimated useful life for such property.

B. This account shall be debited and account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, or 411.2, Provision for Deferred Income Taxes-Credit. Other Income and Deductions, as appropriate shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of accelerated (5-year) amortization of (1) certified defense facilities and (2) pollution control facilities, instead of nonaccelerated or nonliberalized depreciation otherwise appropriate for income tax purposes, and deferral of taxes in such prior years as described in paragraph A above. Such debit to this account and credit to account 411.1 or 411.2 shall, in general, represent the effect on taxes payable for the current year of the unavailability of a depreciation deduction for tax purposes, or a reduced amount, with respect to any depreciable property for which accelerated amortization was used in prior years, as compared to the depreciation deduction otherwise available and appropriate for such property, considering its estimated useful life, according to the depreciation method ordinarily used by the utility for similar property in computing depreciation for tax purposes by a nonaccelerated or nonliberalized depreciation method.

C. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the facilities of each certification or authorization of accelerated amortization for tax purposes.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy elects not to fol-

low deferred tax accounting even though accelerated amortization is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any certified facility the accounting shall not be suspended or discontinued on the property covered by that certificate, without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of plant on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax expense, if any, arising from such disposition and account 411.1, Provision for Deferred Income Taxes-Credit. Utility Operating Income, or 411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deductions, as appropriate. shall be credited. When the remaining balance. after consideration of any related income tax expense, is less than \$25,000, this account shall be charged and account 411.1 or 411.2, as appropriate, credited with such balance. If after consideration of any related income tax expense, there is a remaining amount of \$25,000 or more, the Commission shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant is disposed of by transfer to a wholly owned subsidiary the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balances would be necessary to be retained to offset future group item tax deficiencies.

# 282 Accumulated deferred income taxes—Liberalized depreciation.

A. This account shall be credited and account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of liberalized depreciation in computing such taxes, as permitted by Section 167 of the Internal Revenue Code of 1954, as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes for similar property of the same estimated useful life according to the straight line or other nonliberalized method of depreciation, to include those accumulated tax deferrals arising from the use of the Class Life Asset Depreciation Range as provided and required by the Revenue Act of 1971.

B. This account shall be debited and account 411.1, Provision for Deferred In--Credit, Utility Operating come Taxes-Income, or 411.2, Provision for Deferred Taxes-Credit, Other Income Income and Deductions, as appropriate, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of liberalized depreciation for income tax purposes, and deferral of taxes in such prior years as described in paragraph A above. Such debit to this account and credit to account 411.1 or 411.2 shall, in general, represent the effect on taxes payable for the current year of the smaller amount of depreciation permitted for tax purposes for the current year with respect to any depreciable property for which liberalized depreciation was used in prior years, as compared to the depreciation deduction otherwise appropriate and available for similar property of the same estimated life according to the straight line or other nonliberalized depreciation method ordinarily used by the utility in computing depreciation for tax purposes.

C. Records with respect to entries to this account, as described above, and account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the plant additions of each vintage year for each class, group, or unit as to which different liberalized depreciation methods and estimated useful lives have been used. The underlying calculations to segregate and associate deferred tax amounts with the respective vintage years may be based on reasonable methods of approximation. if necessary, consistently applied.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy, elects not to follow deferred tax accounting even though liberalized depreciation is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any property such accounting shall not be discontinued on that property, without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of plant on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax expense, if any, arising from such disposition and account 411.1. Income Taxes Deferred in Prior Years—Credit, Utility Operating Income, or 411.2, Income Taxes Deferred in Prior Years-Credit, Other Income and Deductions, shall be credited. When the remaining balance after consideration of any related tax expenses, is less than \$25,000, this account shall be charged and account 411.1 or 411.2, as appropriate, credited with such balance.

If after consideration of any related income tax expense, there is a remaining amount of \$25,000 or more, the Commission shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant dis-posed of by transfer to a wholly owned subsidiary, the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance would be necessary to be retained to offset future group item tax deficiencies.

#### Accumulated deferred 283 income taxes-Other.

A. This account, when its use has been authorized by the Commission, shall be credited and account 410.1. Provision for Deferred Income Taxes, Utility Operating Income, or 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the current use of deductions other than accelerated amortization or liberalized depreciation, in the computation of income taxes which deductions for general accounting purposes will not be fully reflected in the utility's determination of annual net income until subsequent years. Commission approval to use this account need not be received for items included in the Items list.

B. This account shall be debited and account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, or 411.2, Provision for Deferred Income Taxes-Credit, Other Income and Deductions, as appropriate, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of deferral of taxes on income in previous years, as provided by paragraph A, above, because of difference in timing for tax purposes of particular income deductions from that recognized by the utility for general accounting purposes, other than with respect to accelerated amortization or liberalized depreciation. Such debit to this account and credit to account 411.1 or 411.2 shall, in general, represent the effect on taxes payable in the current year of the smaller deduction permitted for tax purposes as compared to the amount recognized in the utility's current accounts with respect to the item or class of items for which deferred tax accounting by the utility was authorized by the Commission.

C. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation with respect to each annual amount of the item or class of items.

D. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to

retained earnings or to any other account or make any use thereof except as provided in the text of this account, without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of items on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax effect, if any, arising from such disposition and account 411.1. Income Taxes Deferred in Prior Years-Credit, Utility Operating Income, or 411.2, Income Taxes Deferred in Prior Years-Credit. Other Income and Deductions, as appropriate, shall be credited. When the remaining balance, after consideration of any related tax expenses, is less than \$25,000, this account shall be charged and account 411.1 or 411.2, as appropriate, credited with such balance. If after consideration of any related income tax expense, there is a remaining amount of \$25,000 or more, the Commission shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant is disposed of by transfer to a wholly owned subsidiary, the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance would be necessary to be retained to offset future group item tax deficiencies.

#### ITEMS

1. Tax effects of extraordinary property 10598

2. Tax effects of deferred losses from disposition of utility plant. (See account 187, Deferred Losses From Disposition of Utility Plant.)

3. Tax effect of research and development expenditures amortized.

4. Tax deferrals arising from the use of the "asset guideline class repair allowance" feature of the Revenue Act of 1971.

(e) Immediately following account "265, Miscellaneous Operating Reserves," revoke the classification heading "10, Accumulated Deferred Income Taxes," and accounts "281, Accumulated Deferred Income Taxes-Accelerated Amortization, 282, Accumulated Deferred Income Taxes-Liberalized Depreciation," and "283, Accumulated Deferred Income Taxes-Other." After revocation, this portion of the balance sheet accounts will appear as follows:

10. [REVOKED]

281 [Revoked]

282 [Revoked]

283 [Revoked]

(3) Amend the Chart of the Income Accounts as follows:

(a) Immediately following account "407, Amortization of Property Losses," revoke account title "408, Taxes Other Than Income Taxes."

(b) Immediately following account "408.1. Taxes Other Than Income Taxes, Utility Operating Income," revoke account title "409, Income Taxes."

(c) Immediately following account "409.1, Income Taxes, Utility Operating Income," revoke account title "410, Provision for Deferred Income Taxes.'

(d) Immediately following account 410.1, Provision for Deferred Income Taxes, Utility Operating Income," revoke account title "411, Income Taxes Deferred in Prior Years-Credit."

(e) Revise the title of account "411.1. Income Taxes Deferred in Prior Years-Credit, Utility Operating Income," to read 411.1, Provision for Deferred Income Taxes-Credit Utility Operating Income

(f) Revise the title of account "411.2. Income Taxes Deferred in Prior Years-Credit, Other Income and Deductions." to read 411.2. Provision for Deferred Income Taxes-Credit, Other Income and Deductions.

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(1)

As so amended the Chart of Income Accounts reads:

# Income Accounts

# 1 HTILITY OPERATING INCOME

\* .

- OPERATING EXPENSES
- . Amortization of property losses. 407

Revoked

Taxes other than income taxes, utility 408 1 operating income. [Revoked]

400 1 Income taxes, utility operating income.

Revoked ] 410

408

409

- Provision for deferred income taxes. 410.1 utility operating income.
- [Revoked] 411 Provision for deferred income taxes-411.1
  - Credit, utility operating income.

. . .

2. OTHER INCOME AND DEDUCTIONS . . . .

C. TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS

\* . .

411.2 Provision for deferred income taxes-Credit, other income and deductions.

. . . . .

(4) The text of the Income Accounts are amended and revised as follows:

(a) Revoke account "408, Taxes Other Than Income Taxes."

(b) Immediately following account "407, Amortization of Property Losses," add Special Instructions—Accounts 408.1 and 408.2, with text.

(c) Revise the text of accounts "408.1. Taxes Other Than Income Taxes, Utility Operating Income," and "408.2, Taxes Other Than Income Taxes, Other Income and Deductions."

(d) Revoke account "409. Income Taxes.

(e) Immediately following account "408.2, Taxes Other Than Income Taxes, Other Income and Deductions." add Special Instructions—Accounts 409.1, 409.2 and 409.3, with text.

(f) Revise the text of accounts "409.1, Income Taxes, Utility Operating Income, 409.2, Income Taxes, Other Income and Deductions," and "409.3, Income Taxes, Extraordinary 'Items."

(g) Revoke account "410, Provision 408.1 Taxes other than income taxes, for Deferred Income Taxes."

(h) Immediately following account "409.3, Income Taxes, Extraordinary Items," add Special Instructions-Accounts 410.1, 410.2, 411.1 and 411.2, with text.

(i) Revise the text of accounts "410.1, Provision for Deferred Income Taxes, Utility Operating Income," and "410.2, Provision for Deferred Income Taxes, Other Income and Deductions."

(j) Revoke account "411, Provision for Deferred Income Taxes-Credit."

(k) Revise the title and text of accounts "411.1, Income Taxes Deferred In Prior Years-Credit, Utility Operating Income," and "411.2, Income Taxes Deferred In Prior Years—Credit, Other In-come and Deductions."

As so amended this portion of the text of the Income Accounts reads:

# **Income Accounts**

1. UTILITY OPERATING INCOME

. . .

# 408 [Revoked]

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Special Instructions, Accounts 408.1 and 408.2. A. These accounts shall include the amounts of ad valorem, gross revenue or gross receipts taxes, state unemployment insurance, franchise taxes, Federai excise taxes, social security taxes, and all other taxes assessed by Federal, State, county, mu-nicipal or other local governmental authorities, except income taxes.

B. These accounts shall be charged in each accounting period with the amounts of taxes which are applicable thereto, with concurrent credits to account 236, Taxes Ac-crued, or account 165, Prepayments, as appropriate. When it is not possible to deter-mine the exact amounts of taxes, the amounts shail be estimated and adjustments made in current accruais as the actual tax levies become known.

C. The charges to these accounts shall be made or supported so as to show the amount of each tax and the basis upon which each charge is made. In the case of a utility ren-dering more than one utility service, taxes of the kind includible in these accounts shall be assigned directly to the utility department the operation of which gave rise to the tax insofar as practicable. Where the tax is not attributable to a specific utility depart-ment, it shall be distributed among the utility departments or nonutility operations on an equitable basis after appropriate study to determine such basis.

NOT A: Special assessments for street and similar improvements shall be included in the appropriate utility plant or nonutility property account.

Norte B: Taxes specifically applicable to construction shall be included in the cost of construction.

Nore C: Gasoline and other sales taxes shall be charged as far as practicable to the same account as the materials on which the tax is levied.

Note D: Social security and other forms of so-called payroll taxes shall be distributed to utility departments and to nonutility functions on a basis related to payroll. Amounts applicable to construction shall be charged to

the appropriate plant account. Nors E: Interest on tax refunds or deficiencies shall not be included in these ac-counts but in account 419, Interest and Dividend Income, or 431, Other Interest Expense, as appropriate.

# utility operating income.

This account shall include those taxes other than income taxes which relate to utility operating income. This account shall be maintained so as to allow ready identification of the various classes of taxes relating to Utility Operating In-come (by department), Utility Plant Leased to Others and Other Utility Operating Income.

408.2 Taxes other than income taxes, other income and deductions.

This account shall include those taxes other than income taxes which relate to Other Income and Deductions.

#### 409 [Revoked]

Special Instructions, Accounts 409.1, 409.2, and 409.3. A. These accounts shall include the amounts of local, state and federal income taxes on income properly accruable during the period covered by the income statement to meet the actual liability for such taxes. Concurrent credits for the tax accruais shall be made to account 236, Taxes Accrued, and as the exact amounts of taxes become known, the current tax accruais shall be adjusted by charges or credits to these accounts unless such adjustments are properly includible in account 439. Adjustments to Retained Earnings, so that these accounts as nearly as can be ascertained shail include the actual taxes payable by the utility. (See General Instruction 9 for prior period adjustments.)

B. The accruals for income taxes shall be apportioned among utility departments and to Other Income and Deductions so that, as nearly as practicable, each tax shall be included in the expenses of the utility department or Other Income and Deductions, the income from which gave rise to the tax. The income tax effect of amounts recorded in account 439. Adjustments to Retained Earnings, shall be recorded in that account. The tax effects relating to Interest Charges shall be allocated between utility and nonutility operations. The basis for this allocation shall be the ratio of net investment in utility plant to net investment in nonutility plant.

NOTE A: Taxes assumed by the utility on interest shall be charged to account 431, Other Interest Expense.

Note B: Interest on tax refunds or deficiencies shall not be included in these accounts but in account 419, Interest and Dividend Income, or account 431. Other Interest Expense, as appropriate.

# 409.1 Income taxes, utility operating income.

This account shall include the amount of those local, state and federal income taxes which relate to utility operating income. This account shall be maintained so as to allow ready identification of tax effects (both positive and negative) relating to Utility Operating Income (by department), Utility Plant Leased to Others and Other Utility Operating Income.

409.2 Income taxes, other income and deductions.

This account shall include the amount of those local, state and federal income taxes (both positive and negative), which relate to Other Income and Deductions.

409.3 Income taxes, extraordinary items.

This account shall include the amount of those local, state and federal income taxes (both positive and negative), which relate to Extraordinary Items.

# 410 [Revoked]

Special Instructions, Accounts 410.1, 410.2, 411.1, and 411.2. A. Accounts 410.1 and 410.2 Income Taxes shall be credited, with amounts equal to any current deferrals of taxes on income or any allocations of deferred taxes originating in prior periods, as provided by the texts of accounts 190, 281, 282, and 283. There shall not be netted against entries required to be made to these accounts any credit amounts appropriately includible in accout 411.1 or 411.2.

B. Accounts 411.1 and 411.2 shall be credited, and Accumulated Deferred Income Taxes shall be debited, with amounts equal to any allocations of deferred taxes originating in prior periods or any current deferrals of taxes on income, as provided by the texts of accounts 190, 281, 282, and 283. There shall not be netted against entries required to be made to these accounts any debit amounts appropriately includible in account 410.1 or 410.2.

410.1 Provision for deferred income taxes, utility operating income.

This account shall include the amounts of those deferrals of taxes and allocations of deferred taxes which relate to Utility Operating Income (by department).

410.2 Provision for deferred income taxes, other income and deductions.

This account shall include the amounts of those deferrals of taxes and allocations of deferred taxes which relate to Other Income and Deductions.

# 411 [Revoked]

411.1 Provision for deferred income taxes-Credit, utility operating income.

This account shall include the amounts of those allocations of deferred taxes and deferrals of taxes, credit. which relate to Utility Operating Income (by department).

# 411.2 Provision for deferred income taxes-Credit, other income and deductions.

This account shall include the amounts of those allocations of deferred taxes of deferrals of taxes, credit. which relate to Other Income and Deductions.

(1) Account "411.6, Gains from Disposition of Utility Plant," is amended by adding a new sentence at the end of the paragraph. As amended account 411.6 reads:

411.6 Gains from disposition of utility plant.

\* \* \* Income taxes relating to gains recorded in this account shall be recorded in account 409.1, Income Taxes, Utility Operating Income.

(m) Account "411.7, Losses from Disposition of Utility Plant," is amended by adding a new sentence at the end of the

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paragraph. As amended account 411.7 reads:

# 411.7 Losses from disposition of utility plant.

\* \* \* Income taxes relating to losses recorded in this account shall be recorded in account 409.1, Income Taxes, Utility Operating Income.

# 412, 413 [Amended]

(n) In accounts "412, Revenues from Electric Plant Leased to Others," and "413, Expenses of Electric Plant Leased to Others," the Note is revised. As revised the Note to accounts 412 and 413 reads:

NOTE: Related taxes shall be recorded in account 408.1, Taxes Other Than Income Taxes, Utility Operating Income, or account 408.1, Income Taxes, Utility Operating Income, as appropriate.

(o) In account "414, Other Utility Operating Income," the Note is revised. As revised the Note to account 414 reads:

# 414 Other utility operating income.

Note: Related taxes shall be recorded in account 408.1, Taxes Other Than Income Taxes, Utility Operating Income, or account 409.1, Income Taxes, Utility Operating Income, as appropriate.

# 415, 416 [Amended]

(p) In accounts "415, Revenues from Merchandising, Jobbing and Contract Work," and "416, Costs and Expenses of Merchandising, Jobbing and Contract Work," Note B is revised. As revised, Work." Note B to accounts 415 and 416 reads:

Note B: Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

# 417, 417.1 [Amended]

(q) In accounts "417, Revenues from Nonutility Operations," and "417.1, Ex-penses of Nonutility Operations," the Note is revised and relocated to follow the account text. As so revised, the Note to accounts 417 and 417.1 reads:

Note: Related taxes shall be recorded in. account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

(r) In account "418, Nonoperating Rental Income," the Note is revised. As revised the Note to account 418 reads:

# 418 Nonoperating rental income.

NOTE: Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

(s) In account "419, Interest and Dividend Income," Note A is revised. As revised, Note A to account 419 reads:

# 419 Interest and dividend income.

NOTE A: Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or ac-

# RULES AND REGULATIONS

count 409.2, Income Taxes, Other Income Statement of Income for the Year, in and Deductions, as appropriate. FPC Form No. 1, Annual Report for Elec-

(t) In account "421, Miscellaneous Nonoperating Income." revise the last sentence of the paragraph. As revised, that portion of account 421 reads:

421 Miscellaneous nonoperating income.

• • • Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

(u) In account "421.1, Gain on Disposition of Property," revise the last sentence of the paragraph. As revised, this portion of account 421.1 reads:

421.1 Gain on disposition of property.

• • • Income taxes on gains recorded in this account shall be recorded in account 409.2, Income Taxes, Other Income and Deductions.

(v) In account "421.2, Loss on Dis-position of Property," revise the last sentence of the paragraph. As revised, this portion of account 421.2 reads:

421.2 Loss on disposition of property.

• • • The reduction in income taxes relating to losses recorded in this account shall be recorded in account 409.2, Income Taxes, Other Income and Deductions.

(w) In account "434, Extraordinary Income," amend the last sentence of the paragraph. As amended, this portion of account 434 reads:

434 Extraordinary income.

• • • Income tax relating to the amounts recorded in this account shall be recorded in account 409.3, Income Taxes, Extraordinary Items. (See General Instruction 8.)

(x) In account "435, Extraordinary Deductions," amend the last sentence of the paragraph. As amended, this portion of account 435 reads:

# 435 Extraordinary deductions.

• • • Income tax relating to the amounts recorded in this account shall be recorded in account 409.3, Income Taxes, Extraordinary Items. (See General Instruction 8.)

(5) Revise the Operation and Maintenance Expense Accounts by revising Note A of account "927, Franchise Requirements." As revised, Note A of account 927 reads:

927 Franchise requirements.

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. Nors A: Franchise taxes shall not be charged to this account but to account 408.1, Other Than Income Taxes, Utility Operating Income.

PART 141-STATEMENTS AND REPORTS (SCHEDULES)

(C) Schedule pages 110 and 111, Comparative Balance Sheet, 114 and 116A, inal document.

FPC Form No. 1, Annual Report for Electric Utilities, Licensees and Others (Class A and Class B), prescribed by § 141.1, Chapter I, Title 18 of the Code of Federal Regulations are amended as set forth in Attachments C and E hereto.<sup>1</sup>

(D) Schedule pages 214C and 214D, Accumulated Deferred Income Taxes (Account 190), are added to FPC Form No. 1, Annual Report for Electric Utilities, Licensees and Others (Class A and Class B), prescribed by 18 CFR 141.1, set out in Attachment F hereto.1

(E) Schedule pages 3 and 6 in FPC Form No. 1-F, Annual Report for Public Utilities and Licensees (Class C and Class D), prescribed by § 141.2, are amended as set out in Attachments H and J hereto.1

(F) Schedule pages 227 and 227A, Accumulated Deferred Income Taxes (Accounts 281, 282 and 283), in FPC Form No. 1, Annual Report for Electric Utilities, Licensees and Others (Class A and Class B), prescribed by § 141.1, are re-vised as set forth in Attachment G hereto.1

(G) FPC Form No. 5, Monthly Statement of Electric Operating Revenue and Income, prescribed by § 141.25, is amended as set out in Attachment K hereto.1

# PART 201-UNIFORM SYSTEM OF AC-COUNTS FOR NATURAL GAS COM-PANIES

(A) The Commission's Uniform Sys tem of Accounts for Class A and Class B Natural Gas Companies prescribed by Part 201, Chapter I, Title 18 of the Code of Federal Regulations is amended as follows:

(1) The Chart of Balance Sheet Accounts is amended:

(a) Immediately following account "188, Research and Development Expenditures," by adding a new account title 190, Accumulated Deferred Income Taxes.

(b) Immediately following account "256, Deferred Gains from Disposition of Utility Plant," add accounts titled 281, Accumulated Deferred Income Taxes-Accelerated Amortization, 282, Accumulated Deferred Income Taxes-Liberalized Depreciation, and 283, Accumulated Deferred Income Taxes-Other.

(c) Immediately following account title "265, Miscellaneous Operating Reserves," revoke the classification heading "10. Accumulated Deferred Income Taxes," and account titles "281, Accumulated Deferred Income Taxes-Accelerated Amortization, 282 Accumulated Deferred Income Taxes-Liberalized Depreciation," and "283, Accumulated Deferred Income Taxes-other."

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As so amended, those portions of the Chart of Balance Sheet Accounts reads:

<sup>&</sup>lt;sup>1</sup>Attachments C-L filed as part of the orig-

Balance Sheet Accounts ASSETS AND OTHER DEBITS

. . .

4. DEFERRED DEBITS

190 Accumulated deferred income taxes.

LIABILITIES AND OTHER CREDITS

- . . . .
- 8. DEFERRED CREDITS

281 Accumulated deferred income taxes— Accelerated amortization. 282 Accumulated deferred income taxes—

Liberalized depreciation. 283 Accumulated deferred income taxes-Other.

- . . .
- 10. [REVOKED]

281 [Revoked]

282 [Revoked] 283 [Revoked]

and Interested

(2) The Balance Sheet Accounts are amended as follows:

(a) Amend account "187, Deferred Losses from Disposition of Utility Plant," by deleting the last sentence which reads, "Amounts recorded in this account shall be net of related income taxes."

(b) Amend paragraph C of account "188, Research and Development Expenditures," by amending the second sentence of the paragraph. As amended, this portion of account 188 reads:

# **Balance Sheet Accounts**

# ASSETS AND OTHER DEBITS

# • • • 4. DEFERRED DEBITS

188 Research and Development expenditures.

C. • • • In such a case the portion of such amounts that cause the distortion may be amortized to the appropriate operating expense account over a period not to exceed five years unless otherwise authorized by the Commission.

(c) Immediately following account "188, Research and Development Expenditures," add e new account identified as 190, Accumulated Deferred Income Taxes, to read as follows:

190 Accumulated deferred income taxes.

A. This account, when its use has been authorized by the Commission, shall be debited and account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, or account 411.2, Provision for Deferred Income Taxes-Credit, Other Income and Deductions, as appropriate, shall be credited with an amount equal to that by which income taxes payable for the year are higher because of the inclusion of certain items in income for tax purposes, which items for general accounting purposes will not be fully reflected in the utility's determination of annual net income until subsequent years. Commission approval to use this account need not be received for items included in the Items list.

B. This account shall be credited and account 410.1, Provision for Deferred Income Taxes. Utility Operating Income, or account 410.2. Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which income taxes payable for the year are lower because of prior payment of taxes as provided by paragraph A above, because of difference in timing for tax purposes of particular items of income or income deductions from that recognized by the utility for general accounting purposes. Such credit to this account and debit to account 410.1 or 410.2 shall, in general, represent the effect on taxes payable in the current year of the smaller amount of book income recognized, or the larger deduction permitted, for tax purposes as compared to the amount recognized in the utility's current accounts with respect to the item or class of items for which deferred tax concept of accounting is affected.

C. Vintage year records with respect to entries to this account, as described above, and the account balance shall be so maintained as to show the factor of calculation with respect to each annual amount of the item or class of items for which deferred tax accounting by the utility is utilized.

D. The utility is restricted in its use of this account to the purposes set forth above. It shall not make use of the balance in this account or any portion thereof except as provided in the text of this account, without prior approval of the Commission. Any remaining deferred tax account balance with respect to an amount for any prior year's tax deferral, the amortization of which or other recognition in the utility's income accounts has been completed, or other disposition made, shall be debited to account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or account 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, or otherwise dis-posed of as the Commission may authorize or direct.

### ITEM

1. Tax effects of deferred gains from disposition of utility plant. (See account 256, Deferred Gains from Disposition of Utility Flant.)

## 256 [Amended]

(d) Amend account "256, Deferred Gains from Disposition of Utility Plant," by deleting the last sentence which reads, "Amounts recorded in this account shall be net of related income taxes."

(e) Immediately following account "256, Deferred Gains from Disposition of Utility Plant," add a new subheading Special Instructions—Accumulated Deferred Income Taxes, and immediately following text of this new subheading, add relocated accounts 281, Accumulated Deferred Income Taxes—Accelerated Amortization, 282, Accumulated Deferred Income Taxes—Liberalized Depreciation, and 283, Accumulated Deferred Income

Taxes—Other. As so amended, this portion of the balance sheet accounts reads:

# SPECIAL INSTRUCTIONS Accumulated Deferred Income Taxes

Natural gas companies shall use the accounts provided below for prior accumulation of deferred Federal, State, and local taxes on income and for additional provisions. A copy of the order or other authorization, to practice deferred tax accounting of the State public service commission also having jurisdiction shall be filed with the Commission, or, in the absence of a State public service commission having accounting jurisdiction, the natural gas company shall file with this Commission a copy of its plan on accounting for deferred taxes on income. The filing of such order or other authorization, or accounting plan, shall constitute permission for additional accumulations of deferred taxes on income. Once the deferred tax accounting concept has been initiated as specified within the respective accounts, such accounting shall not be discontinued on without Commission that property approval.

The text of these accounts are designed primarily to cover deferrals of Federal income taxes. However, they are also to be used when making deferrals of State and local fncome taxes. Natural gas companies which, in addition to a gas utility department, have another utility department, electric, water, etc., and nonutility property which have deferred taxes on income with respect thereto shall separately classify such deferrals in the accounts provided below so as to allow ready identification of items relating to each utility department and to Other Income and Deductions.

Account 283, Accumulated Deferred Income Taxes—Other, is provided for those specific types of tax deferrals approved by the Commission, which do not relate to accelerated amortization recorded in account 281, Accumulated Deferred Income Taxes—Accelerated Amortization, or liberalized depreciation recorded in account 282, Accumulated Deferred Income Taxes—Liberalized Depreciation.

# 281 Accumulated deferred income taxes—Accelerated amortization.

A. This account shall be credited and account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or 410.2. Provision for Deferred Income Taxes. Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of accelerated (5-year) amortization of (1) certified defense facilities in computing such taxes, as permitted by Section 168 of the Internal Revenue Code and (2) certified pollu-tion control facilities in computing such taxes, as permitted by Section 169 of the Internal Revenue Code of 1954, as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes according to the straight

line or other nonaccelerated depreciation method and appropriate estimated useful life for such property.

B. This account shall be debited and account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, or 411.2, Provision for Deferred Income Taxes-Credit, Other Income and Deductions, as appropriate, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of accelerated (5-year) amortization of (1) certified defense facilities and (2) pollution control facilities, instead of nonaccelerated or nonliberalized depreciation otherwise appropriate for income tax purposes, and deferral of taxes in such prior years as described in paragraph A above. Such debit to this account and credit to account 411.1 or 411.2 shall, in general, represent the effect on taxes payable for the current year of the availability of a depreciation deduction for tax purposes, or a reduced amount, with respect to any depreciable property for which accelerated amortization was used in prior years, as compared to the depreciation deduction otherwise available and appropriate for such property, considering its estimated useful life according to the depreciation method ordinarily used by the utility for similar property in computing depreciation for tax purposes by a nonaccelerated or nonliberalized depreciation method.

C. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the facilities of each certification or authorization of accelerated amortization for tax purposes.

D. The use of this account and the accounting described above are not mandatory for any utility which, in accordance with a consistent policy, elects not to follow deferred tax accounting even though accelerated amortization is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any certified facility, the accounting shall not be suspended or discontinued on the property covered by that certificate, without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of plant on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax expense, if any, arising from such disposition and account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, or Credit, Utility Operating Income, or useful life according to the straight line A. This account, when its use has been 411.2, Provision for Deferred Income or other nonliberalized depreciation authorized by the Commission, shall be

Taxes-Credit, Other Income and Deductions, as appropriate, shall be credited. When the remaining balance, after consideration of any related income tax expense, is less than \$25,000, this account shall be charged and account 411.1 or 411.2, as appropriate, credited with such balance. If after consideration of any related income tax expense, there is a remaining amount of \$25,000 or more. the Commission shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant is disposed of by transfer to a wholly owned subsidiary the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balances would be necessary to be retained to offset future group item tax deficiencies.

#### 282 Accumulated deferred income taxes-Liberalized depreciation.

A. This account shall be credited and account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of liberalized depreciation in computing such taxes, as permitted by Section 167 of the Internal Revenue Code of 1954, as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes for similar property of the same estimated useful life according to the straight line or other nonliberalized method of depreciation; to include those accumulated tax deferrals arising from the use of the Class Life Asset Depreciation Range as provided and required by the Revenue Act of 1971.

B. This account shall be debited and account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, or 411.2, Provision for Deferred Income Taxes-Credit. Other Income and Deductions, as appropriate, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of liberalized depreciation for income tax purposes, and deferral of taxes in such prior years as described in paragraph A above. Such debit to this account and credit to account 411.1 or 411.2 shall, in general, represent the effect on taxes payable for the current year of the smaller amount of depreciation permitted for tax purposes for the current year with respect to any depreciable property for which liberalized depreciation was used in prior years, as compared to the depreciation deduction otherwise appropriate and available for similar property of the same estimated useful life according to the straight line

method ordinarily used by the utility in computing depreciation for tax purposes.

C. Records with respect to entries to this account, as described above, and account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the plant additions of each vintage year for each class, group, or unit as to which different liberalized depreciation methods and estimated useful lives have been used. The underlying calculations to segregate and associate deferred tax amounts with the respective vintage years may be based on reasonable methods of approximation, if necessary, consistently applied.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy, elects not to follow deferred tax accounting even though liberalized depreciation is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any property, such accounting shall not be discontinued on that property without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandon-ment or premature retirement of plant on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax expense, if any, arising from such disposition and account 411.1, Income Taxes Deferred in Prior Years-Credit, Utility Operating Income, or 411.2, Income Taxes Deferred in Prior Years-Credit, Other Income and Deductions, shall be credited. When the remaining balance, after consideration of any related tax expenses, is less than \$25,000, this account shall be charged and account 411.1 or 411.2, as appropriate, credited with such balance. If after consideration of any related income tax expense, there is a remaining amount of \$25,000 or more, the Commission shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant disposed of by transfer to a wholly owned subsidiary, the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance would be necessary to be retained to offset future group item tax deficiencies.

#### 283 Accumulated deferred income taxes-Other.

credited and account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the current use of deductions other than accelerated amortization or liberalized depreciation, in the computation of income taxes which deductions for general accounting purposes will not be fully reflected in the utility's determination of annual net income until subsequent years. Commission approval to use this account need not be received for items included in the Items list.

B This account shall be debited and account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, or 411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deductions, as appropriate, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of deferral of taxes on income in previous years as provided by paragraph A, above, because of difference in timing for tax purposes of particular income deductions from that recognized by the utility for general accounting purposes, other than with respect to accelerated amortization or liberalized depreciation. Such debit to this account and credit to account 411.1 or 411.2 shall, in general, represent the effect on taxes payable in the current year of the smaller deduction permitted for tax purposes as compared to the amount recognized in the utility's general accounting purposes, other than with respect to the item or class of items for which deferred tax accounting by the utility was authorized by the Commission.

C. Records with respect to entries in this account, as described above, and the account balance, shall be maintained so as to show the factors of calculation with respect to each annual amount of the item or class of items.

D. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or to any other account or make any use thereof except as provided in the text of this account, without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of items on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax effect, if any, arising from such disposition and account 411.1 Income Taxes Deferred in Prior Years—Credit, Utility Operating account 411.1, Income Taxes Deferred in in Prior Years-Credit, Other Income and Deductions, as appropriate, shall be credited. When the remaining balance, after consideration of any related tax expenses, is less than \$25,000, this account shall be charged and account 411.1 or 411.2, as appropriate, credited with such

balance. If after consideration of any related income tax expense, there is a remaining amount of \$25,000 or more, the Commission shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant is disposed of by transfer to a wholly owned subsidiary, the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance would be necessary to be retained to offset future group item tax deficiencies

# ITEMS

1. Tax effects of extraordinary property losses.

2. Tax effects of deferred losses from disposition of utility plant. (See account 187, Deferred Losses From Disposition of Utility Plant.) 3. Tax effects of research and development

3. Tax effects of research and development expenditures amortized.

4. Tax deferrals arising from the use of the "asset guideline class repair allowance" feature of the Revenue Act of 1971.

(f) Immediately following account "265, Miscellaneous Operating Reserves," revoke the classification heading "10. Accumulated Deferred Income Taxes," including Notes A and B thereunder, and accounts "281, Accumulated Deferred Income Taxes—Accelerated Amortization, 282, Accumulated Deferred Income Taxes—Liberalized Depreciation," and "283, Accumulated Deferred Income Taxes—Other," located thereunder. After revocation, this portion of the balance sheet accounts will appear as follows:

10. [REVOKED]

281 [Revoked]

282 [Revoked]

283 [Revoked]

(3) The Chart of the Income Accounts is amended as follows:

(a) Immediately following account "407.2, Amortization of Conversion Expense," revoke account title "408, Taxes Other Than Income Taxes."

(b) Immediately following account "408.1, Taxes Other Than Income Taxes, Utility Operating Income," revoke account title "409, Income Taxes."

(c) Immediately following account "409.1, Income Taxes, Utility Operating Income," revoke account title "410, Provision for Deferred Income Taxes."

(d) Immediately following account "410.1, Provision for Deferred Income Taxes, Utility Operating Income," revoke account title "411, Income Taxes Deferred in Prior Years—Credit."

(c) Revise the title of account "411.1, Income Taxes Deferred in Prior Years— Credit, Utility Operating Income," to read 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income.

(f) Revise the title of account "411.2, Income Taxes Deferred in Prior Years—

Credit, Other Income and Deductions," to read 411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deductions.

As so amended the Chart of Income Accounts reads:

### Income Accounts

# 1. UTILITY OPERATING INCOME

407.2 Amortization of conversion expense.

408 [Revoked]

408.1 Taxes other than income taxes, utility operating income. 409 [Revoked]

- 409.1 Income taxes, utility operating in-
- 410 [Revoked]
   410.1 Provision for deferred income taxes, utility operating income.
- 411 [Revoked] 411.1 Provision for deferred income taxes-
  - Credit, utility operating income.
  - 2. OTHER INCOME AND DEDUCTIONS

2. OTHER INCOME AND DEDUCTIONS

C. Taxes Applicable to Other Income and Deductions

411.2 Provision for deferred income taxes-Credit, other income and deductions.

. . . . .

(4) The text of the Income Accounts are amended and revised as follows:

(a) Revoke account "408, Taxes Other Than Income Taxes."

(b) Immediately following account "407.2, Amortization of Conversion Expenses," add Special Instructions—Accounts 408.1 and 408.2, with text.

(c) Revise the text of accounts "408.1, Taxes Other Than Income Taxes, Utility Operating Income," and "408.2, Taxes Other Than Income Taxes, Other Income and Deductions."

(d) Revoke account "409, Income Taxes."

(e) Immediately following account "408.2, Taxes Other Than Income Taxes, Other Income and Deductions," add Special Instructions—Accounts 409.1, 409.2 and 409.3, with text.

(f) Revise the text of accounts "409.1, Income Taxes, Utility Operating Income, 409.2, Income Taxes, Other Income and Deductions," and "409.3, Income Taxes, Extraordinary Items."

(g) Revoke account "410, Provision for Deferred Income Taxes."

(h) Immediately following account "409.3, Income Taxes, Extraordinary Items," add Special Instructions—accounts 410.1, 410.2, 411.1 and 411.2, with text.

(i) Revise the text of accounts "410.1, Provision for Deferred Income Taxes, Utility Operating Income," and "410.2, Provision for Deferred Income Taxes, Other Income and Deductions."

(j) Revoke account "411, Income Taxes Deferred in Prior Years—Credit."

(k) Revise the title and text of accounts "411.1, Income Taxes Deferred In Prior Years—Credit, Utility Operating

Income," and "411.2, Income Taxes Deferred in Prior Years—Credit, Other Income and Deductions."

As so amended this portion of the text of the Income Accounts reads:

# **Income Accounts**

# 1. UTILITY OPERATING INCOME

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# 408 [Revoked]

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Special Instructions, Accounts 408.1 and 408.2. A. These accounts shall include the amounts of ad valorem, gross revenue or gross receipts, taxes, state unemployment insurance, franchise taxes, federal excise taxes, social security taxes, and all other taxes assessed by federal, state, county, municipal, or other local governmental authorities, except income taxes.

B. These accounts shall be charged in each accounting period with the amounts of taxes which are applicable thereto, with concurrent credits to account 236. Taxes Accrued, or account 165. Prepayments, as appropriate. When it is not possible to determine the exact amounts of taxes, the amounts shall be estimated and adjustments made in current accruals as the actual tax levies become known.

C. The charges to these accounts shall be made or supported so as to show the amount of each tax and the basis upon which each oharge is made. In the case of a utility rendering more than one utility service, taxes of the kind includible in these accounts shall be assigned directly to the utility department the operation of which gave rise to the tax in so far as a specific utility department, it shall be distributed among the utility departments or nonutility operations on an equitable basis after appropriate study to determine such basis.

Norz A: Special assessments for street and similar improvements shall be included in the appropriate utility plant or nonutility property account.

NOTE B: Taxes specifically applicable to construction shall be included in the cost of construction.

NOTE C: Gasoline and other sales taxes shall be charged as far as practicable to the same amount as the materials on which the tax is levied.

NOTE D: Social security and other forms of so-called payroll taxes shall be distributed to utility departments and to nonutility functions on a basis related to payroll. Amounts applicable to construction shall be charged to the appropriate plant accounts. NOTE E: Interest on tax refunds or deficiencies shall not be included in these accounts but in account 419. Interest and Dividend Income, or 431. Other Interest Expense, as appropriate.

408.1 Taxes other than income taxes, utility operating income.

This account shall include those taxes other than income taxes which relate to utility operating income This account shall be maintained so as to allow ready identification of the various classes of taxes relating to Utility Operating Income (by department), Utility Plant Leased to Others and Other Utility Operating Income.

408.2 Taxes other than income taxes, other income and deductions.

This account shall include those taxes other than income taxes which relate to Other Income and Deductions.

# 409 [Revoked]

Special Instructions, Accounts 409.1, 409.2 and 409.3. A. These accounts shall include the amounts of local, state and federal income taxes on income properly accruable during the period covered by the income statement to meet the actual liability for such taxes. Concurrent credits for the tax accruals shall be made to account 236, Taxes Accrued, and as the exact amounts of taxes become known, the current tax accruals shall be adjusted by charges or credits to these accounts unless such adjustments are properly includible in account 439. Adjustments to Retained Earnings, so that these accounts as nearly as can be ascertained shail include the actual taxes payable by the utility. (See General Instruction 7.1 for prior period adjustments.)

B. The accruals for income taxes shall be apportioned among utility departments and to Other Income and Deductions so that, as nearly as practicable, each tax shall be included in the expenses of the utility department or Other Income and Deductions, the income from which gave rise to the tax. The income tax effect of amounts recorded in account 439, Adjustments to Retained Earnings, shall be recorded in that account. The e allocated between utility and nonutility operations. The basis for this allocation shall be the ratio of net investment in utility plant.

NOTE A: Taxes assumed by the utility on interest shall be charged to account 431, Other Interest Expense.

Norm B: Interest on tax refunds or deficiencies shall not be included in these accounts but in account 419, Interest and Dividend Income, or account 431, Other Interest Expense, as appropriate.

409.1 Income taxes, utility operating income.

This account shall include the amount of those local, state and federal income taxes which relate to utility operating income. This account shall be maintained so as to allow ready identification of tax effects (both positive and negative) relating to Utility Operating Income (by department), Utility Plant Leased to Others and Other Utility Operating Income.

409.2 Income taxes, other income and deductions.

This account shall include the amount of those local, state and federal income taxes (both positive and negative), which relate to Other Income and Deductions.

409.3 Income taxes, extraordinary items.

This account shall include the amount of those local, state and federal income taxes (both positive and negative), which relate to Extraordinary Items.

# 410 [Revoked]

Special Instructions, Accounts 410.1, 410.2, 411.1 and 411.2. A. Accounts 410.1 and 410.2 shall be debited, and Accumulated Deferred Income Taxes shall be credited with amounts equal to any current deferrals of taxes on income or any allocations of deferred taxes originating in prior periods, as provided by the texts of accounts 190, 281, 282 and 283. There shall not be netted against entries required to be made to these accounts any credit amounts appropriately includible in accounts 411.1 or 411.2.

B. Accounts 411.1 and 411.2 shall be credited, and Accumulated Deferred Income Taxes shall be debited with amounts equal to any allocations of deferred taxes originating in prior periods or any current deferrals of taxes on income, as provided by the texts of accounts 190, 281, 282, and 283. There shall not be netted against entries required to be made to these accounts any debit amounts appropriately includible in accounts 410.1 or 410.2.

410.1 Provision for deferred income taxes, utility operating income.

This account shall include the amounts of those deferrals of taxes and allocations of deferred taxes which relate to Utility Operating Income (by department).

410.2 Provision for deferred income taxes, other income and deductions.

This account shall include the amounts of those deferrals of taxes and allocations of deferred taxes which relate to other income and deductions.

# 411 [Revoked]

411.1 Provision for deferred income taxes—Credit, utility operating income.

This account shall include the amounts of those allocations of deferred taxes and deferrals of taxes, credit, which relate to Utility Operating Income (by department).

# 411.2 Provision for deferred income taxes—Credit, other income and deductions.

This account shall include the amounts of those allocations of deferred taxes and deferrals of taxes, credit, which relate to Other Income and Deductions.

(1) Account "411.6, Gains from Disposition of Utility Plant," is amended by adding a new sentence at the end of the paragraph. As amended account 411.6 reads:

411.6 Gains from disposition of utility plant.

••• Income taxes relating to gains recorded in this account shall be recorded in account 409.1, Income Taxes, Utility Operating Income.

(m) Account "411.7, Losses from Disposition of Utility Plant," is amended by adding a new sentence at the end of the paragraph. As amended account 411.7 reads:

411.7 Losses from disposition of utility plant.

••• Income taxes relating to losses recorded in this account shall be recorded in account 409.1. Income Taxes, Utility Operating Income.

# 412, 413 [Amended]

(n) In accounts "412, Revenues from Gas Plant Leased to Others," and "413, Expenses of Gas Plant Leased to Others," the Note is revised. As revised the Note to accounts 412 and 413 reads:

5.

Nors: Related taxes shall be recorded in account 408.1, Taxes Other Than Income Taxes, Utility Operating Income, or account come, as appropriate.

(o) In account "414, Other Utility Op-erating Income," the Note is revised. As revised the Note to account 414 reads:

# 414 Other utility operating income.

Note: Related taxes shall be recorded in account 408.1, Taxes Other Than Income Taxes, Utility Operating Income, or account 409.1. Income Taxes, Utility Operating Income, as appropriate.

## 415, 416 [Amended]

(p) In accounts "415, Revenues from Merchandising, Jobbing and Contract Work," and "416, Costs and Expenses of Merchandising, Jobbing and Contract Work," Note B is revised. As revised Note B to accounts 415 and 416 reads:

Note B: Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or ac-count 409.2. Income Taxes, Other Income and Deductions, as appropriate.

#### 417, 417.1 [Amended]

(q) In accounts "417, Revenues from Nonutility Operation," and "417.1, Ex-penses of Nonutility Operations," the Note is revised. As so revised the Note to accounts 417 and 417.1 reads:

Nore: Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2. Income Taxes. Other Income and Deductions, as appropriate.

(r) In account "418. Nonoperating Rental Income," the Note is revised. As revised the Note to account 418 reads:

# 418 Nonoperating rental income.

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Note: Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2. Income Taxes. Other Income and Deductions, as appropriate.

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(s) In account "419, Interest and Dividend Income," Note A is revised. As revised Note A to account 419 reads:

419 Interest and dividend income.

Note A: Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes. Other Income and Deductions, or account 409.2. Income Taxes. Other Income and Deductions, as appropriate.

. (t) In account "421, Miscellaneous Nonoperating Income," revise the last sentence of the paragraph. As revised these portions of account 421 reads:

421 Miscellaneous nonoperating income.

\* \* \* Related taxes shall be recorded in account 408.2. Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

(u) In account "421.1, Gain on Disposition of Property," revise the last sentence of the paragraph. As revised this portion of account 421.1 reads:

409.1, Income Taxes, Utility Operating In- 421.1 Gain on disposition of property.

\* \* \* Income taxes on gains recorded in this account shall be recorded in account 409.2, Income Taxes, Other Income and Deductions.

(v) In account "421.2, Loss on Disposition of Property," revise the last sentence of the paragraph. As revised this portion of account 421.2 reads:

421.2 Loss on disposition of property.

\* \* \* The reduction in income taxes relating to losses recorded in this account shall be recorded in account 409.2, Income Taxes, Other Income and Deductions.

(w) In account "434, Extraordinary Income," amend the last sentence of the paragraph. As amended this portion of account 434 reads:

# 434 Extraordinary income.

\* \* \* Income tax relating to the amounts recorded in this account shall be recorded in account 409.3, Income Taxes, Extraordinary Items. (See General Instruction 7.)

(x) In account "435, Extraordinary Deductions," amend the last sentence of the paragraph. As amended this portion of account 435 reads:

435 Extraordinary deductions.

\* \* \* Income tax relating to the amounts recorded in this account shall be recorded in account 409.3, Income Taxes, Extraordinary Items. (See General Instruction 7.)

(5) Revise the Operation and Maintenance Expense Accounts by revising Note A of account "927, Franchise Require-ments," As revised Note A of account 927 reads:

# 927 Franchise requirements.

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. Note A: Franchise taxes shall not be charged to this account but to account 408.1, Taxes Other Than Income Taxes, Utility Operating Income.

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# PART 204-UNIFORM SYSTEM OF AC-COUNTS FOR CLASS C NATURAL GAS COMPANIES

(I) The Commission's Uniform System of Accounts for Class C and Class D Natural Gas Companies prescribed by Part 204, Chapter I, Title 18 of the Code of Federal Regulations is amended as follows:

(1) The Chart of the Balance Sheet Accounts is amended:

(a) Immediately following account "187, Deferred Losses from Disposition of Utility Plant," add a new account 190, Accumulated Deferred Income Taxes.

(b) Immediately following account title "256, Deferred Gains from Disposition of Utility Plant," add account titles 281, Accumulated Deferred Income Taxes-Accelerated Amortization, 282, Accumulated Deferred Income Taxes-Liberalized Depreciation, and 283, Ac-

cumulated Deferred Income Taxes-Other.

(c) Immediately following account title "265, Miscellaneous Operating Reserves," revoke classification heading "10. Accumulated Deferred Income Taxes," and revoke account titles "281, Accumulated Deferred Income Taxes-Accelerated Amortization, 282, Accumulated Deferred Income Taxes—Liberalized De-preciation," and "283, Accumulated Deferred Income Taxes-Other," located thereunder.

As so amended, those portions of the Chart of Balance Sheet Accounts reads:

# **Balance Sheet Accounts**

ASSETS AND OTHER DEBITS . 4. DEFERRED DEBITS

. 190 Accumulated deferred income taxes.

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LIABILITIES AND OTHER CREDITS

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8. DEFERRED CREDITS

Accumulated deferred income taxes-281 Accelerated amortization. Accumulated deferred income taxes-282

Liberalized depreciation. 283 Accumulated deferred income taxes-

Other.

..... 10. [REVOKED]

- 281 [Revoked]
- 282 [Revoked]
- [Revoked] 283

(2) The Balance Sheet Accounts are amended as follows:

(a) Amend account "187. Deferred Losses from Disposition of Utility Plant,' by deleting the last sentence which reads. "Amounts recorded in this account shall be net of related income taxes."

(b) Immediately following account "187, Deferred Losses from Disposition of Utility Plant," add a new account idenitied as 190, Accumulated Deferred Income Taxes, to read as follows:

Accumulated deferred income taxes.

A. This account, when its use has been authorized by the Commission, shall be debited and account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, or account 411.2. Provision for Deferred Income Taxes-Credit, Other Income and Deductions, as appropriate, shall be credited with an amount equal to that by which income taxes payable for the year are higher because of the inclusion of certain items in income for tax purposes, which items for general accounting purposes will not be fully reflected in the utility's determination of annual net income until subsequent years. Commission approval to use this account need not be received for items included in the Items list.

B. This account shall be credited and account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or account 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited

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with an amount equal to that by which income taxes payable for the year are lower because of prior payment of taxes as provided by paragraph A above, because of difference in timing for tax purposes of particular items of income or income deductions from that recognized by the utility for general accounting purposes. Such credit to this account and debit to account 410.1 or 410.2 shall, in general, represent the effect on taxes payable in the current year of the smaller amount of book income recognized, or the larger deduction permitted, for tax purposes as compared to the amount recognized in the utility's current accounts with respect to the item or class of items for which deferred tax concept of accounting is affected.

C. Vintage year records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factor of calculation with respect to each annual amount of the item or class of items for which deferred tax accounting by the utility is utilized.

D. The utility is restricted in its use of this account to the purposes set forth above. It shall not make use of the balance in this account or any portion thereof except as provided in the text of this account, without prior approval of the Commission. Any remaining deferred tax account balance with respect to an amount for any prior year's tax deferral. the amortization of which or other recognition in the utility's income accounts has been completed, or other disposition mad :, shall be debited to account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or account 410.2, Provision for Deferred Income, Taxes, Other Income and Deductions, as appropriate, or otherwise disposed of as the Commission may authorize or direct.

# ITEM

1. Tax effects of deferred gains from disposition of utility plant. (See account 256, Deferred Gains From Disposition of Utility Plant.)

(c) Amend account "256, Deferred Gains from Disposition of Utility Plant," by deleting the last sentence which reads, "Amounts recorded in this account shall be net of related income taxes."

(d) Immediately following account "256, Deferred Gains from Disposition of Utility Plant," add a new subheading Special Instructions—Accumulated Deferred Income Taxes, and immediately following text of this new subheading, add relocated accounts 281, Accumulated Deferred Income Taxes—Accelerated Amortization, 282, Accumulated Deferred Income Taxes—Liberalized Deferred Income Taxes—Other. As so amended, this portion of the balance sheet accounts reads:

### SPECIAL INSTRUCTIONS

## Accumulated Deferred Income Taxes

Natural gas companies shall use the accounts provided below for prior ac-

cumulation of deferred federal, state and local taxes on income and for additional provisions. A copy of the order or other authorization to practice deferred tax accounting of the state public service commission also having jurisdiction shall be filed the Commission, or, in the absence of a state public service commission having accounting jurisdiction, the natural gas company shall file with this Commission a copy of its plan of accounting for deferred taxes on income. The filing of such order or other authorization, or accounting plan, shall constitute permission for additional accumulations of deferred taxes on income. Once the deferred tax accounting concept has been initiated as specified within the respective accounts, such accounting shall not be discontinued on that property without Commission approval.

The text of these accounts are designed primarily to cover deferrals of Federal income taxes. However, they are also to be used when making deferrals of state and local income taxes. Natural gas companies, which in addition to a gas utility department, have another utility department, electric, water, etc., and nonutility property and which have deferred taxes on income with respect thereto shall separately classify such deferrals in the accounts provided below so as to allow ready identification of items relating to each utility department and to Other Income and Deductions.

Account 283, Accumulated Deferred Income Taxes—Other, is provided for those specific types of tax deferrals approved by the Commission, which do not relate to accelerated amortization recorded in account 281, Accumulated Deferred Income Taxes—Accelerated Amortization, or liberalized depreciation recorded in account 282, Accumulated Deferred Income Taxes—Liberalized Deferred Income Taxes—Liberalized Depreciation.

281 Accumulated deferred income taxes—Accelerated amortization.

A. This account shall be credited and account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of accelerated (5year) amortization of (1) certified defense facilities in computing such taxes, as permitted by Section 168 of the Internal Revenue Code and (2) certified pollution control facilities in computing such taxes, as permitted by Section 169 of the Internal Revenue Code of 1954, as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes according to the straight line or other nonaccelerated depreciation method and appropriate estimated useful life for such property.

B. This account shall be debited and account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, or 411.2, Provision for Deferred

Income Taxes-Credit, Other Income and Deductions, as appropriate shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of accelerated (5-year) amortization of (1) certified defense facilities and (2) pollution control facilities, instead of nonaccelerated or nonliberalized depreciation otherwise appropriate for income tax purposes, and deferral of taxes in such prior years as described in paragraph A above. Such debit to this account and credit to account 411.1 or 411.2 shall, in general, represent the effect on taxes payable for the current year of the availability of a depreciation deduction for tax purposes, or a reduced amount, with respect to any depreciable property for which accelerated amortization was used in prior years, as compared to the depreciation deduction otherwise available and appropriate for such property, considering its estimated useful life according to the depreciation method ordinarily used by the utility for similar property in computing depreciation for tax purposes by a nonaccelerated or nonliberalized depreciation method.

C. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the facilities of each certification or authorization of accelerated amortization for tax purposes.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy elects not to follow deferred tax accounting even though accelerated amortization is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any certified facility, the accounting shall not be suspended or discontinued on the property covered by that certificate, without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of plant on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax expense, if any, arising from such disposition and account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, or 411.2, Provision for Deferred Income Taxes-Credit, Other Income and Deductions, as appropriate, shall be credited. When the remaining balance, after consideration of any related income tax expense, is less than \$25,000, this account shall be charged and account 411.1 or 411.2, as appropriate, credited with such balance. If after consideration

of any related income tax expense, there is a remaining amount of \$25,000 or more, the Commission shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant is disposed of by transfer to a wholly owned subsidiary the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balances would be necessary to be retained to offset future group item tax deficiencies.

# 282 Accumulated deferred income taxes—Liberalized depreciation.

A. This account shall be credited and account 410.1, Provision for Deferred Income Taxes. Utility Operating Income. or 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of liberalized depreciation in computing such taxes, as permitted by Section 167 of the Internal Revenue Code of 1954, as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes for similar property of the same estimated useful life according to the straight line or other nonliberalized method of depreciation on property placed in service on or before December 31, 1972; to include those accumulated tax deferrals arising from the use of the Class Life Asset Depreciation Range as provided and required by the Revenue Act of 1971.

B. This account shall be debited and account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, or 411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deductions, as appropriate, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of liberalized depreciation for income tax purposes, and deferral of taxes in such prior years as described in paragraph A above. Such debit to this account and credit to account 411.1 or 411.2 shall, in general, represent the effect on taxes payable for the current year of the smaller amount of depreciation permitted for tax purposes for the current year with respect to any depreciable property for which liberalized depreciation was used in prior years, as compared to the depreciation deduction otherwise appropriate and available for similar property of the same estimated life according to the straight line or other nonliberalized depreciation method ordinarily used by the utility in computing depreciation for tax purposes.

C. Records with respect to entries to this account, as described above, and account balance, shall be so maintained as to show the factors of calculation and the

separate amounts applicable to the plant additions of each vintage year for each class, group, or unit as to which different liberalized depreciation methods and estimated useful lives have been used. The underlying calculations to segregate and associate deferred tax amounts with the respective vintage years may be based on reasonable methods of approximation, if necessary, consistently applied.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy, elects not to follow deferred tax accounting even though liberalized depreciation is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any property such accounting shall not be discontinued on that property, without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of plant on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax expense. if any, arising from such disposition and account 411.1, Income Taxes Deferred in Prior Years-Credit, Utility Operating Income, or 411.2, Income Taxes Deferred in Prior Years-Credit, Other Income and Deductions, shall be credited. When the remaining balance after consideration of any related tax expenses, is less than \$25,000, this account shall be charged and account 411.1 or 411.2, as appropriate, credited with such balance. If after consideration of any related income tax expense, there is a remaining amount of \$25,000 or more, the Commission shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant disposed of by transfer to a wholly owned subsidiary, the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance would be necessary to be retained to offset future group item tax deficiencies.

283 Accumulated deferred income taxes-Other.

A. This account, when its use has been authorized by the Commission, shall be credited and account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which taxes on income payable for the

year are lower because of the current use of deductions other than accelerated amortization or liberalized depreciation, in the computation of income taxes which deductions for general accounting purposes will not be fully reflected in the utility's determination of annual net income until subsequent years. Commission approval to use this account need not be received for items included in the Items list.

B. This account shall be debited and account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, or 411.2, Provision for Deferred Income Taxes-Credit, Other Income and Deductions, as appropriate, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of deferral of taxes on income in previous years, as provided by paragraph A. above, because of difference in timing for tax purposes of particular income deductions from that recognized by the utility for general accounting purposes, other than with respect to accelerated amortization or liberalized depreciation. Such debit to this account and credit to account 411.1 or 411.2 shall, in general, represent the effect on taxes payable in the current year of the smaller deduction permitted for tax purposes as compared to the amount recognized in the utility's current accounts with respect to the item or class of items for which deferred tax accounting by the utility was authorized by the Commission.

C. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation with respect to each annual amount of the item or class of items.

The utility is restricted in its use D. of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or to any other account or make any use thereof except as provided in the text of this account. without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of items on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax effect, if any, arising from such disposition and account 411.1, Income Taxes Deferred in Prior Years--Credit, Utility Operating Income, or 411.2, Income Taxes Deferred in Prior Years-Credit, Other Income and Deductions, as appropriate, shall be credited. When the remaining balance, after consideration of any related tax expenses, is less than \$25,000, this account shall be charged and account 411.1 or 411.2, as appropriate, credited with such balance. If after consideration of any related income tax expense, there is a remaining amount of \$25,000 or more, the Commission shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant is disposed of by transfer to a wholly owned

subsidiary, the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance would be necessary to be retained to offset future group item tax deficiencles.

# ITEMS

1. Tax effects of extraordinary property losses 2. Tax effects of deferred losses from dis-

position of utility plant. (See account 187, Deferred Losses From Disposition of Utility Plant.)

3. Tax effects of research and development expenditures amortized.

4. Tax deferrals arising from the use of the asset guideline class repair allowance" feature of the Revenue Act of 1971.

(e) Immediately following account "265, Miscellaneous Operating Reserves," revoke the classification heading "10. Ac-cumulated Deferred Income Taxes," and accounts "281, Accumulated Deferred Income Taxes-Accelerated Amortization, 282, Accumulated Deferred Income Taxes—Liberalized Depreciation," and "283, Accumulated Deferred Income Taxes-Other." After revocation, this portion of the balance sheet accounts will appear as follows:

10. [REVOKED]

281 [Revoked]

282 [Revoked]

283 [Revoked]

(3) Amend the Chart of the Income Accounts as follows:

(a) Immediately following account "407.2, Amortization of Conversion Ex-penses," revoke account title "408, Taxes Other Than Income Taxes."

(b) Immediately following account "408.1, Taxes Other Than Income Taxes, Utility Operating Income," revoke account title "409, Income Taxes."

(c) Immediately following account "409.1, Income Taxes, Utility Operating Income," revoke account title "410, Provision for Deferred Income Taxes."

(d) Immediately following account "410.1, Provision for Deferred Income Taxes, Utility Operating Income," revoke account title "411, Income Taxes Deferred in Prior Years-Credit."

(e) Revise the title of account "411.1, Income Taxes Deferred in Prior Years-Credit, Utility Operating Income," to read 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income.

(f) Revise the title of account "411.2, Income Taxes Deferred in Prior Years-Credit, Other Income and Deductions," to read 411.2, Provision for Deferred Income Taxes-Credit, Other Income and Deductions.

Aso so amended the Chart of Income Accounts reads:

# **RULES AND REGULATIONS**

# Income Accounts

1. UTILITY OPERATING INCOME

. . . Operating Expenses:

- 407.2 Amortization of conversion expenses. 408 [Revoked]
- Taxes other than income taxes, util-408.1 ity operating income.
- 409 [Revoked]
- Income taxes, utility operating in-409 1 come. 410
- 410.1
- [Revoked] Provision for deferred income taxes, utility operating income. [Revoked] 411
- 411.1 Provision for deferred income taxes Credit, utility operating income. . . .
- 2. Other Income and Deductions
- . . .

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C. Taxes Applicable to Other Income and Deductions

- 411.2 Provision for deferred income taxes-
- Credit, other income and deductions.

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(4) The text of the Income Accounts are amended and revised as follows: (a) Revoke account "408, Taxes Other

(b) Immediately following account "407.2. Amortization of Conversion Ex-

penses," add Special Instructions-Accounts 408.1 and 408.2, with text.

(c) Revise the text of accounts "408.1. Taxes Other Than Income Taxes, Utility Operating Income," and "408.2, Taxes Other Than Income Taxes, Other In-come and Deductions."

(d) Revoke account "409, Income Taxes."

(e) Immediately following account "408.2, Taxes Other Than Income Taxes, Income and Deductions," Other add Special Instructions-Accounts 409.1, 409.2 and 409.3, with text.

(f) Revise the text of accounts "409.1, Income Taxes, Utility Operating Income, 409.2, Income Taxes, Other Income and Deductions," and "409.3, Income Taxes, Extraordinary Items."

(g) Revoke account "104, Provision for Deferred Income Taxes.'

(h) Immediately following account "409.3, Income Taxes, Extraordinary Items," and Special Instructions-Accounts 410.1, 410.2, 411.1 and 411.2, with text.

(i) Revise the text of accounts "410.1, Provision for Deferred Income Taxes, Utility Operating Income," and "410.2, Provision for Deferred Income Taxes, Other Income and Deductions.'

(i) Revoke account "411. Provision for Deferred Income Taxes-Credit.

(k) Revise the title and text of accounts "411.1, Income Taxes Deferred in Prior Years-Credit, Utility Operating Income," and "411.2, Income Taxes Deferred in Prior Years—Credit, Other In-come and Deductions."

As so amended this portion of the text of the Income Accounts reads:

# Income Accounts

# 1. UTILITY OPERATING INCOME .

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408 [Revoked]

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Special Instructions, Accounts 408.1 and 408.2. A. These accounts shall include the amounts of ad valorem, gross revenue or gross receipts taxes, state unemployment insurance, franchise taxes, federal excise taxes, social security taxes, and all other taxes assessed by federal, state, county, municipal, or other local governmental authorities, except income taxes.

B. These accounts shall be charged in each accounting period with the amounts of taxes which are applicable thereto, with concur-rent credits to account 236. Taxes Accrued, or account 165, Prepayments, as appropriate. When it is not possible to determine the exact amounts of taxes, the amounts shall be estimated and adjustments made in current accruals as the actual tax levies become known.

C. The charges to these accounts shall be made or supported so as to show the amount of each tax and the basis upon which each charge is made. In the case of a utility rendering more than one utility service, taxes of the kind includible in these counts shall be assigned directly to the utility department the operation of which gave rise to the tax in so far as practicable. Where the tax is not attributable to a specific utility department, it shall be distributed among the utility departments or nonutility operations on an equitable basis after appropriate study to determine such basis.

Note A: Special assessments for street and similar improvements shall be included in the appropriate utility plant or nonutility property account.

NOTE B: Taxes specifically applicable to construction shall be included in the cost of construction.

Note C: Gasoline and other sales taxes shall be charged as far as practicable to the same account as the materials on which the tax is levied.

Note D: Social security and other forms of so-called payroll taxes shall be distributed to utility departments and to nonutility functions on a basis related to payroll. Amounts applicable to construction shall be charged to the appropriate plant account.

Nore E: Interest on tax refunds or deficiencies shall not be included in these accounts but in account 419, Interest and Dividend Income, or 431, Other Interest Expense, as appropriate.

408.1 Taxes other than income taxes, utility operating income.

This account shall include those taxes other than income taxes which relate to utility operating income. This account shall be maintained so as to allow ready identification of taxes relating to Utility Operating Income (by department), Utility Plant Leased to Others and Other Utility Operating Income.

408.2 Taxes other than income taxes, other income and deductions.

This account shall include those taxes other than income taxes which relate to Other Income and Deductions.

## 409 [Revoked]

Special Instructions, Accounts 409.1, 409.2 and 409.3. A. These accounts shall include the amounts of local, state and federal income taxes on income properly accruable during the period covered by the income statement to meet the actual liability for such taxes. Concurrent credits for the tax accruals shall be made to account 236. Taxes Accrued, and as the exact amounts of taxes become known, the current tax accruals shall be adjusted by charges or credits to these accounts unless such adjustments are properly includible in account 439, Adjustments to Retained Earnings, so that these accounts as nearly as can be ascertained shall include the actual taxes payable by the utility. (See General Instruc-tion 9 for prior period adjustments.) B. The accruais for income taxes shall be

apportioned among utility departments and to Other Income and Deductions so that, as nearly as practicable, each tax shall be in-cluded in the expenses of the utility department or Other Income and Deductions, the income from which gave rise to the tax. The income tax effect of amounts recorded in account 439, Adjustments to Retained Earn-ings, shall be recorded in that account. The tax effects relating to Interest Charges shall be allocated between utility and nonutility operations. The basis for this allocation shall be the ratio of net investment in utility plant to net investment in nonutility plant. Note A: Taxes assumed by the utility on interest shall be charged to account 431, Other Interest Expense.

Note B: Interest on tax refunds or deficiencies shall not be included in these accounts but in account 419, Interest and Dividend Income, or account 431, Other Interest Expense, as appropriate.

409.1 Income taxes, utility operating income.

This account shall include the amount of those local, state and federal income taxes which relate to utility operating income. This account shall be maintained so as to allow ready identification of tax effects (both positive and nega-tive) relating to Utility Operating Income (by department), Utility Plant Leased to Others and Other Utility Operating Income.

409.2 Income taxes, other income and deductions.

This account shall include the amount of those local, state and federal income taxes (both positive and negative), which relate to Other Income and Deductions.

409.3 Income taxes, extraordinary items.

This account shall include the amount of those local, state and federal income taxes (both positive and negative), which relate to Extraordinary Items.

# 410 [Revoked]

Special Instructions, Accounts 410.1, 410.2, 411.1 and 411.2. A. Accounts 410.1 and 410.2 shall be debited, and Accumulated Deferred Income Taxes shall be credited, with amounts equal to any current deferrals of taxes on income or any allocations of deferred taxes originating in prior periods, as provided by the texts of accounts 199, 281, 282 and 283. There shall not be netted against entries required to be made to these accounts any credit amounts appropriately includible in accounts 411.1 or 411.2. B. Accounts 411.1 and 411.2 shall be cred-

ited, and Accumulated Deferred Income

Taxes shall be debited, with amounts equal to any allocations of deferred taxes orig-inating in prior periods or any current deferrals of taxes on income, as provided by the texts of accounts 190, 281, 282 and 283. There shall not be netted against entries required to be made to these accounts any debit amounts appropriately includible in account 410.1 or 410.2.

410.1 Provision for deferred income taxes, utility operating income.

This account shall include the amounts of those deferrals of taxes and allocations of deferred taxes which relate to Utility Operating Income (by department).

410.2 Provision for deferred income taxes, other income and deductions.

This account shall include the amounts of those deferrals of taxes and allocations of deferred taxes which relate to Other Income and Deductions.

411 [Revoked]

411.1 Provision for deferred income taxes—Credit, utility operating income.

This account shall include the amounts of those allocations of deferred taxes and deferrals of taxes, credit, which relate to Utility Operating Income (by department).

411.2 Provision for deferred income taxes-Credit, other income and deductions.

This account shall include the amounts of those allocations of deferred taxes and deferrals of taxes, credit, which relate to Other Income and Deductions.

(1) Account "411.6. Gains from Disposition of Utility Plant," is amended by adding a new sentence at the end of the paragraph. As amended account 411.6 reads:

411.6 Gains from disposition of utility plant.

\* \* \* Income taxes relating to gains recorded in this account shall be recorded in account 409.1. Income Taxes. Utility Operating Income.

(m) Account "411.7, Losses from Dis-position of Utility Plant," is amended by adding a new sentence at the end of the paragraph. As amended account 411.7 reads:

411.7 Losses from disposition of utility plant.

\* \* Income taxes relating to losses recorded in this account shall be recorded in account 409.1, Income Taxes, Utility Operating Income.

# 412, 413 [Amended]

(n) In accounts "412, Revenues from Gas Plant Leased to Others," and "413, Expenses from Gas Plant Leased to Others," the Note is revised. As revised the Note to accounts 412 and 413 reads:

Nore: Related taxes shall be recorded in account 408.1, Taxes Other Than Income Taxes, Utility Operating Income, or account 409.1, Income Taxes, Utility Operating Income, as appropriate.

(o) In account "414. Other Utility Operating Income," the Note is revised. As revised the Note to account 414 reads:

414 Other utility operating income.

Nors: Related taxes shall be recorded in account 408.1, Taxes Other Than Income Taxes, Utility Operating Income, or account 409.1, Income Taxes, Utility Operating Income, as appropriate.

415,416 [Amended]

(p) In accounts "415, Revenues from Merchandising, Jobbing and Contract Work," and "416, Costs and Expenses of Merchandising, Jobbing and Contract Work," Note B is revised. As revised Note B to accounts 415 and 416 reads:

NOTE B: Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

417, 417.1 [Amended]

(q) In accounts "417, Revenues from Nonutility Operations," and "417.1, Ex-penses of Nonutility Operations," the Note is revised. As so revised the Note to accounts 417 and 417.1 reads:

NorE: Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or ac-count 409.2, Income Taxes, Other Income and Deductions, as appropriate.

(r) In account "418, Nonoperating Rental Income," the Note is revised. As revised the Note to account 418 reads:

418 Nonoperating rental income.

Note: Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

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(s) In account "419, Interest and Dividend Income," Note A is revised. As revised Note A to account 419 reads:

419 Interest and dividend income.

NOTE A: Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

(t) In account "421, Miscellaneous Nonoperating Income," revise the last sentence of the paragraph. As revised this portion of account 421 reads:

421 Miscellaneous nonoperating income.

\* \* \* Related taxes shall be recorded in account 408.2, Taxes Other Than Income Taxes, Other Income and Deductions, or account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

(u) In account "421.1. Gain on Disposition of Property," revise the last sentence of the paragraph. As revised this portion of account 421.1 reads:

421.1 Gain on disposition of property.

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• • • Income taxes on gains recorded in this account shall be recorded in account 409.2, Income Taxes, Other Income and Deductions.

(v) In account "421.2, Loss on Disposi-tion of Property," revise the last sentence of the paragraph. As revised this portion of account 421.2 reads:

421.2 Loss on disposition of property.

\* \* \* The reduction in income taxes relating to losses recorded in this account shall be recorded in account 409.2, Income Taxes, Other Income and Deductions.

(w) In account "434, Extraordinary Income," amend the last sentence of the paragraph. As amended this portion of account 434 reads:

# 434 Extraordinary income.

••• Income tax relating to the amounts recorded in this account shall be recorded in account 409.3, Income Taxes, Extraordinary Items. (See General Instruction 8.)

(x) In account "435, Extraordinary Deductions," amend the last sentence of the paragraph. As amended this portion of account 435 reads:

435 Extraordinary deductions.

• • • Income tax relating to the amounts recorded in this account shall be recorded in account 409.3, Income Taxes, Extraordinary Items. (See General Instruction 8.)

(5) Revise the Operation and Maintenance Expense Accounts by revising Note A of account "927, Franchise Requirements." As revised Note A of account 927 reads:

927 Franchise requirements.

. . .

Note A: Franchise taxes shall not be charged to this account but to account 408.1, Taxes Other Than Income Taxes, Utility Operating Income.

PART 260-STATEMENTS AND REPORTS (SCHEDULES)

(K) Schedule pages 110 and 111, Comparative Balance Sheet, 114 and 116A, Statement of Income for the Year, in FPC Form No. 2, Annual Report for Natural Gas Companies (Class A and Class B), prescribed by § 260.1, are amended as set forth in Attachments D and E hereto.

(L) Schedule pages 214C and 214D, Accumulated Deferred Income Taxes (Account 190), are added to FPC Form No. 2, Annual Report for Natural Gas Companies (Class A and Class B), prescribed by 18 CFR 260.1, as set out in Attachment F hereto.<sup>1</sup>

(M) Schedule pages 227 and 227A. Accumulated Deferred Income Taxes (Accounts 281, 282, and 283), in FPC Form No. 2, Annual Report for Natural Gas Companies (Class A and Class B), nal document.

prescribed by 18 CFR 260.1, are revised as set forth in Attachment G hereto.<sup>1</sup>

(N) Schedule pages 3 and 6 in FPC Form No. 2-A, Annual Report for Natural Gas Companies (Class C and Class D), prescribed by § 260.2 are amended as set forth in Attachments I and J hereto.

(O) FPC Form No. 11, Natural Gas Pipeline Company Monthly Statement, prescribed by § 260.3 is amended as set out in Attachment L hereto.1

(P) This order, as related to accounting and reporting changes, is effective Janaury 1, 1974, other than the accounting provisions relating to the utilization the Class Life Asset Depreciation of Range System which shall coincide with the effective dates provided for in the Revenue Act of 1971.

(Q) The Secretary shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission.

[SEAL] KENNETH F. PLUMB, Secretary.

Note.—The new or revised schedule pages for specified FPC forms appended to this Order have been reviewed and approved by the Comptroller General of the United States under provisions of Section 409 of Public Law 93-153 and assigned the following approval numbers:

Form No. 1-B180228 (R0005) Form No. 1F-B180228 (R0006) Form No. 1M-B180228 (R0007) Form No. 2-B180228 (R0008) Form No. 2A-B180228 (R0009) Form No. 5-B180228 (R0010)

Form No. 11-B180228 (R0011)

ATTACHMENT A

LIST OF RESPONDENTS

Accounting Firms

Arthur Andersen & Co.

Haskins & Sells. Lybrand Ross Bros. & Montgomery.

### Associations

American Accounting Association Ad Hoc Committee, The. American Gas Association. Edison Electric Institute.

Independent Natural Gas Association of

America. Subcommittee of Staff Experts on Accounting, NARUC.

**Electric Utilities** 

Alabama Power Company. American Electric Power System Companies: Appalachian Power Company. Indiana and Michigan Electric Company. Kentucky Utilities Company. Kingsport Power Company. Michigan Gas and Electric Company. Ohio Power Company. Wheeling Electric Company.

Arizona Public Service Company. Baltimore Gas and Electric Company.

Boston Edison Company. Carolina Power & Light Company.

Central Vermont Public Service Corporation.

Cincinnati Gas & Electric Company. Cleveland Electric Illuminating Company,

The.

Columbus and Southern Ohio Electric Company.

<sup>2</sup> Attachments C-L filed as part of the origi-

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Commonwealth Edison Company. Community Public Service Company. Consumers Power Company. Detroit Edison Company, The. Duke Power Company. Florida Power Corporation. Georgia Power Company. General Public Utilities Corporation.

Jersey Central Power and Light Company. Metropolitan Edison Company.

New Jersey Power and Light Company. Pennsylvania Electric Company.

Gulf Power Company. Gulf States Ut.litles Company.

Idaho Power Company. Iowa Electric Light and Power Company. Iowa-Illinois Gas and Electric Company.

Louisville Gas & Electric Company. Mississippi Power Company. Montana-Dakota Utilities Company.

Montana Power Company, The. Northern States Power Company.

Oklahoma Gas and Electric Company.

Otter Tail Power Company. Pacific Gas and Electric Company.

Pacific Power & Light Company.

Pennsylvania Power & Light Company. Philadelphia Electric Company.

Conowingo Power Company.

Susquehana Electric Company, The. Susquehana Power Company, The.

Philadelphia Electric Power Company. Public Service Electric and Gas Company.

Public Service of Indiana.

San Diego Gas & Electric Company Southern Services, Inc.:

Alabama Power Company.

Georgia Power Company.

Gulf Power Company.

Mississippi Power Company,

Southern Electric Generating Company. Southern Company, The.

Union Electric Company. Utah Power & Light Company West Texas Utilities Company.

Wisconsin Electric Power Company.

Gas Utilities (Jurisdictional)

Arkansas Louisiana Gas Company.

Colorado Interstate Gas Company, a Division of Colorado Interstate Corporation.

Columbia Gas System Service Corporation.

Consolidated Gas Supply Corporation.

Northern Natural Gas Company. Pacific Gas Transmission Company.

Tennessee Gas Pipeline Company, a Division of Tenneco, Inc.

Texas Eastern Transmission Corporation.

Transcontinental Gas Pipe Line Corporation United Gas Pipe Line Company.

Gas Utilities (Non-Jurisdictional)

Brooklyn Union Gas Company, The. Coastal States Gas Producing Company.

Southern California Gas Company.

State & Federal Commissions

Interstate Commerce Commission. State of New York Public Service Commission.

State of Washington Utilities Transportation Commission.

State of Wisconsin Public Service Commission.

ATTACHMENT B

LIST OF RESPONDENTS

Associations

American Gas Association. Edison Electric Institute. Independent Natural Gas Association of America.

# **RULES AND REGULATIONS**

**Flectric Utilities** 

American Electric Power Company, Inc. Appalachian Power Company. Indiana & Michigan Electric Company. Kentucky Power Company. Kingsport Power Company.

Michigan Power Company. Ohio Power Company.

Wheeling Electric Company.

Atlantic City Electric Company.

Arizona Public Service Company. Boston Edison Company.

Carolina Power & Light Company. Cincinnati Gas & Electric Company, The.

Union Light, Heat and Power Company, The.

Lawrenceburg Gas Transmission Corporation.

Cleveland Electric Illuminating Company, The.

Commonwealth Edison Company. Consumers Power Company.

Duke Power Company.

Empire District Electric Company, The. Florida Power Corporation. Iowa-Illinois Gas and Electric Company. Kansas City Power & Light Company. Maine Yankee Atomic Power Company. Minnesota Power & Light Company. Northern States Power Company. Oklahoma Gas and Electric Company.

Otter Tail Power Company. Pacific Gas and Electric Company. Pacific Power & Light Company.

Pennsylvania Power & Light Company. Philadelphia Electric Company. Public Service Electric and Gas Company. Public Service of Indiana. Southern Services, Inc.:

Alabama Power Company. Georgia Power Company.

Gulf Power Company.

Mississippi Power Company. Southern Electric Generating Company. Utah Power & Light Company. West Texas Utilities Company, Wisconsin Power & Light Company.

# Gas Utilities

Colorado Interstate Gas Company. El Paso Natural Gas Company. Northern Natural Gas Company. Tennessee Gas Pipeline Company. Texas Eastern Transmission Corporation. Transcontinental Gas Pipe Line Corporation.

# State Commissions

Public Utilities Commission of California. Accounting Firms

Arthur Andersen & Co.

[FR Doc.74-3741 Filed 2-15-74;8:45 am]

# [Docket No. R-424; Order No. 505]

UNIFORM SYSTEMS OF ACCOUNTS

Premium, Discount and Expense of Issue, Gains and Losses on Refunding and Reacquisition of Long-Term Debt, and Inter-period Allocation of Income Taxes

# FEBRUARY 11, 1974.

On August 6, 1971, the Commission issued a notice of proposed rulemaking, Docket No. R-424 (36 FR 16069, Au-gust 19, 1971) amended October 13, 1971 (36 FR 20445, October 22, 1971). This rulemaking essentially proposed to establish accounting procedures (a) for premium, discount and expense related to the issuance of long-term debt and for the gains and losses related to refunding and reacquisition of long-term debt and

for (b) comprehensive interperiod tax allocation.

As a matter of convenience for all concerned, that portion of Docket No. R-424 dealing with long-term debt will be handled under this order. Since the remaining portion of Docket No. R-424 relating to interperiod tax allocation ties in with Docket No. R-446 (37 FR 13805, July 14, 1972) containing interrelated tax matters.

Comments were invited from interested parties on Docket No. R-424 on or before October 5, 1971. Due to requests, this date was extended to September 3. 1972. The Commission received comments from sixty-seven respondents, Attachment A. Of these sixty-seven respondents, sixty-two addressed themselves to the long-term debt issues, see Attachment A.

Basically, the proposal concerned four major areas of accounting all having a relation to long-term debt. They were: 1. Accounting for premium, discount

and expense of long-term debt. 2. Accounting for gains and losses on reacquired long-term, when no refunding

is involved.

3. Accounting for gains and losses on reacquisition of long-term debt when a refunding is involved.

4. Adjusting retained earnings and restating balance sheets and income statements retroactively for a ten-year period, as effected by 2, above.

As to the proposal for the accounting and reporting change relating to premium, discount and expense of longterm debt, we are herein implementing the proposal as proposed. We believe that premiums and discounts are inseparable items from the long-term debt creating them and that reporting long-term debt in the aggregate on the balance sheet is a more practical and convenient method for determining not only the real longterm debt liability, but also the effective costs of funds derived from the sale of debt securities. There was little opposition to this proposal.

Concerning the proposal for the accounting and reporting changes relating to gains and losses on reacquiring longterm debt, when no refunding is involved, we are herein implementing the proposal as proposed with an amendment to allow accounting for these gains and losses on a current basis when a regulatory agency having rate jurisdiction over the utility does not require amortization of the gains and losses and apply them to embedded debt cost in determining the rate of return for rate setting purposes.We are aware that the Accounting Principles Board, Opinion No. 26 calls for these amounts to be accounted for in the current accounting period, however, we believe that the accounting and financial statements of a regulated utility should reflect the economic effects of rates, as provided for by the Addendum to the Accounting Principles Board's Opinion No. 2. We established a rate principle in Opinion No. 583, Manufacturer's Light and Heat Company, RP69-16, issued August 17, 1970 (44 FPC 314) that gains

and losses relating to reacquisition of long-term debt should be amortized over the remaining life of the old debt and to deduct the amortization amount from the actual charges for interest to determine the true embedded cost of debt. Failure to provide accounting recognition of this significant ratemaking policy would result in distortions of financial statements.

On the other hand, relative to the above mentioned amendment, we are deeply concerned about the position in which utilities will be placed where a regulatory agency having rate jurisdiction does not consider the above referenced rate principle in establishing rates. It is believed a practical and equitable approach would be one whereby companies are allowed to account for gains and losses relating to reacquisition of long-term debt on a current accounting basis only when the amounts are not used in establishing rates as referenced above.

In connection with the proposal for accounting and reporting of gains and losses on reacquisition of long-term debt by refunding, we are convinced that accounting for this type item should be essentially the same as for the gains and losses concerned with the reacquisition of long-term debt when no refunding is involved, even though we realize the motives behind the two procedures may be somewhat different. Although we are deviating from the Accounting Principles Board Opinion No. 26. as aforementioned, for reacquisitions without refunding we do agree and support the principle that these two type transactions should be accounted for in a consistent manner. Therefore, since the accounting prescribed for reacquisitions without refunding is compelling, then the accounting in this case should follow suit. We are adopting the proposal as proposed.

And finally, we have decided to terminate the portion of the rule which requires restating balance sheets and income statements retroactively for a tenyear period. We do this primarily because of our concern about the impact it may have on the confidence of stockholders, potential investors, and financial analysts, and the fact that financial plans had been developed and decisions made using such statements.

We are also terminating the proposed amendment to Accounts 914, Revenues from Merchandising, Jobbing and Con-tract Work, and 915, Costs and Expenses of Merchandising, Jobbing and Contract Work, since these accounts were revoked by Docket No. R-445 (37 FR 24658, Novvember 18, 1972). Also for consistency sake, it was necessary to apply account numbers 411.4 and 411.5 to the newly established Account 420, Investment Tax Credits (electric only, Order 454, issued July 6, 1972).

Certain constructive suggestions have been embodied in the changes to the Uniform System of Accounts such as when a refunding technique has been selected it shall be followed consistently

and that General Instruction 7 of the systems should contain a language change bringing it into line with the proposals. Certain other minor changes stemming from respondent suggestions. although not substantive in nature, were of considerable value in adding clarity to the accounting text language.

The Commission finds: (1) The notice and opportunity to participate in this rulemaking proceeding with respect to the matters presently before this Commission through the submission, in writing, of data, views, comments and suggestions in the manner as described above are consistent and in accordance with the procedural requirements prescribed by 5 U.S.C. 553.

(2) The amendments to Parts 101 and 104 of the Commission's Uniform System of Accounts for Public Utilities and Licensees, and Annual Report Forms No. 1, No. 1-F, No. 1-M, and No. 5 prescribed by §§ 141.1, 141.2, 141.7, and 141.25, respectively, in Chapter I, Title 18 of the Code of Federal Regulations, herein prescribed, are necessary and appropriate for the administration of the Federal Power Act.

(3) The amendments to Parts 201 and 204 of the Commission's Uniform System of Accounts for Natural Gas Companies and Annual Report Forms No. 2, No. 2-A and No. 11 prescribed by §§ 260.1, 260.2, and 260.3, respectively, in Chapter I, Title 18 of the Code of Federal Regulations, herein prescribed, are necessary and appropriate for administration of the Natural Gas Act.

(4) Since the revisions prescribed herein which were not included in the notice of this proceeding, are consistent with the prime purpose of the proposed rulemaking, further compliance with the notice provision of 5 U.S.C. 553 is unnecessary.

(5) Good cause exists for making the amendments to the Uniform Systems of Accounts for Public Utilities and Licensees and Natural Gas Companies ordered herein, effective January 1, 1973, and the amendments to FPC Annual Report Forms No. 1, No. 1-F, No. 1-M, No. 2, and No. 2-A effective for the reporting year 1973. The effective date of the amendments to FPC Forms No. 5 and No. 11 shall be effective upon issuance of this order.

The Commission, acting pursuant to the provisions of the Federal Power Act, as amended, particularly Sections 301, 302, 303, 304 and 309 thereof (49 Stat. 854-856, 859; 16 U.S.C. 825, 825a, 825b, 825c, 825h) and the Natural Gas Act, as amended, particularly Sections 8, 9, 10 and 16 thereof (52 Stat. 825, 826, 830; 15 U.S.C. 717g, 717h, 717i, 717o), orders:

(A) That portion of the rulemaking proposed in this docket dealing with adjustments to retained earnings and restatement of balance sheet and income statements for a ten-year period, 1961 through 1970, and amendment to Ac-count 114, Electric Plant Acquisition Adjustments, is hereby terminated.

(B) That portion of the rulemaking proposed in this docket dealing with in-

terperiod allocation of income taxes is hereby severed from the remainder of the rulemaking for separate Commission action. Also, that portion of the rulemaking having to do with amending Accounts 914, Revenues from Merchandising, Jobbing and Contract Work, and 915. Costs and Expenses of Merchandising, Jobbing and Contract Work, is terminated since these accounts were subsequently eliminated from the systems of accounts, Docket No. R-445 (37 FR 24658, November 18, 1972).

(C) The Commission's Uniform System of Accounts for Class A and Class B Public Utilities and Licensees prescribed by 18 CFR Part 101 is amended as follows:

# PART 101-UNIFORM SYSTEM OF AC-COUNTS FOR CLASS A AND CLASS B PUBLIC UTILITIES AND LICENSEES

1 The General Instructions are amended:

(a) In instruction "2. Records." paragraph "E" is amended by deleting Account "426, Miscellaneous Income Deductions," and substituting Account 426.5, Other Deductions, therefor.

(b) In instruction "7. Extraordinary Items." the text is amended by amending the first sentence.

(c) Immediately following instruction "16. Separate Accounts or Records for Each Licensed Project." a new instruction "17. Long-Term Debt: Premium, Discount and Expense and Gain or Loss on Reacquisition." is added.

As so amended these portions of the General Instructions read as follows:

# **General Instructions**

. . 2. Records. \* \* \*

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E. All amounts included in the accounts prescribed herein for electric plant and operating expenses shall be just and reasonable and any payments or accruals by the utility in excess of just and reasonable charges shall be included in account 426.5, Other Deductions.

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. 7. Extraordinary Items.

It is the intent that net income shall reflect all items of profit and loss during the period with the exception of prior period adjustments as described in paragraph 7.1 and long-term debt as described in paragraph 17 below. • •

. 17. Long-Term Debt: Premium, Discount and Expense, and Gain or Loss on Reacquisition.

A. Premium, discount and expense. A separate premium, discount and expense account shall be maintained for each class and series of long-term debt (including receivers' certificates) issued or assumed by the utility. The premium will be recorded in account 225, Unamortized Premium on Long-Term Debt, the discount will be recorded in account 226, Unamortized Discount on Long-Term Debt-Debit, and the expense of issuance shall be recorded in account 181, Unamortized Debt Expense.

The premium, discount and expense shall be amortized over the life of the respective issues under a plan which will distribute the amounts equitably over the life of the securities. The amortization shall be on a monthly basis, and amounts thereof relating to discount and expense shall be charged to account 428, Amortization of Debt Discount and Expense. The amounts relating to premium shall be credited to account 429. Amortization of Premium on Debt-Credit.

B. Reacquisition, without refunding. When long-term debt is reacquired or redeemed without being converted into another form of long-term debt and when the transaction is not in connection with a refunding operation (primarily redemptions for sinking fund purposes), the difference between the amount paid upon reacquisition and the face value: plus any unamortized premium less any related unamortized debt expense and reacquisition costs: or less any unamortized discount, related debt expense and reacquisition costs applicable to the debt redeemed, retired and canceled, shall be included in account 189, Unamortized Loss on Reacquired Debt, or account 257, Unamortized Gain on Reacquired Debt, as appropriate. The utility shall amortize the recorded amounts equally on a monthly basis over the remaining life of the respective security issues (old original debt). The amounts so amortized shall be charged to account 428.1, Amortization of Loss on Reacquired Debt, or credited to account 429.1, Amortization of Gain on Reacquired Debt-Credit, as appropriate.

C. Reacquisition, with refunding. When the redemption of one issue or series of bonds or other long-term obligations is financed by another issue or series before the maturity date of the first issue, the difference between the amount paid upon refunding and the face value; plus any unamortized premium less related debt expense or less any unamortized discount and related debt expense, applicable to the debt refunded, shall be included in account 189, Unamortized Loss on Reacquired Debt, or account 257, Unamortized Gain on Reacquired Debt, as appropriate. The utility may elect to account for such amounts as follows:

(1) Write them off immediately when the amounts are insignificant.

(2) Amortize them by equal monthly amounts over the remainder of the original life of the issue retired, or

(3) Amortize them by equal monthly amounts over the life of the new issue.

Once an election is made, it shall be applied on a consistent basis. The amounts in (1), (2) or (3) above shall be charged to account 428.1, Amortization of Loss on Reacquired Debt, or credited to account 429.1, Amortization of Gain on Reacquired Debt-Credit, as appropriate.

D. Under methods (2) and (3) above, the increase or reduction in current income taxes resulting from the reacquisition should be apportioned over the remainder of the original life of the issue

retired or over the life of the new issue, as appropriate, as directed more specifically in paragraphs E and F below.

E. When the utility recognizes the loss in the year of reacquisition as a tax deduction, account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, shall be debited and account 283. Accumulated Deferred Income Taxes-Other, shall be credited with the amount of the related tax effect, such amount to be allocated to the periods affected in accordance with the provisions of account 283

F. When the utility chooses to recognize the gain in the year of reacquisition as a taxable gain, account 411.1. Provision for Deferred Income Taxes-Credit, Utility Operating Income, shall be credited and account 190, Accumulated Deferred Income Taxes, shall be debited with the amount of the related tax effect, such amount to be allocated to the periods affected in accordance with the provisions of account 190.

G. When the utility chooses to use the optional privilege of deferring the tax on the gain attributable to the reacquisition of debt by reducing the depreciable basis of utility property for tax purposes, pursuant to section 108 of the Internal Revenue Code, the related tax effects shall be deferred as the income is recognized for accounting purposes, and the deferred amounts shall be amortized over the life of the associated property on a vintage year basis. Account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, shall be debited, and account 283, Accumulated Deferred Income Taxes-Other, shall be credited with an amount equal to the estimated income tax effect applicable to the portion of the income, attributable to reacquired debt, recognized for accounting purposes during the period. Account 283 shall be debited and account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, shall be credited with an amount equal to the estimated income tax effects, during the life of the property, attributable to the reduction in the depreciable basis for tax purposes.

H. The tax effects relating to gain or loss shall be allocated as above to utility operations except in cases where a portion of the debt reacquired is directly applicable to nonutility operations. In that event, the related portion of the tax effects shall be allocated to nonutility operations. Where it can be established that reacquired debt is generally applicable to both utility and nonutility operations, the tax effects shall be allocated between utility and nonutility operations based on the ratio of net investment in utility plant to net investment in nonutility plant.

I. Premium, discount, or expense on debt shall not be included as an element in the cost of construction or acquisition of property (tangible or intangible), except under the provisions of account 419.1, Allowance for Funds Used During Construction.

J. Alternate method. Where a regulatory authority or a group of regulatory authorities having prime rate jurisdiction over the utility specifically disallows the rate principle of amortizing gains or losses on reacquisition of long-term debt without refunding, and does not apply the gain or loss to reduce interest charges in computing the allowed rate of return for rate purposes, then the following alternate method may be used to account for gains or losses relating to reacquisition of long-term debt, with or without refunding.

(1) The difference between the amount paid upon reacquisition of any long-term debt and the face value, adjusted for unamortized discount, expenses or premium, as the case may be, applicable to the debt redeemed shall be recognized currently in income and recorded in account 421, Miscellaneous Nonoperating Income, or account 426.5, Other Deductions.

(2) When this alternate method of accounting is used, the utility shall include a footnote to each financial statement, prepared for public use, explaining why this method is being used along with the treatment given for ratemaking purposes.

(2.) The Chart of Balance Sheet Accounts is amended:

(a) By revising account title "181, Un-amortized Debt Discount and Expense," to read "181. Unamortized Debt Expense."

(b) Immediately following account "188, Research and Development Expenditures," add new account 189, Unamortized Loss on Reacquired Debt.

(c) Immediately following account "224, Other Long-Term Debt," add two new accounts titled, 225, Unamortized Premium on Long-Term Debt, and 226, Unamortized Discount on Long-Term Deht-Dehit.

(d) By revoking account "251, Unamortized Premium on Debt."

(e) Immediately following account tle "256, Deferred Gains from Disposiaccount title tion of Utility Plant," add account title 257, Unamortized Gain on Reacquired Debt.

As so amended, those portions of the Chart of Balance Sheet Accounts read:

# Balance Sheet Accousis ASSETS AND OTHER DEBITS

. . . 4. DEFERRED DEBITS

181 Unamortized debt expense.

- . .
- 180 Unamortized loss on reacquired debt. . . ٠ . ٠
  - LIABILITIES AND OTHER CREDITS

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- . . . .
- 6. LONG-TERM DEET
- . .
- 225 Unamortized premium on long-term debt.
- Unamortized discount on long-term 226 debt-Debit.
  - .

8. DEFERRED CREDITS 251 [Revoked]

257 Unamortized gain on reaquired debt. .

(3.) The balance sheet accounts are amended:

(a) Revise account title and text of account "181. Unamortized Debt Discount and Expense," As revised, account 181 reads:

181 Unamortized debt expense.

This account shall include expenses related to the issuance or assumption of debt securities. Amounts recorded in this account shall be amortized over the life of each respective issue under a plan which will distribute the amount equitably over the life of the security. The amortization shall be on a monthly basis, and the amounts thereof shall be charged to account 428, Amortization of Debt Discount and Expense. Any unamortized amounts outstanding at the time that the related debt is prematurely reacquired shall be accounted for as indicated in General Instruction 17.

(b) Immediately following account "188, Research and Development Expenditures," add a new account titled 189, Unamortized Loss on Reacquired Debt, to read as follows:

189 Unamortized loss on reacquired deht.

This account shall include the losses on long-term debt reacquired or redeemed. The amounts in this account shall be amortized in accordance with General Instruction 17.

(c) Revise paragraph B of account "222, Reacquired Bonds." As revised, this portion of account 222 reads:

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222 Reacquired bonds. . .

B. When bonds are reacquired, the difference between face value, adjusted for unamortized discount, expenses or premium, and the amount paid upon reacquisition, shall be included in account 189, Unamortized Loss on Reacquired Debt, or account 257, Unamortized Gain on Reacquired Debt, as appropriate. (See General Instruction 17.)

(d) Immediately following account "224, Other Long-Term Debt," add new accounts titled 225, Unamortized Premium on Long-Term Debt, and 226, Unamortized Discount on Long-Term Debt-Debit, to read as follows:

225 Unamortized premium on long-term debt.

A. This account shall include the excess of the cash value of consideration received over the face value upon the issuance or assumption of long-term debt securities.

B. Amounts recorded in this account shall be amortized over the life of each respective issue under a plan which will distribute the amount equitably over the life of the security. The amortization shall be on a monthly basis, with the

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amounts thereof to be credited to account 429, Amortization of Premium on Debt-Credit. (See General Instruction 17.)

226 Unamortized discount on long-term debt-Debit.

A. This account shall include the excess of the face value of long-term debt securities over the cash value of consideration received therefor, related to the issue or assumption of all types and classes of debt.

B. Amounts recorded in this account shall be amortized over the life of the respective issues under a plan which will distribute the amount equitably over the life of the securities. The amortization shall be on a monthly basis, with the amounts thereof charged to account 428. Amortization of Debt Discount and Expense. (See General Instruction 17.)

251 [Revoked]

(e) Revoke account "251, Unamortized Premium on Debt."

(f) Amend paragraphs "A" and "B" of account "255, Accumulateo Deferred In vestment Tax Credits," to eliminate references to account 411.3, Investment Tax Credit Adjustments, and substitute therefor references to account "411.4, Investment Tax Credit Adjustments, Util-ity Operations," and "411.5, Investment Tax Credit Adjustments, Nonutility Operations." As amended, account 255 reads:

255 Accumulated deferred investment tax credits.

A. This account shall be credited and account 411.4, Investment Tax Credit Adjustments, Utility Operations, or 411.5, Investment Tax Credit Adjustments, Nonutility Operations, as appropriate, shall be debited with investment tax credits deferred by companies which do not apply such credits as a reduction of the overall income tax expense in the year in which a tax credit is realized. There can be neither changes in accounting method for electric utility operations nor transfers from this account. except as authorized herein or as may otherwise be authorized by the Commission. (See the special instructions for accounts 411.4 and 411.5.)

B. This account shall be debited and account 411.4 or 411.5, as appropriate, shall be credited with a proportionate amount determined in relation to the average useful life of electric utility or nonutility property to which the tax credits relate, or such lesser period of time as may be adopted and consistently followed by the company.

. . .

(g) Immediately following account "256. Deferred Gains from Disposition of Utility Plant," add a new account 257, Unamortized Gain on Reacquired Debt. As so amended, this portion of the balance sheet accounts reads:

Unamortized gain on reacquired 257 debt.

This account shall include the amounts of discount realized upon reacquisition

or redemption of long-term debt. The amounts in this account shall be amortized in accordance with General Instruction 17.

(4.) The Chart of Income Accounts are amended as follows:

(a) Immediately following account "411.1, Income Taxes Deferred in Prior Years—Credit, Utility Operating In-come," revoke account title "411.3, Investment Tax Credit Adjustments."

(b) Immediately following account "425, Miscellaneous Amortization," re-voke account title "426, Miscellaneous Income Deductions."

(c) Immediately following account "428, Amortization of Debt Discount and Expense," add a new account 428.1, Amortization of Loss on Reacquired Deht

(d) Immediately following account "429, Amortization of Premium on Debt -Credit," add a new account 429.1, Amortization of Gain on Reacquired Debt-Credit.

As so amended the Chart of Income Accounts reads:

INCOME ACCOUNTS 1. UTILITY OPERATING INCOME . . . **Operating expenses:** . . 411.3 [Revoked] . . . 2. OTHER INCOME AND DEDUCTIONS . . . . B. OTHER INCOME DEDUCTIONS . . . 426 [Revoked] . 3. INTEREST CHARGES . ٠ . Amortization of loss on reacquired 428.1 debt.

. 429.1 Amortization of gain on reacquired debt-Credit.

. (5.) The text of the Income Accounts are amended and revised as follows:

(a) Revoke account "411.3, Investment Tax Credit Adjustments."

(b) Immediately following account "411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deductions," add Special Instructions-Accounts 411.4 and 411.5, with text.

(c) Revise the text of accounts "411.4, Investment Tax Credit Adjustments, Utility Operations," and "411.5, Invest-ment Tax Credit Adjustment, Nonutility **Operations.**"

(d) Amend subparagraph (a) of ac-count "420, Investment Tax Credits," by deleting the reference to account "411.3, Investment Tax Credit Adjustments," and substituting therefor a reference to accounts 411.4, Investment Tax Credit Adjustments, Utility Operations, and 411.5, Investment Tax Credit Adjust-

ments, Nonutility Operations. (e) In account "421, Miscellaneous Nonoperating Income," amend item 3 by a phase to the end of the item.

(f) Revoke account "426, Miscellaneous Income Deductions."

(g) Immediately following account "425, Miscellaneous Amortization," add Special Instructions—Accounts 426.1, 426.2, 426.3, 426.4 and 426.5 with text.

(h) In account "426.5, Other Deduc-tions," amend item "3."

(i) In account "428, Amortization of Debt Discount and Expense," revise the last sentence of paragraph A.

(j) Immediately following account "428, Amortization of Debt Discount and Expense," Expense," add a new account 428.1, Amortization of Loss on Reacquired Debt.

.....

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(k) In account "429, Amortization of Premium on Debt-Credit," revise the last sentence of paragraph A.

(1) Immediately following account "429, Amortization of Premium on Debt—Credit," add a new account 429.1, Debt-Amortization of Gain on Reacquired Debt-Credit.

As so amended this portion of the text of the Income Accounts reads:

# **Income Accounts**

1. UTILITY OPERATING INCOME

## . . .

§ 411.3 [Revoked]

### SPECIAL INSTRUCTIONS-ACCOUNTS 411.4 AND 411.5

A. Account 411.4 shall be debited with the amounts of investment tax credits related to electric utility property that are credited to account 255, Accumulated Deferred Investment Tax Credits, by companies which do not apply the entire amount of the benefits of the investment credit as a reduction of the overall income tax expense in the year in which such credit is realized (see account 255).

B. Account 411.4 shall be credited with the amounts debited to account 255 for proportionate amounts of tax credit deferrals located over the average useful life of elec-tric utility property to which the tax credits relate or such lesser period of time as may be adopted and consistently followed by the company.

C. Account 411.5 shall also be debited and credited as directed in paragraphs A and B, for investment tax credits related to nonutility property.

411.4 Investment tax credit adjustments, utility operations.

This account shall include the amount of those investment tax credit adjustments related to property used in Utility Operations (by department).

411.5 Investment tax credit adjustments, nonutility operations.

This account shall include the amount of those investment tax credit adjustments related to property used in Nonutility Operations.

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2. OTHER INCOME AND DEDUCTIONS .

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. 420 Investment tax credits. .

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(a) By amounts equal to debits to accounts 411.4, Investment Tax Credit Adjustments, Utility Operations, and 411.5, Investment Tax Credit Adjust-

ments, Nonutility Operations, for investment tax credits used in calculating income taxes for the year when the company's accounting provides for nondeferral of all or a portion of such credits; and,

. 421 Miscellaneous nonoperating income.

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#### . . .

ITEMS \*

3. Gains on disposition of investments. Also, gains on reacquisition and resale or retirement of utilities debt.securities when the gain is not amortized and used by a jurisdictional regulatory agency to reduce embedded debt cost in establishing rates. See General Instruction 17.

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. . 426 [Revoked]

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SPECIAL INSTRUCTIONS-ACCOUNTS 426.1, 426.2, 426.3. 426.4 AND 426.5

These accounts shall include miscellaneous expense items which are nonoperating in nature but which are properly deductible before determining total income before interest charges.

Note: The classification of expenses as nonoperating and their inclusion in these accounts is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes.

. . 426.5 Other deductions.

- . . . ITEMS
  - . . .

3. Loss on reacquisition, resale or retirement of utility's debt securities, when the loss is not amortized and used by a jurisdictional regulatogry agency to increase embedded debt cost in establishing rates. See General Instruction 17.

> . . . . 3. INTEREST CHARGES

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428 Amortization of debt discount and expense.

A. \* \* \* Amounts charged to this account shall be credited concurrently to accounts 181, Unamortized Debt Expense, and 226, Unamortized Discount on Long-Term Debt-Debit.

428.1 Amortization of loss on reacquired debt.

\*

A. This account shall include the amortization of the losses on reacquisition of debt. Amounts charged to this account shall be credited concurrently to account 189, Unamortized Loss on Reacquired Debt.

B. This account shall be maintained so as to allow ready identification of the loss amortized applicable to each class and series of long-term debt reacquired. See General Instruction 17.

429 Amortization of premium on debt-Credit.

A. \* \* \* Amounts credited to this account shall be charged concurrently to tent that net income shall reflect all

account 225, Unamortized Premium on items of profit and loss during the period Long-Term Debt.

# 429.1 Amortization of gain on reacquired debt-Credit.

A. This account shall include the amortization of the gains realized from reacquisition of debt. Amounts credited to this account shall be charged concurrently to account 257, Unamortized Gain on Reacquired Debt.

B. This account shall be maintained so as to allow ready identification of the gains amortized applicable to each class and series of long-term debt reacquired. See General Instruction 17.

(6.) Revise the Operation and Maintenance Expense Accounts by deleting the words "Discount and" from Note B of account "928, Regulatory Commission Expenses." As revised, Note B of account 928 reads:

928 **Regulatory commission expenses.** .

NOTE B: Do not include in this account amounts includible in account 302, Franchises and Consents, account 181, Unamortized Debt Expense, or account 214, Capital Stock Expense.

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# PART 104-UNIFORM SYSTEM OF AC-COUNTS FOR CLASS C PUBLIC UTIL-**ITIES AND LICENSEES**

(D) The Commission's Uniform System of Accounts for Class C and Class D Public Utilities and Licensees prescribed by Part 104, Chapter I, Title 18 of the Code of Federal Regulations is amended as follows:

(1) The General Instructions are amended:

(a) In instruction "2. Records." paragraph E is amended by deleting Account '426, Miscellaneous Income Deductions," and substituting Account 426.5. Other Deductions, therefor.

(b) In instruction "8. Extraordinary Items." the text is amended by amending the first sentence.

(c) Immediately following instruction "14. Separate Accounts or Records for Each Licensed Project." a new instruction "15. Long-Term Debt: Premium, Discount and Expense and Gain or Loss on Reacquisition." is added. As so amended these portions of the

General Instructions read as follows:

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# - General Instructions

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- 2. Records. . .

E. All amounts included in the accounts prescribed herein for electric plant and operating expenses shall be just and reasonable and any payments or accruals by the utility in excess of just and reasonable charges shall be included in account 426.5, Other Deductions.

8. Extraordinary Items. It is the in-

with the exception of prior period adjustments as described in paragraph 9 and long-term debt as described in paragraph 15 below. \*

15. Long-Term Debt: Premium, Discount and Expense and Gain or Loss on Reacquisition.

A. Premium, discount and expense. A separate premium, discount, and expense account shall be maintained for each class and series of long-term debt (including receivers' certificates) issued or assumed by the utility. The premium will be recorded in account 225, Unamortized Premium on Long-Term Debt, the discount will be recorded in account 226, Unamortized Discount on Long-Term Debt-Debit, and the expense of issuance shall be recorded in account 181. Unamortized Debt Expense.

The premium, discount and expense shall be amortized over the life of the respective issues under a plan which will distribute the amounts equitably over the life of the securities. The amortization shall be on a monthly basis, and amounts thereof relating to discount and expense shall be charged to account 428, Amortization of Debt Discount and Expense. The amounts relating to premium shall be credited to account 429, Amortization of Premium on Debt-Credit.

B. Reacquisition, without refunding. When long-term debt is reacquired or redeemed without being converted into another form of long-term debt and when the transaction is not in connection with a refunding operation (primarily redemptions for sinking fund purposes). the difference between the amount paid upon reacquisition and the face value: plus any unamortized premium less any related unamortized debt expense and reacquisition costs; or less any unamortized discount, related debt expense and reacquisition costs applicable to the debt redeemed, retired and canceled, shall be included in account 189, Unamortized Loss on Reacquired Debt, or account 257, Unamortized Gain on Reacquired Debt, as appropriate. The utility shall amortize the recorded amounts equally on a monthly basis over the remaining life of the respective security issues (old original debt). The amounts so amortized shall be charged to account 428.1, Amortization of Loss on Reacquired Debt, or credited to account 429.1, Amortization of Gain on Reacquired Debt-Credit, as appropriate.

C. Reacquisition, with refunding. When the redemption of one issue or series of bonds or other long-term obligations is financed by another issue or series before the maturity date of the first issue, the difference between the amount paid upon refunding and the face value; plus any unamortized premium less related debt expense or less any unamortized discount and related debt expense, applicable to the debt refunded, shall be included in account 189. Unamortized Loss on Reacquired Debt. or account 257. Unamortized Gain on Reacquired Debt, as appropriate. The util-

ity may elect to account for such amounts as follows: (1) Write them off immediately when

the amounts are insignificant.

(2) Amortize them by equal monthly amounts over the remainder of the original life of the issue retired, or

(3) Amortize them by equal monthly amounts over the life of the new issue.

Once an election is made, it shall be applied on a consistent basis. The amounts in (1), (2) or (3) above shall be charged to account 428.1. Amortization of Loss on Reacquired Debt, or credited to account 429.1, Amortization of Gain on Reacquired Debt-Credit, as appropriate.

D. Under methods (2) and (3) above, the increase or reduction in current income taxes resulting from the reacquisition should be apportioned over the remainder of the original life of the issue retired or over the life of the new issue, as appropriate, as directed more specifically in paragraphs E and F below.

E. When the utility recognizes the loss in the year of reacquisition as a tax reduction, account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, shall be debited and account 283, Accumulated Deferred Income Taxes-Other, shall be credited with the amount of the related tax effect, such amount to be allocated to the periods affected in accordance with the provisions of account 283

F. When the utility chooses to recognize the gain in the year of reacquisition as a taxable gain, account 411.1, Provision for Deferred Income Taxes-Credit, Utility Operating Income, shall be credited and account 190, Accumulated Deferred Income Taxes, shall be debited with the amount of the related tax effect, such amount to be allocated to the periods affected in accordance with the provisions of account 190.

G. When the utility chooses to use the optional privilege of deferring the tax on the gain attributable to the reacquisition of debt by reducing the depreciable basis of utility property for tax purposes, pursuant to section 108 of the Internal Revenue Code, the related tax effects shall be deferred as the income is recognized for accounting purposes, and the deferred amounts shall be amortized over the life of the associated property on a vintage year basis. Account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, shall be debited, and account 283, Accumulated Deferred Income Taxes-Other, shall be credited with an amount equal to the estimated income tax effect applicable to the portion of the income, attributable to reacquired debt, recognized for accounting purposes during the period. Account 283 shall be debited and account 411.1, Provision for Deferred Income Taxes---Credit, Utility Operating Income, shall be credited with an amount equal to the estimated income tax effects, during the life of the property, attributable to the reduction in the depreciable basis for tax purposes.

H. The tax effects relating to gain or loss shall be allocated as above to utility

operations except in cases where a portion of the debt reacquired is directly applicable to nonutility operations. In that event, the related portion of the tax effects shall be allocated to nonutility operations. Where it can be established that reacquired debt is generally applicable to both utility and nonutility operations, the tax effects shall be allocated between utility and nonutility operations based on the ratio of net investment in utility plant to net investment in nonutility plant.

I. Premium, discount, or expense on debt shall not be included as an element in the cost of construction or acquisition of property (tangible or intangible), except under the provisions of account 419.1, Allowance for Funds Used During Construction.

J. Alternate method. Where a regulatory authority or a group of regulatory authorities having prime rate jurisdiction over the utility specifically disallows the rate principle of amortizing gains or losses on reacquisition of long-term debt without refunding, and does not apply the gain or loss to reduce interest charges in computing the allowed rate of return for rate purposes, then the following alternate method may be used to account for gains or losses relating to reacquisition of long-term debt, with or without refunding.

(1) The difference between the amount paid upon reacquisition of any long-term debt and the face value, adjusted for unamortized discount, expenses or pre-mium, as the case may be, applicable to the debt redeemed shall be recognized currently in income and recorded in account 421, Miscellaneous Nonoperating account 426.5. Income. or Other Deductions.

(2) When this alternate method of accounting is used, the utility shall include a footnote to each financial statement, prepared for public use, explaining why this method is being used along with the treatment given for ratemaking purposes.

(2.) The Chart of Balance Sheet Accounts is amended:

(a) By revising account title "181, Unamortized Debt Discount and Expense." "181. to read Unamortized Debt Expense."

(b) Immediately following account "187, Deferred Losses from Disposition of Utility Plant," add new account 189, Unamortized Loss on Reacquired Debt.

(c) Immediately following account "224, Other Long-Term Debt," add two new accounts titled, 225, Unamortized Premium on Long-Term Debt, and 226, Unamortized Discount on Long-Term Debt-Debit.

(d) By revoking account "251, Unamortized Premium on Debt."

(e) Immediately following account title "256, Deferred Gains from Disposition of Utility Plant," add account title 257, Unamortized Gain on Reacquired Debt.

As so amended, those portions of the Chart of Balance Sheet Accounts read:

**Balance Sheet Accounts** ASSETS AND OTHER DEBITS . . . 4. DEFERRED DEBITS 181 Unamortized debt expense. . . . 180 Unamortized loss on reacquired debt. LIABILITIES AND OTHER CREDITS ٠ 6. LONG-TERM DEBT . . . 225 Unamortized premium on long-term debt. Unamortized discount on long-term 226 debt-Debit. . .

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8. DEFERRED CREDITS

251 [Revoked] . . .

. 257 Unamortized gain on reacquired debt.

. . . . . .

(3) The balance sheet accounts are amended:

(a) Revise account title and text of account "181, Unamortized Debt Discount and Expense." As revised, account 181 reads:

181 Unamortized debt expense.

This account shall include expenses related to the issuance or assumption of debt securities. Amounts recorded in this account shall be amortized over the life of each respective issue under a plan which will distribute the amount equitably over the life of the security. The amortization shall be on a monthly basis, and the amounts thereof shall be charged to account 428, Amortization of Debt Discount and Expense. Any unamortized amounts outstanding at the time that the related debt is prematurely reacquired shall be accounted for as indicated in General Instruction 15.

(b) Immediately following account "187, Deferred Losses from Disposition of Utility Plant," add a new account titled 189, Unamortized Loss on Reacquired Debt, to read as follows:

189 Unamortized loss on reacquired debt.

This account shall include the losses on long-term debt reacquired or redeemed. The amounts in this account shall be amortized in accordance with General Instruction 15.

(c) Revise paragraph B of account "221, Bonds." As revised, this portion of account 221 reads:

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221 Bonds. .

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B. When bonds are required, the difference between face value, adjusted for unamortized discount, expenses or premium, and the amount paid upon reacquisition, shall be included in account 189. Unamortized Loss on Reacquired Debt, or account 257, Unamortized Gain on Reacquired Debt, as appropriate. (See General Instruction 15.)

(d) Immediately following account "224, Other Long-Term Debt," add new accounts titled 225, Unamortized Premium on Long-Term Debt, and 226, Unamortized Discount on Long-Term Debt-Debit, to read as follows:

225 Unamortized premium on long-term debt.

A. This account shall include the excess of the cash value of consideration received over the face value upon the issuance or assumption of long-term debt securities.

B. Amounts recorded in this account shall be amortized over the life of each respective issue under a plan which will distribute the amount equitably over the life of the security. The amortization shall be on a monthly basis, with the amounts thereof to be credited to account 429, Amortization of Premium on Debt-Credit. (See General Instruction 15.)

226 Unaniortized discount on long-term debt-Debit.

A. This account shall include the excess of the face value of long-term debt securities over the cash value of consideration received therefor, related to the issue or assumption of all types and classes of debt.

B. Amounts recorded in this account shall be amortized over the life of the respective issues under a plan which will distribute the amount equitably over the life of the securities. The amortization shall be on a monthly basis, with the amounts thereof charged to account 428, Amortization of Debt Discount and Expense. (See General Instruction 15.)

#### 251 [Revoked]

(e) Revoke account "251, Unamortized Premium on Debt."

(f) Amend paragraphs "A" and "B" of account "255, Accumulated Deferred Investment Tax Credits," to eliminate references to account 411.3, Investment Tax Credit Adjustments, and substitute therefor references to account "411.4, Investment Tax Credit Adjustments, Utility Operations," and "411.5, Invest-ment Tax Credit Adjustments, Non-utility Operations." As amended, account 255 will read:

255 Accumulated deferred investment tax credits.

A. This account shall be credited and account 411.4, Investment Tax Credit Adjustments, Utility Operations, or 411.5, Investment Tax Credit Adjust-ments, Nonutility Operations, as appropriate, shall be debited with investment tax credits deferred by companies which do not apply such credits as a reduction of the overall income tax expense in the year in which a tax credit is realized. There can be neither changes in accounting method for electric utility operations nor transfers from this account, except as authorized herein or as may otherwise be authorized by the Commission. (See the special instructions for accounts 411.4 and 411.5.)

B. This account shall be debited and account 411.4 or 411.5, as appropriate,

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shall be credited with a proportionate amount determined in relation to the average useful life of electric utility or nonutility property to which the tax credits relate, or such lesser period of time as may be adopted and consistently followed by the company.

. . .

(g) Immediately following account "256, Deferred Gains from Disposition of Utility Plant," add a new account 257, Unamortized Gain on Reacquired Debt. As so amended, this portion of the balance sheet accounts reads:

257 Unamortized gain on reacquired debt.

This account shall include the amounts of discount realized upon reacquisition or redemption of long-term debt. The amounts in this account shall be amortized in accordance with General .Instruction 15.

(4.) The Chart of Income Accounts are amended as follows:

(a) Immediately following account "411.1, Income Taxes Deferred in Prior Years—Credit, Utility Operating In-come," revoke account title "411.3, Investment Tax Credit Adjustments."

(b) Immediately following account "425, Miscellaneous Amortization," re-voke account title "426, Miscellaneous Income Deductions."

(c) Immediately following account "428, Amortization of Debt Discount and Expense." add a new account 428.1. Amortization of Loss on Reacquired Debt.

(d) Immediately following account "429, Amortization of Premium on Debt— Credit," add a new account 429.1, Amortization of Gain on Reacquired Debt-Credit.

As so amended the Chart of Income Accounts reads:

# INCOME ACCOUNTS

1 UTILITY OPERATING INCOME

|      | 1. UTILITY OF | ERA  | TING . | LNCU | MAR:     |
|------|---------------|------|--------|------|----------|
|      |               |      |        |      |          |
|      | Operatin      | g E  | kpens  | es:  |          |
|      |               |      |        |      |          |
| 11.3 | [Revoked]     |      |        |      |          |
|      |               |      |        |      |          |
| 2    | . OTHER INCOM | AE A | ND DI  | EDUC | TIONS    |
|      |               |      |        |      |          |
|      | B. OTHER INC  | OME  | DEDT   | CTIC | INS      |
|      |               |      |        |      |          |
| 26   | [Revoked]     |      |        |      |          |
|      |               |      |        |      |          |
|      | 3. INTER      | EST  | CHAR   | GES  |          |
|      |               |      |        |      |          |
| 28.1 | Amortization  | of   | loss   | on   | reacquir |

4 h9 debt. . . .

429.1 Amortization of gain on reacquired debt-Credit.

(5.) The text of the Income Accounts are amended and revised as follows:

(a) Revoke account "411.3, Investment Tax Credit Adjustments."

(b) Immediately following account "411.2. Provision for Deferred Income Taxes—Credit, Other Income and De-ductions," add Special Instructions—Accounts 411.4 and 411.5, with text.

(c) Revise the text of accounts "411.4, Investment Tax Credit Adjustments,

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Utility Operations," and "411.5, Investment Tax Credit Adjustments, Nonutility Operations."

(d) Amend subparagraph (a) of account "420, Investment Tax Credits," by deleting the reference to account "411.3, Investment Tax Credit Adjustments," and substituting therefor a reference to accounts 411.4, Investment Tax Credit Adjustments, Utility Operations, and 411.5, Investment Tax Credit Adjust-ments, Nonutility Operations. (e) In account "421, Miscellaneous Nonoperating Income," amend item 3 by

a phrase to the end of the item.

(f) Revoke account "426, Miscellaneous Income Deductions."

Income Deductions. (g) Immediately following account "425, Miscellaneous Amortization," add Snecial Instructions—Accounts 426.1, 426.2, 426.3, 426.4 and 426.5 with text.

(h) In account "426.5, Other Deductions," amend item "3."

(i) In account "428, Amortization of Debt Discount and Expense," revise the

last sentence of paragraph A. (j) Immediately following- account "428, Amortization of Debt Discount and Expense," add a new account 428.1. Amortization of Loss on Reacquired Debt.

(k) In account "429, Amortization of Premium on Debt-Credit," revise the last sentence of paragraph A.

(1) Immediately following account "429. Amortization of Premium on Debt-Credit," add a new account 429.1, Amortization of Gain on Reacquired Debt-Credit.

As so amended this portion of the text of the Income Accounts reads:

# **Income Accounts**

1. UTILITY OPERATING INCOME

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+ + 411.3 [Revoked]

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SPECIAL INSTRUCTIONS-ACCOUNTS 411.4 AND 411.5

A. Account 411.4 shall be debited with the amounts of investment tax credits related to electric utility property that are credited to account 255, Accumulated Deferred Invest-ment Tax Credits, by companies which do not apply the entire amount of the benefits of the investment credit as a reduction of the overall income tax expense in the year in which such credit is realized (see account 255).

B. Account 411.4 shall be credited with the amounts debited to account 255 for proportionate amounts of tax credit deferrals allocated over the average useful life of electric utility property to which the tax credits relate or such lesser period of time as may be adopted and consistently followed by the company.

C. Account 411.5 shall also be debited and credited as directed in paragraphs A and B. for investment tax credits related to nonutility property.

411.4 Investment tax credit adjustments, utility operations.

This account shall include the amount of those investment tax credit adjustments related to property used in Utility Operations (by department).

411.5 Investment tax credit adjustments, nonutility operations.

This account shall include the amount of those investment tax credit adjustments related to property used in Nonutility Operations.

. . .

2. OTHER INCOME AND DEDUCTIONS

. . . .

420 Investment tax credits. . . . .

(a) By amounts equal to debits to accounts 411.4, Investment Tax Credit Adjustments, Utility Operations, and 411.5, Investment Tax Credit Adjustments, Nonutility Operations, for investment tax credits used in calculating income taxes for the year when the company's accounting provides for nondeferral of all or a portion of such credits; and,

. . . . . 421 Miscellaneous nonoperating income.

. . . . ITEMS

3. Gains on disposition of investments. Also, gains on reacquisition and resale or re-tirement of utilities debt securities when the gain is not amortized and used by a jurisdictional regulatory agency to reduce embedded debt cost in establishing rates. See General Instruction 15.

426 [Revoked]

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SPECIAL INSTRUCTIONS-ACCOUNTS 426.1. 426.2, 426.3, 426.4 AND 426.5

These accounts shall include miscellaneous expense items which are nonoperating in nature but which are properly deductible before determining total income before interest charges.

Nore .-- The classification of expenses as nonoperating and their inclusion in these accounts is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes.

#### . 426.5 Other deductions. . .

ITEMS

. 3. Loss on reacquisition, resale or retirement of utility's debt securities, when the loss is not amortized and used by a jurisdictional regulatory agency to increase embedded debt cost in establishing rates. See General Instruction 15.

> . . 3. INTEREST CHARGES

. . .

428 Amortization of debt discount and expense.

A. \* \* \* Amounts charged to this account shall be credited concurrently to accounts 181, Unamortized Debt Expense, and 226. Unamortized Discount on Long-Term Debt-Debit.

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428.1 Amortization of loss on reacquired debt.

A. This account shall include the amortization of the losses on reacquisition of debt. Amounts charged to this account shall be credited concurrently to account 189, Unamortized Loss on Reacquired Debt.

# **RULES AND REGULATIONS**

B. This account shall be maintained so as to allow ready identification of the loss amortized applicable to each class and series of long-term debt reacquired. See General Instruction 15.

429 Amortization of premium on debt-Credit.

A. \* \* \* Amounts credited to this account shall be charged concurrently to account 225, Unamortized Premium on Long-Term Debt.

# 429.1 Amortization of gain on reacquired debt-Credit.

A. This account shall include the amortization of the gains realized from reacquisition of debt. Amounts credited to this account shall be charged concurrently to account 257, Unamortized Gain on Reacquired Debt.

B. This account shall be maintained so as to allow ready identification of the gains amortized applicable to each class and series of long-term debt reacquired. See General Instruction 15.

(6.) Revise the Operation and Maintenance Expense Accounts by deleting the words "Discount and" from Note B of account "928, Regulatory Commission Expenses." As revised, Note B of account 928 reads:

NOTE B: Do not include in this account amounts includible in account 302, Franchises and Consents, account 181, Unamortized Debt Expense, or account 214, Capital Stock Expense.

# PART 201-UNIFORM SYSTEM OF AC-COUNTS FOR NATURAL GAS COM-PANIES (CLASS A AND CLASS B)

(E.) The Commission's Uniform System of Accounts for Class A and Class B Natural Gas Companies prescribed by Part 201, Chapter I, Title 18 of the Code of Federal Regulations is amended as follows:

(1.) The General Instructions are amended:

(a) In instruction "2. Records." paragraph "E" is amended by deleting Account "426, Miscellaneous Income Deductions," and substituting Account 426.5,

Other Deductions, therefor. (b) In instruction "7. Extraordinary Items." the text is amended by amending the first sentence.

(c) Immediately following instruction "16. Significance of Commission Opinions No. 568 and 568A on Accounting." a new instruction "17. Long-Term Debt: Premium, Discount and Expense, and Gain or Loss on Reacquisition." is added.

As so amended these portions of the General Instructions read as follows:

# **General Instructions**

. . .

2. Records. \* \* \* E. All amounts included in the accounts prescribed herein for gas plant and operating expenses shall be just and reasonable and any payments or accruals by

the utility in excess of just and reasonable charges shall be included in account 426.5, Other Deductions. .

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. 7. Extraordinary Items. It is the intent that net income shall reflect all items of profit and loss during the period with the exception of prior period adjustments as described in paragraph 7.1 and long-term debt as described in paragraph 17 below.

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17. Long-Term Debt: Premium, Discount and Expense, and Gain or Loss on Reacquisition—A. Premium, discount and expense. A separate premium, discount and expense account shall be maintained for each class and series of longterm debt (including receivers' certificates) issued or assumed by the utility. The premium will be recorded in account 225, Unamortized Premium on Long-Term Debt, the discount will be recorded in account 226, Unamortized Discount on Long-Term Debt-Debit, and the expense of issuance shall be recorded in account 181, Unamortized Debt Expense.

ing.

The premium, discount and expense shall be amortized over the life of the respective issues under a plan which will distribute the amounts equitably over the life of the securities. The amortization shall be on a monthly basis, and amounts thereof relating to discount and expense shall be charged to account 428, Amortization of Debt Discount and Expense. The amounts relating to premium shall be credited to account 429, Amortization of Premium on Debt-Credit.

B. Reacquisition, without refunding. When long-term debt is reacquired or redeemed without being converted into another form of long-term debt and when the transaction is not in connection with a refunding operation (primarily redemptions for sinking fund purposes), the difference between the amount paid upon reacquisition and the face value: plus any unamortized premium less any related unamortized debt expense and reacquisition costs; or less any unamortized discount, related debt expense and reacquisition costs applicable to the debt redeemed, retired and canceled, shall be included in account 189, Unamortized Loss on Reacquired Debt, or account 257, Unamortized Gain on Reacquired Debt, as appropriate. The utility shall amortize the recorded amounts equally on a monthly basis over the remaining life of the respective security issues (old original debt). The amounts so amortized shall be charged to account 428.1, Amortization of Loss on Reacquired Debt, or credited to account 429.1, Amortization of Gain on Reacquired Debt-Credit, as appropriate.

refunding. C. Reacquisition, with When the redemption of one issue or series of bonds or other long-term obligations is financed by another issue or series before the maturity date of the first issue, the difference between the amount paid upon refunding and the face value; plus any unamortized premium less related debt expense or less any unamortized discount and related debt expense. applicable to the debt refunded, shall be

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в., . . .

922 Regulatory commission c proves. . \* .

included in account 189, Unamortized Loss on Reacquired Debt, or account 257, Unamortized Gain on Reacquired Debt, as appropriate. The utility may elect to account for such amounts as follows:

(1) Write them off immediately when the amounts are insignificant.

(2) Amortize them by equal monthly amounts over the remainder of the original life of the issue retired, or

(3) Amortize them by equal monthly amounts over the life of the new issue.

Once an election is made, it shall be applied on a consistent basis. The amounts in (1), (2), or (3) above shall be charged to account 428.1, Amortization of Loss on Reacquired Debt, or credited to account 429.1, Amortization of Gain on Reacquired Debt.—Credit, as appropriate.

D. Under methods (2) and (3) above, the increase or reduction in current income taxes resulting from the reacquisition should be apportioned over the remainder of the original life of the issue retired or over the life of the new issue, as appropriate, as directed more specifically in paragraphs E and F below.

E. When the utility recognizes the loss in the year of reacquisition as a tax deduction, account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, shall be debited and account 283, Accumulated Deferred Income Taxes— Other, shall be credited with the amount of the related tax effect, such amount to be allocated to the periods affected in accordance with the provisions of account<sup>±</sup> 283.

F. When the utility chooses to recognize the gain in the year of reacquisition as a taxable gain, account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, shall be credited and account 190, Accumulated Deferred Income Taxes, shall be debited with the amount of the related tax effect, such amount to be allocated to the periods affected in accordance with the provisions of account 190.

G. When the utility chooses to use the optional privilege of deferring the tax on the gain attributable to the reacquisition of debt by reducing the depreciable basis of utility property for tax purposes, pursuant to Section 108 of the Internal Revenue Code, the related tax effects shall be deferred as the income is recognized for accounting purposes, and the deferred amounts shall be amortized over the life of the associated property on a vintage year basis. Account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, shall be debited, and account 283, Accumulated Deferred Income Taxes-Other, shall be credited with an amount equal to the estimated income tax effect applicable to the portion of the income, attributable to reacquired debt, recognized for accounting purposes during the period. Account 283 shall be debited and account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, shall be credited with an amount equal to the estimated income tax effects, during the life of the property, attributable to the reduction in the depreciable basis for tax purposes.

H. The tax effects relating to gain or loss shall be allocated as above to utility operations except in cases where a portion of the debt reacquired is directly applicable to nonutility operations. In that event, the related portion of the tax effects shall be allocated to nonutility operations. Where it can be established that reacquired debt is generally applicable to both utility and nonutility operations, the tax effects shall be allocated between utility and nonutility operations based on the ratio of net investment in utility plant to net investment in nonutility plant.

I. Premium, discount, or expense on debt shall not be included as an element in the cost of construction or acquisition of property (tangible or intangible), except under the provisions of account 419.1, Allowance for Funds Used During Construction.

J. Alternate method. Where a regulatory authority or a group of regulatory authorities having prime rate jurisdiction over the utility specifically disallows the rate principle of amortizing gains or losses on reacquisition of long-term debt without refunding, and does not apply the gain or loss to reduce interest charges in computing the allowed rate of return for rate purposes, then the following alternate method may be used to account for gains or losses relating to reacquisition of long-term debt, with or without refunding.

(1) The difference between the amount paid upon reacquisition of any long-term debt and the face value, adjusted for unamortized discount, expenses or premium, as the case may be, applicable to the debt redeemed shall be recognized currently in income and recorded in account 421, Miscellaneous Nonoperating Income, or account 426.5, Other Deductions.

(2) When this alternate method of accounting is used, the utility shall include a footnote to each financial statement, prepared for public use, explaining why this method is being used along with the treatment given for ratemaking purposes.

(2.) The Chart of Balance Sheet Accounts is amended:

(a) By revising account title "181, Unamortized Debt Discount and Expense," to read "181, Unamortized Debt Expense."

(b) Immediately following account "188, Research and Development Expenditures," add new account 189, Unamortized Loss on Reacquired Debt.

(c) Immediately following account "224. Other Long-Term Debt," add two new accounts titled, 225, Unamortized Premium on Long-Term Debt, and 226, Unamortized Discount on Long-Term Debt.—Debit.

(d) By revoking account "251, Unamortized Premium on Debt."

(e) Immediately following account title "256, Deferred Gains from Disposition of Utility Plant," add account title 257, Unamortized Gain on Reacquired Debt.

As so amended, those portions of the Chart of Balance Sheet Accounts read: Balance Sheet Accounts ASSETS AND OTHER DEBITS

. . . .

4. DEFERRED DESTR

181 Unamortized debt expense.

• • • •

LIABILITIES AND OTHER CREDITS

6. LONG-TERM DEBT

• • • •

225 Unamortized premium on long-term

debt. 226 Unamortized discount on long-term debt—Debit.

. . . .

8. DEFERRED CREDITS

251 [Revoked]

. . . . . .

257 Unamortized gain on reacquired debt.

(3.) The balance sheet accounts are amended:

(a) Revise account title and text of account "181, Unamortized Debt Discount and Expense." As revised, account 181 reads:

181 Unamortized debt expense.

This account shall include expenses related to the issuance or assumption of debt securities. Amounts recorded in this account shall be amortized over the life of each respective issue under a plan which will distribute the amount equitably over the life of the security. The amortization shall be on a monthly basis, and the amounts thereof shall be charged to account 428, Amortization of Debt Discount and Expense. Any unamortized amounts outstanding at the time that the related debt is prematurely reacquired shall be accounted for as indicated in General Instruction 17.

(b) Immediately following account "188, Research and Development Expenditures," add a new account titled 189, Unamortized Loss on Reacquired Debt, to read as follows:

189 Unamortized loss on reacquired debt.

This account shall include the losses on long-term debt reacquired or redeemed The amounts in this account shall be amortized in accordance with General Instruction 17.

(c) Revise paragraph B of account "222, Reacquired Bonds." As revised, this portion of account 222 reads:

222 Reacquired bonds.

B. When bonds are reacquired, the difference between face value, adjusted for unamortized discount, expenses or premium, and the amount paid upon reacquisition, shall be included in account 189, Unamortized Loss on Reacquired Debt, or account 257, Unamortized Gain on Reacquired Debt, as appropriate. (See General Instruction 17.)

(d) Immediately following account "224, Other Long-Term Debt," add new accounts titled 225, Unamortized Pre-

mium on Long-Term Debt, and 226, Un- may be adopted and consistently fol- Investment Tax Credit Adjustments," amortized Discount on Long-Term Debt—Debit, to read as follows:

225 Unamortized premium on long-term debt.

A. This account shall include the excess of the cash value of consideration received over the face value upon the issuance or assumption of long-term debt securities.

B. Amounts recorded in this account shall be amortized over the life of each respective issue under a plan which will distribute the amount equitably over the life of the security. The amortization shall be on a monthly basis, with the amounts thereof to be credited to account 429, Amortization of Premium on Debt-Credit. (See General Instruction 17.)

226 Unamortized discount on long-term debt-Debit.

A. This account shall include the excess of the face value of long-term debt securities over the cash value of consideration received therefor, related to the issue or assumption of all types and classes of debt.

B. Amounts recorded in this account shall be amortized over the life of the respective issues under a plan which will distribute the amount equitably over the life of the securities. The amortization shall be on a monthly basis, with the amounts thereof charged to account 428, Amortization of Debt Discount and Expense. (See General Instruction 17.)

#### 251 [Revoked]

(e) Revoke account "251, Unamortized Premium on Debt."

(f) Amend paragraphs "A" and "B" of account "255, Accumulated Deferred In-vestment Tax Credits," to eliminate references to account 411.3, Investment Tax Credit Adjustments, and substitute therefor references to account "411.4, Investment Tax Credit Adjustments, Utility Operations," and "411.5, Investment Tax Credit Adjustments, Nonutility Operations." As amended, account 255 reads:

Accumulated deferred investment 255 tax credits.

A. This account shall be credited and account 411.4, Investment Tax Credit Adjustments, Utility Operations, or 411.5, Investment Tax Credit Adjustments, Nonutility Operations, as appropriate, shall be debited with investment tax credits deferred by companies which do not apply such credits as a reduction of the overall income tax expense in the year in which a tax credit is realized. There can be neither changes in accounting method for gas utility operations nor transfers from this account, except as authorized by the Commission. (See the special instructions for accounts 411.4 and 411.5.)

B. This account shall be debited and account 411.4 or 411.5, as appropriate, shall be credited with a proportionate amount determined in relation to the average useful life of gas utility or nonutility property to which the tax credits relate, or such lesser period of time as

lowed by the company.

(g) Immediately following account "256, Deferred Gains from Disposition of Utility Plant," add a new account 257, Unamortized Gain on Reacquired Debt. As so amended, this portion of the balance sheet accounts reads:

257 Unamortized gain on reacquired debt.

This account shall include the amounts of discount realized upon reacquisition or redemption of long-term debt. The amounts in this account shall be amortized in accordance with General Instruction 17.

(4) The Chart of Income Accounts are amended as follows:

(a) Immediately following account "411.1, Income Taxes Deferred in Prior Years—Credit, Utility Operating In-come," revoke account title "411.3, Investment Tax Credit Adjustments."

(b) Immediately following account "425, Miscellaneous Amortization," re-voke account title "426, Miscellaneous Income Deductions."

(c) Immediately following account "428, Amortization of Debt Discount and Expense," add a new account 428.1, Amortization of Loss on Reacquired Debt.

(d) Immediately following account "429, Amortization of Premium on Debt-Credit," add a new account 429.1, Amortization of Gain on Reacquired Debt-Credit.

As so amended the Chart of Income Accounts reads:

# INCOME ACCOUNTS

|       | •                            | •    |        | •     |            |
|-------|------------------------------|------|--------|-------|------------|
|       | OPERATIN                     | G E: | PENS   | ES:   |            |
|       |                              |      |        |       |            |
| 411.3 | [Revoked]                    |      |        |       |            |
|       |                              |      |        |       |            |
|       | B. OTHER INC                 | OM   | E DEDI | UCTIO | DNS        |
|       |                              |      |        |       |            |
| 426 [ | Revoked ]                    |      | •      |       |            |
|       |                              |      |        |       |            |
|       | 3. INTER                     | EST  | CHAR   | GES   |            |
|       |                              |      |        |       |            |
| 428.1 | Amortization debt.           | of   | 1086   | on    | reacquired |
|       | •                            |      |        |       |            |
| 429.1 | Amortization<br>debt—Credit. | of   | gain   | on    | reacquired |
|       |                              |      |        |       |            |
| (5.)  | ) The text of                | th   | e Inc  | om    | e Accounts |

its are amended and revised as follows:

(a) Revoke account "411.3, Investment Tax Credit Adjustments.'

(b) Immediately following account "411.2, Provision for Deferred Income Taxes--Credit. Other Income and Deductions," add Special Instructions—Ac-counts 411.4 and 411.5, with text.

(c) Revise the text of accounts "411.4, Investment Tax Credit Adjustments, Utility Operations," and "411.5, Investment Tax Credit Adjustments, Nonutility **Opertions.**"

(d) Amend subparagraph (a) of ac-count "420, Investment Tax Credits," by deleting the reference to account "411.3,

and substituting therefor a reference to accounts 411.4, Investment Tax Credit Adjustments, Utility Operations, and

411.5, Investment Tax Credit Adjustments, Nonutility Operations.
(e) In account "421, Miscellaneous Nonoperating Income," amend item 3 by a phrase to the end of the item.

(f) Revoke account "426, Miscellaneous Income Deductions."

(g) Immediately following account "425, Miscellaneous Amortization," add Special Instructions—Accounts 426.1, 426.2, 426.3, 426.4, and 426.5 with text. (h) In account "426.5, Other Deduc-tions," amend item "3".

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(i) In account "428, Amortization of Debt Discount and Expense," revise the last sentence of paragraph A.

(j) Immediately following account "428, Amortization of Debt Discount and Expense," add a new account 428.1, Amortization of Loss on Reacquired Debt.

(k) In account "429, Amortization of Premium on Debt-Credit." revise the last sentence of paragraph A.

(1) Immediately following account "429, Amortization of Premium on Debt-Credit," add a new account 4.29.1. Amortization of Gain on Reacquired Debt-Credit.

As so amended this portion of the text of the Income Accounts reads:

# INCOME ACCOUNTS

1. UTILITY OPERATING INCOME

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. 411.3 [Revoked]

SPECIAL INSTRUCTIONS-ACCOUNTS 411.4 AND 411.5

A. Account 411.4 shall be debited with the amounts of investment tax credits related to gas utility property that are credited to ac-count 255, Accumulated Deferred Investment Tax Credits, by companies which do not apply the entire amount of the benefits of the investment credit as a reduction of the overall income tax expense in the year in which such credit is realized (see account 255). B. Account 411.4 shall be credited with the

mounts debited to account 255 for proportionate amounts of tax credit deferrals allocated over the average useful life of gas utility property to which the tax credits relate or such lesser period of time as may be adopted and consistently followed by the company.

C. Account 411.5 shall also be debited and credited as directed in paragraphs A and B. for investment tax credits related to nonutility property.

411.4 Investment tax credit adjustments. utility operations.

This account shall include the amount of those investment tax credit adjustments related to property used in Utility Operations (by department).

411.5 Investment tax credit adjustments, nonutility operations.

This account shall include the amount of those investment tax credit adjustments related to property used in Nonutility Operations.

. 2. OTHER INCOME AND DEDUCTIONS . . .

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### 420 Investment tax credits. .

(a) By amounts equal to debits to accounts 411.4, Investment Tax Credit Adjustments, Utility Operations, and 411.5, Investment Tax Credit Adjustments, Nonutility Operations, for investment tax credits used in calculating income taxes for the year when the company's accounting provides for nondeferral of all or a portion of such credits; and,

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. . . 421 Miscellaneous nonoperating income. . . . . .

ITEMS

3. Gains on disposition of investments. Also gains on reacquisition and resale or retirement of utilities debt securities when the gain is not amortized and used by a jurisdictional regulatory agency to reduce embedded debt cost in establishing rates. See General Instruction 17.

426 [Revoked]

SPECIAL INSTRUCTIONS-ACCOUNTS 426.1, 426.2, 426.3, 426.4 AND 426.5

These accounts shall include miscellaneous expense items which are nonoperating in nature but which are properly deductible be-fore determining total income before interest charges. Norz: The classification of expenses as

nonoperating and their inclusion in these accounts is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes.

426.5 Other deductions.

- . .
  - ITEMS

3. Loss on reacquisition, resale or retirement of utility's debt securities, when the loss is not amortized and used by a jurisdictional regulatory agency to increase em-bedded debt cost in establishing rates. See General Instruction 17.

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3. INTEREST CHARGES • 1 . .

428 Amortization of debt discount and expense.

A. • • • Amounts charged to this account shall be credited concurrently to accounts 181, Unamortized Debt Expense, and 226, Unamortized Discount on Long-Term Debt-Debit.

428.1 Amortization of loss on reacquired debt.

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A. This account shall include the amortization of the losses on reacquisition of debt. Amounts charged to this account shall be credited concurrently to account 189, Unamortized Loss on Reacquired Debt.

B. This account shall be maintained so as to allow ready identification of the loss amortized applicable to each class and series of long-term debt reacquired. See General Instruction 17.

429 Amortization of premium on debt-Credit.

A. • • • Amounts credited to this account shall be charged concurrently to account 225, Unamortized Premium on Long-Term Debt.

. . 429.1 Amortization of gain on re-acquired debt-Credit.

A. This account shall include the amortization of the gains realized from reacquisition of debt. Amounts credited to this account shall be charged concurrently to account 257, Unamortized Gain on Reacquired Debt.

B. This account shall be maintained so as to allow ready identification of the gains amortized applicable to each class and series of long-term debt reacquired. See General Instruction 17.

(6) Revise the Operation and Maintenance Expense Accounts by deleting the words "Discount and" from Note B of account "928, Regulatory Commission Expenses." As revised, Note B of account 928 reads:

928 Regulatory commission expenses.

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. . . . Nore B: Do not include in this account amounts includible in account 302, Franchises and Consents, account 181, Unamortized Debt Expense, or account 214, Capital Stock Expense.

# PART 204-UNIFORM SYSTEM OF AC-COUNTS FOR NATURAL GAS COM-PANIES (CLASS C AND CLASS D)

(F.) The Commission's Uniform System of Accounts for Class C and Class D Natural Gas Companies prescribed by Part 204, Chapter I, Title 18 of the Code of Federal Regulations is amended as follows:

(1.) The General Instructions are amended:

(a) In instruction "2. Records." para-graph "E" is amended by deleting Account "426, Miscellaneous Income De-ductions," and substituting Account 426.5, Other Deductions, therefor. (b) In instruction "8. Extraordinary

Items." the text is amended by amending the first sentence.

(c) Immediately following instruction "14. Gas Well Records." a new instruction "15. Long-Term Debt: Premium. Discount and Expense, and Gain or Loss on Reacquisition." is added.

As so amended these portions of the General Instructions read as follows:

# **General Instructions**

. ۰ 2. Records. . .

E. All amounts included in the accounts prescribed herein for gas plant and operating expenses shall be just and reasonable and any payments or accruals by the utility in excess of just and reasonable charges shall be included in account 426.5, Other Deductions.

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8. Extraordinary Items.

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It is the intent that net income shall reflect all items of profit and loss during the period with the exception of prior period adjustments as described in paragraph 9 and long-term debt as described in paragraph 15 below. • •

. 15. Long-Term Debt: Premium, Discount and Expense, and Gain or Loss on Reacquisition.

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A. Premium, discount and expense. A separate premium, discount, and expense account shall be maintained for each class and series of long-term debt (including receivers' certificates) issued or assumed by the utility. The premium will be recorded in account 225, Unamortized Premium on Long-Term Debt, the discount will be recorded in account 226, Unamortized Discount on Long-Term Debt-Debit, and the expense of issuance shall be recorded in account 181, Unamortized Debt Expense.

The premium, discount and expense shall be amortized over the life of the respective issues under a plan which will distribute the amounts equitably over the life of the securities. The amortization shall be on a monthly basis, and amounts thereof relating to discount and expense shall be charged to account 428, Amortization of Debt Discount and Expense. The amounts relating to premium shall be credited to account 429, Amortization of Premium on Debt-Credit.

B. Reacquisition, without refunding. When long-term debt is reacquired or redeemed without being converted into another form of long-term debt and when the transaction is not in connection with a refunding operation (primarily re-demptions for sinking fund purposes), the difference between the amount paid upon reacquisition and the face value: plus any unamortized premium less any related unamortized debt expense and reacquisition costs: or less any unamortized discount, related debt expense and reacquisition costs applicable to the debt redeemed, retired and canceled, shall be included in account 189, Unamortized Loss on Reaquired Debt, or account 257, Unamortized Gain on Reacquired Debt, as appropriate. The utility shall amortize the recorded amounts equally on a monthly basis over the remaining life of the respective security issues (old original debt). The amounts so amortized shall be charged to account 428.1, Amortization of Loss on Reacquired Debt, er credited to account 429.1, Amortization of Gain on Reacquired Debt-Credit, as appropriate.

C. Reacquisition, with refunding. When the redemption of one issue or series of bonds or other long-term obligations is financed by another issue or series before the maturity date of the first issue, the difference between the amount paid upon refunding and the face value; plus any unamortized premium less related debt expense or less any unamortized discount and related debt expense, applicable to the debt refunded, shall be included in account 189, Un-

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amortized Loss on Reacquired Debt, or account 257, Unamortized Gain on Reacquired Debt, as appropriate. The utility may elect to account for such amounts as follows:

(1) Write them off immediately when the amounts are insignificant.

(2) Amortize them by equal monthly amounts over the remainder of the original life of the issue retired, or

(3) Amortize them by equal monthly amounts over the life of the new issue.

Once an election is made, it shall be applied on a consistent basis. The amounts in (1), (2) or (3) above shall be charged to account 428.1, Amortization of Loss on Reacquired Debt, or credited to account 429.1, Amortization of Gain on Reacquired Debt—Credit, as appropriate.

D. Under methods (2) and (3) above, the increase or reduction in current income taxes resulting from the reacquisition should be apportioned over the remainder of the original life of the issue retired or over the life of the new issue, as appropriate, as directed more specifically in paragraphs E and F below.

E. When the utility recognizes the loss in the year of reacquisition as a tax deduction, account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, shall be debited and account 283, Accumulated Deferred Income Taxes—Other, shall be credited with the amount of the related tax effect, such amount to be allocated to the periods affected in accordance with the provisions of account 283.

F. When the utility chooses to recognize the gain in the year of reacquisition as a taxable gain, account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, shall be credited and account 190, Accumulated Deferred Income Taxes, shall be debited with the amount of the related tax effect, such amount to be allocated to the periods affected in accordance with the provisions of account 190.

G. When the utility chooses to use the optional privilege of deferring the tax on the gain attributable to the reacquisition of debt by reducing the depreciable basis of utility property for tax purposes, pursuant to Section 108 of the Internal Revenue Code, the related tax effects shall be deferred as the income is recognized for accounting purposes, and the deferred amounts shall be amortized over the life of the associated property on a vintage year basis. Account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, shall be debited, and account 283, Accumulated Deferred Income Taxes-Other shall be credited with an amount equal to the estimated income tax effect applicable to the portion of the income, attributable to reacquired debt, recognized for accounting purposes during the period. Account 283 shall be debited and account 411.1. Provision for Deferred Income Taxes-Credit. Utility Operating Income, shall be credited with an amount equal to the estimated income tax effects, during the life of the property, attributable to the reduction in the depreciable basis for tax purposes.

H. The tax effects relating to gain or loss shall be allocated as above to utility operations except in cases where a portion of the debt reacquired is directly applicable to nonutility operations. In that event, the related portion of the tax effects shall be allocated to nonutility operations. Where it can be established that reacquired debt is generally applicable to both utility and nonutility operations, the tax effects shall be allocated between utility and nonutility operations based on the ratio of net investment in utility plant to net investment in nonutility plant.

I. Premium, discount, or expense on debt shall not be included as an element in the cost of construction or acquisition of property (tangible or intangible), except under the provisions of account 419.1, Allowance for Funds Used During Construction.

J. Alternate method. Where a regulatory authority or a group of regulatory authorities having prime rate jurisdiction over the utility specifically disallows the rate principle of amortizing gains or losses on reacquisition of long-term debt without refunding, and does not apply the gain or loss to reduce interest charges in computing the allowed rate of return for rate purposes, then the following alternate method may be used to account for gains or losses relating to reacquisition of long-term debt, with or without refunding.

(1) The difference between the amount paid upon reacquisition of any longterm debt and the face value, adjusted for unamortized discount, expenses or premium, as the case may be, applicable to the debt redeemed shall be recognized currently in income and recorded in account 421, Miscellaneous Nonoperating Income, or account 426.5, Other Deductions.

(2) When this alternate method of accounting is used, the utility shall include a footnote to each financial statement, prepared for public use, explaining why this method is being used along with the treatment given for ratemaking purposes.

(2.) The Chart of Balance Sheet Accounts is amended:

(a) By revising account title "181, Unamortized Debt Discount and Expense," to read "181, Unamortized Debt Expense."

(b) Immediately following account "187, Deferred Losses from Disposition of Utility Plant," add new account 189, Unamortized Loss on Reacquired Debt.

(c) Immediately following account "224, Other Long-Term Debt," add two new accounts titled, 225, Unamortized Premium on Long-Term Debt, and 226, Unamortized Discount on Long-Term Debt—Debit.

(d) By revoking account "251, Unamortized Premium on Debt."

(e) Immediately following account title "256, Deferred Gains from Disposition of Utility Plant," add account title 257, Unamortized Gain on Reacquired Debt.

As so amended, those portions of the Chart of Balance Sheet Accounts read:

|    |        | Balance | Sheet Acco  | unts  |           |
|----|--------|---------|-------------|-------|-----------|
|    | ASSI   | TS AN   | D OTHER     | DEE   | ITS       |
|    |        |         |             |       |           |
|    |        | 4. DE   | TREED DESI  | -     |           |
| 81 | Unam   | ortized | debt expens | se.   |           |
|    |        |         |             |       |           |
| 89 | Unam   | ortized | loss on rea | cqui  | red debt. |
|    |        |         |             |       |           |
| I  | IABILI | TIES A  | ND OTHE     | R CE  | REDITS    |
|    |        |         |             |       |           |
|    |        | 6. LON  | G-TERM DI   | and a |           |
|    |        |         |             |       |           |
| 25 | Unam   |         | premium     | on    | long-term |
| 26 |        | ortized |             | on    | long-term |
|    |        |         |             |       | +         |
|    |        | 8. DEF  | ERRED CRED  | TTS   |           |
|    |        |         |             |       |           |

251 [Revoked]

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257 Unamortized gain on reacquired debt.(3.) The balance sheet accounts are

amended: (a) Revise account title and text of ac-

court "181, Unamortized Debt Discount and Expense." As revised, account 181 reads:

# 181 Unamortized debt expense.

This account shall include expenses related to the issuance or assumption of debt securities. Amounts recorded in this account shall be amortized over the life of each respective issue under a plan which will distribute the amount equitably over the life of the security. The amortization shall be on a monthly basis, and the amounts thereof shall be charged to account 428, Amortization of Debt Discount and Expense. Any unamortized amounts outstanding at the time that the related debt is prematurely reacquired shall be accounted for as indicated in General Instruction 15.

(b) Immediately following account "188, Research and Development Expenditures," add a new account titled 189, Unamortized Loss on Reacquired Debt, to read as follows:

189 Unamortized loss on reacquired debt.

This account shall include the losses on long-term debt reacquired or redeemed. The amounts in this account shall be amortized in accordance with General Instruction 15.

(c) Revise paragraph B of account "221, Bonds." As revised, this portion of account 221 reads:

# 221 Bonds.

B. When bonds are reacquired, the difference between face value, adjusted for unamortized discount, expenses or premium, and the amount paid upon reacquisition, shall be included in account 189, Unamortized Loss on Reacquired Debt, or account 257, Unamortized Gain on Reacquired Debt, as appropriate. (See General Instruction 15.)

(d) Immediately following account "224, Other Long-Term Debt," add new accounts titled 225, Unamortized Pre-

mium on Long-Term Debt, and 226, Unamortized Discount on Long-Term Debt-Debit, to read as follows:

Unamortized premium on long-term 225 debt.

A. This account shall include the excess of the cash value of consideration received over the face value upon the issuance or assumption of long-term debt securities.

B. Amounts recorded in this account shall be amortized over the life of each respective issue under a plan which will distribute the amount equitably over the life of the security. The amortization shall be on a monthly basis, with the amounts thereof to be credited to account 429, Amortization of Premium on Debt-Credit. (See General Instruction 15.)

Unamortized discount on long-term 226 debt-Debit.

A. This account shall include the excess of the face value of long-term debt securities over the cash value of consideration received therefor, related to the issue or assumption of all types and classes of debt.

B. Amounts recorded in this account shall be amortized over the life of the respective issues under a plan which will distribute the amount equitably over the life of the securities. The amortization shall be on a monthly basis, with the amounts thereof charged to account 428, Amortization of Debt Discount and Expense. (See General Instruction 15.)

(e) Revoke account "251, Unamortized Premium on Debt."

(f) Amend paragraphs "A" and "B" of account "255, Accumulated Deferred Investment Tax Credits," to eliminate references to account 411.3, Investment Tax Credit Adjustments, and substitute therefor references to account "411.4, Investment Tax Credit Adjustments, Util-ity Operations," and "411.5, Investment Tax Credit Adjustments, Nonutility Operations." As amended, account 255 reads:

255 Accumulated deferred investment tax credits.

A. This account shall be credited and account 411.4. Investment Tax Credit Adjustments, Utility Operations, or 411.5, Investment Tax Credit Adjustments, Nonutility Operations, as appropriate, shall be debited with investment tax credits deferred by companies which do not apply such credits as a reduction of the overall income tax expense in the year in which a tax credit is realized. There can be neither changes in accounting method for gas utility operations nor transfers from this account, except as authorized herein or as may otherwise be authorized by the Commission. (See the special instructions for accounts 411.4 and 411.5.)

B. This account shall be debited and account 411.4 or 411.5, as appropriate, shall be credited with a proportionate amount determined in relation to the average useful life of gas utility or nonutility property to which the tax credits relate, or such lesser period of time as

may be adopted and consistently followed by the company.

(g) Immediately following account "256, Deferred Gains from Disposition of Utility Plant," add a new account 257, Unamortized Gain on Reacquired Debt. As so amended, this portion of the balance sheet accounts reads:

257Unamortized gain on reacquired debt.

This account shall include the amounts of discount realized upon reacquisition or redemption of long-term debt. The amounts in this account shall be amortized in accordance with General Instruction 15.

(4.) The Chart of Income Accounts are amended as follows:

(a) Immediately following account "411.1, Income Taxes Deferred in Prior Years—Credit, Utility Operating Income," revoke account title "411.3, Investment Tax Credit Adjustments.

(b) Immediately following account "425, Miscellaneous Amortization," re-voke account title "426, Miscellaneous Income Deductions."

(c) Immediately following account "428, Amortization of Debt Discount and Expense," add a new account 428.1, Amortization of Loss on Reacquired Debt.

(d) Immediately following account "429, Amortization of Premium on Debt--Credit," add a new account 429.1, Amortization of Gain on Reacquired Debt-Credit.

As so amended the Chart of Income Accounts reads:

## **Income** Accounts

1. UTILITY OPERATING INCOME \* **Operating Expenses:** 411.3 [Revoked] B. OTHER INCOME DEDUCTIONS 426 [Revoked] 3. INTEREST CHARGES 428.1

Amortization of loss on reacquired debt.

429.1 Amortization of gain on reacquired debt-Credit.

(5.) The text of the Income Accounts are amended and revised as follows:

(a) Revoke account "411.3, Investment Tax Credit Adjustments."

(b) Immediately following account "411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deduc-tions," add Special Instructions—Accounts 411.4 and 411.5, with text.

(c) Revise the text of accounts "411.4, Investment Tax Credit Adjustments, Utility Operations," and "411.5, Investment Tax Credit Adjustments, Nonutility Operations."

(d) Amend subparagraph (a) of ac-

count "420, Investment Tax Credits," by deleting the reference to account "411.3, Investment Tax Credit Adjustments," and substituting therefor a reference to accounts 411.4, Investment Tax Credit Adjustments, Utility Operations, and 411.5, Investment Tax Credit Adjustments, Nonutility Operations.
(e) In account "421, Miscellaneous

Nonoperating Income," amend item 3 by a phrase to the end of the item.

(f) Revoke account "426, Miscellane-ous Income Deductions."

(g) Immediately following account "425, Miscellaneous Amortization," add Special Instructions-Accounts 426.1,

426.2, 426.3, 426.4 and 426.5 with text.

(h) In account "426.5, Other Deductions," amend item "3."
(i) In account "428, Amortization of Debt Discount and Expense," revise the last sentence of paragraph A.

(j) Immediately following account "428, Amortization of Debt Discount and Expense," add a new account 428.1, Amortization of Loss on Reacquired Debt.

(k) In account "429, Amortization of Premium on Debt-Credit," revise the last sentence of paragraph A.

(1) Immediately following account "429, Amortization of Premium on Debt-Credit," add a new account 429.1, Amortization of Gain on Reacquired Debt-Credit.

As so amended this portion of the text of the Income Accounts reads:

# **Income Accounts**

1. UTILITY OPERATING INCOME

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411.3 [Revoked]

SPECIAL INSTRUCTIONS-ACCOUNTS 411.4 AND 411.5

A. Account 411.4 shall be debited with the amounts of investment tax credits related to gas utility property that are credited to account 255, Accumulated Deferred Investment Tax Credits, by companies which do not apply the entire amount of the bene-fits of the investment credit as a reduction of the overall income tax expense in the year in which such credit is realized (see account 255).

B. Account 411.4 shall be credited with the amounts debited to account 255 for propor-tionate amounts of tax credit deferrals allocated over the average useful life of gas utility property to which the tax credits relate or such lesser period of time as may be adopted and consistently followed by the company.

C. Account 411.5 shall also be debited and credited as directed in paragraphs A and B, for investment tax credits related to nonutility property.

411.4 Investment tax credit adjustments, utility operations.

This account shall include the amount of those investment tax credit adjustments related to property used in Utility Operations (by department).

411.5 Investment tax credit adjustments, nonutility operations.

This account shall include the amount of those investment tax credit adjustments related to property used in Nonutility Operations.

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2. OTHER INCOME AND DEDUCTIONS

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. . . . 420 Investment tax credits.

. . .

(a) By amounts equal to debits to accounts 411.4, Investment Tax Credit Adjustments, Utility Operations, and 411.5, Investment Tax Credit Adjustments, Nonutility Operations, for Investment tax credits used in calculating income taxes for the year when the company's accounting provides for nondeferral of all or a portion of such credits; and.

. . . 421 Miscellaneous nonoperating income.

. . . . .

> ITEMS .

3. Gains on disposition of investments. Also, gains on reacquisition and resale or retirement of utilities debt securities when the gain is not amortized and used by a ju-risdictional regulatory agency to reduce em-

bedded debt cost in establishing rates. See General Instruction 15.

426 [Revoked]

SPECIAL INSTRUCTIONS-ACCOUNTS 426.1, 426.2, 426.3, 426.4 AND 426.5

These accounts shall include miscellaneous expense items which are nonoperating in nature but which are properly deductible before determining total income before interest charges. Note: The classification of expenses as

nonoperating and their inclusion in these accounts is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes.

426.5 Other deductions.

. . . ITEMS .

3. Loss on reacquisition, resale or retirement of utility's debt securities, when the loss is not amortized and used by a jurisdictional regulatory agency to increase embedded debt cost in establishing rates. See General Instruction 15.

. . . . 3. INTEREST CHARGES

. . 

428 Amortization of debt discount and expense.

A. • • • Amounts charged to this account shall be credited concurrently to accounts 181, Unamortized Debt Expense, and 226, Unamortized Discount on Long-Term Debt-Debit.

. . . .

428.1 Amortization of loss on reacquired deht.

A. This account shall include the amortization of the losses on reacquisition of debt. Amounts charged to this account shall be credited concurrently to account 189, Unamortized Loss on Reacquired Debt.

B. This account shall be maintained so as to allow ready identification of the

loss amortized applicable to each class and series of long-term debt reacquired. See General Instruction 15.

429 Amortization of premium on debt-Credit.

A. \* \* \* Amounts credited to this account shall be charged concurrently to account 225, Unamortized Premium on Long-Term Debt.

429.1 Amortization of gain on reacquired debt-Credit.

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A. This account shall include the amortization of the gains realized from reacquisition of debt. Amounts credited to this account shall be charged con-currently to account 257, Unamortized Gain on Reacquired Debt.

B. This account shall be maintained so as to allow ready identification of the gains amortized applicable to each class and series of long-term debt reacquired. See General Instruction 15.

(6.) Revise the Operation and Maintenance Expense Accounts by deleting the words "Discount and" from Note B of account "928, Regulatory Commission Expenses." As revised, Note B of account 928 reads:

928 Regulatory commission expenses. .

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NOTE B: Do not include in this account amounts includible in account 302, Franchises and Consents, account 181, Unamortized Debt Expense, or account 214, Capital Stock Expense.

# PART 141-STATEMENTS AND REPORTS (SCHEDULES)

# PART 260-STATEMENTS AND REPORTS (SCHEDULES)

(G.) Subparagraph (d) of § 141.1, Part 141, Subchapter D, Chapter I, Title 18 CFR, is amended by adding a schedule titled, Unamortized Loss and Gain on Reacquired Debt, immediately following schedule "Deferred Losses from Disposition of Utility Plant." As so amended, the subparagraph reads:

§ 141.1 Form No. 1, Annual report for cleases A and Class B).

. . (d) This annual report contains the

following schedules: . . .

Unamortized Loss and Gain on Reacquired Debt

(H.) Subparagraph (c) of § 260.1, Part 260, Subchapter G, Chapter I, Title 18 CFR, is amended by adding a schedule titled, Unamortized Loss and Gain on Reacquired Debt, immediately following schedule "Deferred Losses from Disposi-tion of Utility Plant." As so amended, the subparagraph will read:

§ 260.1 Form No. 2, Annual report for natural gas companies (Class A and Class B).

. .

(c) This annual report contains the following schedules:

. Unamortized Loss and Gain on Reacquired Debt. .

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(I.) Schedule pages 110 and 111, Comparative Balance Sheet, 112, Notes to Balance Sheet, and 116A, Statement of Income for the Year, in FPC Form No. 1, Annual Report for Public Utilities, Licensees and Others (Class A and Class B), prescribed by § 141.1, Chapter I, Title 18 of the Code of Federal Regulations are amended as set forth in Attachments B and D hereto.

(J.) Schedule pages 110 and 111, Comparative Balance Sheet, 112, Notes to Balance Sheet, and 116A, Statement of Income for the Year, in FPC Form No. 2, Annual Report for Natural Gas Companies (Class A and Class B), prescribed by § 260.1, Chapter I, Title 18 of the Code of Federal Regulations are amended as set forth in Attachments C and D hereto.

(K.) Schedule pages 211, Unamortized Debt Discount and Expense and Unamortized Premium on Debt (Accounts 181 and 251), 220, Securities Issued or Assumed and Securities Refunded or Retired During the Year, 304, Particulars Concerning Certain Income Deduction and Interest Charges Accounts, and 305, Expenditures for Certain Civic, Political and Related Activities (Subaccount 426.4), in FPC Form No. 1, Annual Report for Public Utilities and Licensees and Others (Class A and Class B), prescribed by § 141.1, Chapter I, Title 18 of the Code of Federal Regulations and FPC Form No. 2, Annual Report for Natural Gas Companies (Class A and Class B), prescribed by § 260.1, Chapter I, Title 18 of the Code of Federal Regulations are revised as set forth in Attachment D hereto.

(L.) Schedule page 214B, Unamortized Loss and Gain on Reacquired Debt (Accounts 189, 257), is added to FPC Form No. 1, Annual Report for Public Utilities, Licensees and Others (Class A and Class B) prescribed in § 141.1, Chapter I, Title 18 of the Code of Federal Regula-tions and FPC Form No. 2, Annual Report for Natural Gas Companies (Class A and Class B) prescribed in § 260.1, Chapter I, Title 18 of the Code of Federal Regulations, as set forth in Attachment E hereto.

(M.) Schedule pages 3, Comparative Balance Sheet, and 6, Statement of Income for the Year, in FPC Form No. 1-F, Annual Report for Public Utilities and Licensees (Class C and Class D) prescribed by § 141.2, Chapter I, Title 18 of the Code of Federal Regulations are amended as set out in Attachments F and H hereto.

(N.) Schedule pages 3, Comparative Balance Sheet and 6, Statement of Income for the Year, in FPC Form No. 2-A, Annual Report of Natural Gas Companies, prescribed by § 260.2, Chapter I, Title 18 of the Code of Federal Regulations are amended as set out in Attachments G and H hereto.

(O.) Schedule page 2, Balance Sheet in FPC Form No. 1-M, Annual Report for Municipal Electric Utilities Having Annual Electric Operating Revenues of \$250,000 or more, prescribed by § 141.7, Chapter I, Title 18 of the Code of Federal hereto.

(P.) FPC Form No. 5, Monthly Statement of Electric Operating Revenue and Income, prescribed by § 141.25, Chapter I, Title 18 of the Code of Federal Regulations is amended as set out in Attachment J hereto.

(Q.) FPC Form No. 11, Natural Gas Pipeline Company Monthly Statement, prescribed by § 260.3, Chapter I, Title 18 of the Code of Federal Regulations is amended as set out in Attachment K hereto.

(R.) The Secretary shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission.

[SEAL] KENNETH F. PLUMB, Secretary.

Note: The new or revised scheduled pages for specified FPC forms appended to this Order have been reviewed and approved by the Comptroller General of the United States under provisions of Section 409 of Public Law 93-153 and assigned the following approval numbers:

Proval numbers: Form No. 1—B180228 (R0005) Form No. 1F—B180228 (R0006) Form No. 1M—B180228 (R0007) Form No. 2—B180228 (R0008) Form No. 2A—B180228 (R0009) Form No. 5—B180228 (R0010) Form No. 11-B180228 (R0011)

ATTACHMENT A-LIST OF RESPONDENTS

ACCOUNTING FIRMS

Arthur Andersen & Co. Haskins & Sells

Lybrand Ross Bros. & Montgomery

ASSOCIATIONS

American Accounting Association Ad Hoc Committee, The American Gas Association

Edison Electric Institute Independent Natural Gas Association of

America Subcommittee of Staff Experts on Accounting, NARUC

ELECTRIC UTILITIES

Alabama Power Company

American Electric Power System Companies Appalachian Power Company Indiana and Michigan Electric Company Kentucky Utilities Company Kingsport Power Company

Michigan Gas and Electric Company

Ohio Power Company Wheeling Electric Company

Arizona Public Service Company

**Baltimore Gas and Electric Company** 

Baston Edison Company<sup>1</sup> Carolina Power & Light Company Central Vermont Public Service Corporation

Cincinnati Gas & Electric Company Cleveland Electric Illuminating Company, The

<sup>1</sup> Attachments B-K and a dissenting statement filed by Commissioner Moody are filed as part of the original document.

Columbus and Southern Ohio Electric Com-

pany Commonwealth Edison Company **Community Public Service Company** Consumers Power Company Detroit Edison Company, The Duke Power Company Florida Power Corporation Georgia Power Company General Public Utilities Corporation<sup>1</sup> Jersey Central Power and Light Company Metropolitan Edison Company New Jersey Power and Light Company Pennsylvania Electric Company Gulf Power Company Gulf States Utilities Company Idaho Power Company Iowa Electric Light and Power Company Iowa-Illinois Gas and Electric Company Louisville Gas & Electric Company<sup>1</sup> Mississippi Power Company Montana-Dakota Utilities Company Montana Power Company, The Northern States Power Company Oklahoma Gas and Electric Company<sup>1</sup> Otter Tail Power Company Pacific Gas and Electric Company Pacific Power & Light Company Pennsylvania Power & Light Company Philadelphia Electric Company Conowingo Power Company Susquehanna Electric Company, The Susquehanna Power Company, The Philadelphia Electric Power Company Public Service Electric and Gas Company Public Service Indiana San Diego Gas & Electric Company Southern Services, Inc. Alabama Power Company Georgia Power Company Gulf Power Company Mississippi Power Company Southern Electric Generating Company Southern Company, The Union Electric Company Utah Power & Light Company West Texas Utilities Company Wisconsin Electric Power Company GAS UTILITIES (JURISDICTIONAL) Arkansas Louisiana Gas Company

Colorado Interstate Gas Company, a division of Colorado Interstate Corporation

Columbia Gas System Service Corporation

Consolidated Gas Supply Corporation Northern Natural Gas Company

Pacific Gas Transmission Company Tennessee Gas Pipeline Company, a division of Tenneco, Inc.

Texas Eastern Transmission Corporation Transcontinental Gas Pipe Line Corporation United Gas Pipe Line Company

GAS UTILITIES (NON-JURISDICTIONAL)

Brooklyn Union Gas Company, The Coastal States Gas Producing Company Southern California Gas Company

STATE AND FEDERAL COMMISSIONS

Interstate Commerce Commission State of New York Public Service Commission State of Washington Utilities Transportation Commission

State of Wisconsin Public Service Commission

[FR Doc.74-3742 Filed 2-15-74;8:45 am]

<sup>1</sup> Did not address themselves to the subject of Accounting for Premium, Discount and Expense of Issue, Gains and Losses on Re-funding and Reacquisition of Long-Term Debt. Commented on Interperiod Tax Allocation only.

**Title 19—Customs Duties** CHAPTER I--UNITED STATES CUSTOMS SERVICE, DEPARTMENT OF THE TREAS-URY

[T.D. 74-63]

-VESSELS IN FOREIGN AND DOMESTIC TRADES PART 4

**Coastwise Movement of LASH-type Barges** 

On June 25, 1973, a notice of proposed rule making was published in the FEDERAL REGISTER (38 FR 16656), which proposed to amend §§ 4.80(b), 4.81, and 4.93(a)(1) of the Customs regulations and add a new § 4.81a to the Customs regulations to specify conditions and procedures controlling LASH-type barge activity in coastwise movements.

The proposed amendments set forth arrival and departure procedures and special permit-to-proceed procedures applicable to LASH-type barges engaged in coastwise trade. In addition, the amendments reflect and implement Public Law 92-163 (85 Stat. 486; T.D. 72-18), which amended section 27, Merchant Marine Act, 1920, as amended (46 U.S.C. 883), by extending the coastwise laws exemptions afforded to the transportation of empty LASH-type barges to certain barge equipment and by providing. with certain exceptions, for the coastwise transportation of inward foreign cargo and export cargo by (1) United Statesflag LASH-type barges not qualified to engage in the coastwise trade, and (2) LASH-type barges of nations found to grant reciprocal privileges to United States-flag LASH-type barges, when the cargo has been transferred from one LASH-type barge to another barge owned or leased by the same owner or operator.

Interested persons were given 30 days from the date of publication of the notice to submit relevant written data, views, or regarding the proposed arguments amendments to the Customs regulations. After consideration of all comments received, the following changes are made in the proposed amendments:

1. Section 4.81(g) (4) is deleted and is replaced with provisions authorizing the master of the towing vessel to designate in writing the owner or operator of the LASH-type barges as his representative with the authority to execute and deliver documents required under permit-toproceed procedures, and authorizing the owner or operator of one or more towing vessels to present a blanket designation on behalf of masters of their towing vessels.

2. The second and third sentences of replaced § 4.81(g) (4) are redesignated as § 4.81(g)(6).

3. A new subparagraph (5) is inserted in § 4.81(g) to authorize the use of company seals as an alternative to Customs seals for the purpose of securing the LASH-type barges.

4. Section 4.81a is redesignated as § 4.81a(a) and a new paragraph (b) is inserted providing that the Federal Re-

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public of Germany has been found to extend privileges reciprocal to those provided in § 4.81a(a) to United States-flag LASH-type barges. Subsequent to the date of publication of the notice of proposed rule making, the Department of State furnished information from the Federal Republic of Germany on this subject and it has been found that the Federal Republic of Germany extends such reciprocal privileges to United States-flag LASH-type barges.

Accordingly, the proposed amendments, modified to include these changes, are adopted as set forth below.

Effective date. These amendments shall become effective on March 21, 1974.

[SEAL] VERNON D. ACREE, Commissioner of Customs.

Approved: February 7, 1974.

JAMES B. CLAWSON,

Acting Assistant Secretary of the Treasury.

1. Paragraph (b) of § 4.80 is amended to read as follows:

§ 4.80 Vessels entitled to engage in coastwise trade.

. .

(b) Any vessel of the United States, whether or not entitled under paragraph (a) of this section to engage in the coastwise trade, and any foreign vessel may proceed between points in the United States embraced within the coastwise laws to discharge cargo or passengers laden at a foreign port, to lade cargo or passengers for a foreign port, in ballast, or to transport certain articles in accordance with § 4.93. Cargo laden at a foreign port may be retained on board during such movements. Furthermore, certain barges of United States or foreign flag may transport transferred merchandise between points in the United States embraced within the coastwise laws, excluding transportation between the continental United States and a noncontiguous point in the United States embraced within the coastwise laws, in accordance with § 4.81a.

2. The citation of authority for § 4.80 is amended to read:

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(R.S. 4132, as amended, R.S. 4214, as amended, R.S. 4311, as amended, secs. 7, 8, 24 Stat. 81, as amended, secs. 2, 9, 39 Stat. 729, as amended, 730, as amended, secs. 22, 27, 41 Stat. 997, 999, as amended, 72 Stat. 1736; 46 U.S.C. 11, 13, 103; 251, 269, 319, 802, 808, 883, 883-1)

3. Section 4.81 is amended by adding a new paragraph (g) to read as follows:

§ 1.81 Reports of arrivals and departures in coastwise trade.

. .

(g) In lieu of the procedures stated in §§ 4.85 and 4.87 and at the option of the owner or operator, sealed unmanned non-self-propelled barges specifically designed for carriage aboard a vessel and regularly carried aboard a vessel in the foreign trade, hereinafter referred to as LASH-type barges, may

move under a simplified permit-to-proceed procedure as follows:

(1) At the port where a LASH-type barge begins a coastwise movement with inward foreign cargo, a permit to proceed on Customs Form 1301 must be obtained. The required oath shall be executed on Customs Form 1300. A single permit to proceed may be used for all the barges proceeding to the same port of unlading in the same tow. An inward foreign manifest of the cargo in each barge, destined to the port of unlading shown on the permit to proceed, must be attached to each permit and a Customs Form 7512-C must be prepared for each permit. At the port of unlading of the barge, report of arrival and entry must be made within 24 hours to the appropriate Customs officer by presentation of the permit to proceed, manifests, Form 7512-C obtained at the preceding port, a new master's oath, and a new General Declaration (Customs Form 1301). If only part of the inward foreign cargo is unladen, a new permit to proceed must be obtained, the inward foreign manifests shall be attached to it, the master's oath shall be filed, a new Form 7512-C shall be prepared, and the barge shall be resealed.

(2) At the port where a LASH-type barge begins a coastwise movement with export cargo, a permit to proceed on Customs Form 1301 and a master's oath must be presented to the appropriate Customs officer. A single permit to proceed and master's oath may be presented for all the barges proceeding from the same port of lading in the same tow, Required shipper's export declarations for LASH-type barges must be filed at the port where the barges will be taken aboard a barge-carrying vessel. Where a complete manifest is not available at the port of lading, the permit to proceed must include a statement that a complete manifest and shipper's export declaration for each barge will be filed at the port where the barge will be taken aboard a barge-carrying vessel, and that port must be identified in the statement. At the next port, a report of arrival must be made within 24 hours and entry must be made within 48 hours by presentation of the permit to proceed received upon departure from the prior port, a newly executed General Declaration (Customs Form 1301), and a master's oath.

(3) When foreign LASH-type barges are proceeding between ports of the United States under paragraph (e) of this section, a single permit to proceed may be used for all the barges proceeding to the same port in the same tow.

(4) In lieu of the master of the towing vessel executing and delivering documents required under permit-to-proceed procedures (see § 4.81(f)) at the port where a LASH-type barge begins a coastwise moyement, the master of the towing vessel may designate in writing the owner or operator of the barges as his representative with authority to execute and deliver such documents at the customhouse. The owner or operator of the barges may designate representatives to perform such functions at ports or places where permit-to-proceed documents must be

delivered. Documents obtained from Customs officers at one place by such a representative may be forwarded by any suitable means to the representative who must present them to Customs officers at another place, the only requirement being that the forms are properly completed and are presented within the prescribed time periods. Moreover, instead of a written designation from each master of a towing vessel, a blanket designation in writing from the owner or operator of one or more towing vessels on behalf of masters of their towing vessels, designating the owner or operator of the barges to be the representative of the master for purposes of executing and delivering permit-to-proceed documents, is authorized.

(5) Uncolored seals stamped "U.S. Customs" shall be used to seal LASHtype barges (see § 24.13(b) of this chapter). When sealing is performed for private parties under Customs supervision, the seals shall be furnished for such use without charge (see § 24.13(f) of this chapter). In lieu of Customs seals, company seals affixed abroad or immediately upon arrival may be used. In no case will the sealing of a barge moving solely with export cargo or in ballast be required. The seal number of the company seals used on a barge moving with inward foreign cargo under a permit to proceed must be listed on the General Declaration, Customs Form 1301. At the port of unlading of the merchandise, the seal of the barge will be physically verified by Customs officers or, at the discretion of the district director, the seal will be presented to Customs officers for comparison of the number with the General Declaration.

(6) When a LASH-type barge is proceeding to a place in the United States that is not a port of entry, § 1.3 (b) and (c) of this chapter are applicable. No merchandise shall be unladen from a LASH-type barge until a permit or special license therefor is obtained in accordance with § 4.30 except that a single permit to unlade may be used for all barges that arrived at the port of unlading in the same tow.

4. The citation of authority for § 4.81 is amended to read as follows:

(R.S. 4132, as amended, R.S. 4311, as amended, R.S. 4367, R.S. 4368, sec. 27, 41 Stat. 999, as amended, secs. 433, 439, 442, 443, 444, 486, 46 Stat. 711, as amended, 712, as amended, 713, as amended, 725, as amended; 19 U.S.C. 1433, 1439, 1442, 1443, 1444, 1486, 46 U.S.C. 11, 251, 313, 314, 883)

5. A new § 4.81a is added, to read as follows:

§ 4.81a Certain barges carrying merchandise transferred from another barge.

(a) A LASH-type barge (as defined in  $\S 4.81(g)$ ) documented as a vessel of the United States but not qualified to engage in the coastwise trade or a LASH-type barge of a nation found to grant reciprocal privileges to United States-flag LASH-type barges may transport inward foreign and export cargo between points embraced within the coastwise laws of

the United States after the merchandise has been transferred to it from another LASH-type barge owned or leased by the same owner or operator. LASH-type barges moving under procedures stated in §§ 4.85 and 4.87 instead of § 4.81 are not required to be sealed when transporting transferred cargo under this section. This section is not applicable to transportation between the continental United States and noncontiguous States, districts, territories, and possessions embraced within the coastwise laws. The permit to proceed shall include a statement that the unqualified LASH-type barge is owned or leased by the owner or operator of the LASH-type barge from which the merchandise was transferred.

(b) The following nations have been found to extend privileges reciprocal to those provided in paragraph (a) of this section to LASH-type barges of the United States:

Federal Republic of Germany

(Sec. 27, 41 Stat. 999, as amended; 46 U.S.C. 883.)

6. Paragraph (a)(1) of §4.93 is amended to read as follows:

§ 4.93 Coastwise transportation of containers by certain vessels; procedures.

(a) \* \* \*

(1) Empty cargo vans, empty lift vans, and empty shipping tanks; equipment for use with cargo vans, lift vans, or shipping tanks; empty barges specifically designed for carriage aboard a vessel and equipment, excluding propulsion equip-ment, for use with such barges; and empty instruments of international traffic exempted from application of the Customs laws by the Secretary of the Treasury pursuant to the provisions of section 322(a), Tariff Act of 1930 (19 U.S.C. 1322(a)), if such articles are owned or leased by the owner or operator of the transporting vessel and are transported for his use in handling his cargo in foreign trade.

(R.S. 251, as amended, sec. 2, 23 Stat. 118, as amended, sec. 624, 46 Stat. 759; 5 U.S.C. 301, 19 U.S.C. 66, 1624, 46 U.S.C. 2)

[FR Doc.74-3895 Filed 2-15-74:8:45 am]

## Title 21—Food and Drugs

CHAPTER I-FOOD AND DRUG ADMINIS-TRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

- SUBCHAPTER B-FOOD AND FOOD PRODUCTS
- ART 19—CHEESES, PROCESSED CHEESES, CHEESE FOODS, CHEESE SPREADS, AND RELATED FOODS

Use of Lecithin as an Optional Anti-Sticking Agent

In the matter of amending the standard of identity for pasteurized process cheese, pasteurized process cheese food and pasteurized process cheese spread (21 CFR 19.750, 19.765 and 19.775) to allow the optional use of lecithin in these foods for the functional purpose of aiding in the separation of slices of the product and in the removal of wrappers from the product: A notice of proposed rule mak-

ing in the above-identified matter was published in the FEDERAL REGISTER of August 20, 1973 (38 FR 22408) based on a petition filed by the National Cheese Institute, Inc., 110 North Franklin St., Chicago, IL 60606.

Two comments were received in response to the proposal. Each stated that adoption of the proposed amendment would improve the products, to the benefit of consumers.

Having considered the information submitted by the petitioner, the comments received, and other relevant material, the Commissioner of Food and Drugs concludes that it will promote honesty and fair dealing in the interest of consumers to adopt the proposal to amend the standards of identity for pasteurized process cheese (§ 19.750), pasteurized process cheese food (§ 19.765), and pasteurized process cheese spread (§ 19.775) as set forth below.

Labeling requirements applicable to these cheese foods were established by an order published in the FEDERAL REGISTER of April 23, 1973 (38 FR 9996).

Therefore, pursuant to provisions of the Federal, Food and Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055-1056, as amended by 70 Stat. 919 and 72 Stat. 948; 21 U.S.C. 341, 371) and under authority delegated to the Commissioner (21 CFR 2.120): It is ordered, That Part 19 be amended as follows:

1. In § 19.750(d) by adding a new subparagraph (8) as follows:

§ 19.750 Pasteurized process cheese: identity; label statement of optional ingredients.

\* (d) \* \* \*

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(8) Pasteurized process cheese in the form of slices or cuts in consumer-sized packages may contain lecithin as an optional anti-sticking agent in an amount not to exceed 0.03 percent by weight of the finished product.

\* 2. In § 19.765(e) by adding a new subparagraph (8) as follows:

§ 19.765 Pasteurized 765 Pasteurized process choese food; identity; label statement of optional ingredients.

(e) \* \* \* (8) Pasteurized process cheese food in the form of slices or cuts in consumersized packages may contain lecithin as an optional anti-sticking agent in an amount not to exceed 0.03 percent by weight of the finished product.

3. In § 19.775(f) by adding a new sub-

paragraph (9) as follows:

§ 19.775 Pasteurized process cheese spread; identity; label statement of optional ingredients.

\* (f) \* \* \*

(9) Pasteurized process cheese spread in consumer-sized packages may contain lecithin as an optional anti-sticking agent in an amount not to exceed 0.03

percent by weight of the finished product. \*

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Any person who will be adversely affected by the foregoing order may at any time on or before March 21, 1974, file with the Hearing Clerk, Food and Drug Administration, Rm. 6-86, 5600 Fishers Lane, Rockville, MD 20852, written objections thereto. Objections shall show wherein the person filing will be adversely affected by the order, specify with particularity the provisions of the order deemed objectionable, and state the grounds for the objections. If a hearing is requested, the objections shall state the issues for the hearing, shall be supported by grounds factually and legally sufficient to justify the relief sought, and shall include a detailed description and analysis of the factual information intended to be presented in support of the objections in the event that a hearing is held. Objections may be accompanied by memorandum or brief in support a thereof. Six copies of all documents shall be filed. Received objections may be seen in the above office during working hours. Monday through Friday.

Effective date. This order shall become effective April 22, 1974, except as to any provisions that may be stayed by the filing of proper objections. Notice of the filing of objections or lack thereof will be given by publication in the FEDERAL REGISTER.

(Sec. 401, 701, 52 Stat. 1046, 1055-1056, as amended by 70 Stat. 919 and 72 Stat. 948: 21 U.S.C. 341, 371.)

Dated: February 11, 1974.

# SAM D. FINE, Associate Commissioner for Compliance.

[FR Doc.74-3865 Filed 2-15-74;8:45 am]

Title 29—Labor

CHAPTER XVII-OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION, DE-PARTMENT OF LABOR

# [S-73-2]

-OCCUPATIONAL SAFETY AND PART 1910-HEALTH STANDARDS

Increase in Maximum Length of Certain Small Fire Hose and Acceptance of Hose Reels

On February 23, 1973, a document was published in the FEDERAL REGISTER (38 FR 4979), proposing to amend certain standpipe and hose system standards (29 CFR 1910.158(b) (3) and (4)), so as to distinguish between unlined small fire hose and rubber-lined small fire hose, and to require either an approved hose rack or an approved hose reel at each station provided with small hose. The notice invited interested persons to submit written data, views, and arguments concerning the proposed changes and, if desired, to request an informal hearing. Several comments were received; no hearing was requested.

The present § 1910.158(b) (3) limits to 75 feet the maximum length of any small fire hose. The proposal was to distinguish between unlined and rubber-lined hose,

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and to increase to 100 feet the maximum length of rubber-lined hose.

The proposal was based on the fact that rubber-lined hose offers substantially less friction, and causes a substantially smaller loss of water pressure than similar but unlined hose. None of the commentators has disputed this fact. Many support the proposal generally; a few urge even greater maximum length. Some, however, have pointed out possible adverse side effects, such as greater effort in handling, and greater tripping hazard inherent in, a longer hose.

We believe that the increased hazards pointed out are outweighed by the safety advantages in having a 100-feet lined hose with as much water pressure as a 75-feet unlined hose. The longer hose would cover a greater area and would avoid the need for two hoses, with possible hazards resulting from indecision as to which hose would reach a fire, and from two firemen getting in each other's way in the attempt to put out the same fire. On the other hand, considerations of loss of water pressure and of handling a fire hose argue for some limit to the length of even lined hoses. The maximum length of 100 feet which was requested by a petitioner for the amendment, appears to be a reasonable limit.

Some objections were made to the proposed restriction to "rubber-lined" hoses. It was suggested that the maximum length be increased for "woven-jacketlined" hoses. Because it is believed that all lined hoses currently available have significantly less friction than unlined hoses, no material for the lining has been specified in the adopted rule. The other proposal was to allow the use of approved hose reels as alternatives to approved hose racks. Two commentators support the use of hose reels, but object to the requirement of approval. It is pointed out that a large number of unapproved hose reels are already in use and that only hose reels of two manufacturers are approved by Underwriters Laboratories, Inc., and Factory Mutual Engineering Corp. For these reasons it has been concluded that the application of the approval requirement to existing reels is impracticable. Therefore, the requirement has been limited to hose reels acquired in the future.

Accordingly, after consideration of all comments summited and pursuant to section 6(b) of the Williams-Steiger Occupational Safety and Health Act of 1970 (29 U.S.C. 655), Secretary of Labor's Order No. 12-71, 36 FR 8754, and 29 CFR Part 1911, \$1910.158(b)(3) and (4) are hereby revised, effective February 19, 1974 to read as follows:

§ 1910.158 Standpipe and hose systems.

. . . .

(b) Hose outlets. \* \* \*

(3) Hose. Each hose outlet provided for the use of building occupants (Class II and III services) shall be equipped with approved small fire hose attached and ready for use. The maximum total length of unlined hose shall be 75 feet. The

maximum total length of lined hose shall shall be given, and during this period be 100 feet.

(4) Hose racks or reels. Each station provided with small hose shall be equipped with an approved rack, or an approved reel, securely fastened in position; provided, that an employer may continue to use a reel acquired prior to May 20, 1974, even though it is not approved, so long as it is in good working condition.

(Sec. 6, Pub. L. 91-596, 84 Stat, 1593 (29 U.S.C. 655) Secretary of Labor's Order No. 12-71, 36 FR 8754)

Signed at Washington, D.C. this 13th day of February 1974.

JOHN STENDER. Assistant Secretary of Labor. [FR Doc.74-3893 Filed 2-15-74;8:45 am]

Title 33-Navigation and Navigable Waters CHAPTER I-COAST GUARD,

DEPARTMENT OF TRANSPORTATION [CGD 73-171R]

PART 117-DRAWBRIDGE OPERATION REGULATIONS

# **Green River, Kentucky**

This amendment changes the regulations for the Louisville and Nashville railroad bridges across the Green River at Spottsville, Kentucky, to require constant attendance when the vertical clearance is 40 feet or less and at least 4 hours notice when the vertical clearance is more than 40 feet. The increase from 30 feet to 40 feet is required to accommodate the larger vessels that presently use this stretch of the Green River. In addition, the bridges at Livermore and Smallhouse will normally be maintained in the open to navigation position and vessels may pass the open draws without further signal. This amendment was circulated as a public notice dated August 27, 1973 by the Commander, Second Coast Guard District and was published in the FEDERAL REGISTER as a notice of proposed rule making (CGD 73-171N) on August 21, 1973 (38 FR 22491). One comment was received that proposed at least 6 hours notice rather than 4 hours. However, 4 hours notice should be the maximum required to provide for the reasonable need of navigation and this proposal is therefore rejected.

Accordingly, 33 CFR 117.560 is amended by: redesignating paragraph (g) (7) (ii) as (g) (7) (iv), adding new paragraph (g)(7)(ii) and revising paragraph (g) (7) (i) and (iii) as follows:

§ 117.560 Mississippi River and its tributaries and outlets; bridges where constant attendance of draw tenders is not required.

\* (g) \* \* \* (7) Green River, Ky. (i) Louisville railroad bridge at Spottsville. When there is 40 feet or less of vertical clearance beneath the draw, constant attendance is required and the draw shall open on signal. When the vertical clearance is more than 40 feet at least 4 hours notice

if a vessel informs the draw tender during its passage through the draw that it will return within 4 hours, the draw tender shall remain on duty until the vessel returns but shall not be required to remain for longer than 4 hours.

(ii) Louisville and Nashville railroad bridges at Livermore and Smallhouse. The draws of these bridges are normally maintained in the fully open position and when they are open, a vessel may pass through the draw without further signals. When the draws are in the closed position their operation is governed by paragraph (g) (7) (i) of this section.

(iii) The owners of or agencies con-trolling these bridges shall arrange for ready telephone communication with the authorized representative at any time from the bridges or their immediate vicinity. Copies of these regulations shall be conspicuously posted at Green River Navigation Locks Nos. 1, 2, 3, and 4.

. \* (Sec. 5, 28 Stat. 362, as amended, sec. 6(g) (2), 80 Stat. 937; 33 U.S.C. 499, 49 U.S.C. 1655(g)(2); 49 CFR 1.46(c)(5), 33 CFR 1.05-1(c)(4)

Effective date. This revision shall become effective on March 18, 1974.

Dated: February 7, 1974.

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W. M. BENKERT, Rear Admiral, U.S. Coast Guard, Chief, Office of Marine Environment and Systems.

[FR Doc.74-3911 Filed 2-15-74;8:45 am]

**Title 41—Public Contracts and Property** Management

CHAPTER 101-FEDERAL PROPERTY MANAGEMENT REGULATIONS

[FPMR Temp. Reg. A-10]

PART 101-4-PATENTS Subpart 101-4.1-Licensing of **Government-Owned Inventions** 

NOTICE OF SUSPENSION

1. Purpose. This regulation modifies previous instructions regarding the use of the provisions in Subpart 101-4.1, Licensing of Government-owned Inventions.

2. Effective date. This regulation is effective January 17, 1974.

3. Expiration date. This regulation will continue in effect until canceled.

4. Background. Amendment A-16 to the Federal Property Management Regulations, published February 5, 1973 (38 FR 3328), added a new Part 101-4, Patents, and a new Subpart 101-4.1, Licensing of Government-owned Inventions. The subpart prescribes the terms, conditions, and procedures for the licensing of rights in domestic patents and patent applications vested in the United States of America, and for dedication of Government-owned inventions by a Government agency. On January 17, 1974, the U.S. District Court for the District of Columbia issued an order which directed that immediate steps be taken to void the regulations, and to

notify all Federal agencies that the regulations are void and of no effect and that all Federal agencies are prohibited from issuing any licenses pursuant to the regulations. An appeal of the court's order is under consideration.

5. Agency action. The provisions of Subpart 101-4.1 are suspended, and agencies are directed to take no actions pursuant to those provisions until further notice.

Dated: February 12, 1974.

ARTHUR F. SAMPSON, Administrator of General Services. [FR Doc.74-4011 Filed 2-15-74;9:43 am]

Title 50—Wildlife and Fisheries

CHAPTER I—BUREAU OF SPORT FISH-ERIES AND WILDLIFE, FISH AND WILD-LIFE SERVICE, DEPARTMENT OF THE INTERIOR

PART 28-PUBLIC ACCESS, USE, AND RECREATION

# Wheeler National Wildlife Refuge

The following special regulation is issued and is effective on March 1, 1974.

§ 28.28 Special regulations, public access, use, and recreation; for individual wildlife refuge areas.

#### ALABAMA

## WHEELER NATIONAL WILDLIFE REFUGE

With the exception of the display pool adjoining the observation building and the area immediately north of its dike, which are closed to all fishing throughout the year, the area is open to transportation of unstrung bows and arrows when used for fishing in conformance with Alabama State fishing regulations. This regulation effective March 1, 1974, through June 15, 1974.

> C. EDWARD CARLSON, Regional Director, Bureau of Sport Fisheries and Wildlife.

FEBRUARY 6, 1974.

[FR Doc.74-3842 Filed 2-15-74;8:45 am]

Title 10—Energy CHAPTER II—FEDERAL ENERGY OFFICE Appendix; Rulings [Ruling 1974-5]

# **PROPANE; PRICE DETERMINATION**

Several questions have arisen regarding the application of the special rule for the pricing of propane by refiners set forth in 10 CFR 212.83(c) (1) (ii). Prior to issuance of this special rule, increased propane as an "other than a special product" and computed under § 212.83 (c) (1) (ii). The effect of the amendment is to place a maximum on the amount of increased product costs incurred after January 31, 1974, that can be allocated to propane during the twelve month period following that date. This special rule provides greater flexibility on a monthly basis than would otherwise occur were propane treated as a "special product."

The total amount of these increased product costs that may be allocated to propane must be directly proportional to the ratio that the total sales volume of propane bears to the total sales volume of all covered products of that refiner during the twelve month period following January 31, 1974. For example, if a refiner's total sales of propane for the twelve month period equal 10 percent of total sales volume of all covered products. the increased product cost incurred during that period which may be allocated to propane may not exceed 10 percent of its total increased product cost for the same twelve month period. The new rule does not change the base price method of calculation otherwise stated for covered products is § 212.82(f). The allocable increased product costs must still be added to the refiner's May 15, 1973 selling price in order to determine the base price of the refiner's propane.

A refiner may allocate his increased costs disproportionately to his sales of propane in any month of the twelve month period so long as the ratio that increased costs allocated to propane bears to total increased cost for the entire period is the same as the ratio that total sales of propane bears to total sales of covered products for that period.

Increased product costs incurred prior to January 31, 1974 may be allocated to propane sold after that date without regard to the proportionate pass-through test. The new amendment serves only to limit the amount of the increased product costs incurred after January 31, 1974, that may be allocated to propane. Increased product costs incurred prior to January 31, 1974 may also be banked and carried forward as increased costs that may be used to justify an increased base price in a future month in accordance with the provisions of § 212.83(d) (2). Refiners may therefore immediately reduce propane prices and recover incurred product costs in accordance with the banking provisions.

> WILLIAM N. WALKER, General Counsel, Federal Energy Office.

FEBRUARY 14, 1974.

[FR Doc.74-4019 Filed 2-15-74;9:45 am]

# Appendix; Rulings [Ruling 1974-6]

# ALLOCATED GASOLINE PRODUCTS Discrimination Among Purchasers

Facts. Firm A is a retail marketer of motor gasoline and diesel fuel in a state or locality which has adopted a plan which establishes certain categories of purchasers and specifies the dates, times or conditions under which sales to such categories of purchaser can be made. The plan to which Firm A is subject permits the sale of gasoline to customers with vehicles with even numbered license plates only on even numbered dates, and the sale of gasoline to customers with vehicles with odd numbered license plates only on odd numbered dates. The plan

also provides that certain categories of purchasers, such as those with emergency vehicles or with commercial vehicles, can purchase gasoline on any date.

Firm B is a retail marketer of motor gasoline and diesel fuel which is subject to mandatory allocation requirements under which it makes 100 percent of current needs for gasoline available to certain categories of purchaser. Firm B is also subject to an order under the State set-aside program to make available certain amounts of gasoline to a particular purchaser.

Firm C is a retail marketer of motor gasoline and diesel fuel which has a normal business practice, established before the mandatory allocation program became effective, of providing certain preferential treatment in connection with the sale of products to commercial accounts or in bulk to commercial users. Such practices include the sale to such purchasers from a separate pump or at times other than when sales are being made to the general public.

Issue #1. May Firm A follow the state plan without violating 10 CFR 210.62, which requires that suppliers deal with purchasers according to normal business practices and that no supplier engage in any form of discrimination among purchasers?

Issue #2. May Firm B follow the mandatory allocation requirements and the order under the State set-aside program, without violating 10 CFR 210.62?

Issue #3. May Firm C continue its normal business practice of giving some form of preferential treatment to purchasers for commercial accounts or in bulk for commercial use, such as selling from a separate pump or making sales at a time other than when sales are being made to the general public without violating 10 CFR 210.62?

Ruling. Firm A may follow a state or local plan, whether mandatory or voluntary, which establishes certain categories of purchasers and certain conditions of sale as to such categories without violating 10 CFR 210.62, provided that Firm A does not discriminate in its treatment of purchasers within the categories established by the plan. Firm A may not change its normal business practices except to the extent that it distinguishes among the categories of customer specified by the state. Such action by Firm A would not be regarded as "discriminatory" under 10 CFR 210.62(b), since it would not constitute "extending any preference or sales treatment which has the effect of frustrating or impairing the objectives, purposes and intent of this Chapter or of the Act." It should be noted, however, that compliance with any such state plan by Firm A must be uniform, and that application of such a plan to only some purchasers (for example, purchasers who are not regarded by Firm A as regular customers), but to other purchasers, would constitute prohibited "discrimination" under 10 CFR 210.62(b).

Firm B may follow the mandatory allocation requirements and the order under the State set-aside program. 10 CFR 210.62 was adopted in order to further the goals of the over-all mandatory allocation program, and following the requirements of that program would not constitute prohibited "discriminatory" action under 10 CFR 210.62.

Firm C may continue to give some form of preferential treatment to purchasers for commercial accounts or in bulk for commercial use, provided the practice was established as a normal business practice, consistent with 10 CFR 210.62(a), and that it is not followed in such a manner as to circumvent the objectives of the mandatory allocation program.

WILLIAM N. WALKER, General Counsel, Federal Energy Office.

FEBRUARY 14, 1974.

[FR Doc.74-4039 Filed 2-15-74;11:03 am]

# **Proposed Rules**

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rulemaking prior to the adoption of the final rules.

# DEPARTMENT OF DEFENSE

Corps of Engineers, Department of the Army [ 33 CFR Part 209 ]

# FEDERAL DREDGING PROJECTS IN NAVIGABLE AND OCEAN WATERS

# Proposed Policy, Practice and Procedure

Notice is hereby given that the regulations set forth in tentative form below are proposed by the Secretary of the Army (acting through the Chief of Engineers) for Federal dredging projects performed by the Corps of Engineers in navigable and ocean waters. The proposed regulation prescribes the policy, practice and procedures which will be followed by all Corps of Engineers installations and activities in connection with their performance of Federal dredging projects.

Prior to adoption of the proposed regulation consideration will be given to any comments, suggestions, or objections thereto which are submitted in writing to the Office of the Chief of Engineers, Forrestal Building, Washington, D.C. 20314, Attn: DAEN-CWO-M, on or before March 21, 1974.

Dated: February 9, 1974.

J. W. MORRIS, Major General, USA, Director of Civil Works.

§ 209.145 Federal dredging projects in navigable and ocean waters.

(a) *Purpose*. This regulation prescribes the policy, practice and procedure to be followed by all Corps of Engineers installations and activities in connection with the performance of Federal dredging projects.

(b) Applicable laws. (1) Section 10 of the River and Harbor Act approved March 3, 1899 (30 Stat. 1151; 33 U.S.C. 403) prohibits the unauthorized obstruction or alteration of any navigable water of the United States. The excavation from or depositing of material in such waters, or the accomplishment of any other work affecting the course, location, condition, or capacity of such waters is unlawful unless the work has been recommended by the Chief of Engineers and authorized by the Secretary of the Army.

(2) Section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344, 86 Stat. 816) authorizes the Secretary of the Army, acting through the Chief of Engineers, to issue permits, after notice and opportunity for public hearings, for the discharge of dredged or fill material into the navigable waters at specified disposal sites. The selection of disposal

sites will be in accordance with guidelines developed by the Administrator of the Environmental Protection Agency (EPA) in conjunction with the Secretary of the Army. Furthermore, the Administrator can prohibit or restrict the use of any defined area as a disposal site whenever he determines, after notice and opportunity for public hearings, that the discharge of such materials into such areas will have an unacceptable adverse effect on municipal water, supplies, shellfish beds and fishery areas, wildlife or recreational areas.

(3) Section 103 of the Marine Protection, Research and Sanctuaries Act of 1972 (33 U.S.C. 1413, 86 Stat. 1052) authorizes the Secretary of the Army to issue permits, after notice and opportunity for public hearings, for the transportation of dredged material for the purpose of dumping it in ocean waters. However, similar to the EPA Administrator's limiting authority cited in paragraph (b) (2) of this section, the Administrator can prevent the issuance of a permit under this authority if he finds that the dumping of the material will result in an unacceptable adverse impact on municipal water supplies, shellfish beds, wildlife, fisheries or recreational areas.

(4) Section 103(e) of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1413(e), 86 Stat. 1052) provides that in connection with Federal projects involving dredged material the Secretary of the Army may issue regulations, in lieu of its permit procedures (which are prescribed in 33 CFR 209.120), which will require the application to each project of the same criteria, other factors to be evaluated, the same procedures, and the same requirements which apply to the issuance of permits under sections 103 (a), (b), (c), and (d) of this Act.

(c) Related legislation and other authority. (1) Section 307(c) (1) and (2) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1456 (c) (1) and (2), 86 Stat. 1280) require any Federal agency conducting or supporting activities directly affecting the coastal zone or undertaking any development project in the coastal zone to do so in a manner which is, to the maximum extent practicable, consistent with approved state management programs.

(2) Section 302 of the Marine Protection, Research, and Sanctuaries Act of 1972 (Pub. L. 92-532, 86 Stat. 1052) authorizes the Secretary of Commerce after consultation with other interested Federal agencies and with the approval of the President, to designate as marine

sanctuaries those areas of the ocean waters or of the Great Lakes and their connecting waters or of other coastal waters which he determines necessary for the purpose of preserving or restoring such areas for their conservation, recreational, ecological, or esthetic values. After designating such an area, the Secretary of Commerce shall issue regulations to control any activities within the area. Activities in the sanctuary authorized under other authorities are valid only if the Secretary of Commerce certifies that the activities are consistent with the purposes of Title III of the Act and can be carried out within the regulations for the sanctuary.

(3) The National Environmental Policy Act of 1969 (42 U.S.C. 4321-4347) declares the national policy to encourage a productive and enjoyable harmony between man and his environment. Section 102 of that Act directs that "to the fullest extent possible: (1) the policies, regulations, and public law of the United States shall be interpreted and administered in accordance with the policies set forth in this Act, and (2) all agencies of the Federal Government shall \* \* insure that presently unquantified environmental amenities and values may be given appropriate consideration in decision making along with economic and technical considerations \* \* \*."

(4) The Fish and Wildlife Act of 1956 (16 U.S.C. 742a et seq.), the Migratory Marine Game-Fish Act (16 U.S.C. 760c-760g) and the Fish and Wildlife Coordination Act (16 U.S.C. 661-666c) express the concern of Congress with the quality of the aquatic environment as it affects the conservation, improvement and enjoyment of fish and wildlife resources. Reorganization Plan No. 4 of 1970 transferred certain functions, including certain fish and wildlife-water resources coordination responsibilities, from the Secretary of the Interior to the Secretary of Commerce. Under the Fish and Wildlife Coordination Act and Reorganization Plan No. 4, any Federal Agency which proposes to control or modify any body of water must first consult with the United States Fish and Wildlife Service, the National Marine Fisheries Service, as appropriate, and with the head of the appropriate State agency exercising administration over the wildlife resources of the affected State.

(d) *Definitions*. For the purposes of this regulation:

(1) The term "navigable waters" means those waters of the United States which are subject to the ebb and flow of the tide, or are presently, or have been in the past, or may be in the future susceptible for use for purposes of interstate or foreign commerce (see 33 CFR 209.260 (ER 1165-2-302) for a more complete definition of this term).

(2) The term "ocean waters", as defined in the Marine Protection Research and Sanctuaries Act of 1972 (33 U.S.C. 1401 et seq. 86 Stat. 1052), means those waters of the open seas lying seaward of the base line from which the territorial sea is measured, as provided for in the Convention on the Territorial Sea and the Contiguous Zone (15 UST 1606; TIAS 5639).

(3) The term "dredged material" means any material excavated or dredged from the navigable waters of the United States including any runoff or overflow which occurs during a dredging operation or from a contained land or water disposal area.

(4) The term "coastal zone" means the coastal waters and adjacent shorelands designated by a State as being included in its approved coastal zone management program under the Coastal Zone Management Act of 1972.

(5) The term "Federal dredging project" means any authorized project in or affecting navigable or ocean waters involving dredging and/or the disposition of dredged or fill material in such waters, which is undertaken by the Secretary of the Army acting through the Corps of Engineers.

(e) Applicability. This regulation is applicable to all Corps of Engineers installations and activities involved with the performance of Federal dredging projects or the transportation of dredged material for the purpose of dumping it in ocean waters.

(f) General policies for evaluating Federal dredging projects. (1) The manner in which an authorized Federal dredging project will be performed will be determined following an evaluation of the probable impact which the various feasible courses of action will have on the public interest. This evaluation will require a careful weighing of all relevant factors. The benefit which reasonably may be expected to accrue from the particular dredging activity must be balanced against its reasonably foreseeable alternative detriments. The decision as to how the Federal project will be performed will be determined by the outcome of this general balancing process (e.g., 33 CFR 209.400 (ER 1165-2-501), Guidelines for Assessment of Economic, Social and Environmental Effects of Contemplated Civil Works Projects), and will reflect the national concern for both the maintenance of interstate and foreign commerce and the protection and utilization of important natural resources. All factors which may be relevant to the proposal must be considered; among those are conservation, economics, esthetics, general environmental concerns, historic values, fish and wildlife values, flood damage prevention, land use classification, the need to maintain navigation, recreation, water supply, water quality, and in general, the needs and welfare of the people.

(2) The following general criteria will be considered in the evaluation of every project:

(1) The relative extent of the need for the proposed dredging project:

(ii) The desirability and feasibility of using appropriate alternative locations and methods to accomplish the same objectives:

(iii) The seasonal nature of dredging and the need to preschedule dredging equipment:

(iv) The extent and permanence of the beneficial and/or detrimental effects which the proposed dredging activity may have on the uses to which the area is suited; and

(v) The probable impact of each proposal in relation to the cumulative effect created by other dredging projects in the general area.

(g) Policies on particular factors of consideration—(1) Effect on wetlands. (1) Wetlands are those land and water areas subject to regular inundation by tidal, riverine, or lacustrine flowage. Generally included are inland and coastal shallows, marshes, mudflats, estuaries, swamps, and similar areas in coastal and inland navigable waters. Many such areas serve important purposes relating to fish and wildlife, recreation, and other elements of the general public interest. As environmentally vital areas, they constitute a productive and valuable public resource, the unnecessary alteration or destruction of which should be discouraged as contrary to the public interest.

(ii) Wetlands considered to perform functions important to the public interest include:

(a) Wetlands which serve important natural biological functions, including food chain production, general habitat, and nesting, spawning, rearing and resting sites for aquatic or land species;

(b) Wetlands set aside for study of the aquatic environment or as sanctuaries or refuges;

(c) Wetlands contiguous to areas listed in paragraphs (g) (1) (ii) (a) and (b) of this section, the destruction or alteration of which would affect detrimentally the natural drainage characteristics, sedimentation patterns, salinity distribution, flushing characteristics, current patterns, or other environmental characteristics of the above area;

(d) Wetlands which are significant in shielding other areas from wave action, erosion, or storm damage. Such wetlands often include barrier beaches, islands, reefs and bars:

(e) Wetlands which serve as valuable storage areas for storm and flood waters; and

(f) Wetlands which are prime natural recharge areas. Prime recharge areas are locations where surface and ground water are directly interconnected.

(iii) Although a particular alteration of wetlands may constitute a minor change, the cumulative effect of numerous such piecemeal changes often results in a major impairment of the wetland resources. Thus, any wetland site involved in a proposed Federal dredging project will be evaluated with the recog-

nition that it is part of a completed and interrelated wetland area. In addition, the District Engineer may undertake reviews of particular wetland areas, in consultation with the Field Representative of the Secretary of the Interior, the Regional Director of the National Marine Fisheries Services of the National Oceanic and Atmospheric Administration, the Regional Administrator of the Environmental Protection Agency, and the head of the appropriate State agency to assess the cumulative effect of activities in such areas.

(iv) Federal dredging projects will not be performed in wetlands identified as important to paragraph (g) (1) (ii) of this section, unless the District Engineer concludes, on the basis of the analysis required in paragraph (f) of this section, that the benefits of the proposed alteration outweigh the damage to the wetlands resource and the proposed alteration is necessary to realize those benefits. In evaluating whether a particular alteration is necessary, the District Engineer shall primarily consider whether the wetland resources and environment must be utilized in performing the dredging project, and whether feasible alternative disposal or dredging sites are available.

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(v) In accord with the policy expressed in paragraph (f) (3) of this section, and with the congressional policy expressed in the Estuary Protection Act, Pub. L. 90-454, State regulatory laws or programs for classification and protection of wetlands will be given great weight.

(2) Fish and wildlife. (1) In accord-ance with the Fish and Wildlife Coordination Act (see paragraph (c) (4) of this section), District Engineers will in all proposed Federal dredging cases, consult with the Regional Director, U.S. Fish and Wildlife Service; the Regional Director, National Marine Fisheries Service; and the head of the agency responsible for fish and wildlife for the State in which the work is to be performed, with a view to the conservation of wildlife resources by prevention of their loss and damage due to the proposed dredging project. They will give great weight to these views on fish and wildlife considerations in evaluating the project. In appropriate cases, modification of proposed project plans to eliminate or mitigate any damage to such resources will be made.

(3) Historic, scenic, and recreational values. (i) Proposed Federal dredging projects may involve areas which possess recognized historic, cultural, scenic, conservation, recreational or similar values. Full evaluation of the general public interest requires that due consideration be given to the effect which the proposed dredging project may have on the enhancement, preservation, or development of such values. Recognition of those values is often reflected by State, re-gional, or local land use classifications (see paragraph (f) (3) of this section), or by similar Federal controls or policies. In both cases, action on such proposed projects should, insofar as possible, be consistent with, and avoid adverse effect on, the values or purposes for which those classifications, controls, or policies were established.

(II) Specific application of the policy in paragraph (g) (3) (i) of this section, applies to:

(a) Rivers named in section 3 of the Wild and Scenic Rivers Act (82 Stat. 906, 16 U.S.C. 1273 et seq.), and those proposed for inclusion as provided by sections 4 and 5 of the Act, or by later legislation.

(b) Historic cultural, or archeological sites or practices as provided in the National Historic Preservation Act of 1966 (83 Stat. 852, 42 U.S.C. 4321 et seq.) (see also Executive Order 11593, May 13, 1971, and statutes there cited). Particular attention should be directed toward any district, site, building, structure, or object listed in the National Register of Historic Places. Comments, regarding such undertakings shall be sought and considered as provided by paragraph (i) (2) (iii) of this section. (See also ER 1105-2-11.)

(c) Any other areas named in Acts of Congress as National Rivers, National Seashores, National Recreation Areas, National Lakeshores, or established for similar purposes.

(4) Effective on limits of the territorial sea. Federal dredging projects may have the effect of modifying the coast line or baseline from which the three-mile belt is measured for purposes of the Sub-merged Lands Act and International Law. Generally, the coast line or baseline is the line of ordinary low water on the mainland; however, there are exceptions where there are islands or low-tide elevations off shore. (See the Submerged Lands Act, 67 Stat. 29, U.S. Code Section 1301(c), and "United States v. Cali-fornia," 381 U.S. 139 (1965), 382 U.S. 488 (1966)). All proposed Federal dredging projects affecting coastal waters will therefore be reviewed specifically to determine whether the coast line or baseline might be altered. If it is determined that such a change might occur. coordination with the Attorney General and the Solicitor of the Department of the Interior is required before final action is taken. The District Engineer will submit a description of the proposed work and a copy of the plans to the Chief of Engineers, Attn. DAEN-CWO-M. for coordination with the Solicitor, Department of the Interior.

(5) Discharge of dredged or fill material in navigable waters or ocean waters. (i) Federal dredging projects involving the discharge of dredged or fill material into other than ocean waters at specified disposal sites will be reviewed in accordance with guidelines promulgated by the Administrator, Environmental Protection Agency, under authority of section 404(b) of the Federal Water Pollution Control Act. If the Environmental Protection Agency guidelines alone prohibit the designation of a proposed disposal site, any potential impairment to the maintenance of navigation, including any economic impact on navigation and anchorage, which would result from the failure to authorize the use of the proposed disposal site in navigable waters, will also be considered in evaluating whether a

proposed method of performing the Federal dredging project is in the public interest. Pursuant to section 401(a) (6) of the Federal Water Pollution Control Act (33 U.S.C. 1341), a State water quality certification will not be obtained for Federal dredging projects.

(ii) If the proposed Federal dredging project involves the discharge of dredged material into ocean waters, it will be evaluated to determine that the proposed dumping will not unreasonably degrade or endanger human health, welfare, or amenities, or the marine environment, ecological system, or economic potentialities. In making this determination, the criteria established by the Administrator, EPA, pursuant to section 102(a) of the Marine Protection, Research and Sanc-tuaries Act of 1972 and published in 40 CFR 277 shall be applied. In addition, based upon an evaluation of the potential effect which the failure to undertake the proposed dredging project would have on navigation, economic and industrial development, and foreign and domestic commerce of the United States, a determination will also be made, when applicable, of the need for dumping the dredged spoil in ocean waters, other possible methods of disposal, and appropriate locations for the dumping. To the maximum extent possible, those sites recommended by the Administrator pursuant to section 102(c) of the Marine Protection, Research and Sanctuaries Act of 1972 will be utilized.

(iii) Sites previously designated for use as disposal sites for discharge or dumping of dredged material in navigable and ocean waters will be utilized to the maximum practicable extent unless restricted by the Administrator, Environmental Protection Agency, in accordance with section 102(c) of the Marine Protection. Research, and Sanctuaries Act of 1972.

(iv) Prior to undertaking a proposed Federal dredging project for the discharge or dumping of dredged or fill material in navigable or ocean waters, Corps of Engineers officials will advise appropriate Regional Administrators of the proposed disposal site. If the Regional Administrator advises, within fifteen days, that he objects to the proposed disposal site, the case will be forwarded to the Chief of Engineers, Attn. DAEN-CWO-M, in accordance with paragraph (n) of this section, for further coordination with the Administrator, EPA, and decision. The report forwarding the case will contain an analysis for a determination by the Secretary of the Army that there is no economically feasible method or site available other than that to which the Regional Administrator objects.

(6) Dredging projects in coastal zones and marine sanctuaries. (i) Proposed Federal dredging projects in or affecting the coastal zones of those States having a coastal zone management program approved by the Secretary of Commerce will be evaluated to insure that they will be consistent with those management programs to the maximum extent practicable.

(ii) Proposed Federal dredging projects in a marine sanctuary established by the Secretary of Commerce under authority of Section 302 of the Marine Protection, Research, and Sanctuaries Act of 1972 will be evaluated for impact on the marine sanctuary. No project will be undertaken until a certification is obtained from the Secretary of Commerce that the proposed activity is consistent with the purposes of title III of the Marine Protection. Research and Sanctuaries Act of 1972 and can be carried out within the regulations promulgated by the Secretary of Commerce to control activities within the marine sanctuary. In appropriate cases, modification of proposed project plans will be required to incorporate provisions required by the Secretary of Commerce in connection with his certification.

(h) Evaluation procedures. (1) Prior to undertaking a Federal dredging project, the District Engineer will issue a public notice as described in paragraph (i) of this section. The notice will be distributed for posting in post offices or other appropriate public places in the vicinity of the site of the proposed project. and will be sent to appropriate city and county officials, to appropriate State agencies, to concerned Federal agencies, to local, regional and national shipping and other concerned husiness and conservation organizations, and to any other interested parties. In addition, the District Engineer may also publish a copy of this public notice (without drawings) for five consecutive days in the local newspaper. Copies of public notices will be sent to all parties who have specifically requested copies of public notices, to the U.S. Senators and Representatives for the area where the work is to be performed, the Field Representative of the Secretary of the Interior, the Regional Director of the Bureau of Sport Fisheries and Wildlife, the Regional Director of the National Park Service, the Regional Director of the National Marine Fisheries Service of the National Oceanic and Atmospheric Administration (NOAA), the head of the State agency responsible for fish and wildlife resources, the District Commander, U.S. Coast Guard, and the Office of the Chief of Engineers, Attention: DAEN-CWO-M.

(2) The District Engineer shall consider all comments received in response to the public notice in his subsequent actions on the proposed dredging project. Receipt of the comments will be acknowledged and they will be made a part of the official file on the project. Comments received as form letters or petitions may be acknowledged as a group to the persons or organization responsible for the form letter or petition. If comments relate to matters within the special expertise of another Federal agency, the District Engineer may seek the advice of that agency. The receipt of comments as a result of the public notice should not extend beyond seventy-five days from the date of the notice.

(3) At the earliest time during the evaluation of a proposed Federal dredg-

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ing project when he can make an assessment of the environmental impact of the proposed project, the District Engineer will consider whether or not an environmental impact statement is required if an environmental impact statement or assessment has not already been prepared which adequately covers the pro-posed project. This will be reconsidered as additional information is developed. A preliminary determination of whether an environmental impact statement will be prepared or a statement that an environmental impact statement has been prepared and that it will be made available upon request will be announced in the Public Notice (see paragraph (i) of this section. If he determines that an environmental impact statement will not be prepared for the proposed dredging project, a finding to that effect will immediately be placed in the project file and, if the public notice has indicated an intent to prepare a statement, will be announced to the public. This finding shall be dated and signed and shall include a brief statement of the facts and reasons for the decision. If the District Engineer believes that the proposed Federal dredging project would significantly affect the quality of the human environment and an environmental impact statement covering the proposed project has not been prepared, he will prepare an environmental impact statement in accordance with ER 1105-2-507 (see 38 FR 9242, April 12 ,1973). In such cases and if a public hearing is to be held (see paragraph (4) of this section), the proposed final environmental impact statement must be completed prior to the hearing. If a public meeting is planned, however, and an environmental impact statement has not already been prepared and filed with the Council on Environmental Quality (CEQ), the draft environmental impact statement will be filed with CEQ at least fifteen days prior to the meeting.

(4) If the proposed dredging project involves the discharge of dredged or fill material into other than ocean waters or the transportation of dredged material for the purpose of dumping it in ocean waters, and a person or persons having an interest which may be adversely affected by the project request a hearing, or if otherwise required by law or directed by the Chief of Engineers, the District Engineer will conduct a public hearing in accordance with applicable Corps of Engineers regulations 33 CFR 209.132.

(5) If the proposed dredging project involves any property listed in the National Register of Historic Places (which is published in its entirety in the FED-ERAL REGISTER annually in February with addenda published each month), the District Engineer will determine if any aspect of the activity causes or may cause any change in the quality of the historical, architectural, archeological, or cultural character that qualified the property for listing in the National Register. Generally, adverse effects occur under conditions which include but are not lim-

ited to destruction or alteration of all or part of the property; isolation from or alteration of its surrounding environment: and introduction of visual, audible. atmospheric elements that are out or of character with the property and its setting. If the District Engineer determines that the dredging activity will have no effect on the property, he will proceed with the standard procedures in this regulation. If, however, the District Engineer determines that the dredging activity will have an effect on the property, he will proceed in accordance with the procedures specified in the FED-ERAL REGISTER, 37 FR 24146, 24148, NOvember 14, 1972.

(6) If it can be anticipated that the benefits which would be produced by the proposed Federal dredging project will result in related operations by other Federal and non-Federal agencies, the District Engineer will consider these related operations in planning the construction and maintenance of the Federal dredging project, and to the maximum extent possible, will coordinate with interested Federal, State, regional and local agencies and the general public simultaneously with these related dredging projects.

(7) After all above actions have been completed, the District Engineer will determine the manner by which proposed Federal dredging project will be undertaken. When the final decision is made, the official making the decision will make a statement of findings to support that decision and this statement of findings will be dated, signed and placed in theproject file. If an environmental impact statement is to be filed with CEQ, a copy of the statement of findings will be submitted to DAEN-CWO-M for filing with CEQ.

(8) If the circumstances surrounding a Federal dredging project require emergency action and the District Engineer considers that the public interest requires that the standard procedures must be abbreviated in the particular case, he will explain the circumstances and recommend special procedures to the Chief of Engineers, Attn: DAEN-CWO-M by teletype. The Chief of Engineers, upon consultation with the Secretary of the Army or his authorized representative and other affected agencies, will instruct the District Engineer as to the procedures to be followed.

(9) In view of the extensive coordination with other agencies and the public and the study of all aspects of proposed dredging projects required by the above procedures, the District Engineer will initiate action under these regulations sufficiently in advance to meet operation schedules.

(1) Public notice and coordination with interested parties. (1) The Public Notice is the primary method of advising all interested parties of the proposed Federal dredging project and of soliciting comments and information necessary to evaluate the probable impact on the public interest. The notice must, therefore, include sufficient information to

give a clear understanding of the nature of the activity to generate meaningful comments. The notice should include the following items of information:

(i) The name of the project:

(ii) The location of the proposed project:

(iii) A brief description of the proposed project, its purpose and a description of the type, composition and quantity of materials to be dredged and/or dumped and means of conveyance;

(iv) A sketch showing the location of the proposed project, including depth of water in the area and disposal sites;

(v) The nature and event of known and anticipated related dredging to be conducted by others;

(vi) A list of Federal, State and local agencies with whom these activities are being coordinated;

(vii) A Statement concerning a preliminary determination of the need for and/or availability of any environmental impact statement:

(viii) Any other available information which may assist interested parties in evaluating the likely impact of the proposed activity, if any, on factors affecting the public interest, including environmental values:

(ix) A reasonable period of time, not less than thirty days from date of mailing, within which interested parties may express their views concerning the proposed dredging, and a paragraph describing the various factors on which decisions are based during evaluation of the proposed dredging project.

(a) The public notice will contain the following paragraph:

The decision as to the manner in which this authorized Federal dredging project will be performed will be based on an evaluation of the probable impact which the various feasible courses of action will have on the public interest. The decision will reflect the national concern for both the maintenance of interstate and foreign commerce and the protection and utilization of important nat-ural resources. The benefit which reasonably may be expected to accrue from this dredging activity will be balanced against its reason-able foreseeable alternative detriments. All factors which may be relevant to the proposal will be considered, among those are conservation, economics, aesthetic, general environmental concerns, historic values, fish and wildlife values, flood damage prevention. land use classification, the need to maintain navigation, recreation, water supply, water quality and, in general, the needs and welfare of the people.

(b) If the proposed dredging project involves the discharge of dredged or fill material into other than ocean waters or the transportation of dredged material for the purpose of dumping it in ocean waters, the public notice shall also indicate that the evaluation of the impact of the activity on the public interest will include application of the guidelines promulgated by the Administrator, EPA, under authority of section 404(b) of the Federal Water Pollution Control Act or of the criteria established under authority of section 102(a) of the Marine Protection, Research and Sanctuarles Act of 1972, as appropriate. In addition, the

following statement will also be included in the public notice:

Any person who has an interest which may be adversely affected by this proposed dredging project may request a public hearing. The request must be submitted in writing to the District Engineer within thirty days of the date of this notice and must clearly set forth the interest which may be adversely affected and the manner in which the interest may be adversely affected by this activity.

(2) It is presumed that all interested parties and agencies will wish to respond to public notices; therefore, a lack of response will be interpreted as meaning that there is no objection to the proposed dredging project. A copy of the public notice with the list of the addressees to whom the notice was sent will be included in the file. If a question develops for which another agency has responsibility and that other agency has not responded to the public notice, the District Engineer should contact that agency directly for its comments. Whenever a response to a publc notice has been received from a member of Congress, either in behalf of a constituent or himself, the District Engineer will inform the member of Congress of his determination.

(3) Notices sent to several agencies within the same State may result in conflicting comments from those agencies. Many States have designated a single State agency or individual to provide a coordinated State position regarding those matters. Where a State has not so designated a single source, the District Engineer will elicit from the Governor an expression of his views and desires concerning the proposed dredging project. Where coordination is required by the Fish and Wildlife Coordination Act (see paragraph (c) (5) of this section), District Engineers will address a letter to the designated single State agency or Governor, as appropriate, inviting attention to the coordination requirements of the Fish and Wildlife Coordination Act and requesting that a report from the head of the State agency responsible for fish and wildlife resources be appended to the coordinated State report.

(j) Public meetings and hearings. (1) It is the policy of the Corps of Engineers to conduct the civil works program in an atmosphere of public understanding, trust, mutual cooperation, and in a manner responsive to the public interest. The views of all concerned persons are initially sought by means of public notices in connection with any proposed Federal dredging project. Where response to a notice indicates the need for a further opportunity for public expression and a public hearing is not required by law or directed by the Chief of Engineers, the District Engineer may hold a public meeting.

(2) A public meeting is a forum at which all concerned persons are given an opportunity to present additional information relevant to a proper evaluation of the proposed project. If a public meeting is held, notice announcing the meeting will be published at least thirty days in advance of the meeting. A summary of environmental considerations will be in-

cluded in the notice. The District Engineer has the opportunity to present the proposal and explain why it is in the public interest. Officials of other Federal agencies or of State and local governments will be given opportunity to express their views, as well all other persons. The conduct of the meeting will be in accordance with 33 CFR 209.405 (ER 1105-2-502) and a transcript of the meeting will be part of the file.

(k) Duration of Federal dredging projects. (1) If the Federal dredging project involves periodic maintenance dredging, the determination as to the manner in which the dredging project will be performed will include future periodic maintenance dredging.

(2) The District Engineer may revaluate the method and procedures by which a Federal dredging project is being performed and take action to modify those procedures if conditions under which the project was initially approved have changed materially or if the public interest so warrants. In the event a revaluation becomes necessary the same evaluation set forth in paragraph (h) of this section will be followed.

(1) Authority to undertake Federal dredging projects. (1) District Engineers may undertake Federal dredging projects in accordance with this regulation subject to such special conditions as are necessary to protect the public interest in the navigable waters or ocean waters in all cases in which there are no known substantive objections to the proposed dredging activity or in which objections have been resolved to the satisfaction of the District Engineer. All other proposed Federal dredging projects, including those cases in paragraphs (1)(2) (i) through (vii) of this section, will be referred to Division Engineers.

(2) Division Engineers will review, attempt to resolve outstanding matters, and evaluate all Federal dredging projects referred by District Engineers. Division Engineers may authorize or defer commencement of a dredging project as well as the inclusion of additional procedures to those projects as may be necessary to protect the public interest in the navigable waters or ocean waters. However, Division Engineers will refer to the Chief of Engineers, Attention: DAEN-CWO-M, the following cases:

(i) When it is proposed to undertake a proposed Federal dredging project and there are unresolved objections from another Federal agency;

 (ii) When the recommended decision is contrary to the stated position of the Governor of the affected State or of a member of Congress;
 (iii) When there is substantial doubt

(iii) When there is substantial doubt as to authority, law, regulations, or policies applicable to the proposed dredging project;

(iv) When higher authority requests the case be forwarded for decision;

(v) When the case is recognized to be highly controversial or litigation is anticipated:

(vi) When the proposed dredging project would affect the baseline used for

determination of the limits of the territorial sea; and

(vii) When any party to a public hearing has filed an appeal of the decision.

(m) Supervision of Federal dredging projects. District Engineers will supervise all authorized dredging activities and will require that the activity be conducted and executed in conformance with the approved plans and procedures of the project. Inspections will be made during performance of the dredging activity and instructions will be given to insure that there is no departure from the approved plans.

(n) Reports. The report of a District Engineer requiring action by the Division Engineer or by the Chief of Engineers will be in a letter form with all pertinent comments, records and studies including the final environmental impact statement and statement of finding, if prepared, as inclosures. The following items will be included or discussed in the report:

(1) Name of project.

(2) Location of proposed work.

(3) Character and purpose of proposed work.

(4) Other Federal, State, and local coordinations.

(5) Date of public notice and public meeting or public hearings, if held, and summary of objections offered with comments of the District Engineer thereon. The comments should explain the objections and not merely refer to inclosed letters.

(6) Views of State and local authorities.

(7) Views of District Engineer concerning probable effect of the proposed work on:

(i) Navigation, present and prospective.

- (ii) Beach erosion or accretion.
- (iii) Fish and wildlife.
- (iv) Water quality.
- (v) Aesthetics.
- (vi) Ecology.
- (vii) Historic values.
- (viii) Recreation.
- (ix) Economy.
- (x) Water supply.
- (xi) Public Interest.

(8) Other pertinent remarks, including need for the proposed work and alternatives reasonably available.

(9) Conclusions.

(10) Recommendations including any proposed special procedures.

[FR Doc.74-3828 Filed 2-15-74;8:45 am]

## DEPARTMENT OF THE INTERIOR

**Bureau of Indian Affairs** 

## [ 25 CFR Part 33 ]

ENROLLMENT OF INDIANS IN PUBLIC SCHOOLS

#### Notice of Extension of Time for Filing Comments

#### FEBRUARY 5, 1974.

This notice is published in exercise of authority delegated by the Secretary of the Interior to the Commissioner of Indian Affairs by 230 DM 2 (32 FR 13938).

On January 14, 1974, there was published in the FEDERAL RECISTER (39 FR 1776-1777), a notice of proposed revision of Part 33 of Title 25 of the Code of Federal Regulations, clarifying the eligibility requirements for educational programs for Indian students in public schools to be funded under these regulations.

Following publication of the above notice, several requests for an extension of the time for filing comments have been received. No objection appearing, the period of time for filing comments, suggestions, or objections, to the proposed regulations is hereby extended to and including March 15, 1974.

#### MORRIS THOMPSON, Commissioner of Indian Affairs. [FR Doc.74-3838 Filed 2-15-74;8:45 am]

#### Mining Enforcement and Safety Administration

[ 30 CFR Part 75 ] MANDATORY SAFETY STANDARDS FOR UNDERGROUND COAL MINES

Illumination; Objections Filed and Hearing Requested

Pursuant to the authority vested in the Secretary of the Interior under section 101(a) of the Federal Coal Mine Health and Safety Act of 1969, as amended (83 Stat. 745; 30 U.S.C. 811 (a)), and in accordance with section 317(e) thereof (83 Stat. 788; 30 U.S.C. 877(e)) which requires the Secretary to propose standards under which all working places in an underground coal mine shall be illuminated by permissible lighting while persons are working in such places, there was published, as proposed rulemaking, in the FEDERAL REGISTER for October 27, 1971 (36 FR 20607), \$ 75.1719 through 75.1719-4 of 30 CFR Part 75, entitled "Illumination in Underground Coal Mines."

Interested persons were afforded a neriod of 45 days following publication within which to submit to the Director, Bureau of Mines, written comments, suggestions, or objections to these proposed standards, stating the grounds therefor, and to request a public hearing on such objections.

Section 101(f) of the Act directs the Secretary to publish in the FEDERAL REG-ISTER, as soon as practicable after the period for filing such objections has expired, a notice specifying proposed mandatory safety standards to which objections have been filed and a hearing requested.

Notice is hereby given that written objections were timely filed with the Director, Bureau of Mines, stating the grounds for objections and requesting a hearing on proposed § 75.1719 through 75.1719-4 of 30 CFR Part 75.

Pursuant to section 101(g) of the Act, the Secretary will after publication of this notice in the FEDERAL REGISTER, issue notice of the time and place at which a

public hearing will be held for the purpose of receiving relevant evidence to the objections received.

> WILLIAM A. VOGELY, Acting Deputy Assistant Secretary of the Interior.

FEBRUARY 14, 1974. [FR Doc.74-4009 Filed 2-15-74;8:45 am]

### [ 30 CFR Part 77 ]

MANDATORY SAFETY STANDARDS, SUR-FACE COAL MINES AND SURFACE WORK AREAS OF UNDERGROUND COAL MINES

#### Rollover Protective Structures (ROPS) and Falling Object Protective Structures (FOPS) for Mobile Equipment; Objections Filed and Hearing Requested

Pursuant to the authority vested in the Secretary of the Interior under section 101(a) of the Federal Coal Mine Health and Safety Act of 1969, as amended (83 Stat. 745; 30 U.S.C. 811(a)), there was published in the FEDERAL REGISTER for October 9, 1973 (38 FR 27841) a notice proposing to amend § 77.403 and to add a new § 77.403a to 30 CFR Part 77, pertaining to rollover protective structures (ROPS) and falling object protective structures (FOPS) for mobile equipment.

Interested persons were afforded a period in excess of 30 days following publication within which to submit to the Administrator, Mining Enforcement and Safety Administration, written comments, suggestions, or objections to these proposed standards, stating the grounds therefor, and to request a public hearing on such objections.

Section 101(f) of the Act directs the Secretary to publish in the FEDERAL REG-ISTER, as soon as practicable after a period for filing such objections has expired. a notice specifying proposed mandatory safety standards to which objections have been filed and a hearing requested.

Notice is hereby given that written comments from equipment manufacturers, mine operators, trade associations and union representatives were timely filed with, the Administrator, Mining Enforcement and Safety Administration stating the grounds for objections. Four requests for a public hearing on the proposed amendments to  $\S$  77.403 and the new  $\S$  77.403a were received from interested trade associations.

Pursuant to section 101(g) of the Act, the Secretary will after publication of this notice in the FEDERAL REGISTER, issue notice of the time and place at which a public hearing will be held for the purpose of receiving relevant evidence to the objections received.

> WILLIAM A. VOGELY, Acting Deputy Assistant

Secretary of the Interior.

FEBRUARY 14, 1974.

[FR Doc.74-4010 Filed 2-15-74;8:45 am]

## DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

## [ 7 CFR Part 991 ]

#### HANDLING OF HOPS OF DOMESTIC PRODUCTION

#### Proposed Salable Quantity and Allotment Percentage for the 1974-75 Marketing Year

Notice is hereby given of a proposal to establish, for the 1974-75 marketing year, beginning August —, 1974, a salable quantity of 60,270,000 pounds, and an allotment percentage of 100 percent, for hops grown in Washington, Oregon, Idaho, and California. The salable quantity is the total quantity of hops that may be freely marketed from any crop grown in those states and handled by handlers. The salable quantity is prorated among producers by applying the allotment percentage to each producer's allotment base.

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The proposed salable quantity and allotment percentage would be established in accordance with provisions of Marketing Order No. 991, as amended (7 CFR Part 991), regulating the handling of hops of domestic production, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674). The proposal was recommended by the Hop Administrative Committee.

Consideration will be given to any written data, views, or arguments pertaining to the proposal which are received by the Hearing Clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C. 20250, not later than March 6, 1974. All written submissions made pursuant to this notice should be in quadruplicate and will be made available for public inspection at the office of the Hearing Clerk during official hours of business (7 CFR 1.27 (b)).

The proposed salable quantity and allotment percentage are based upon recommendations of the Committee made at their meeting of January 22, 1974, and derive from the following estimates for the marketing year beginning August 1, 1974:

(1) Total domestic consumption of 37,500,000 pounds of hops;

(2) Minus imports of 10,000,000 pounds of hops to result in domestic consumption of U.S. hops of 27,500,000 pounds;

(3) Plus total U.S. exports of 29,000,-000 pounds of hops to equal 56,500,000 pounds total usage of U.S. hops;

(4) Minus a desirable inventory adjustment, as of September 1, 1975, of 1,500,000 pounds;

(5) Plus an adjustment of 5,270,000 pounds to provide for adequate supplies should some producer allotments not be fully produced.

Thus, the salable quantity during the 1974-75 marketing year would be 60,-270,000 pounds.

The proposed salable percentage is computed by subtracting from this sal-

able quantity 1,000,000 pounds for additional allotment bases for hops of the Fuggle variety pursuant to \$\$ 991.38(b) and 991.138(c) and dividing the remainder by 59,270,000 pounds, the total of all allotment bases less the 1,000,000 pound additional allotment bases for Fuggle variety hops.

The proposal is as follows:

§ 991.212 Allotment percentage and salable quantity for hops during the marketing year beginning August 1, 1974.

The allotment percentage during the marketing year beginning August 1, 1974, shall be 100 percent, and the salable quantity shall be 60,270,000 pounds.

Dated: February 13, 1974.

CHARLES R. BRADER, Deputy Director, Fruit and Vegetable Division. [FR Doc.74-3910 Filed 2-15-74;8:45]

## DEPARTMENT OF LABOR Occupational Safety and Health Administration

## [ 29 CFR Part 1999 ] STANDARD FOR OCCUPATIONAL EXPOSURE TO NOISE

Notice of Intent To Prepare an Environmental Impact Statement

The National Environmental Policy Act of 1969 (42 U.S.C. section 102) requires each Federal agency to consider the environmental effects of proposed actions and to prepare environmental impact statements or major actions affecting the quality of the human environment. Accordingly, the Occupational Safety and Health Administration, U.S. Department of Labor, in conformance with its procedures for environmental impact statements (29 CFR Part 1999), announces its intention to prepare an environmental impact statement assessing the impact of a standard that will be proposed for occupational noise exposure.

The Office of Standards, Occupational Safety and Health Administration, is currently collecting information and data on possible environmental impacts of the recommended standard, such as any adverse environmental effects which cannot be avoided should the standard be adopted; alternatives to such a standard; the relationship between local short-term uses of man's environment and the maintenance and enhancement of long-term productivity; and any irreversible commitments of resources which would be involved if the standard should be implemented. Those issues of particular interest are set forth below:

(a) Effects of occupationally induced hearing impairment and other physiological or psychological effects of noise;

(b) Secondary effects of occupational noise exposure, such as accident experiene and interruption of mission;

(c) Sociological effects of hearing loss on the individual and the community;

(d) Technological or engineering find-

ings relating to reduction of noise in the occupational environment; and

(e) Any other pertinent issues.

Any person having information or data on this subject which is not readily available in the open literature is invited to submit it, with accompany documentation, to the Director, Office of Standards, Occupational Safety and Health Administration, 1726 M Street, NW., Room 210, Washington, D.C. 20210 by March 21, 1974. All information received will be available for public inspection at the Office of Standards after the draft environmental impact statement is completed.

A copy of the completed draft environmental impact statement on noise will be available to any member of the public who requests it.

Comments on the draft statement should be sent to the Office of Standards, Occupational Safety and Health Administration. A 45-day period will be allowed for the submission of comments after the publication of the draft environmental statement.

Signed at Washington, D.C., this 13th day of February, 1974.

JOHN STENDER, Assistant Secretary of Labor. [FR Doc.74-3894 Filed 2-15-74;8:45 am]

## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

## Office of the Secretary

[ 41 CFR Parts 3-1, 3-4, 3-16 ]

USE OF "EXAMINATION OF RECORDS BY THE DEPARTMENT OF HEALTH, EDU-CATION, AND WELFARE" AND "AC-COUNTS, AUDIT AND RECORDS" CLAUSES IN ALL NEGOTIATED CON-TRACTS, AGREEMENTS AND OTHER INSTRUMENTS

Notice of Proposed Rule Making

Notice is hereby given in accordance with the administrative provisions in 5 U.S.C. 553, that pursuant to the Federal Property and Administrative Services Act of 1949, as amended, the Office of the Secretary is considering an amendment to 41 CFR Ch. 3, by amending Parts 3-1, 3-4, and 3-16, to make the "Examination of Records by the Department of Health, Education, and Welfare" and "Accounts, Audit and Records" clauses mandatory for all contracts, agreements, and other instruments (regardless of name) which are subject to 41 U.S.C. 252. The HEWPR is being clarified to indicate its applicability to agreements and other instruments (regardless of name) which are subject to 41 U.S.C. 252.

Any person who wishes to submit written data, views, or objections pertaining to the proposed amendment may do so by filing them in duplicate with the Office of Grants and Procurement Management, OASAM, Room 2038, HEW South Building, Department of Health, Education, and Welfare, 330 C Street SW., Washington, D.C. 20201, on or before March 21, 1974. All comments submitted pursuant to this notice will be available

for public inspection during regular business hours in the Office of Grants and Procurement Management.

These amendments give the Secretary of the Department of Health, Education, and Welfare or his authorized representative the right to examine records pertaining to all negotiated contracts and to agreements and other instruments (regardless of name) which are subject to 41 U.S.C. 252.

Dated: February 12, 1974.

#### THOMAS S. MCFEE, Acting Assistant Secretary for Administration and Management.

As proposed, the following changes will be made in the HEW Procurement Regulations:

#### § 3-1.104 [Amended]

1. Section 3-1.104, Applicability, of Subpart 3-1.1, Regulation System, is amended by adding the following as the second sentence of the section. The remainder of the section remains unchanged.

\* \* \* The HEWPR applies to contracts and to agreements and other instruments (regardless of name) which are subject to 41 U.S.C. 252. \* \* \*

2. The following will be added to paragraph (a) of § 3-16.5003, Additions, modifications and substitutions to General Provisions of Subpart 3-16.50, Forms for Negotiated Procurements:

#### § 3-16.5003 [Amended]

(a) \* \* \*

(19) The following clause "Examination of Records by the Department of Health, Education, and Welfare" shall be included in HEW Forms 313 and 314 and shall be used in all negotiated fixedprice contracts:

EXAMINATION OF RECORDS BY THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The provisions of clause \_\_\_\_\_ above entitled "Examination of Records by Comptroller General" are extended to provide equal rights to duly authorized representatives of the Secretary or of the Contracting Officer.

Note: The clause entitled "Examination of Records by Comptroller General" is set forth in § 1–7.103–3.

(20) The following clause, "Accounts, Audit and Records," shall be included in all HEW Forms 313 and 304 and shall be used in all negotiated fixed-price contracts:

#### ACCOUNTS, AUDIT AND RECORDS

(a) The Contractor shall maintain books, records, documents, and other evidence, accounting procedures, and practices, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred for the performance of this contract. The foregoing constitutes "records" for the purpose of this clause.

(b) The Contractor's facility(ies) or such part thereof as may be engaged in the performance of this contract, and his records shall be subject at all reasonable time to inspection and audit by the Secretary or his authorized representatives.

(c) The Contractor shall preserve and make available his records (1) until the expiration of 3 years from the date of final payment under this contract, or the time periods for particular records specified in 41 CFR Part 1-20, whichever expires earlier, and (2) for such longer period, if any, as is required by applicable statute, or by other clauses of this contract, or by (i) or (ii) below:

 If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of 3 years from the date of any resulting final settlement.
 Records which relate to (A) appeals

(ii) Records which relate to (A) appeals under the "Disputes" clause of this contract, (B) litigation or the settlement of claims arising out of the performance of this contract, or (C) costs and expenses of this contract to which exception has been taken by the Contracting Officer or any of his duly authorized representatives, shall be retained until such appeals, litigation, claims, or exceptions have been disposed of. (d) The Contractor shall insert the substance of this clause, including this paragraph (d) in c.ch subcontract hereunder with the exceptions of (1) purchase orders not exceeding \$2,500 and (2) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public. When so inserted, changes shall be made to designate the higher-tier subcontractor at this level involved in place of the Contractor; to add "of the Government prime contract," in place of "this contract" in (B) of subparagraph (c) (ii) above.

§§ 3–16.950–315, 3–16.950–315A and 3–16.950–316 [Amended]

3. Sections 3-16.950-315, 3-16.950-315A and 3-16.950-316, are amended by adding the clause entitled "Examination of Records by the Department of Health, Education, and Welfare" set forth in § 3-16.5003(a)(19) and deleting the clause entitled "Accounts, Audit and Records" and substituting the clause set forth in § 3-16.5003(a)(20) therefor.

4. The following is added to the table of contents of Part 3-4, Special Types and Methods of Procurement:

Subpart 3-4.59-Agreements and Other Types of Instruments

#### 3-4.5901 Policy.

A new subpart 3-4.59, consisting at this time of § 3-4.5901 is added as follows:

### Subpart 3–4.59—Agreements and Other Types of Instruments

### § 3-4.5901 Policy.

Agreements and other instruments subject to 41 U.S.C. 252 must contain the clauses set forth in the DHEW General Provisions and other clauses contained in these regulations that are required by the type of procurement involved.

[FR Doc.74-3879 Filed 2-15-74;8:45 am]

### [ 41-CFR Part 3-4 ]

#### PROCUREMENTS INVOLVING THE USE OF LABORATORY ANIMALS

#### **Proposed Policies and Procedures**

Notice is hereby given in accordance with the administrative procedure provisions in 5 U.S.C. 553, that pursuant to the Federal Property and Administrative Services Act of 1949, as amended, the

Office of the Secretary is considering an amendment to 41 CFR Chapter 3 by adding Subpart 3-4.58, Procurements Involving the use of Laboratory Animals. The purpose of the issuance is to establish policies and procedures conforming to the provisions of the Animal Welfare Act.

Any person who wishes to submit written data, views or objections pertaining to the proposed amendment may do so by filing them in duplicate with the Acting Deputy Assistant Secretary, Grants and Procurement Management, Room 2038, HEW South Building, Department of Health, Education, and Welfare, 330 Independence Avenue, SW, Washington, D.C. 20201, on or before March 21, 1974. All comments submitted pursuant to this notice will be available for public inspection during regular business hours in the Office of the Acting Deputy Assistant Secretary, Grants and Procurement Management.

Dated: February 11, 1974.

#### THOMAS S. MCFEE, Acting Assistant Secretary for Administration and Management.

As proposed, the new Subpart 3-4.58 would read as follows:

# Subpart 3-4.58 Procurements Involving the Use of Laboratory Animals

| Sec.     |       |    |   |
|----------|-------|----|---|
| 3-4.5800 | Scone | of | s |

- 3-4.5800 Scope of subpart. 3-4.5801 Definitions.
- 3-4.5802 Policy.
- 3-4.5803 Applicability.
- 3-4.5804 Grantee and Contractor Implementation.
- 3-4.5805 Departmental Implementation.

§ 3-4.5800 Scope of subpart.

This issuance describes DHEW grant or contract support for projects or activities involving animals, and the responsibilities of the DHEW operating agencies for implementing policies and procedures described herein.

## § 3-4.5801 Definitions.

(a) Animal Welfare Act. The Act of August 24, 1966 (Public Law 89-544), commonly known as the Laboratory Animal Welfare Act, as amended by the Act of December 24, 1970 (Public Law 91-579), the Animal Welfare Act of 1970.

(b) Animal. "Animal" means any live, warm-blooded animal (homiotherm) which is being used, or is intended for use, for research, testing, training, education, experimentation, or demonstration purposes.

(c) Animal Facility. "Animal facility" means any room, building, or area used to contain a primary enclosure designed to immediately restrict an animal or animals to a limited amount or space, such as a room, pen, run, cage, compartment, or hutch.

(d) Institution. Any corporation, institution, organization, agency, or other legally accountable person, other than an individual, located in a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, Wake Island, Johnston Island, the Vir-

gin Islands, the Canal Zone, or the Trust Territory of the Pacific Islands.

(e) Significant numbers of animals. No fixed quantitative definition of this term is offered. Institutions believing, that they do not use significant numbers of animals in DHEW supported activities and wishing to modify their institutional committee make-up on the basis of their animal inventory as provided for by \$3-4.5804(a) (2) (ii) should give inventory information as suggested by the assurance examples in Exhibit X3-4.58-2. Final determination as to the acceptability of such modifications will be made by the DHEW.

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## § 3-4.5802 Policy.

It is the policy of the Department of Health, Education, and Welfare that institutions using animals in projects or other activities supported with funds from DHEW grants, awards, or contracts shall assure the DHEW in writing that they will evaluate on a continuing basis their animal facilities in regard to the care, use, and treatment of such animals, consistent with the standards established by the Animal Welfare Act, the DHEW "Principles for Use of Experimental Animals" (Exhibit X3-4.58-1), and DHEW publication, "Guide for Care and Use of Laboratory Animals," Fourth Edition.1 No DHEW grant or contract involving the use of animals will be awarded to an institution unless such assurance has been filed with the DHEW. No such grant or contract will be awarded to an individual without affiliation with an institution which has accepted responsibility for administration of the funds awarded and has filed an assurance with DHEW.

§ 3-4.5803 Applicability.

(a) This policy is applicable to the grants and contracts of any DHEW agency which involve the use of animals in direct research, training, testing, or other activities to be performed by the grantee or contractor institution. While the bulk of such support is offered by a few DHEW agencies (NIH, FDA), staff of all agencies shall be alert to the inclusion of procedures involving animals into proposals received.

(b) Applicability of this policy to contracts for the procurement of animals or animal materials for use in DHEW intramural activities shall be determined by the DHEW officials responsible for administering programs which award such contracts.

# § 3-4.5804 Grantee and contractor implementation.

(a) See Exhibit X3-4.58-2 for examples of acceptable assurance forms. An assurance will identify the evaluation mechanism or mechanisms to be used by the institution, based on one of the following three actions, as appropriate.

(1) Accreditation of all institutional animal facilities by a nationally recog-

<sup>1</sup> Revision of PHS publication number 1024, "Guide for Laboratory Animal Facilities and Care," Third Edition, 1968. nized professional laboratory animal accrediting body.<sup>2</sup>

(2) Establishment of an institutional committee to evaluate on a continuing basis the care of all animals held or used by or for the grantee or contractor institution for use in research, teaching, or other activities supported by DHEW grants or contracts.

(i) Where the institution uses significant numbers of animals in DHEW supported activities, the committee will consist of at least three members, at least one of whom must be a Doctor of Veterinary Medicine.

(ii) Where the institution does not use significant numbers of animals in DHEW supported activities, the committee will consist of at least three members. At least one of the members must be a scientist with demonstrated expertise in the care and use of laboratory animals. If such expertise is not available, a Doctor of Veterinary Medicine available to the committee on a consultant basis is the permissible alternative.

(3) Both of the foregoing (accreditation and committee), if the accreditation is limited to only a portion of the institution's facilities for the care and use of live animals.

(b) Institutional review of applications and proposals. Grantee and contractor institutions are encouraged to review their applications and proposals in the light of the pertinent provisions of the Animal Welfare Act, the standards set by the Institute of Laboratory Animal Resources, National Academy of Sciences, National Research Council (NAS, NRC), and the DHEW Principles for the Use of Laboratory Animals (Exhibit X3-4.58-1), and to familiarize their staff with these provisions, standards, and principles. However, there is no requirement under this policy that institutional committees perform review of individual proposals or regularly provide to the DHEW summaries or certifications of such committee actions.

(c) Reporting to DHEW. No routine reports are required. Assurance requirements are limited to the description, on a one-time basis, of administrative mechanisms for the continuing evaluation of institutional facilities and activities concerned with the care and use of animals. However, significant changes in assurance status or significant problems encountered in implementing this policy shall be promptly reported to the Institutional Relations Branch, DRG, NIH, DHEW. Review of these changes or problems, or of institutional and other records of performance under the terms and conditions of this policy, may require renegotiation of the assurance, or such other action as may be appropriate. (See § 3-4.5805(d).)

(d) Maintenance of institutional records. As a part of the continuing evaluation process, DHEW awardee institutions shall keep records of committee activities, including recommendations and determinations, and/or records of accrediting body determinations. Institutions shall also keep animal inventory records to establish whether significant numbers of animals are being used. These records shall be available for inspection by the Secretary, DHEW, or his authorized representatives. They shall be retained for a period of three years after termination of the budget period to which they apply.

§ 3–4.5805 Departmental implementation.

(a) The Division of Research Grants, NIH, DHEW, will be responsible for general administration and coordination of the implementation of this policy. The Institutional Relations Branch, DRG, will publish and distribute to all DHEW components a cumulative list of all institutions which have filed assurances of compliance as specified by § 3-4.5804.

(b) Staff, advisory groups, and consultants, in their review of applications for DHEW grants and contracts, shall consider the requirements of this policy with special attention to the principles described in Exhibit X3-4.58-1. If a project is disapproved or not awarded as requested, entirely or in part on grounds of incompatibility with this policy or its related principles, DHEW program staff shall bring the circumstances to the attention of the Institutional Relations Branch, which will call the matter to the attention of the applicant institution on behalf of the DHEW.

(c) Implementation procedures. DHEW agencies shall publish their implementation requirements within 60 days of publication of this policy. Aspreviously accepted by the surances DRG, NIH, for the NIH and listed in its current "protection of Animal Subject \* \*. Cumulative List of Institutions in Compliance with NIH Policy" will be considered acceptable for the purposes of this policy provided that the DHEW supported activities are limited to the use of the six species (dogs, cats, monkeys, guinea pigs, rabbits, and hamsters) covered by the NIH policy memorandum of August 2, 1971. Application of this policy will be made to all contracts, and to all grants resulting from competing applications awarded after July 1, 1973.

No DHEW grant or contract involving the use of animals shall be awarded when the application or proposal for such grant or contract raises questions in the minds of DHEW operating agency staff as to the applicant's or proposer's compliance with the terms of this policy or its related principles. The principal investigator or project director will be contacted by DHEW operating agency staff and given an opportunity to resolve the questions, in a time period specified by the DHEW operating agency.

Final adverse action shall be taken by DHEW only if the principal investigator or project director fails or refuses to

satisfactorily resolve the questions within the time period specified by the DHEW operating agency. Alternatively, if, in the judgment of DHEW operating agency staff, the project or activity can properly be restricted so as to eliminate those parts of the design which are incompatible with this policy or its related principles, such a restricted award may be offered.

(d) Follow-Up. If, in the judgment of the Secretary or his authorized representative, an institution has failed in a material manner<sup>3</sup> to comply with the terms of this policy, he may:

(1) With respect to an institution, determine that its eligibility to receive further DHEW grants or contracts involving the use of animals be withdrawn, such disqualification to continue until terminated in the public interest by the Secretary or his authorized representative. The institution shall be promptly notified of such action.

(2) With respect to a particular DHEW grant or contract involving the use of animals, require that it be terminated in the manner provided for in applicable grant or procurement regulations. The grantee or contractor shall be promptly notified of such action.

(3) With respect to an individual employed by the grantee or contractor institution, determine that he is no longer qualified to serve as principal investigator, program director, or other person responsible for the direction of activities funded by DHEW as grants or contracts involving the use of animals, such disqualification to continue until terminated in the public interest by the Secretary or his authorized representative. The individual shall be promptly notified of such action.

#### Ехнівіт Х3-4.58-1

#### PRINCIPLES FOR USE OF LABORATORY ANIMALS

The personnel. 1. Projects or activities involving live, warm-blooded animals and the procurement of living animal tissues for biomedical activities must be performed by, or under the immediate supervision of, a scientist qualified in the scientific area under study.

2. The housing, care, and feeding of all laboratory animals must be supervised by a properly qualified veterinarian or other scientist competent in such matters.

The project or activity. 3. The intent of the project or activity should be such as to yield fruitful results for the good of society, and not random and unnecessary in nature.

4. The project or activity should be so designed and based on knowledge of the disease or problem under study that the significance of anticipated results will justify its performance.

5. The project or activity should be so conducted as to avoid all unnecessary suffering and injury to the subject animals.

6. The scientist in charge of the project or activity must be prepared to terminate it whenever he believes that its continuation may result in unnecessary injury to the subject animals.

<sup>3</sup> Any violation under section 19 or 20 of the Animal Welfare Act (Exhibit X3-4.58-3) shall be considered to constitute a material failure to comply with the terms of this policy.

<sup>&</sup>lt;sup>3</sup>Registration, licensing, or inspection by the Animal Health Division of the Department of Agriculture, or by any State, county, or municipal government agency, does not serve to satisfy the terms of this policy. Accreditation by the American Association for Accreditation of Laboratory Animal Care does serve to satisfy the terms of this policy.

7. If any aspect of the project or activity is likely to cause greater discomfort than that attending anesthetization, the subject animals must be rendered incapable of perceiving the pain prior to its possible onest and be maintained in that condition until the threat of pain is ended. The only exception to this guideline should be in those cases where anesthetization would defeat the purpose of the project; such exceptions must be specifically approved and supervised by the principal investigator.

8. If it is necessary to sacrifice a laboratory animal, the subject animal must be killed in a humane manner in such a way as to insure immediate death in accordance with procedures approved by the institutional committee. No animal shall be discarded until death is certain.

 Post-experiment care of subject animals must be such as to minimize discomfort, in accordance with acceptable practice in veterinary medicine.

The facilities, 10. Standards for the construction and use of housing, service, and surgical facilities should be consistent with the recommendations in DHEW publication, "Guide for Care and Use of Laboratory Animals," Fourth Edition, or as otherwise required by the U.S. Department of Agriculture regulations established under the terms of the Animal Welfare Act.

#### EXHIBIT X3-4.58-2

EXAMPLES OF ACCEPTABLE ASSURANCE FORMS

Assurances may take any one of several forms depending on circumstances, but should include the information provided by one or more of the examples below, be dated, and be signed by an authorized representative of the institution:

1. "This institution uses or intends to use significant numbers of warm-blooded animals in activities supported by DHEW grants, contracts, or awards. We are accredited by the American Association for Accreditation of Laboratory Animal (AAALAC). Our director(s) of laboratory animal care, as listed with AAALAC, are as follows: (insert name(s), degree(s), ttile(s)). Our accreditation applies to the following facilities and components of this institution:

Records of accrediting body determinations

will be available for inspection by the Secretary, DHEW, or his authorized representatives."

2. "This institution uses or intends to use significant numbers of warm-blooded animals in activities supported by DHEW grants, contract, or awards. We have established a committee of at least three members, at least one of whom is a Doctor of Veterinary Medicine (insert name), to evaluate the care of all warm-blooded animals held or used for research, teaching or other activities supported by DHEW grants, contracts, or awards. The committee will be responsible for animals housed at the following facilities and components of this institution:

\_\_\_\_\_

The evaluation committee will periodically inspect the animal facilities of this institution and report its findings and recommendations to the institution's responsible officials on a schedule the committee determines necessary; but in no case will these reports be issued less than annually. Records will be kept of committee activities and

recommendations. These records will be available for inspection by the Secretary, DHEW, or his authorized representatives."

3. "This institution uses or intends to use warm-blooded animals in activities supported by DHEW grants, contracts, or awards, but not in significant numbers (average daily inventory, \_\_\_\_\_\_ warm-blooded animals; total annual inventory, \_\_\_\_\_\_ warmblooded animals).

We have established a committee of at least three members, one of whom is (insert name, highest degree heid, field of major interest, years of animal research experience), to evaluate the care of all warmblooded animals held or used for research, teaching, or other activities supported by DHEW grants, contracts, or awards. The committee will be responsible for animals housed at the following facilities and components of this institution:

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The evaluation committee will periodically inspect the animal facilities of this institution and report its findings and recommendations to the institution's responsible officials on a schedule the committee determines necessary; but in no case will these reports be issued iess than annually. Records will be kept of committee activities and recommendations. These records will be available for inspection by the Secretary, DHEW, or his authorized representatives."

4. "This institution uses or intends to use warm-blooded animals in activities supported by DHEW grants, contracts, or awards, but not in significant numbers (average daily inventory, \_\_\_\_\_\_\_ warm-blooded animals; total annual inventory, \_\_\_\_\_\_ warmblooded animals). We have established a committee of at least three members, to evaluate the care of all warm-blooded animals held or used for research, teaching, or other activities supported by DHEW grants, contracts, or awards. We have arranged for a Doctor of Veterinary Medicine (*insert name* \_\_\_\_\_\_), to consult with the committee as needed. The committee will be responsible for animals housed at the following facilities and components of this institution:

\_\_\_\_\_

The evaluaton committee will periodically inspect the animal facilities of this institution and report its findings and recommendations to the institution's responsible officials on a schedule the committee determines necessary; but in no case will these reports be issued less than annually. Records will be kept of committee activities and recommendations. These records will be available for inspection by the Secretary, DHEW, or his authorized representatives."

#### EXHIBIT X3-4.58-3

ANIMAL WELFARE ACT-SECTIONS 19 AND 20

Section 19. (a) If the Secretary <sup>1</sup> has reason to believe that any dealer, exhibitor, or operator of an auction sale subject to Section 12 of this Act has violated or is violating any provisions of this Act, or any of the rules or regulations or standards promulgated by the Secretary hereunder, he may make an order that such person shall cease and desist from continuing such violation, and if such persons is licensed under this Act, the Secretary may also suspend such person's license temporarily, but not to exceed twenty-one days, and after notice and opportunity for

hearing, may suspend for such additional period as he may specify, or revoke such license, if such violation is determined to have occurred. Any dealer, exhibitor, or operator of an auction sale subject to Section 12 of this Act, who knowingly fails to obey a cease and desist order made by the Secretary under this Section, shall be subject to a civil penalty of \$500 for each offense, and each day during which such failure continues, shall be deemed a separate offense.

(b) Any dealer, exhibitor, or operator of an auction sale aggrieved by a final order of the Secretary issued pursuant to subsection (a) of this Section may within sixty days after entry of such an order, seek review of such order in the United States court of appeals for the circuit in which such person has his principal place of business, or in the United States Court of Appeals for the District of Columbia Circuit, in accordance with the provisions of Section 701-706 of Title 5, United States Code. Judicial review of any such order shall be upon the record upon which the final determination and order of the Secretary were based.

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(c) Any dealer, exhibitor, or operator of an auction sale subject to Section 12 of this Act, who violates any provision of this Act shall, on conviction thereof, be subject to imprisonment for not more than one year, or a fine of not more than \$1,000, or both.

Section 20. (a) If the Secretary has reason to believe that any research facility has violated or is violating any provision of this Act or any of the rules, regulations, or standards promulgated by the Secretary hereunder and if, after notice and opportunity for hearing, he finds a violation, he may make an order that such research facility shall cease and desist from continuing such violation. Such cease and desist order shall become effective fifteen days after issuance of the order. Any research facility which knowingly fails to obey a cease and desist order made by the Secretary under this Section shall be subject to a civil penalty of \$500 for each offense, and each day during which such failure continues shall be deemed a separate offense.

(b) Any research facility aggrieved by a final order of the Secretary issued pursuant to subsection (a) of this Act, may within sixty days after entry of such order, seek review of such order in the United States court of appeals for the circuit in which such research facility has its principal place of business, or in the United States Court of Appeals for the District of Columbia Circuit, in accordance with the provisions of sections 701-706, of Title 5, United States Code. Judicial review of any such order shall be upon the record upon which the final determination and order of the Secretary were based

[FR Doc.74-3878 Filed 2-15-74;8:45 am]

#### DEPARTMENT OF TRANSPORTATION

**Federal Aviation Administration** 

[ 14 CFR Part 71 ]

[Airspace Docket No. 73-EA-112] CONTROL ZONE

## **Proposed Alteration**

The Federal Aviation Administration is considering amending § 71.171 of Part 71 of the Federal Aviation Regulations so as to alter the Du Bois, Pa., Control Zone (39 FR 376).

<sup>&</sup>lt;sup>1</sup> In this Exhibit, "Secretary" means Secretary of Agriculture.

A new instrument approach procedure developed for Du Bois-Jefferson County Airport, Du Bois, Pa., requires alteration of the control zone to provide additional controlled airspace protection for aircraft executing the new procedure.

Interested parties may submit such written data or views as they may desire. Communications should be submitted in triplicate to the Director, Eastern Region, Attn: Chief, Air Traffic Division, Department of Transportation, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, New York 11430. All communications received on or before March 21, 1974, will be considered before action is taken on the proposed amendment. No hearing is contemplated at this time, but arrangements may be made for informal conferences with Federal Aviation Administration officials by contacting the Chief. Airspace and Procedures Branch, Eastern Region.

Any data or views presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official docket will be available for examination by interested parties at the Office of Regional Counsel, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, New York.

The Federal Aviation Administration, having completed a review of the airspace requirements for the terminal area of Du Bois, Pennsylvania, proposes the airspace action hereinafter set forth:

1. Amend § 71.171 of Part 71 of the Federal Aviation Regulations by deleting the description of the Du Bois, Pa. control zone and by substituting the following in lieu thereof:

Within a 5-mile radius of the center, 41° 10'42'' N., 78°53'50'' W., of Du Bois-Jefferson County Airport, Du Bois, Pa.; within 3 miles each side of the Du Bois-Jefferson County Airport ILS localizer northeast course, extending from the 5-mile radius zone to 8.5 miles northeast of the OM; and within 2.5 miles each side of the Clarion, Pa. VORTAC 086° radial, extending from the 5-mile radius zone to 23 miles east of the Clarion, Pa. VORTAC.

This amendment is proposed under sec. 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348); sec. 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Jamaica, N.Y., on February 4, 1974

ROBERT H. STANTON. Director, Eastern Region. [FR Doc.74-3820 Filed 2-15-74;8:45 am]

[ 14 CFR Part 71 ] [Airspace Docket No. 73-EA-113]

## TRANSITION AREA

## **Proposed Alteration**

The Federal Aviation Administration is proposing to amend § 71.181 of Part 71 of the Federal Aviation Regulations so

No. 34-Pt. I-11

as to alter the Olean, N.Y., Transition Area (39 FR 557).

The subject transition area is presently existing on a part-time basis because of the part time operation and monitoring of the non-federal radio beacon affiliated with the Olean Municipal Airport, Olean, New York. The schedule has now been revised to a 24-hour basis, permitting a full-time transition area.

Interested parties may submit such written data or views as they may desire. Communications should be submitted in triplicate to the Director, Eastern Region, Attn: Chief, Air Traffic Division, Department of Transportation, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, New York 11430. All communications received on or before March 21, 1974, will be considered before action is taken on the proposed amendment. No hearing is contemplated at this time, but arrangements may be made for informal conferences with Federal Aviation Administration officials by contacting the Chief, Airspace and Procedures Branch, Eastern Region.

Any data or views presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official docket will be available for examination by interested parties at the Office of Regional Counsel, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, New York.

The Federal Aviation Administration, having completed a review of the airspace requirements for the terminal area of Olean, New York, proposes the airspace action hereinafter set forth:

1. Amend § 71.181 of Part 71. Federal Aviation Regulations so as to alter the description of the Olean, N.Y. 700-foot floor transition area by deleting, "This transition area shall be effective 0700 to 2200 hours, local time, daily"

This amendment is proposed under sec. 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348); sec. 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Jamaica, N.Y., on February 6, 1974.

JAMES BISPO,

Deputy Director, Eastern Region. [FR Doc.74-3821 Filed 2-15-74;8:45 am]

## [ 14 CFR. Part 71 ]

[Airspace Docket No. 73-EA-114] TRANSITION AREA

#### **Proposed Alteration**

The Federal Aviation Administration is proposing to amend § 71.181 of Part 71 of the Federal Aviation Regulations so as to alter the East Hampton, N.Y., Transition Area (39 FR 484).

A review of the terminal airspace procedures for East Hampton, New York, requires an alteration to the transition area is proposing to amend § 71.181 of Part 71

so as to meet the requirements of the Terminal Instrument Procedures (TER PS)

Interested parties may submit such written data or views as they may desire. Communications should be submitted in triplicate to the Director, Eastern Region, Attn: Chief, Air Traffic Division, Department of Transportation, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, N.Y. 11430. All communications received on or before March 21, 1974, will be considered before action is taken on the proposed amendment. No hearing is contemplated at this time, but arrangements may be made for informal conferences with Federal Aviation Administration officials by contacting the Chief, Airspace and Procedures Branch, Eastern Region.

Any data or views presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official docket will be available for examination by interested parties at the Office of Regional Counsel, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, New York.

The Federal Aviation Administration, having completed a review of the airspace requirements for the terminal area of East Hampton, New York, proposes the airspace action hereinafter set forth: 1. Amend § 71.181 of Part 71, Federal Aviation Regulations by deleting the description of the East Hampton, N.Y. transition area and by substituting the following in lieu thereof:

That airspace extending upward from 700 feet above the surface within a 6-mile radius of the center, 40°57'36'' N., 72°15'05'' W., of East Hampton Airport, East Hampton, N.Y., extending clockwise from a 307° bearing to a 044° bearing from the airport; within a 7mile radius of the center of the airport, extending clockwise from a 044° bearing to a 092° bearing from the airport; within a 6-mile radius of the center of the airport, extending clockwise from a 092° bearing to a 232° bearing from the airport; and within a 7-mile radius of the center of the airport, extending clockwise from a 232° bearing to a 307° bearing from the airport.

This amendment is proposed under sec. 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348); sec. 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Jamaica, N.Y., on February 6, 1974.

JAMES BISPO,

Deputy Director, Eastern Region. [FR Doc.74-3822 Filed 2-15-74;8:45 am]

## [ 14 CFR Part 71 ] [Airspace Docket No. 74-EA-2]

## TRANSITION AREA

## **Proposed Alteration**

The Federal Aviation Administration

of the Federal Aviation Regulations so as to alter the Saranac Lake, N.Y., Transition Area (39 FR 587).

A revision to instrument approach procedures for the Adirondack Airport, Saranac Lake, New York, requires an alteration of the transition area.

Interested parties may submit such written data or views as they may desire. Communications should be submitted in triplicate to the Director, Eastern Region, Attn: Chief, Air Traffic Division, Department of Transportation, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, New York 11430. All communications received on or before March 21, 1974, will be considered before action is taken on the proposed amendment. No hearing is contemplated at this time, but arrangements may be made for informal conferences with Federal Aviation Administration officials by contacting the Chief, Airspace and Procedures Branch, Eastern Region.

Any data or views presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official docket will be available for examination by interested parties at the Office of Regional Counsel, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, New York.

The Federal Aviation Administration, having completed a review of the airspace requirements for the terminal area of Saranac Lake, New York, proposes the airspace action hereinafter set forth:

1. Amend § 71.181 of Part 71 of the Federal Aviation Regulations so as to delete the description of the Saranac Lake, N.Y. 700-foot floor transition area and by substituting the following in lieu thereof:

#### SARANAC LAKE, N.Y.

That airspace extending upward from 700 feet above the surface beginning at lat. 44°40'00'' N., long. 74°15'00'' W.; to lat. 44°40'00'' N., long. 73°55'00'' W.; to lat. 44°21'00'' N., long. 73°50'00'' W.; to lat. 44°08'00'' N., long. 73°50'00'' W.; to lat. 44°08'00'' N., long. 74°27'00'' W.; to lat. 44°21'00" N., long. 74°38'00" W.; to point of beginning.

This amendment is proposed under sec. 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348); sec. 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Jamaica, N.Y., on February 6, 1974.

JAMES BISPO. Deputy Director, Eastern Region. [FR Doc.74-3823 Filed 2-15-74;8:45 am]

## [ 14 CFR Parts 71, 73 ]

[Airspace Docket No. 74-SW-1]

TEMPORARY RESTRICTED AREAS **Proposed Designation** 

The Federal Aviation Administration (FAA) is considering amendments to

Parts 71 and 73 of the Federal Aviation Regulations that would designate temporary restricted areas adjacent to Fort Hood, Tex. The restricted areas would be used to contain a joint military exercise "BRAVE CREW 74" which is scheduled from June 17 through June 20, 1974. Those areas with airspace at or above 14.500 feet MSL would also be included in the continental control area for the duration of their time of designation.

Interested persons may participate in the proposed rulemaking by submitting such written data, views or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Southwest Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, P.O. Box 1689, Fort Worth, Tex. 76101. All communications received on or before March 21, 1974, will be considered before action is taken on the proposed amendments. The proposals contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Administration, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue, SW., Washington, D.C. 20591. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

The proposed amendments would designate the following temporary restricted areas:

#### 1. R-6315A BRAVE CREW 74, TEX.

Boundaries. Beginning at Lat. 32°00'00" N., Long. 97°50'00" W.; to Lat. 32°10'00" N., Long. 98°32'00" W.; to Lat. 31°36'00" N., Long. 99°00'00" W.; to Lat. 31°00'00" N., Long. 99°00'00" W.; to Lat. 31°00'00" N., Long. 99°00'00" W.; to Lat. 30°47'00" N., Long. 98°03'00" W.; to Lat. 30°50'00" N., 97°44'00'' W.; to Lat. 31°06'06'' N., Long. Long. 97\*32'42' W; to Lat. 31\*13'45'' N., Long. 97\*32'32' W; to Lat. 31\*13'45'' N., Long. 97\*46'00'' W; to point of beginning, Long. 97'46'00' W.; to point of beginning, excluding that airspace beginning at Lat. 31°00'00'' N., Long. 97°37'00'' W.; to Lat. 31°00'30'' N., Long. 97°41'00'' W.; thence clockwise via the arc of a 5-mile-radius circle centered on the Killeen, Tex., Airport (Lat. 31°05'10" N., Long. 97°41'05" W.) to Lat. 31°09'00" N., Long. 97°40'20" W.; to Lat. 31°06'06" N., Long. 97'32'42" W.; to point of beginning from 500 feet AGL to and in-cluding 4,000 feet MSL, and excluding that airspace from 500 feet AGL to and including 800 feet AGL within a 3-mile radius of the following airports:

City-County Airport, Gatesville, Tex. (Lat. 31°25'16'' N., Long. 97°47'48'' W.) Moccasin Bend Airport, Gatesville, Tex. (Lat. 31°29'06'' N., Long. 97°48'05'' W.) Hamilton Municipal Airport, Hamilton, Tex. (Lat. 31°40'15" N., Long. 98°08'45'' W.) Dublin Jay Cee Airport, Dublin, Tex. (Lat. 32°03'19'' N., Long. 98°-19'09" W.) Dublin Municipal Airport, Dub. W.) Dubin Mathematical Alliport, Dubin, In, Tex. (Lat. 32°04'05'' N., Long. 98°19'30''
W.) Lee Campbell Ranch Airport, Dublin, Tex. (Lat. 32°01'57'' N., Long. 98°25'09''
W.) DeLeon Municipal Airport, DeLeon, Tex. (Lat. 32°05'55'' N., Long. 98°31'30'' W.) Comanche County-City Airport, Comanche, Tex. (Lat. 31°55'00'' N., Long. 98°36'00'' W.) Dudley Airport, Comanche, Tex. (Lat. 31°52'15'' N., Long. 98°39'45'' W.) Mills County Airport, Goldthwaite, Tex. (Lat. 31°28'55'' N., Long. 98°34'25'' W.) Bowie

Memorial Airport, Brownwood, Tex. (Lat. 31°40'00'' N., Long. 98°59'00'' W.) San Saba 31<sup>4</sup>0'00" N., Long. 98'59'00" W.) San Saba Municipal Airport, San Saba, Tex. (Lat. 31°-14'06" N., Long. 98'43'00" W.) Lampasas Airport, Lampasas, Tex. (Lat. 31°06'27" N., Long. 98'11'45" W.) Lometa Airport, Lometa, Tex. (Lat. 31°14'00" N., Long. 98'28'00" W.)

Designated altitudes. 500 feet AGL to and including FL 180.

Time of designation. Continuous, 0001 CDT June 17 through 2400 CDT June 20, 1974.

Controlling agency. Federal Avlation Ad-ministration Houston ARTC Center. Using Agency. U.S. Air Force, Tactical Air Command/USAF Readiness Command (TAC/ USAFRED), Langley Air Force Base, Va. 23665.

#### 2. R-6315B BRAVE CREW 74, TEX.

e

Boundaries. Beginning at Lat. 32°10'00'' Boundaries. Beginning at Lat. 32°10'00'' N., Long. 98°32'00'' W.; to Lat. 32°10'00'' N., Long. 99°30'00'' W.; to Lat. 31°10'00'' N., Long. 99°30'00'' W.; to Lat. 31°00'00'' N., Long. 98°03'00'' W.; to Lat. 31°50'0'' N., Long. 97°47'00'' W.; to Lat. 31°50'00'' N., Long. 97°46'00'' W.; to Lat. 32°00'00'' N., Long. 97°50'00'' W.; to Doint of beginning. Designated altitudes, FL 180 to and includ-Designated altitudes. FL 180 to and includ-ing FL 280.

Time of designation. Continuous, 0001 CDT

June 17 through 2400 CDT June 20, 1974. Controlling agency. Federal Aviation Ad-ministration Houston ARTC Center.

Using agency. U.S. Air Force Tactical Air Command/USAF Readiness Command (TAC/ USAFRED), Langley Air Force Base, Va. 23665.

#### 3. R-6315C BRAVE CREW 74, TEX

Boundaries. Beginning at Lat. 31°00'00'' N., Long. 99°00'00' W.; to Lat. 20°47'00' N., Long. 98°03'00'' W.; to Lat. 30°50'00'' N., Long. 97°43'30'' W.; to point of beginning excluding that airspace from 500 feet AGL to and including 800 feet AGL within a 3-mile radius of the Georgetown Municipal Airport (Lat. 30°40'45'' N., Long. 97°40'45'' W.), Georgetown, Tex.

Designated altitudes, 500 feet AGL to and including 5,000 feet MSL.

Time of designation. Continuous, 0001 CDT June 17 through 2400 CDT June 20, 1974.

Controlling agency. Federal Aviation Administration Houston ARTC Center.

Using agency. U.S. Air Force Tactical Air Command/USAF Readiness Command (TAC/ USAFRED), Langley Air Force Base, Va. 23665.

#### 4. R-6315D BRAVE CREW, 74, TEX.

Boundaries. Beginning at Lat. 30°47'00"N., to Lat. 31°02'00''N., to Lat. 31°27'00''N., Long. 98°03'00''W.; to 98°11′00′′W.; 98°11′00′′W.; Long. Long. Lat. 31°24'00''N. to Long. 97°43'00''W.; to 97°42'45'' W.; to 97°43'00''W.; to Lat. 31°22'33''N., 31°20'48''N., Long. Lat. Long. 97°40'32''W.; to 31°19'37''N., Lat. 97°40'32''W.; 31°13'45''N., 31°06'06''N., to Lat. Long. 97°32'35''W.; Long. to Lat. 97°32'42''W.; Long. to Lat. 31°09'00''N., Long. 97°40'20''W.; thence counterclockwise via the arc of a 5-mile radius circle centered on the Killeen, Tex., Airport 31°05'10''N., Long. 97\*41'05''W.) to 31°00'30''N., Long. 97\*41'00''W.; to (Lat. Lat. to Lat. 31°00'00''N., Long. 97°37'00''W.; to Lat. 30°50'00''N., Long. 97°44'00''W.; to point of beginning, excluding that airspace from 100 feet AGL to and including 500 feet AGL within a 3-mile radius of the following airports:

City-County Airport, Gatesville, Tex. (Lat. 31°25'16''N., Long. 97°47'48''W.). Lampasas Airport, Lampasas, Tex. (Lat.

31°06'27''N., Long. 98°11'45''W.). Designated altitudes. 100 feet AGL to

and including 500 feet AGL.

Time of designation. Continuous, 0001 CDT June 17 through 2400 CDT June 20, 1974. Controlling agency. Federal Aviation Ad-

ministration Houston ARTC Center. Using agency. U.S. Air Force Tactical Air Command/USAF Readiness Command (TAC/ USAFRED), Langley Air Force Base, Va. 23665.

Temporary Restricted Areas R-6315A and R-6315B, defined above, would also be included in the continental control area for the duration of their time of designation.

The proposed restricted areas would be used to contain a joint military training exercise, "BRAVE CREW 74" involving armored and tactical air units in joint operations including air defense and counter air operations.

Aircraft involved in the exercise are expected to number approximately 84 high-performance aircraft and approximately 50 rotary wing and special purpose aircraft. Aircraft would be involved in low altitude high speed operations, air-to-air refueling, air-to-air intercepts, close air support and interdiction. Special purpose flights would include forward air control missions, aerial resupply and helicopter insertion and extraction of ground forces. Exercise air traffic is expected to reach in excess of 200 sorties per day. Supersonic flight would not be authorized. Except for approved departures and arrivals at operating bases, overflight of inhabited areas would be avoided to minimize noise levels. All close air support training would be conducted in uninhabited maneuver areas, with the great majority occurring on the Fort Hood Reservation (R-6302).

A Tactical Air Control System (TACS) would be established for use in providing air traffic control. Leased lines of communications would be installed with appropriate FAA facilities in order to accomplish the orderly and safe ingress/ egress of exercise air traffic and the coordinated movement of nonexercise air traffic within or proceeding into and out of the exercise area/s. A wide area telecommunications service would be provided for the accommodation of nonexercise air traffic. This number would be published in Part 3 of the Airman's Information Manual (AIM) effective during the exercise period.

These amendments are proposed under the authority of sec. 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348(a)); sec. 6(c) of the Department of Transportation Act. (49 U.S.C. 1655 (c)).

Issued in Washington, D.C., on February 11, 1974.

> CHARLES H. NEWPOL, Acting Chief, Airspace and Air Traffic Rules Division.

[FR Doc.74-3818 Filed 2-15-74:8:45 am]

## PROPOSED RULES

### [ 14 CFR Part 73 ]

[Airspace Docket No. 73-SW-42]

## DESIGNATION OF RESTRICTED AREA Supplemental Notice of Proposed Rule

Making

On October 3, 1973, a notice of proposed rule making (NPRM) was published in the Federal Register (38 FR 27415) stating that the Federal Aviation Administration (FAA) was considering an amendment to Part 73 of the Federal Aviation Regulations. The amendment would designate a new Restricted Area, R-3806 England Air Force Base, La., between Alexandria and Lake Charles, La. The area would be used by the United States Air Force for airborne search and rescue training.

During the comment period several people objected to the proposed restricted area because it would require lengthly bypass routes for much of the local air traffic. In general, the comments also included alternative locations for the restricted area that would allow more direct routing.

As a result of the comments, the Federal Aviation Administration concluded that a change in location of the proposed restricted area is warranted. This Supplemental Notice of Proposed Rule Making is therefore issued to alter the original notice. It would change the boundaries proposed for Restricted Area R-3806 to provide a corridor of unrestricted airspace between R-3806 and the R-3804 Restricted Area complex. It would also lower the base altitude designation proposed for R-3806 to 500 feet AGL rather than 1,000 feet AGL. The using agency proposed for R-3806 has concurred in these changes.

Interested persons may participate in the proposed rule making by submitting such written data, views or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Southwest Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, P.O. Box 1689, Fort Worth, Tex. 76101. All communications received on or before March 21, 1974, will be considered before action is taken on the proposed amendment. The proposal contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Avlation Administration, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue, SW., Washington, D.C. 20591. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

The Supplemental NPRM would alter the original notice by:

a. Changing the boundaries for R-3806 England Air Force Base, La., to read as follows:

Boundaries. Beginning at Lat. 31°03'00" N., Long. 92°49'30" W.; to Lat. 30°58'00" N., Long. 92°39'00" W.; to Lat. 30°38'00" N., Long. 92°49'00" W.; to Lat. 30°43'00" N., Long. 92°58'00" W.; to Lat. 30°50'30" N., Long. 93°01'00" W.; to Lat. 30°55'25" N., Long. 92°54'40" W.; to point of beginning.

b. Changing the designated altitudes for R-3806 England Air Force Base, La., to read as follows:

Designated altitudes. 500 feet AGL to and including 7,000 feet MSL, excluding the airspace below 1,500 feet AGL within a twonautical-mile radius of the City of Elizabeth, La.

Redefining the boundaries of the proposed restricted area would provide a corridor of unrestricted airspace between R-3806 and the R-3804 complex. During periods when R-3806 is activated the corridor can accommodate flights to or from the Southwest and Northeast. It should also be noted that, as R-3806 would be designated for joint use, it would be available to the public when not required by the using agency.

Lowering the base of R-3806 to 500 feet AGL would provide a more realistic safety buffer of restricted airspace for the high speed aircraft performing the search and rescue maneuvers.

This amendment is proposed under the authority of sec. 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348(a)); sec. 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Washington, D.C., on February 11, 1974.

> CHARLES H. NEWPOL, Acting Chief, Airspace and Air Traffic Rules Division.

[FR Doc.74-3819 Filed 2-15-74;8:45 am]

National Highway Traffic Safety Administration

[49 CFR Part 573] [Docket No. 74-7; Notice 1]

[DOCKET NO. 14-1, NOTICE 1]

### DEFECT REPORTING REQUIREMENTS Proposed Extensions and Modifications; Correction

In FR Doc. 74-1056, appearing at page 1863 in the issue of January 15, 1974, the docket and notice numbers should read as set forth above.

(Secs. 108, 112, 113, 119, Pub. L. 89-563, 80 Stat. 718, 15 U.S.C. 1397, 1401, 1402, 1408, delegations of authority at 49 CFR 1.51 and 49 CFR 501.8)

Issued on February 11, 1974.

ROBERT L. CARTER, Associate Administrator, Motor Vehicle Programs.

[FR Doc.74-3871 Filed 2-15-74;8:45 am]

## Office of Pipeline Safety [ 49 CFR Part 192 ] [Docket No. OPS-26; Notice 74-1] PIPE TRANSPORTED BY RAILROAD

#### Qualification for Use

The Office of Pipeline Safety (OPS) is considering amendments to the gas pipeline safety regulations set forth in Part 192 to (1) incorporate by reference the 1972 edition of the American Pe-troleum Institute document API RP5L1, entitled "API Recommended Practice for Railroad Transportation of Line Pipe." and (2) provide that pipe transported by railroad after the effective date of the proposed amendment may not be used under § 192.65 (a) unless it is transported in accordance with the latest referenced edition of API RP5L1. The regulations currently incorporate by reference the 1967 edition of API RP5L1. The proposed amendment would not preclude the use of pipe transported by railroad in accordance with the 1967 edition before the proposed amendment becomes effective.

Section 192.65 provides that pipe having an outer diameter to wall thickness ratio of 70 to 1 or more and transported by rallroad after November 11, 1970, may not be used in a pipeline to be operated at a hoop stress of 20 percent or more of SMYS unless that transportation was performed in accordance with API RP5L1.

The 1967 edition of API RP5L1 does not cover the transportation of long pipe loaded on short railroad cars. Long pipe, which the industry is beginning to use for economic reasons, is doublejointed pipe (80-foot lengths) or pipe initially manufactured in longer than 40-foot lengths. Because the 1967 edition prohibits pipe overhang of more than five feet, or one-half the distance between intermediate bearing strips. whichever is larger, long pipe transported on the common 52-foot flatcars may not be used under Part 192. While longer flatcars of 89-foot lengths do exist, they are in short supply and not generally available.

The 1972 edition of API RP5L1 was developed by the API's Committee on Standardization of Tubular Goods to provide for the loading and transportation of long pipe on short railroad cars. Records of various companies that have shipped long pipe on short cars in a manner substantially the same as provided in the 1972 edition reveal no failures or damage attributable to that transportation. In addition, the OPS has granted two waivers from § 192.65 which were conditioned upon compliance with requirements of the 1972 edition and the performance of certain inspections and tests (Dockets OPS-8 and OPS-19). Transportation of long pipe conducted under these waivers did not result in damage during shipment, and there were no failures when the pipe was hydrostatically tested to a minimum of 90 percent of SMYS following shipment. Based on this information, OPS proposes to incorporate by reference in Part 192 the

1972 edition of API RP5L1 so as to permit the use of long pipe transported on short flatcars in accordance with the requirements of that edition.

In addition, OPS is proposing, as a qualification for use of pipe under 192.65(a), that pipe transported by railroad after the proposal takes effect be transported in accordance with the latest referenced edition of API RP5L1. The 1972 edition of API RP5L1 contains improvements in safety over earlier editions. If this edition is incorporated by reference, the 1967 referenced edition would then prescribe criteria different from that adopted by OPS in the 1972 edition. Consequently, OPS believes that to permit the use of pipe transported after the 1972 edition is incorporated by reference where that transportation is in accordance with the 1967 edition would not be in the best interest of pipeline safety. The proposed revision of § 192.65 (a) would not preclude the use of pipe which is transported in accordance with the 1967 edition before the effective date of the proposed revision.

In consideration of the foregoing, it is proposed to amend 49 CFR 192 as follows:

1. Section 192.65(a) would be revised to read as follows:

§ 192.65 Transportation of pipe.

In a pipeline to be operated at a hoop stress of 20 percent or more of SMYS, an operator may not use pipe having an outer diameter to wall thickness ratio of 70 to 1, or more, that is transported by railroad unless—

(a) The transportation is performed in accordance with the 1972 edition of API RP5L1, except that before (effective date) the transportation may be in accordance with the 1967 edition of API RP5L1.

2. In Section II.A of Appendix A to 49 CFR Part 192, item 4 would be amended to read as follows:

APPENDIX A-INCORPORATED BY REFERENCE

4. API Recommended Practice 5L1 entitled "API Recommended Practice for Raliroad Transportation of Line Pipe" (1967 and 1972 editions).

. . . . .

Interested persons are invited to participate in this rule-making action by submitting such written data, views, or arguments as they may desire. Communications should identify the regulatory docket and notice numbers and be submitted in duplicate to the Director, Office of Pipeline Safety, Department of Transportation, Washington, D.C. 20590. All communications received by April 1, 1974, will be considered by the Director before taking final action on the notice. All comments will be available for examination by interested persons at the Office of Pipeline Safety before and after the closing date for comments. The pro-

posal contained in this notice may be changed in the light of comments received.

This notice is issued under the authority of section 3 of the Natural Gas Pipeline Safety Act of 1968 (49 USC 1672),  $\S$  1.58(d) of the regulations of the Office of the Secretary of Transportation (49 CFR 1.58(d)), and the redelegation of authority to the Director, Office of Pipeline Safety, set forth in Appendix A to Part 1 of the regulations of the Office of the Secretary of Transportation (49 CFR Part 1).

Issued in Washington, D.C. on February 11, 1974.

JOSEPH C. CALDWELL, Director, Office of Pipeline Safety. [FR Doc.74-3896 Filed 2-15-74;8:45 am]

ENVIRONMENTAL PROTECTION AGENCY

### [ 40 CFR 52 ] APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

Revisions to Illinois, Indiana, Michigan, Minnesota and Wisconsin

On May 31, 1972 (37 FR 10482), pursuant to section 110 of the Clean Air Act and 40 CFR Part 51, the Administrator approved portions of State plans for the implementation of the national ambient air quality standards. These implementation plans are required to contain compliance schedules meeting the requirements of § 51.15, including the requirement that any compliance schedule extending over a period of more than one year contain legally enforceable incre-ments of progress (37 FR 26310, December 9, 1972). A compliance schedule consists of dates by which specified actions are to be taken by an air pollution source toward meeting applicable emission limiting regulations.

On June 20, 1973 (38 FR 16144), the Administrator published approvals and disapprovals of compliance schedules required to be submitted by the States by February 15, 1973. At the same time he proposed substitute compliance schedules where the state submissions did not fully satisfy the requirements of § 51.15 (38 FR 16171, 17737). After subjection to public hearing, these substituted schedules were promulgated for Illinois, Michigan, and Wisconsin in the August 23, 1973 FEDERAL REGISTER (38 FR 22736). It should be noted that, for the State of Michigan, a compliance schedule for sources of sulfur oxides was promulgated on October 28, 1972 (37 FR 23089), which covered sources in priority I and priority II air quality control regions. The schedule promulgated for Michigan on August 23, 1973 applied only to sources in priority III air quality control regions. A standardizing amendment to these regulations was published September 7, 1973 (38 FR 24333).

The States of Illinois, Indiana, Michigan, Minnesota, and Wisconsin have negotiated individual source compliance

schedules, subjected these schedules to public hearing after giving due notice thereof, adopted and submitted them as proposed revisions to their respective state implementation plans pursuant to section 110(a) (3) of the Clean Air Act and 40 CFR 51.6. Also, Illinois has submitted a resolution adopting a solid fuel emission limitation. The limitation effectuates a coal ban for commercial and residential buildings after May 30, 1975 in the Chicago Major Metropolitan Area.

These submitted schedules are identified in this notice by source, location, applicable regulation, date schedule adopted and final compliance date and, together with the Illinois regulatory change, are set forth as proposed rulemaking. Public comment is being solicited as to whether the schedules and the Illinois rule should be approved pursuant to section 110 of the Clean Air Act, as amended. Copies of the compliance schedules and the resolution with transcripts of the State-held public hearings are available for public inspection between 8:15 a.m. and 4:45 p.m., Monday through Friday at the EPA Region V office. One North Wacker Drive, Chicago, Illinois 60606. Copies are also available for public inspection at the Freedom of Information Center, EPA, Room 329, 401 M Street SW:, Washington, D.C. 20460.

Interested persons may participate in this rulemaking by submitting written comments, preferably in triplicate, to the Regional Administrator, Environmental Protection Agency, Region V, One North Wacker Drive, Chicago, Illinois 60606. All relevant comments received on or before March 21, 1974 will be considered. Comments received will be available during the business hours specified above at the Region V office.

AUTHORITY: (Section 110(a) of the Clean Air Act, as amended (42 U.S.C. 1857c - 5(a)).)

#### Dated February 11, 1974.

#### RUSSELL E. TRAIN,

#### Administrator.

It is proposed to amend Part 52 of 40 CFR Chapter I, as follows:

# PART 52—APPROVAL AND PROMULGA-TION OF IMPLEMENTATION PLANS

#### Subpart O-Illinois

1. In § 52.720, paragraph (c) is amended and paragraph (d) is added as follows:

§ 52.720 Identification of plan.

\* (c) Supplemental information was submitted on:

(4) October 22, 1973 by Governor

Walker. (d) Revisions to the plan were sub-

mitted on: March 13, 1973, April 3, 1973, (1)May 3, 1973, June 15, 1973, and August 7, 1973.

for the sources identified below have been submitted as plan revisions pur-

The following compliance schedules suant to section 110(a) (3) of the Clean Air Act. All regulations cited are air pollution control regulations of the State, unless otherwise noted.

**ILLINOIS** 

|  | TLEINOIS                  |                      |                                 |  |
|--|---------------------------|----------------------|---------------------------------|--|
| Source   | Location                  | Regulations involved | Date<br>schedule<br>adopted     | Final<br>compliance<br>date              |
| Boone County: Green Giant Co<br>Champaign County: Illinois Central Gulf<br>Bailtead  | Belvidere                 | 201(c)               | May 16, 1973                    | May 30, 1975                             |
| Railroad.  | Cuampaign                 |                      | Apr. 20, 1973                   | Feb. 15, 1975                            |
| Christian County: Allied Mills, Inc<br>Coles County: Celotex Corp  | Taylorville<br>Charleston | do                   | Feb. 28, 1973<br>Mar. 1, 1973   | May 31, 1975<br>May 30, 1975             |
| Cook County<br>A. B. Dick Co   | Milua                     | 009/1) 04*/0         |                                 |  |
| Affied Chemical Corp.  | Chicago                   | 203(0), 203(1)       | May 29, 1973                    | Mar. 8, 1974<br>May 30, 1975             |
| Atlas Match Plate Co., Inc   | do                        | do                   | Mar. 11, 1973                   | May 1975                                 |
| Benjamin Harris & Co   | Chicago Heights           | 203(d)(7)            | Aug. 3, 1973                    | Apr. 15, 1971<br>Feb. 1, 1971            |
| Cook County<br>A. B. Dick Co<br>Atlas Match Plate Co., Inc<br>Belden Corp<br>Benjamin Harris & Co<br>Counnooxealth Edison (Dixon State,<br>Unit 4).  | Chicago                   | 203(b), 204(e)       | Apr. 2, 1973                    |  |
| CPC International Inc  | Bedford Park              | 205(e)               | Mar. 5, 1973                    | May 30, 1975                             |
| Dover Industrial Chronic, Inc.   | Cincagodo                 | . 204(e)             | Mar. 30, 1973<br>July 21 1973   | Do.<br>Do.                               |
| General Electric.  | Cicero                    |                      | Apr. 13, 1973                   | Do,                                      |
| Great Lakes Carbon Corp.   | Chicago.                  | . 203(D)             | July 14, 1973<br>May 24, 1973   | Feb. 1, 1971<br>May 24, 1974             |
| 11. Kolustamn Co   | Bedford Park              | 201(e)               | Oct. 2, 1972                    | May 1975                                 |
| Illinois Central Gulf Railroad.  | dodo                      | do                   | Dec. 9, 1973<br>Mar. 22, 1973   | Do.<br>Feb. 15, 1975                     |
| J. L. Clark Manufacturing Co<br>tobusou & Jobusou  | Downers Grove             | 205(f)               | May 1, 1973                     | May 30, 1975                             |
| Lloyd J. Harriss Pie Co., Inc.   | Chicago.                  | 204(c)               | Feb. 27, 1973                   | Do.<br>May 31, 1975                      |
| Do   | Calumet Park<br>Chicago.  | do                   | July 17, 1973<br>do             | May 30, 1975<br>Do.                      |
| <ul> <li>Third 9.</li> <li>Third 9.</li> <li>CPC International Inc</li> <li>Darting 4. Co</li> <li>Dover Industrial Chrome, Inc</li> <li>Do</li> <li>General Electric</li> <li>Do</li> <li>Great Lakes Carbon Corp.</li> <li>H. Kolustamm Co</li> <li>Harco Alumitum Inc</li> <li>Harco Alumitum Inc</li> <li>Johnson &amp; Johnson</li> <li>Lloyd J. Harriss Pie Co., Inc</li> <li>Materials Service Corp.</li> <li>Do</li> <li>Manesona Grain Perling.</li> <li>Owens-Illicois, Inc</li> <li>Do</li> <li>Penick &amp; Ford, Ltd</li> <li>Penick &amp; Ford, Ltd</li> <li>Do</li> </ul> | do                        | 203(b)               | May 24, 1973                    | May 21, 1974<br>May 30, 1975<br>May 1975 |
| Do   | Chicago Heights           | 204(c)               | Feb. 22, 1973<br>July 19, 1973  | May 30, 1975<br>May 1975                 |
| Penick & Ford, Ltd<br>Pateri Cola Liqueral Pottland from   | Chicago                   | 204(c)               | May 8, 1973                     | May 30, 1975                             |
| Du   | Kolmar Ave.               |                      | Mar. 29, 1973                   | Do,                                      |
|  |                           |                      | do                              | 100.                                     |
| R. R. Doraelley & Sons Co  | Chicago.                  | 205(f)               | June 20, 1973                   | July 30, 3974                            |
| <ul> <li>K. B. Doubert Building Corp.:</li> <li>(a) Oil heater building I &amp; 2</li> <li>(b) Oil heater building 3</li> <li>(c) Oil heater building 3</li> <li>(c) Oil co. of California</li> <li>(c) Ul Unterlinear &amp; Son Loc.</li> </ul>   | Cicero                    | 204(i)               | Apr. 12, 1973                   | May 30, 1975                             |
| (b) Oil heater building 3.   | do                        | do                   | May 11, 1973                    | Do,                                      |
| T have on contraction and the  | ureago                    |                      | Dec 13, 1973                    | 1)0.                                     |
| W. H. Hutchipson & Son, Inc.<br>Western Rust Proof Co.   | do                        | .205(f)              | Ang. 12, 1973                   | Do.                                      |
| Wheeler Uniform Service, Inc   | do                        | do                   | May 22, 1973                    | Nov. 1, 1975<br>May 30, 1975             |
| World's Finest Chocolate, Inc.   | do                        | do                   | Aug. 16, 1973<br>May 30 1073    | Do.<br>Do.                               |
| Carroll County: Rein, Schultz, & Dahl,   | Manual Canadi             | .1.                  |                                 | 170.                                     |
| W. H. Huttehinson & Son, Inc.<br>Wiseler Fulform Service, Inc.<br>Wileeler Fulform Service, Inc.<br>Win, Ynesger Maonfactming Co<br>World's Finest Chocolate, Inc.<br>Carroll County: Rein, Schnitz, & Dahl,<br>Inc.<br>Dull'age County: II, S. Crocker Co., Inc.<br>Dull'age County: Illinois Central Gulf<br>Railroad<br>Grandy County: General Electric.<br>Henry County: Hyster Co.<br>Jackson County: Krafteo Corp., Kraft<br>Foods Division,   | Elmhurst                  | .205(b)              | Apr. 26, 1973<br>Mar. 5, 1973   | May 1975<br>May 30, 1975                 |
| DeWitt County: Illinois Central Gulf<br>Bailroad   | Clinton                   | 204(a)               | A mr 1 10"2                     | Feb. 15, 1971                            |
| Grundy County: General Electric  | Morris                    | 207(e)(2)            | Mar. 8, 1973                    | Feb. 15, 1974<br>Mar. 8, 1974            |
| Jackson County: Tyster Co.   | Carbondale                | _ 201(c)<br>do       | Sept. 25, 1973<br>June 20, 1973 | May 30, 1975<br>May 1, 1975              |
| Jo Davies County: Krafteo Corp., Kraft<br>Foods Division.  | Galena                    |                      | April 19, 1973                  | May 30, 1975                             |
| Kung County  |                           |                      |                                 |  |
| All Steel Equipmend, Inc<br>Consolidated Foods, Inc<br>DuKane Corp<br>Knox Connty: Abon Box Board Co   | Montgoniery               | - 201(f)             | July 24, 1973                   | May 31, 1974                             |
| DuKane Corp.   | St. Charles               | (l0                  | June 7, 1973                    | May 30, 1975<br>Apr. 1, 1975             |
|  |                           |                      |                                 | May 30, 1975                             |
| Abbett Laboratories (boilers Nos, 4,   | North Chicago             | do                   | June 4, 1973                    | 1)o.                                     |
| Fansteel, Inc.   | Wankegan                  | do                   | June 5, 1973<br>Nov. 15, 1973   | Aug. 1, 1975                             |
| 5, B, 8).<br>Fransteel, Inc.<br>Morton Manufacturing Co<br>Mt. St. Joseph  | Libertyville              | 205(f)               | Ang. 27, 1973                   | Aug. 1, 1975<br>May 30, 1975<br>Do.      |
| La Salle County:   | and and the second        | - =                  | Sume 20, 1978                   | 170.                                     |
| La Sulle County:<br>Allied Mills, Inc.<br>American Nickeloid Co<br>Carus Corp.<br>Del Monte Corp.<br>E. 1. du Pont de Nemours & Co., Inc.<br>Nabisco, Inc.<br>Lawrence County: Texaco Inc.<br>Medisan County:  | Mendota<br>Peru           | do                   | May 28, 1973<br>May 22 1973     | May 1975<br>May 30 1975                  |
| Carus Corp   | La Salle                  | 204(c)(2)            | Apr. 9, 1973                    | Do.                                      |
| E. I. du Pout de Nemours & Co., Inc.   | Seneea                    | 204(c)<br>207(a)(2)  | May 15, 1973<br>Apr. 3, 1973    | June 1, 1971<br>Oct. 1 1974              |
| Nabisco, Inc.  | Marseilles                | - 204(c)             | May 24, 1973                    | May 30, 1975                             |
| Madison County: Texaco Inc   | TYPE A LOUCEALING         |                      | Oct. 17, 1973                   | June 1971                                |
| Clark Oil & Refining Corp.<br>Edwardsville Creamery Co.<br>Granite City Steel Co.<br>Illinois Central Gulf Railroad.<br>Illinois Power Co. (Wood River<br>Boilor #5)   | Hartford<br>Edwardsville  | do                   | Feb. 22, 1973                   | Dec. 31, 1971<br>May 29, 1975            |
| Granite City Steel Co  | Granite City              | 203(d)(6)            | May 31, 1973                    | Apr. 24, 1971                            |
| Illinois Central Gnlf Railroad   | East Alton                | _ 204(e)do           | July 5, 1973<br>May 1, 1973     | Feb. 15, 1975<br>May 30, 1975            |
| EPOPLICE WATT.   |                           |                      |                                 |  |
| , Olin Corp<br>Owens-Illinois, Inc.  | Madison                   | do                   | Mov 9 1072                      | Do.<br>Do.                               |
| Owens-Illinois Inc.  | Alton                     |                      | Mar. 30, 1973                   | Do.                                      |
| Shell Oll Co   | Roxana                    | _ 203(b)             | Nov. 27, 1972                   | Do.<br>May 31, 1975                      |
| Owens-Illinois inc.<br>Reilly Tar & Chemical Corp.<br>Shell Oll Co.<br>Marion County: Jean T. Macmackin.<br>Marshall County: B. F. Goodrich Chemi-   | . Salein                  | 205                  | May 31, 1973                    | Dec. 31, 1974<br>May 30, 1975            |
| car co.  |                           |                      |                                 |  |
| Morgan County: Anderson Claylon & Co.<br>Peoria County:  |                           |                      |                                 | -  |
| Atlantic Richfield Co  | Chillicothe               |                      | June 6, 1973                    | Jan. 31, 1974                            |

## PROPOSED RULES

ILLINOIS-Continued

| Source  | Location       | Regulations involved | Date<br>schedule<br>adopted   | Final<br>compliance<br>date   |
|---|----------------|----------------------|-------------------------------|-------------------------------|
| Bemis Co., Inc.   | Peoria         | 204(c)               | May 4, 1973                   | Mar. 1975                     |
| Hiram Walker & Sons, Inc.<br>Putnam County, Illinois Power Co | lleunepin      | do<br>203(g)(b)      | Mar. 5, 1973<br>July 31, 1973 | June 1, 1975<br>June 30, 1974 |
| Randolf County: Chester Dairy Co                              | Chester        | 20t(c)               | Aug. 6, 1973                  | July 1,1975                   |
| Rock Island County: Iowa-Illinois Gas &<br>Electric Co.       |                |                      |                               |                               |
| Sallne County: U.S. Department of Agri-<br>culture.           |                |                      |                               |                               |
| Sangamon County: Allis Chalmers<br>St. Clair County:          |                |                      |                               | May 30, 1975                  |
| Alton Box Board Co.   | Godfrey        |                      | July 19, 1973                 | Do.                           |
| Carling Brewing Co  | Bellvllle      | do                   | May 7, 1973                   | Do.                           |
| East St. Louis & Interurban Water Co.                         | East St. Louis | do                   | Apr. 18, 1973                 | Do.                           |
| Locke Stove Co  | do             |                      | June 11, 1973                 | Do.                           |
| Model-Progress Laundry, Inc.                                  |                | 201(C)               | May 1, 1973                   | 100.                          |
| Monsanto Co   | Sauget         | do                   | Oct. 19, 1973                 | Do.                           |
| Tazewell County:  |                |                      |                               |                               |
| CPC International, Inc.                                       | Pekin.         | 203(b), 204(c)       | Mar. 1.1973                   | Do.                           |
| Quaker Oats Co  | do             | 204(c)               | May 24, 1973                  | Do.                           |
| Vermillion County:  |                |                      |                               |                               |
| American Can Co<br>Danville Asphalt                           | Hoopeston      | 205(1)(2)(d)         | May 25, 1973                  | Do.                           |
| Dauville Asphalt  | Fifthian       | 204(c)               | Mar. 16, 1973                 | Do.                           |
| Launoff Grain Co  | Danville       | do                   | Mar. 13 1973                  | Oct. 1974                     |
| Wabash County: Mount Carmel Public<br>Utility Co.             | Mount Carmel   | 203(b)               | Oct. 31, 1972                 | June 30, 1974                 |
| Will County:  |                |                      |                               |                               |
| Caterpillar Tractor Co  | Jolict         | 203.b), 204(c)       | May 8, 1973                   | Nov. 1, 1974                  |
| Texaco, Inc.:   |                |                      |                               |                               |
| (a) Steam generator   | Lockport       | 204(c)               | Jan. 29, 1973                 | May 1,1974                    |
| (b) Delayed cooking unit                                      | do             |                      | Jan. 31, 1973                 | May 30, 1973                  |
| (c) Catalytic cracking unit                                   |                |                      | May 1.1973                    | Do.                           |
| The Celotex Corp  | Wilmington     | 203:(1)              | June 21: 1973                 | Mar. 31, 1974                 |
| Williamson County:  |                |                      |                               |                               |
| Olin Corp   | Marion         | 204(c)               | May 8, 1973                   | May 30, 1975                  |
| Winnehage Country   |                |                      |                               |                               |
| I I Clork Monufacturing Co.                                   | Rockford       | 205(1)               | A tor 30 1073                 | Do                            |
| J. L. Cfark Manufacturing Co<br>Nicket Bros. Tree Service     | South Beloit   | 502                  | Apr. 17, 1073                 | Mar. 28, 1074                 |
| ANE DIUS. 1100 DOI VICC                                       | South appiole. |                      |                               |                               |
| Subpart P-Indiana   |                | (1) November 2       | , 1973 by                     | Governor                      |
| a In \$ 59 770 nonograph (d                                   | babba at (     | Bowen.               |                               |                               |
| 2. In § 52.770, paragraph (d                                  | is added       |                      |                               |                               |
| as follows:   |                | The following c      |                               |                               |
| § 52.770 Identification of plan                               | n.             | been submitted as    |                               |                               |

(d) Revisions to the plan were sub-

suant to  $\S$  110(a) (3) of the Clean Air Act. All regulations cited are air pollu-tion control regulations for the State, unless otherwise specified.

mitted on:

INDIANA

| Source  | Location | Regulations involved | Date<br>schedule<br>adopted | Final<br>compliance<br>date  |
|---|----------|----------------------|-----------------------------|------------------------------|
| Lake County:<br>American Maize Products Co<br>Commonwealth Edison Co. of<br>Millere Union Station | Hammond  | APC 5.<br>APC 13.    | Jan. 18, 1973               | Apr. 1, 1974<br>Dec. 1, 1975 |
| Indiana, Inc. (State Line Station).<br>Jones & Laughlin Steel Corp                                | do       | APC 4R, APC 13       | Mar. 12, 1973               | Mar. 31, 1974                |

Subpart X-Michigan

3. Section 52.1170 is amended by adding a new paragraph (d) as follows:

## § 52.1170 Identification of plan.

. . . . .

(1) May 4, 1973, September 19, 1973, October 23, 1973, December 13, 1973. The following compliance schedules for the sources identified below have been submitted as revisions to the plan pur-suant to section 110(a) (3) of the Clean - (d) Revisions to the plan were sub-mitted on: Air Act. All regulations cited are air pol-lution control regulations for the State, unless otherwise specified.

MICHIGAN

| Source *  | Location   | Regulations involved . | Date<br>schedule<br>adopted | Final<br>compliance<br>date |
|---|------------|------------------------|-----------------------------|-----------------------------|
| Allegan County:   |            |                        |                             |                             |
| Holland Board of Public Works                                       |            | 336.44, .46            |                             | June 1, 1975                |
| Menasha Corp<br>Plainwell Paper Co                                  | Otseso     | 336.49                 |                             | Dec. 31, 1974               |
| Plainwell Paper Co  | Plainwell  | 335.44, .46            |                             |                             |
| Alpena County: National Gypsum Co<br>(Huron Cement Division Plant). | Alpena     | 336.44                 | Sept. 25, 1973              | Apr. 1,1977                 |
| Baraga County: Upper Peninsula Power<br>Co.                         | r L'Anse   | 336.44, .46            | July 25, 1973               | Aug. 1, 1975                |
| Bay County:   |            |                        |                             |                             |
| Consumers Power   | Essexville | 336.14                 | Sept. 18, 1973              | Dec. 31, 1975               |
|   | do         | 336 40                 | do                          | Jan. 1, 1980                |
| (Karn Plant)  |            |                        |                             |                             |

## PROPOSED RULES

MICHIGAN-Continued

| Source  | Location     | Regulations involved | Date<br>schedulø<br>adopted    | Final<br>compliance<br>date   |
|---|--------------|----------------------|--------------------------------|-------------------------------|
| Charlevols County:<br>East Jordon Iron Works, Inc   | Past Iondon  | 220 44               | 0. 4 05 1085                   |                               |
| East Jordon Iron Works, Inc.  | Charlevoly   | 330.44               | Sept. 25, 1973                 | Oct. 1, 1974<br>Feb. 28, 1974 |
| Medusa Cement Co<br>Eaton County: Lansing Board of Water &<br>Light (Erickson Station).         | Lansing      | . 336.49             | Mar. 14, 1973                  | July 1,1973                   |
| Genesee County:<br>GMC Flint Assembly Plant (Chevro-  | Flint        | . 335.49             | Mar. 21, 1973                  | July 11, 197                  |
| let Division).<br>GMC Fisher Body Division (Coid<br>Water Road).                                |              |                      |                                |                               |
| GMC Fisher Body Division (No. 1<br>GMC).  |              |                      |                                | - ,                           |
| Do  | do           | do                   | do                             | July 1, 1973                  |
| Huron County:<br>Detroit Edison (Harbor Beach Pow-<br>erplant).                                 | Harbor Beach | do                   | Nov. 15, 1973                  | Nov. 1, 198                   |
| Hercules Inc  | do           | do                   | Mar. 16, 1973                  | July 1, 197.<br>July 1, 197   |
| Ingham County:<br>Morton Wheel Corp. (Centrifuse  |              |                      |                                |                               |
| Division).<br>Lanslug Board of Water & Light  | -            |                      |                                |                               |
| (Eekert Station).<br>(a) Units 1-3  | do           | . 336.49             | Mar. 4, 1973                   | Jan. 1, 197                   |
| (b) Unit 4<br>Do  | do           | do                   | Oct. 1, 1973                   | Oet. 1, 197                   |
| (e) Unit 5  | do           | do                   | do                             | July 1, 197<br>Nov. 1, 197    |
| (d) Unit 6.   |              | do                   | do                             | July 1, 197                   |
| (d) Unit 6  | do           | do                   | do                             | Jan. 1, 197.                  |
| Do.<br>Lansing Board of Water & Light (Pk.  | do           | do                   | do                             | July 1, 197                   |
| Lansing Board of Water & Light (Pk.<br>Station): Units 11-14.<br>Lansing Board of Water & Light |              |                      |                                |                               |
| (Ottawa Street Station): Units 1-5.<br>Ionia County: Extruded Metals                            |              |                      |                                | July 1, 197                   |
| Marquette County:   |              |                      |                                |                               |
| The Cleveland Cliffs Iron Co  | Republic     | do                   | Mai. 14, 1973                  | Dec. 1, 197<br>Feb. 1, 197    |
| The Cleveland Cliffs Iron Co<br>Midlaud County: Dow Chemical<br>Monroe County:                  |              |                      |                                |                               |
| Consolidated Packaging Corp. (b)  |              |                      |                                |                               |
| Detroit Edison  | do           | . 336.49             | Sept. 13, 1973                 | July 1,197                    |
| (Monroe Powerplant)<br>Dundee Cement Co   | (10          | 226 44               | Mon 25 1072                    | July 1, 197.                  |
| Muckeyou County   |              |                      |                                |                               |
| Consumer Power Co. (Cobb Plant)<br>Tech-Cast Inc.   | Muskegon     | 336.49               | Mar. 30, 1973<br>Mar. 14, 1973 | Jan. 1, 198<br>Dec. 31, 197   |
| Oakland County:<br>Fisher Body Division (GMC)   | Poutine      | 336.49               | May 21, 1973                   | July 1 197                    |
| Do  | do           | do                   | do                             | July 1, 197                   |
| Truck & Coach Division (GMC)  | do           |                      |                                | July 1, 197                   |
| (No. 3 (MC))<br>Otsego County: U.S. Plywood Division<br>of Champion Papers.                     | Gaylord      | 335.44, .46          | June 16, 1973                  | July 1, 197<br>Dec. 13, 197   |
| Of Charlington reference<br>Offawa County:<br>Consumers Power Co                                | West Olive   | 336.49               | Sept. 18, 1973                 | Jan. 1, 198                   |
| (Campbell Plant)  | do           | _ 336.44             | do                             | June 1, 197                   |
| GMC Saginaw Steering Gear   | Saginaw      | . 336.49             | Mar. 30, 1973                  | July 1, 197                   |
| (Plant 1)   | do           | do                   | do                             | July 1, 197                   |
| GALC SAGIDAW STEEPING GEAT  | 00           |                      |                                | JHIV 1. 1973                  |
| (Plant 2)   |              |                      | do                             | July 1, 197                   |
| St. Clair County:<br>The Detroit Edison Co  | Marysville   | do                   | Mar. 14, 1973                  | July 1, 197                   |
| Do  | Port Human   |                      | do                             | July 1, 197                   |
| D0  | Fort Huron   |                      |                                | July 1, 197                   |

## Subpart Y-Minnesota

4. Section 52.1220 is amended by adding a new paragraph (d) as follows: § 52.1220 Identification of plan.

The following compliance schedules for the sources identified below have been submitted as revisions to the plant pursuant to section 110(a) (3) of the Clean Air Act. All regulations cited are air pollution control regulations for the State, unless otherwise specified.

(1) June 28, 1973 and August 9, 1973.

(d) Revisions to the plan were submitted on:

MINNESOTA

| Source   | Location        | Regulations involved | Date<br>schedule<br>adopted | Final<br>compliance<br>date |
|--|-----------------|----------------------|-----------------------------|-----------------------------|
| Beltrami County: Superwood Corp.                   | Bemidji         | APC 5                | Jan. 19, 1973               | Mar. 31, 1974               |
| Brown County: International Multifoods<br>Corp.    | New Uim         | APC 5-6              | Dec. 14, 1972               | May 31, 1975                |
| Do   | do              | do                   | May 12 1973                 | Do                          |
| Cook County: Erie Mining Co<br>Dakota County:      | Tacoulte Harbor | APC 4-11             | June 12, 1973               | Dec. 31, 1974               |
| 3M Co. (Chemolite Plant)<br>Koch Refining Co       | Cottage Grove   | APC 4                | Jan. 19, 1973               | May 31, 1975                |
| Koch Refining Co                                   | Rosemount       | do                   | Sept. 11, 1972              | Jan. 1, 1974                |
| Reavey Co  | Hastings Dorum  | . APC 5-6            | Apr. 12, 1973               | Mar. 1, 1973                |
| Northern States Power Co                           | Blackdog        | . APC 4              | Nov. 16, 1972               | June 1, 1973                |
| St. Paul Ammonia Products, Inc<br>Hennepin County: | Rosemount       | do                   | Sept. 11, 1972              | Dec. 31, 1974               |
| General Mills, Inc.:                               |                 |                      |                             |                             |
| (a) Elevator                                       | Minneapolis     | . AI'C 5-6           | Apr. 12, 1973               | Mar. 31, 1975               |
| (b) Purity oats                                    |                 |                      |                             |                             |
| Peavy Co   | do              | do                   | do                          | Aug. 1, 1974                |
| Spencer Kellogg Co                                 |                 |                      | July 25, 1973               | Dec. 30, 197                |

MINNESOTA-Continued

| Source  | Location     | Regulations involved | Date<br>schedule<br>adopted |                |
|---|--------------|----------------------|-----------------------------|----------------|
| Koochlehing County: Boise Cascade Corp.                         | do           | do                   |                             | Sept. 30, 1976 |
| LeSueur County: International Multifoods                        | New Prague   | do                   | Dec. 14, 1972               | May 31, 1975   |
| Do<br>Polk County: Otter Tail Power Co                          | Fergus Falls | APC 4                | Mar 26, 1973                | Do.            |
| Ramsey County: International Multifood                          | St. Paul     | APC 5-6              | Dec. 14, 1972               | Sept. 30, 197- |
| Do  | do           | do                   | May 12, 1973                | Do.            |
| Scott County: Peavey Co   | Shakopee     | do                   | Apr. 21, 1973               | Aug. 1, 197-   |
| Scott County: Peavey Co<br>St. Louis County: General Mills, Inc | Duluth       | do                   | Apr. 12, 1973               | May 31, 197    |
| Wabash County: International Multifoods                         | Wabash       | APC 4                | Nov. 16, 1972               | Dec. 31, 197-  |
| Washington County: Northern States<br>Power Co.                 | A. S. King   | do                   | do                          | July 11, 1973  |

#### Subpart YY-Wisconsin

5. Section 52.2570 is amended by adding a new paragraph (d) as follows: § 52.2570 Identification of plan.

(d) Revisions to the plan were submitted on:

WISCONSIN

ant to section 110(a)(3) of the Clean Air Act. All regulations cited are air pollution control regulations of the State, unless otherwise specified.

The following compliance schedules for

the sources identified below have been

submitted as revisions to the plan pursu-

(1) June 26, 1973.

| Source   | Location                       | Regulations involved                     | sch   | ate<br>edule<br>opted |       | nal<br>liance<br>ate          |
|--|--------------------------------|--|-------|-----------------------|-------|-------------------------------|
| Brown County: Wisconsin Public Service<br>Corp.                                | Green Bay                      | NR 154.11(5)(c)                          | May   | 11, 1973              | May   | 1, 1975                       |
| Eau Claire County: Northern States<br>Power Co.                                | Eau Claire                     | NR 154.11(2)(b)                          | Sept. | 27,1971               | Oct.  | 1, 1974                       |
| Grant County: Wisconsin Power & Light<br>Co., Nelson Dewey Plant.              | Cassville                      | NR 154.05(2)(b)                          | June  | 8, 1973               | June  | 1, 1974                       |
| Marathon County: Mosinee Paper Corp<br>Outagamie County:                       | Mosinee                        | NR 154.11 (4), (5)                       | May   | 19, 1973              | Sept. | 1, 1975                       |
| Kimberly Clark Corp<br>Thilmany Pulp & Paper Co<br>Sheboygan County: Kohler Co | Kimberly<br>Kaukauna<br>Kohler | NR 154.11(5)(c)<br>do<br>NR 154.11(4)(b) | May   | 11.1973               | May   | 1, 1974<br>1, 1975<br>1, 1975 |

[FR Doc.74-3722 Filed 2-15-74;8:45 am]

## [ 40 CFR Part 52 ] OREGON

#### **Proposed Revisions to Implementation** Plan

On May 31, 1972 (37 FR 10888), the Administrator approved the "State of Oregon Clean Air Act Implementation Plan" in its entirety. Contained in that approved plan is Chapter 340 of the Oregon Administrative Rules (OAR), Department of Environmental Quality, Air Pollution Control.

This notice is issued to advise the public that proposed implementation plan revisions for the State of Oregon have been received by the Environmental Protection Agency and that comments may be submitted on whether these revisions should be approved or disapproved by the Administrator as required by section 110 of the Clean Air Act. Comments received on or before March 21, 1974, will be considered.

On February 8, 1973, the Department of Environmental Quality submitted to EPA, as a revision to the approved plan. amended Chapters 25-105 through 25-130, OAR 340, Hot Mix Asphalt Plants and amended Chapter 340 sections 25-155 through 25-195, Kraft Pulp Mills. The amended asphalt plant regulation, adopted by the State on January 26, 1973,

provides for expansion of the geographical limits of "Special Control Areas," increases the distance required between residences and asphalt plants from one-half mile to one mile, and adds opacity and grain loading limitations for asphalt plants within "Special Control Areas." The amended Kraft mill regulation, also adopted by the State on January 26, 1973, includes a new definition for particulate matter emitted from recovery furnaces.

On February 13, 1973, the Department of Environmental Quality submitted to EPA recodifications of regulations included in the approved plan for the Lane Regional Air Pollution Authority, Mid-Willamette Valley Air Pollution Authority, and Columbia Willamette Air **Pollution Authority.** 

On May 30, 1973, the Department of Environmental Quality submitted to EPA, as a revision to the approved plan, amended Chapter 340, section 25-315(1). Veneer Driers. The amended regulations adopted by the State of April 2, 1973, requires control of visible emissions and the characteristic blue haze emitted from veneer driers.

Copies of the proposed revisions are available for public inspection during normal business hours at the Office of EPA, Region X, 1200 Sixth Avenue,

Seattle, Washington 98101; at the Department of Environmental Quality, 1234 SW. Morrison Street, Portland, Oregon 97205; and at the Freedom of Informa-tion Center, EPA, 401 M Street, SW, Washington, D.C. 20460.

Interested persons may participate in this rulemaking by submitting written comments, preferably in triplicate, to comments, preferably in triplicate, so the Regional Administrator, Environ-mental Protection Agency, Region X, 1200 Sixth Avenue, Seattle, Washington 98101: Attention: J. Akins. Comments received on or before March 21, 1974, will be considered, and will be available during normal working hours at the Region X Office.

This notice of proposed rulemaking is issued under the authority of section 110(a) of the Clean Air Act, as amended, 42 U.S.C. 1857c-5(a).

Dated: February 13, 1974.

RUSSELL E. TRAIN,

Administrator,

Environmental Protection Agency. [FR Doc.74-3916 Filed 2-15-74;8:45 am]

## FEDERAL COMMUNICATIONS COMMISSION

## [ 47 CFR Part 17 ]

[Docket No. 19931; FCC 74-115]

ANTENNA STRUCTURES

**High Intensity Lighting** 

In the matter of amendment of Part 17 of the Commission's rules to prescribe high intensity lighting of antenna structures.

1. Notice is hereby given of proposed additions to Part 17 of the rules as set forth below.

2. On March 1, 1973, the Federal Aviation Administration (FAA), in keeping with its statutory responsibility for promoting safety in air commerce, issued a notice of proposed change looking toward augmenting the standards described in its Advisory Circular 70/7460-1, Obstruction Marking and Lighting, so as to permit the use of high intensity (strobe) obstruction lighting systems on skeletal structures.<sup>1</sup> At the same time the FAA proposed to delete the requirement for obstruction marking skeletal structures with aviation surface orange and white paint where high intensity strobe lighting is employed. Since the FCC Rules relate closely to those of the FAA in this area, the Commission is of the view that a comparable amendment to the FCC Rules is warranted so as to be consistent. However, the additional provisions are intended as an alternative to, and not a substitution for, the current rule provisions, which continue in effect.

3. Generally, high intensity lighting systems are appropriate to structures 500 feet or more above ground level. However, the Commission may prescribe high intensity lighting in all instances where the FAA study establishes that

<sup>1</sup>Notice published at 38 FR 6711 on March 12, 1973.

the conventional obstruction marking and lighting is inadequate to insure air safety or, in the event that such lighting is an option exercised by the proponent, where the FAA finds that the application of such lighting would not be detrimental to air safety. Existing antenna structures would be unaffected; however, the Commission may prescribe high intensity lighting for such structures, following study by and upon the recommendation of the FAA, if an existing antenna structure is altered or replaced by a similar structure.

4. High intensity lighting systems normally will be prescribed as a self-contained 24-hour obstruction lighting system. Where such lighting is applied to an existing and conventionally lighted antenna structure, or in special cases where the use of the high intensity lighting system at nighttime may be objectionable, the Commission may prescribe or restrict the high intensity lighting system for display during daytime only in which event the conventional red obstruction lighting system would be prescribed for nighttime. The high intensity lighting system, however, is adjustable to overcome most expected objections.

5. High intensity lighting systems have been installed on television antenna structures in Worcester, Mass. (WMTW-TV) as well as in Camden and Trenton, New Jersey (WNJS and WNJT, respec-tively). Observations of these installations has established that during daylight hours the high intensity lighting system is sufficiently effective to eliminate the need for the aviation surface orange and white painting. Consequently, the proposed rules would make the obstruction painting optional in those instances where high intensity lighting systems are employed. High intensity lighting systems are currently being installed or considered for at least a dozen other tall antenna structures.

6. The proposed amendments are authorized in accordance with sections 4(i), 303(q), and 303(r) of the Communications Act of 1934, as amended. Comments may be filed in accordance with the provisions of § 1.415 on or before March 25, 1974; reply comments on or before April 5, 1974. The Commission may consider in addition to all relevant and timely comments, other available pertinent data before taking final action.

7. In accordance with the provisions of § 1.419 of the Commission's rules, an original and 14 copies of all comments, reply comments, pleadings, briefs, and other documents shall be furnished the Commission. These will be available for public inspection during regular business hours in the Commission's Public Reference Room at its Headquarters, 1919 M Street, NW., Washington, D.C.

Adopted: February 6, 1974.

Released: February 11, 1974.

FEDERAL COMMUNICATIONS COMMISSION, [SEAL] VINCENT J. MULLINS, Secretary. Sections 17.39-17.42 are added new to Subpart C of 47 CFR Part 17 to read as follows:

#### § 17.39 Specifications for high intensity lighting of antenna structures 300 feet or less in height.

Antenna structures up to and including 300 feet in height above ground level which are required to be obstruction lighted with high intensity lights as a result of an FAA study, or which are so lighted at the option of the permittee or licensee, shall be lighted as follows:

(a) There shall be installed at the top of the skeletal tower three or more strobe light units meeting the requirements of FAA/DOD Specification L-856. High Intensity Obstruction Light Systems. The units shall emit a white high intensity light of not less than 200,000 candelas throughout  $360^{\circ}$  of horizontal arc about the structure to ensure that the light system is visible from aircraft at any normal angle of approach. The intensity  $\cdot$  shall be decreased to approximately 20,000 candelas during twilight, and to approximately 4,000 candelas at night.

(b) Where a rod, antenna, or similar appurtenance of 20 or more feet extends above the main skeletal framework a single unit high intensity omni-directional white light, similar in appearance to a 300 mm red electric code beacon, shall be installed at the highest point of the structure in addition to the lights required in paragraph (a) of this section. This light shall produce a daytime and twilight intensity of approximately 20,000 candelas and be decreased at nighttime to an intensity of approximately 4,000 candelas.

(c) All lamps shall flash simultaneously at 40 pulses per minute. The system shall be equipped with a light sensitive control device adjusted so that the daytime to twilight intensities are automatically changed when the north sky illuminance level falls or rises to between 60 and 30 foot candles, and so that the twilight to nighttime intensities are automatically changed when the north sky illuminance level falls or rises to between 5 and 2 foot candles.

#### § 17.40 Specifications for high intensity lighting of antenna structures over 300 feet up to and including 600 feet in height.

Antenna structures over 300 feet up to and including 600 feet in height above ground level which are required to be obstruction lighted with high intensity lights as a result of an FAA study, or which are so lighted at the option of the permittee or licensee, shall be lighted as follows:

(a) There shall be installed at the top of the skeletal tower three or more strobe light units meeting the requirements of FAA/DOD Specification L-856, High Intensity Obstruction Light Systems. The units shall emit a white high intensity light of not less than 200,000 candelas throughout  $360^{\circ}$  of horizontal arc about the structure to ensure that the light

system is visible from aircraft at any normal angle of approach. The intensity shall be decreased to approximately 20,000 candelas during twilight, and to approximately 4.000 candelas at night.

(b) At the approximate midpoint of the skeletal tower there shall be installed a similar set of high intensity strobe lights.

(c) Where a rod, antenna, or similar appurtenance of 20 or more feet extends above the main skeletal framework a single unit high intensity omni-directional white light, similar in appearance to a 300 mm red electric code beacon, shall be installed at the highest point of the structure in addition to the lights required in paragraph (a) of this section. This light shall produce a daytime and twilight intensity of approximately 20,000 candelas and a nighttime intensity of approximately 4,000 candelas.

(d) All lamps shall flash simultaneously at 40 pulses per minute. The system shall be equipped with a light sensitive control device adjusted so that the daytime to twilight intensities are automatically changed when the north sky illuminance level falls or rises to between 60 and 30 foot candles, and so that the twilight to nightime intensities are automatically changed when the north sky illuminance level falls or rises to between 5 and 2 foot candles.

#### § 17.41 Specifications for high intensity lighting of antenna structures over 600 feet up to and including 1,000 feet in height.

Antenna structures over 600 feet up to and including 1,000 feet in height above ground level which are required to be obstruction lighted with high intensity lights as a result of an FAA study, or which are so lighted at the option of the permittee or licensee, shall be lighted as follows:

(a) There shall be installed at the top of the skeletal tower three or more strobe light units meeting the requirements of FAA/DOD Specification L-856, High Intensity Obstruction Light Systems. The units shall emit a white high intensity light of not less than 200,000 candelas throughout  $360^{\circ}$  of horizontal arc abcut the structure to ensure that the light system is visible from aircraft at any normal angle of approach. The intensity shall be decreased to approximately 20,000 candelas during twilight, and to approximately 4,000 candelas at night.

(b) At the approximate  $\frac{1}{3}$  and  $\frac{2}{3}$  levels of the skeletal tower there shall be installed a similar set of high intensity strobe lights.

(c) Where a rod, antenna, or similar appurtenance of 20 or more feet extends above the main skeletal framework a single unit high intensity omni-directional white light, similiar in appearance to a 300 mm red electric code beacon, shall be installed at the highest point of the structure in addition to the lights required in paragraph (a) of this section. This light shall produce a daytime and twilight intensity of approximately 20,-

No. 34-Pt. I-12

000 candelas and a nighttime intensity of approximately 4,000 candelas.

(d) All lamps shall flash simultaneously at 40 pulses per minute. The system shall be equipped with a light sensitive control device adjusted so that the daytime to twilight intensities are automatically changed when the north sky illuminance level falls or rises to between 60 and 30 foot candles, and so that the twilight to nighttime intensities are automatically changed when the north sky illuminance level falls or rises to between 5 and 2 foot candles.

§ 17.42 Specifications for high intensity lighting of antenna structures over 1,000 feet in height.

Antenna structures over 1,000 feet in height above ground level which are required to be obstruction lighted with high intensity lights as a result of an FAA study, or which are so lighted at the option of the permittee or licensee, shall be lighted as follows:

(a) There shall be installed at the top of the skeletal tower three or more strobe light units meeting the requirements of FAA/DOD Specification L-856, High Intensity Obstruction Light Systems. The units shall emit a white high intensity light of not less than 200,000 candelas through  $360^{\circ}$  of horizontal arc about the structure to ensure that the light system is visible from aircraft at any normal angle of approach. The intensity shall be decreased to approximately 20,000 candelas during twilight, and to approximately 4,000 candelas at night.

(b) At approximate equidistant levels along the vertical axis of the skeletal tower there shall be installed three or more sets of similar lights (one additional set of lights is required for each additional 400 feet, or fraction thereof, of antenna structure greater than 1,000 feet).

(c) Where a rod, antenna, or similar appurtenance of 20 or more feet extends above the main skeletal framework a single unit high intensity omni-directional white light, similar in appearance to a 300 mm red electric code beacon, shall be installed at the highest point of the structure in addition to the lights required in paragraph (a) of this section. This light shall produce a daytime and twilight intensity of approximately 20,000 candelas and a nighttime intensity of approximately 4,000 candelas.

(d) All lamps shall flash simultaneously at 40 pulses per minute, and be equipped with a light sensitive control device adjusted so that the daytime to twilight intensities are automatically changed when the north sky illuminance level falls or rises to between 60 and 30 foot candles, and so that the twilight to nighttime intensities are automatically changed when the north sky illuminance level falls or rises to between 5 and 2 foot candles.

[FR Doc.74-3824 Filed 2-15-74;8:45 am]

## PROPOSED RULES

## FEDERAL RESERVE SYSTEM [ 12 CFR Part 212 ]

[Reg. L]

#### INTERLOCKING RELATIONSHIPS UNDER THE CLAYTON ACT

#### Banks in Low-Income Areas

The Board of Governors is inviting comment on a proposed amendment to Federal Reserve Regulation L (12 CFR 212) that would, under certain circumstances, permit interlocking service by a director, officer or employee of a member bank with another bank, banking association, savings bank or trust company located in a low income or other economically depressed area.

Interlocking relationships between member banks and other banking institutions are generally subject to the prohibitions of section 8 of the Clayton Act (15 U.S.C. 19). In addition to the exceptions expressly provided in the statute, the Board is empowered to permit by regulation interlocking relationships between a member bank and not more than one other institution. Minority-owned and other banks in low income or other economically depressed areas are often in need of managerial assistance; such assistance may sometimes be provided by banks and other institutions but for the prohibitions of section 8. Accordingly, the Board believes that public benefits may result from the amendment under consideration and that such amendment, in the form proposed, would not be inconsistent with the purposes of section 8 of the Clayton Act or other statutes administered by the Board.

To implement the proposal, § 212.3 of Regulation L would be amended by adding a new paragraph (g) to read as follows:

§ 212.3 Relationships permitted by Board.

(g) Bank in low income area. Any director, officer or employee of a member bank of the Federal Reserve System may be at the same time a director, officer or employee of not more than one other bank located, or to be located, in a low income or other economically depressed area, subject to the following conditions: (1) the other bank's federal supervisory agency determines that such relationship is necessary to provide management operating expertise to such other or bank; (2) not more than three interlocking relationships between any two banks shall be permitted by this paragraph, except that persons serving in interlocking relationships pursuant to this paragraph shall in no instance constitute a majority of the board of directors of the other bank; (3) no interlocking relationship permitted by this paragraph shall continue for more than a five-year period, or (4) upon such other terms and conditions in addition to or in lieu of the fore-

going, as may be determined by the Board in any specific case.

To aid in consideration of this matter by the Board, interested persons are invited to submit relevant views, data and argument. Any such material should be submitted to the Secretary of the Board of Governors of the Federal Reserve System, Washington, D.C. 20551 to be received not later than March 15, 1974. Such material will be made available for inspection and copying upon request, except as provided in § 261.6(a) of the Board's rules regarding availability of information.

Board of Governors of the Federal Reserve System, February 8, 1974.

| [SEAL] | CHESTER B. FELDBERG,    |
|--------|-------------------------|
|        | Secretary of the Board. |

[FR Doc.74-3829 Filed 2-15-74;8:45 am]

## NATIONAL CREDIT UNION ADMINISTRATION [ 12 CFR PART 701 ] FLOOD INSURANCE

Proposed Rulemaking

Notice is hereby given that the Administrator of the National Credit Union Administration, pursuant to the authority conferred by section 120, 73 Stat. 635, 12 U.S.C. 1766, and section 209, 84 Stat. 1015, 12 U.S.C. 1789, is proposing the establishment of a new § 701.32 to Part 701 to read as set forth below.

> HERMAN NICKERSON, Jr., Administrator.

#### February 12, 1974.

§ 701.32 Flood insurance.

(a) Definitions.

(1) "Community" means a state or a political subdivision thereof which has building code jurisdiction over a particular area having special flood hazards.

(2) "Participating" for the purpose of this section means a community participating in the national flood insurance program is a community which has complied with the requirements for participation as set forth in § 1909.22 of the regulations of the Federal Insurance Administration of the Department of Housing and Urban Development (24 CFR § 1909.22) and in which flood insurance is currently being sold.

(b) In enacting the Flood Disaster Protection Act of 1973 (87 Stat. 975) on December 31, 1973, the Congress found that annual losses throughout the nation from floods and mudslides are increasing at an alarming rate, partly as a result of the accelerating development of, and concentration of population in, areas of flood hazards. The Congress further fourd that a component part of this accelerating development has been the availability of financial assistance, including real estate loans by Federal credit unions, federally insured State credit unions and other financial institutions, thus encouraging construction in flood prone areas. Accordingly, the Flood Disaster Protection Act imposes certain conditions on the making of such loans by federally supervised, regulated or insured credit unions and other financial institutions, requiring in substance that the property securing such loans be covered by adequate flood insurance. To implement these requirements, the federal financial supervisory agencies designated in the Act, including the National Credit Union Administration, are di-rected, pursuant to sections 102(b) and 202(b) of the Act, to issue appropriate regulations with respect to institutions under their supervisory jurisdiction. This regulation is intended to comply with that legislative mandate and is issued under sections 102(b), 102(c), 202(b), and 205(b) of the Flood Disaster Protection Act of 1973 (87 Stat. 978, 982).

(c) After March 2, 1974, no Federal credit union nor federally insured State credit union shall make, increase, extend, or renew any loan secured by improved real estate or a mobile home located or to be located in an area that has been

identified by the Secretary of Housing and Urban Development as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, unless the building or mobile home and any personal property securing such loan is covered for the term of the loan by flood insurance in an amount at least equal to the outstanding principal balance of the loan or to the maximum limit of coverage made available with respect to the particular type of property under the Act, whichever is less.

(d) Notwithstanding the provisions of paragraph (c) of this section, flood insurance shall not be required on any Stateowned property that is covered under an adequate policy of self-insurance satisfactory to the Secretary of Housing and Urban Development who shall publish and periodically revise the list of states falling within the exemption provided in this paragraph.

(e) On and after July 1, 1975, no Federal credit union nor federally insured State credit union shall make, increase, extend, or renew any loan secured by

improved real estate or a mobile home located or to be located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards, unless the community in which such area is situated is then participating in the national insurance program.

(f) Each Federal credit union and each federally insured State credit union shall maintain in connection with all loans secured by improved real estate, or a mobile home, sufficient records to indicate the method used the credit union to determine whether or not such loans fall within the provisions of paragraph (c) and (e) of this section.

(g) The requirements of section 553 (b) and section 553(d) of Title 5 of the United States Code were not followed in connection with the promulgation of this regulation because the Administrator, National Credit Union Administration, found that the public interest and requirements of existing law compelled him to make the action effective no later than March 2, 1974.

[FR Doc.74-3804 Filed 2-15-74;8:45 am]

# Notices

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

## DEPARTMENT OF STATE

[Public Notice CM-111]

## SHIPPING COORDINATING COMMITTEE, SUBCOMMITTEE ON CODE OF CON-DUCT FOR LINER CONFERENCES

## **Notice of Meeting**

A meeting of the Subcommittee on Code of Conduct for Liner Conferences will be held at 10 a.m. on Thursday, February 28, 1974 in Room 1408, Department of State, to discuss United States positions for the resumed UN Conference of Plenipotentiaries on a Code of Conduct for Liner Conferences, March 11-29, 1974 in Geneva.

The meeting will be closed to the public, under a determination to do so, made under the provisions of section 10(d) of Public Law 92-463 in that the above meeting will necessarily involve discussion of matters concerned with those recognized as not subject to public disclosure under 5 U.S.C. 552(b) (1). The discussion will focus on the final U.S. negotiating position for the UNCTAD Resumed Session on a Code of Conduct for Liner Conferences to be held in Geneva, March 11-29. The Code is concerned with the future relationship between shipping companies, exportersimporters, governments and world organizations.

For information regarding the meeting, contact Mr. Richard K. Bank, Executive Secretary, Shipping Coordinating Committee, Department of State, Washington, D.C. 20520, telephone (Area Code 202) 632-0704.

Dated: February 11, 1974.

RICHARD K. BANK, Executive Secretary, Shipping Coordinating Committee.

[FR Doc.74-3793 Filed 2-15-74:8:45 am]

### DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms TECHNICAL SUBCOMMITTEE TO THE AD-VISORY COMMITTEE ON EXPLOSIVES

TAGGING

#### **Notice of Meeting**

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), notice is hereby given that a meeting of the Technical Subcommittee to the Advisory Committee on Explosives Tagging will be held at 9:30 a.m. on February 26, 1974, and at 9:30 a.m. February 27, 1974, in Room 4202, 1200 Pennsylvania Avenue, NW., Washington, D.C., 20226.

The purpose of the meeting is to review and recommend readjustment of the objectives and target dates of the Explosives Tagging Program; determine the status of research activity for the various candidate tagging systems; recommend a course of action to meet new target dates of program objectives; and determine what candidate tagging systems should be observed by the committee.

The meeting will be open to the public. Time will be available for brief statements from members of the public, but those wishing to make an oral statement must inform the chairman in writing prior to the meeting. Statements should be sent to the Committee Manager, Advisory Committee on Explosives Tagging, Room 8239, Bureau of Alcohol, Tobacco and Firearms, 1200 Pennsylvania Avenue, Washington, D.C., 20226.

Dated: February 14, 1974.

[SEAL]

REX D. DAVIS,

Director. [FR Doc.74-3943 Filed 2-15-74;8:45 am]

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### DEPARTMENT OF DEFENSE

Office of the Secretary DEFENSE INTELLIGENCE AGENCY SCIENTIFIC ADVISORY COMMITTEE

### Notice of Closed Meetings

Pursuant to the provisions of section 10 of Public Law 92-463, effective January 5, 1973, notice is hereby given that closed meetings of the DIA Scientific Advisory Committee will be held at the Pentagon, Washington, D.C., on:

Thursday, March 14, 1974. Friday, March 15, 1974.

These meetings commencing at 9 a.m. will be to discuss classified matters.

> MAURICE W. ROCHE, Director, Correspondence and Directives, OASD (Comptroller).

FEBRUARY 13, 1974.

[FR Doc.74-3846 Filed 2-15-74;8:45 am]

#### NATIONAL COMMITTEE FOR EMPLOYER SUPPORT OF THE GUARD AND RESERVE Notice of Open Meeting

Pursuant to the provisions of section 10, Public Law 92-463, effective January 5, 1973, notice is hereby given that a regional meeting of the National Committee for Employer Support of the Guard and Reserve Advisory Council will be held on February 26, 1974 in the Institute for Defense Analyses Auditorium,

400 Army-Navy Drive, Arlington, Virginia.

The purpose of the meeting is to develop greater activity by members of the National Advisory Council in the solicitation of employer support of the Guard and Reserve.

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The transcript of the meeting will be available to anyone desiring information about the meeting.

Additional information concerning these meetings may be obtained by contacting the Assistant to the National Chairman, National Committee for Employer Support of the Guard and Reserve, Room 3A29, 400 Army-Navy Drive, Arlington, Virginia 22202.

MAURICE W. ROCHE, Director, Correspondence and Directives, OASD(C). FEBRUARY 13, 1974.

[FR Doc.74-3845 Filed 2-15-74;8:45 am]

### NATIONAL COMMITTEE FOR EMPLOYER SUPPORT OF THE GUARD AND RESERVE Notice of Open Meeting

Pursuant to the provisions of section 10, Public Law 92-463, effective January 5, 1973, notice is hereby given that a meeting of the National Committee for Employer Support of the Guard and Reserve Executive Committee will be held on March 6, 1974, at the Pentagon, Room 1E801, Washington, DC.

The purpose of the meeting is to increase the knowledge and understanding of the members of the Executive Committee on matters relative to enlisting Employer Support for the Guard and Reserve.

A transcript of the meeting will be available to anyone desiring information about the meeting.

Additional information concerning these meetings may be obtained by contacting the Assistant to the National Chairman, National Committee for Employer Support of the Guard and Reserve, Room 3A29, 400 Army-Navy Drive, Arlington, Virginia 22202 (OXford 7-6902).

> MAURICE W. ROCHE, Director, Correspondence and

Director, Correspondence and Directives, OASD(C).

FEBRUARY 12, 1974.

[FR Doc.74-3844 Filed 2-15-74;8:45 am]

## POSTAL SERVICE POSTAL SERVICE ADVISORY COUNCIL Notice of Meeting

Notice is hereby given that a meeting of the Postal Service Advisory Council

will be held on Tuesday, March 5, 1974, at 10 a.m. in room 10384, USPS Headquarters, 475 L'Enfant Plaza West, SW., Washington, D.C.

The Postal Service Advisory Council was established by 39 U.S.C. 206, which provides that "Itlhe Postal Service shall consult with and receive the advice of the Advisory Council regarding all aspects of postal operations."

The meeting has been called to swear in new and reappointed members of the Council who will be briefed on budget and service matters. The meeting is open to the public. Persons wishing to be present or to obtain further information on this meeting should contact Mrs. Sally Jones, Secretary to the Senior Assistant Postmaster General, Policy Matters, room 10220, U.S. Postal Service, at the street address shown above. Mrs. Jones' telephone number is 202-245-4935.

#### ROGER P. CRAIG, Deputy General Counsel.

[FR Doc.74-4040 Filed 2-15-74;11:24 am]

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## DEPARTMENT OF THE INTERIOR Fish and Wildlife Service

J. N. "DING" DARLING WILDERNESS PROPOSAL

Notice is hereby given in accordance with provisions of the Wilderness Act of September 3, 1964 (P.L. 88-577; 78 Stat. 890-896; 16 U.S.C. 1131-1136), that a public hearing will be held beginning at 9 am. on March 21, 1974, at Sanibel Community House, Sanibel Island, Florida, on a proposal leading to a recommendation to be made to the President of the United States by the Secretary of the Interior regarding the desirability of including J. N. "Ding" Darling wilderness proposal within the National Wilderness Preservation System. The wilderness study included the entire acreage within J. N. "Ding" Darling National Wildlife Refuge, which is located in Lee County, Florida.

A study summary containing maps and information on J. N. "Ding" Darling Wilderness Proposal may be obtained from the Refuge Manager, J. N. "Ding" Darling National Wildlife Refuge, P.O. Drawer B, Sanibel, Florida 33957 or the Regional Director, Bureau of Sport Fisherles and Wildlife, 17 Executive Park Drive NE, Atlanta, Georgia 30329.

Individuals or organizations may express their oral or written views by appearing at this hearing, or they may submit written comments for inclusion in the official record of the hearing to the Regional Director at the above address by April 22, 1974.

F. V. SCHMIDT, Acting Director, Bureau of Sport Fisheries and Wildlife.

FEBRUARY 12, 1974.

[FR Doc.74-3936 Filed 2-15-74;8:45 am]

## DEPARTMENT OF COMMERCE Domesic and International Business

Administration

## GEORGE WASHINGTON UNIVERSITY MEDICAL CENTER

#### Notice of Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651, 80 Stat. 897) and the regulations issued  $\cdot$  thereunder as amended (37 FR 3892 et seq.).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Import Programs, Department of Commerce, Washington, D.C. 20230.

Docket Number: 74-00135-33-90000. Applicant: George Washington University Medical Center, 901 Twenty-Third Street, N.W., Washington, D.C. 20037. Article: EMI- Scanner X-ray System. Manufacturer: EMI Limited, United Kindgom. Intended use of article: The foreign article will be used in research intended to answer these questions:

(a) Are the quantitative [x-ray] absorptions generated of value in telling the exact type of tumor present?: (b) Can the method be made even more sensitive by injecting into the blood radiographic contrast media to enhance absorption differences of normal and abnormal regions of the brain?; (c) Can the method be adapted to body parts other than the brain?: (d) Can the method be used to determine the efficiency of treatment of brain tumors of those patients under-going cancer therapy?; and (e) Does it eliminate or complement existing studies?; and (f) Does it change the mode of caring for patients with cerebral symptoms?

The article will also be used to teach medical students and physicians courses in the diagnosis and management of diseases of the brain. The courses are entitled, "Diagnostic Radiology" and "Computers in Radiology."

Comments: No comments have been received with respect to this application.

Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, is being manufactured in the United States.

Reasons: The foreign article is a newly developed system which is designed to provide precise transverse axial x-ray tomography. The speed and accuracy of the article in providing information is pertinent to the applicant's use in teaching the management and diagnosis of diseases of the brain, for research in techniques to enhance absorption differences and in studies of tumor identification by quantitative absorption measurement.

The Department of Commerce knows of no other instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, which is being manufactured in the United States.

> A. H. STUART, Director, Special Import Programs Division.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

[FR Doc.74-3848 Filed 2-15-74;8:45 am]

#### NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

#### Notice of Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651, 80 Stat. 897) and the regulations issued thereunder as amended (37 FR 3892 et seq.).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Import Programs, Department of Commerce, Washington, D.C. 20230.

Docket Number: 73-00366-12-90500. Applicant: National Aeronautics and Space Administration, Langley Research Center, Hampton, Va. 23365. Article: Four (4) Bi-Directional Actuator Assemblies. Manufacturer: Spar Aerospace Products Ltd., Canada. Intended use of article: The article is intended to be used in conjunction with the Meteoroid Technology Satellite which collects data on the near earth meteoroid environment. The penetration capability of meteoroids through bumper protected target sheets will be determined.

Comments: No comments have been received with respect to this application.

Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, is being manufactured in the United States.

Reasons: This application is a resubmission of Docket Number 72-00313-12-90500 and Docket Number 71-00489-12-90500, which were denied without prejudice to resubmission on November 8, 1972 and October 12, 1971 respectively, for informational deficiencies. The foreign article, which consists of several deployable booms made of thin strips of

coiled metal (together with electric motor drive) is intended to be a part of a payload for a space launch. These booms have (1) the shape and volume specified by the applicant, (2) the strength to withstand launch and satellite ambient environments, (3) a Weight not more than 14.5 lbs., and (4) a column load of 2.5 lbs upon extension. The National Bureau of Standards (NBS) advised in its memorandum dated January 18, 1974 that the capabilities described above are pertinent to the pur-poses for which the article is intended to be used. NBS further advises that it knows of no domestically manufactured instrument scientifically equivalent to the foreign article for the applicant's intended use.

The Department of Commerce knows of no other instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, which is being manufactured in the United States.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

> A. H. STUART, Director, Special Import Programs Division.

[FR Doc.74-3850 Filed 2-15-74;8:45 am]

#### UNIVERSITY OF PENNSYLVANIA

Notice of Decision on Application for Duty-Free Entry of Scientific Article

. The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651, 80 Stat. 897) and the regulations 1 ssued thereunder as amended (37 FR 3892 et seq.).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Import Programs, Department of Commerce, Washington, D.C. 20230.

Docket Number: 74–00133–33–46040. Applicant: University of Pennsylvania, Department of Anatomy, 116 Anatomy-Chemistry Bldg., 36th & Hamilton Walk, Philadelphia, Pa. 19174. Article: Electron Microscope, Model JEM 200A. Manufacturer: JEOL Ltd., Japan. Intended use of article: The foreign article is intended to be used to study the detailed structure of muscle cells. The main objective of this work is to understand the normal and pathological structure of muscle and how this is related to muscle disease.

Comments: No comments have been received with respect to this application.

Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, is being manufactured in the United States.

Reasons: The foreign article provides a maximum accelerating voltage of 200 kilovolts. The most closely comparable domestic instrument is the Model EMU-

4C, formerly produced by the Forgfio Corporation and currently being supplied by Adam David Company. The Model EMU-4C has a specified maximum accelerating voltage of 100 kilovolts.

We are advised by the Department of Health, Education, and Welfare (HEW) in its memorandum dated January 10, 1974 that the higher accelerating voltage provides proportionately greater penetrating power and, consequently, higher resolution for a specimen of a given thickness. HEW further advises that due to the nature of the material on which research will be conducted with the use of the foreign article, relatively thick specimens must be used in the experiments and, therefore, the higher accelerating voltage of the foreign article is a pertinent characteristic.

For these reasons, we find that the Model EMU-4C is not of equivalent scientific value to the foreign article for such purposes as this article is intended to be used.

The Department of Commerce knows of no other instrument being manufactured in the United States, which is of equivalent scientific value to the foreign article for such purposes as this article is intended to be used.

> A. H. STUART, Director, Special Import Programs Division.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

[FR Doc.74-3849 Filed 2-15-74;8:45 am]

#### Office of the Secretary ADVISORY COMMITTEE FOR INTERNATIONAL LEGAL METROLOGY Notice of Establishment

In accord with the provisions of the Federal Advisory Committee Act, 5 U.S.C. App. I (Supp. II, 1972), and OMB/ Justice Department guidelines on the Act, and after consultation with the Office of Management and Budget, it has been determined that the establishment of the Advisory Committee for International Legal Metrology is in the public interest in connection with duties imposed on the Department by law.

The Committee will advise the Department through the Director, National Bureau of Standards, on technical and policy matters relating to the Department's general responsibility for the development of U.S. positions on technical issues arising in the International Organization of Legal Metrology. The Committee will function solely as an advisory body, and in compliance with the requirements of the Federal Advisory Committee Act. It will function under the Department's National Bureau of Standards.

The Committee will consist of approximately 20 members, representatives of government, professional metrology, national standards bodies, and industry and trade associations, appointed by the Director of the National Bureau of Standards.

The Committee's charter will be filed under 5 U.S.C. App. I (Supp. II, 1972) thirty days from the publication of this notice.

Interested persons are invited to submit comments regarding the establishment of the Advisory Committee for International Legal Metrology. Such comments should be addressed to the Director, National Bureau of Standards, U.S. Department of Commerce, Washington, D.C. 20234.

Dated: February 12, 1974.

HENRY B. TURNER, Assistant Secretary for Administration.

[FR Doc.74-3851 Filed 2-15-74;8:45 am]

## MARINE PETROLEUM AND MINERALS ADVISORY COMMITTEE

## **Notice of Establishment**

In accordance with the provisions of the Federal Advisory Committee Act 5 U.S.C. App. I (Supp. II, 1972) and OMB/ Justice Department guidelines on the Act, pursuant to authority delegated by the Secretary of Commerce, and after consultation with the Office of Management and Budget, I hereby determine that the establishment of the Marine Petroleum and Minerals Advisory Committee is in the public interest in connection with the performance of duties imposed on the Department by law.

The Committee will take into account such factors as the economy, quality of the environment, technology, and wise use of the natural resources. The Committee will also advise with respect to Law of the Sea affairs.

The Committee shall consist of a balanced representation of interests. The Committee membership shall possess a broad range of experience and knowledge relating to the problems involving management, use, conservation, and the development of marine petroleum and marine minerals resources. The members shall be appointed by the Secretary of Commerce and shall serve at the discretion of the Secretary. The Committee will be responsible and report to the Secretary through the Administrator, NOAA.

The Committee shall function solely as an advisory body, and in compliance with the requirements of 5 U.S.C. App. I (Supp. II, 1972). The Committee's charter shall be filed thirty days from the publication of this notice.

Interested persons are invited to submit comments regarding the establishment of the Marine Petroleum and Minerals Advisory Committee. Such comments should be addressed to Administrator, NOAA, U.S. Department of Commerce, National Oceanic and Atmospheric Administration, Rockville, Maryland 20852.

Dated: February 12, 1974.

HENRY B. TURNER, Assistant Secretary for Administration. [FR Doc.74-3852 Filed 2-15-74;8:45 am]

Federal Disaster Assistance Administration [Docket No. NFD-156]

#### MAINE

#### Amendment to Notice of Major Disaster

Notice of Major Disaster for the State of Maine, dated January 18, 1974, and published January 24, 1974 (39 FR 2786), and amended February 1, 1974, and published February 7, 1974 (39 FR 4797), is hereby further amended to include the following counties among those counties determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of January 18, 1974: The Counties of:

#### Penobscot.

(Catalog of Federal Domestic Assistance No. 14.701, Disaster Assistance.)

Dated: February 11, 1974.

Aroostook.

THOMAS P. DUNNE, Administrator, Federal Disaster Assistance Administration. [FR Doc.74-3868 Filed 2-15-74:8:45 am]

> DEPARTMENT OF TRANSPORTATION

## **Coast Guard**

[CGD 74-31]

MOORING OF BARGES AND VESSEL OPER-ATION AND CONTROL BARGE BREAK-AWAYS

Vicinity of the Port of New Orleans

Notice is hereby given that Ellis L. Perry, Rear Admiral, United States Coast Guard, Commander, Eighth Coast Guard District, has issued the following special order to regulate the mooring of barges and vessel operation and control barge breakaways in the Mississippi River in the vicinity of the Port of New Orleans.

LOUISIANA-MISSISSIPPI RIVER

VICINITY-PORT OF NEW ORLEANS

Mississippi River, New Orleans; special order to regulate the mooring of barges and vessel operation and control barge breakaways in the Mississippi River in the vicinity of the Port of New Orleans.

1. Background: The Commander, Eighth Coast Guard District, has considered the increased risk to the Port of New Orleans caused by the following primary factors affecting the Mississippi River and its banks in the vicinity of New Orleans:

a. The present high water stage of the river and the increased current and counter eddy currents associated therewith:

b. The limited access to barge fleeting areas from the land side caused by the high water conditions:

c. The increase of debris being carried by the Mississippi River;

d. The large number of barges, estimated between two and three thousand, 1 moored in the vicinity of the Port of New Orleans:

e. The increase in number and size of vessels coming into and passing through the Port of New Orleans and the wake generated by these vessels;

f. The number of multiple barge breakaways caused by one or more of these factors which have occurred since the river level has risen above 12 feet on the Carrollton Gauge and the resulting extensive property damage;

g. The increased potential risk resulting from future multiple breakaways which may collide with vessels carrying inflammable or combustible liquids or gas and "particularly hazardous materials";

h. The necessity of having towboats readily available to gain early control of barges which break from their moorings so that additional downstream breakaways can be minimized;

i. The importance of waterborne commerce to the Port of New Orleans.

2. Purpose and application:

a. Based upon these primary factors, the Commander, Eighth Coast Guard District has determined that an emergency situation exists and will continue to exist in the vicinity of the Port of New Orleans. In order to reduce the number of breakaways and control any damage which may be caused thereby, the Commander, Eighth Coast Guard District, finds it necessary to issue this order setting forth certain rules which must be adhered to between miles 88 and 123 AHOP (above Head of Passes) by persons in charge of the following facilities and/or vessels:

(1) Barge fleeting areas or facilities,

(2) Towboats mooring barges to such fleeting areas or facilities,

(3) Towboats otherwise operating barges.

(4) All vessels underway and anchoring.

b. Person in charge includes any owner, agent, pilot, master, officer, crewmember, supervisor, dispatcher, or other person controlling, navigating, or otherwise responsible for directing the movement or action of any vessel, barge, or barge fleeting facility governed by this order. The term "person in charge" includes an individual, firm, corporation, association or partnership.

c. This order is issued under the provisions of 33 CFR, Part 6 and will remain in effect until further notice.

3. The following equipment rules apply to all barge fleeting facilities between miles 88 and 123 AHOP:

a. Permanent moorings and shore wires. The permanent moorings including deadmen, piling or anchors, shall be of sufficient mass and composition and fitted with adequate mooring chains and/ or shore wire cables. Shore wires shall be no less than  $1\frac{1}{4}$ " diameter wire cable or equivalent chain. In determining whether a larger size wire cable or an additional number of cables is needed, the following factors must be considered:

(1) Size and loaded condition of barges,

(2) Number of barges,

(3) Construction of barge, i.e. box type or raked,
(4) Current conditions,

(5) Proximity to normal routes of passing vessels.

For each group formation, a stern wire or line shall be used. This wire or line shall be of sufficient size to hold the downstream end of the barge group formation into the bank.

b. Barge to barge mooring cables and lines. When mooring barges abreast, at least one  $\frac{7}{6}$ " wire cable will be used. This wire cable is to be made up as a sling with eyes at both ends with sufficient length so as to give at least 3 runs of wire between the barges. Where barges are moored end to end so that headlogs and/or sternlogs come together or nearly together, two additional  $\frac{7}{8}$ " wire cables with at least three runs each must be run between the barge fore and aft. If manila or synthetic lines are used, they must be of sufficient length to give at least 75 percent of the breaking strength of 3 runs of  $\frac{7}{8}$ " wire cable. This takes into consideration the better elastic properties of these lines. A stern wire or line shall also be used. This trailing or stern line shall be of sufficient size to hold the downstream end of each barge from swinging out into the river.

c. Condition of shore wires, mooring cables and lines. All shore wires, wire cables or lines used in the mooring of barges shall be of good quality, in serviceable condition and of sufficient size to carry the expected load. No sisal may be used. Exclusively frayed or unraveled wire cables or lines shall not be used.

d. Moored barge lighting. Barge fleets shall be lighted in accordance with the appropriate Rules of the Road; Inland Rules or Western Rivers Rules.

4. The following rules apply to operating procedures at all barge fleeting facilities between miles 88 and 123 AHOP:

a. Inspection of the fleet. At least twice a day, persons in charge of barge fleeting facilities shall cause an inspection to be made of all shore wires as well as all wires and lines used to moor all barges. During these inspections, all barges are also to be checked to insure they are in good general condition. These inspections are to be made by competent persons. One inspection shall be made during daylight and one during hours of darkness. In addition, after a towboat has concluded an operation of adding to, withdrawing from, or moving barges within the fleet the mooring cables or lines for all barges affected by that operation, i.e., all barges moored to each other in that group formation. must be reinspected.

b. Surveillance of the fleet. Barge fleets shall be under the constant visual surveillance of a competent person or persons situated in a position or positions ashore or afloat from which the entire fleet can be observed to detect improper barge or vessel movement or any other

unusual condition. This person or persons shall be responsible for taking necessary action to resecure loose barges or correct other deficiencies. If, due to weather conditions, visual surveillance cannot be maintained, surveillance of the entire fleet must be maintained by radar.

c. Standby towboats. (1) Each fleet shall have at least 1 towboat standing by constantly to take control of barges which may breakaway in or from a This towboat shall be radar fleet. equipped. This towboat shall maintain a constant pilot house watch to spot breakaways and receive radio-telephone communications from ashore or other vessels. Towboats used for this purpose shall be located with 500 yards of any part of the fleet. If the fleet exceeds 100 barges, there must be a minimum of one such towboat for each additional 100 barges or fraction thereof. A towboat or towboats which can observe the entire fleet may fulfill the requirements of paragraph 4b. If the person conducting constant visual surveillance is ashore, as provided in paragraph 4b above, a 2-way means of communication must be provided between that person and the towboat standing by. For the purposes of this part, the tugs required by paragraph 4d may be considered as a "towboat standing by constantly."

(2) If a barge or barges break away in the vicinity of the fleet, a standby towboat may be used to gain control of these barges. The person in charge of the barge fleeting facility must take immediate steps to replace this standby tug as soon as practicable.

d. Transfers in the fleet. Whenever barges are added or withdrawn from the fleet or moved within the fleet, a minimum of two (2) towboats shall be used for the operation.

e. Poor visibility limitations. Barges shall not be added to, withdrawn from or moved within the fleet during periods of poor visibility caused by fog or heavy rains. Such poor visibility exists when the opposing bank at river level may not be seen visually from the fleet.

f. Operational log. The persons in charge of barge fleeting facilities shall cause to be kept an operational log in which shall be recorded the date, time, and identity of persons making the entry and shall include:

(1) The time of each inspection required by paragraph 4a,

(2) The identity of each barge transferred in or out of the fleet together with the name of the towboats employed,

(3) The identity of each barge moved within the fleet together with the name of the towboat employed.

5. The following rules apply to all barge fleeting facilities or fleets and all persons in charge of moving barges between miles 88 and 123 AHOP:

a. No barges shall be tied off to trees.

b. Where grounding a barge or tow is not objectionable, a towboat must be made up to such barge or tow at all times.

6. The following rules specifically apply to all vessels operating between miles 88 and 123 AHOP:

a. Persons in charge of all vessels shall give special attention to minimize the effect of their wake on moored barges by reducing speed and, where possible, giving a wide berth to moored barges;

b. Tankships which are loaded with flammable or combustible liquid cargo in bulk or which are loaded with particularly hazardous cargo in bulk, within the meaning of 46 CFR 146 or which, if unloaded, are not gas free, shall not anchor in the New Orleans General Anchorage or the Quarantine Anchorage. These anchorages run along the right descending bank from approximately mile 88.7 to mile 91.6 AHOP and extend 800 feet perpendicular to that bank;

c. A current listing of particularly hazardous cargo is as follows:

Methane.

Methyl acrylate. Methyl bromide.

Methyl chloride. Methyl Methacrylate

Acetaldehyde. Aceton cyanohydrin. Acetonitrile. Acrylonitrile. Allyl Alcohol. Ammonia, anhydrous. Aniline. Butadiene. Carbolic oil. Carbon disulfide. Chlorine. Chlorohydrins, crude. Crotonaldehyde. 1,2-Dichloropropane. Dichloropropene. Epichlorohydrin. Ethylene. Ethylene oxide.

(monomer). Oleum. Phenol. Phosphorus, elemental. Propylene. Propylene oxide. Sulfuric acid. Sulfuric acid, spent. Vinyl acetate. Vinyl achoride. Vinyl achoride. Vinyl ether.

7. Bréakaway recovery procedures. a. In the event a barge breakaway does occur, it is essential that all available towboats and fleet operating personnel in the vicinity quickly respond to attempt to gain control of the breakaway barges and prevent collisions with other downstream vessels, especially barges in fleeting areas. Therefore, the following procedures shall be adhered to when any

breakaway occurs: (1) Communications during breakaway recovery operations shall utilize Channel 16 (156.8 mhz) VHF-FM. The first towboat or tug on scene or the first dispatcher aware of a breakaway shall contact the Coast Guard on Channel 16 and pass the essential information. The Coast Guard will immediately make an Urgent Marine Information Broadcast. The Coast Guard Captain of the Port will provide additional communications assistance as necessary, and will make every effort to inform other marine interests that can provide assistance, or that are likely to be affected by the breakaway.

(2) The first towboat on scene shall automatically be designated as the Breakaway Recovery Coordinator. His primary function will be to direct the assisting towboats to the loose barges and pass information to the Coast Guard. If a better qualified towboat arrives on scene, the designation of Breakaway Recovery Coordinator may be transferred to him.

(3) When the Coast Guard has a suitable vessel on scene, the Coast Guard

vessel will assume Breakaway Recovery Coordinator.

8. Penalties. If any owner, agent, master, officer, or person in charge, or any member of the crew of any vessel governed by this order fails to comply with the rules contained in the order, the vessel and its equipment are subject to forfeiture and the person guilty of such failure is subject to a maximum punishment of ten years imprisonment and a \$10,000.00 fine. (33 CFR 6.18-1, 50 U.S.C. 192)

, 9. Effective Date. This order is effective at 12 o'clock noon, Tuesday, 12 February 1974. Persons in charge of vessels, barges, or barge fleeting facilities who can comply with the provisions of this order prior to that time are strongly urged to do so. If equipment changes are necessary, a reasonable time for compliance will be permitted."

Dated: February 13, 1974.

W. M. BENKERT, Rear Admiral, U.S. Coast Guard, Chief, Office of Marine Envi-

ronment and Systems.

[FR Doc.74-3913 Filed 2-15-74;8:45 am]

#### [CGD 74-34]

## BOATING SAFETY ADVISORY COUNCIL Notice of Open Meeting

This is to give notice pursuant to the Federal Advisory Committee Act, section 10(a)(2) dated October 6, 1972 that the Boating Safety Advisory Council, U.S. Coast Guard will conduct an open meeting on Tuesday and Wednesday, March 5 and 6, 1974, in Room 3201, Buzzards Point Building, 2100 Second Street SW., Washington, D.C. beginning at 9 a.m.

The Boating Safety Advisory Council is a 21-member Council authorized by section 33 of the Federal Boat Safety Act of 1971. The Council must be consulted by the Coast Guard in establishing a need for formulating and prescribing regulations which establish minimum safety standards for boats and associated equipment. In addition, the Coast Guard is required to consult with the Council on any other major boat safety matters related to the Act.

The agenda for the March 5 and 6 meeting consists of the following:

A discussion of the proposed electrical system standard, the need for coordinated public education programs and a report on the Coast Guard regulatory program.

Any member of the public who wishes to do so may file a written statement with the committee, before or after the meeting, or may present an oral statement with the advance approval of the Chairman.

Interested persons may request additional information concerning the March 5 and 6 meeting and other matters relating to the Boating Safety Advisory Councfl (pursuant to the Federal Advisory Committee Act, section 10(b) dated October 6, 1972) from the Executive Director, Boating Safety Advisory Council, U.S. Coast Guard Headquarters (G-BR/

62), Washington, D.C. 20590 or by calling (202) 426-4176.

Dated: February 11, 1974.

JOHN F. THOMPSON, Rear Admiral, U.S. Coast Guard, Chief, Office of Boating Safety. [FR Doc.74-3912 Filed 2-15-74;8:45 am]

Saint Lawrence Seaway Development Corp.

## ADVISORY BOARD

#### Notice of Meeting

Notice is hereby given pursuant to the Federal Advisory Committee Act, section 10(a)(2), dated October 6, 1972, that a meeting of the Advisory Board of the Saint Lawrence Seaway Development Corporation will be held at the U.S. Army Corps of Engineers Waterways Experiment Station, Hydraulics Conference Room, Vicksburg, Miss. on February 21, 1974 from 3:00 p.m. to 5:00 p.m.

Agenda items are as follows:

(1) Opening remarks by the Administrator;

(2) Approval of minutes of prior meeting;(3) Administrative report;

Program reviews;

(5) Closing remarks.

Further information may be obtained from Mr. Robert Kraft, Special Assistant to the Administrator, Office of the Administrator, Saint Lawrence Seaway Development Corporation, 800 Independence Avenue SW., Washington, D.C. 20590, or by calling 202-426-3574.

Issued: February 7, 1974.

[SEAL] D. W. OBERLIN. Administrator.

[FR Doc.74-3877 Filed 2-15-74;8:45 am]

### ATOMIC ENERGY COMMISSION [Docket Nos. 50-354, 50-355]

PUBLIC SERVICE ELECTRIC AND GAS CO.

Hope Creek Generating Station, Nos. 1 and 2 Units; Availability of Final Environmental Statement

Pursuant to the National Environmental Policy Act of 1969 and the U.S. Atomic Energy Commission's regulations in Appendix D to 10 CFR Part 50, notice is hereby given that the Final Environmental Statement, prepared by the Commission's Directorate of Licensing, related to the proposed issuance of construction permits for the Public Service Electric and Gas Company's Hope Creek Generating Station, Nos. 1 and 2 Units, to be located in Lower Alloways Creek Township in Salem County, New Jersey, is available for inspection by the public in the Commission's Public Document Room at 1717 H Street NW., Washington, D.C. 20545, and in the Salem Free Public Library, 112 West Broadway, Salem, New Jersey 08079. The Final Environmental Statement is also being made available at the Division of State and Regional Planning, Department of Community Affairs, P.O. Box 2768, Trenton, New Jersey 08625, and at the Wilmington

Metropolitan Area Planning and Coordinating Council, 4613 Robert Kirkwood Highway, Wilmington, Delaware 19808. The notice of availability of the Draft Environmental Statement for the Hope Creek Generating Station, Nos. 1 and 2 Units, with request for comments from interested persons was published in the FEDERAL REGISTER on November 30, 1973 (38 FR 33112). The comments received from Federal, State, and local agencies have been included in the Final Environmental Statement.

Single copies of the Commission's Final Environmental Statement may be obtained by request addressed to the U.S. Atomic Energy Commission, Washington, D.C. 20545, Attention: Deputy Director for Reactor Projects, Directorate of Licensing.

Dated at Bethesda, Maryland, this 12th day of February 1974.

For the Atomic Energy Commission.

B. J. YOUNGBLOOD,

Chief, Environmental Projects Branch No. 3, Directorate of Licensing.

[FR Doc.74-3872 Filed 2-15-74;8:45 am]

**CIVIL AERONAUTICS BOARD** 

[Docket 25988: Order 74-2-40]

ALLEGHENY AIRLINES, INC. ET AL.

Order Disclaiming Jurisdiction and Tentatively Approving Agreement and Acquisition

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 12th day of February, 1974.

Application of Allegheny Airlines, Inc., Mohawk Air Services, Inc. and Ransome Airlines, Inc. pursuant to sections 408 and 409 of the Federal Aviation Act of 1958, as amended.

Allegheny Airlines, Inc. (Allegheny), Mohawk Air Services, Inc. (Mohawk) and Ransome Airlines, Inc. (Ransome) request that the Board grant such exemptions from or approval under sections 408, 409 and 412 of the Federal Aviation Act of 1958, as amended, (the Act) as may be required to permit various transactions and agreements between the applicants in connection with a program to modify certain Nord 262 aircraft presently owned by Allegheny and Ransome. The modification is based primarily on replacing the present Bastan VI turboprop engines with PT6A-45 turbine engines manufactured by United Aircraft of Canada, Ltd. (UACL). The advantages of this modification are increased payload resulting from lighter weight, improved performance, and cost savings in operations and maintenance. Upon completion of the modification, and assuming its success, the aircraft will be called the Mohawk 298.

Allegheny is a scheduled, certificated air carrier. Mohawk is being organized for the primary purpose of handling the various transactions required by the modification program and will be a wholly-owned subsidiary of Allegheny.

For the purposes of the instant application it is a person engaged in a phase of aeronautics. Ransome is an air taxi operator and is an active participant in the Allegheny Commuter program under which certain points on Allegheny's system are served by air taxis.

According to the application, Mohawk was incorporated on October 1, 1973 for the purpose of achieving the common objectives of Allegheny and Ransome in developing and marketing an improved commuter-type aircraft. Allegheny's investment in Mohawk will be reflected by the issuance to it of Mohawk capital stock and convertible subordinated debentures, in equal proportions, in exchange for progress payments to be made by Alegheny during the initial phases of the aircraft conversion program and for the transfer to Mohawk of Allegheny's right, title and interest in five Nord 262 aircraft which it presently owns. Allegheny will hold and exercise the right to elect directors and officers of Mohawk." Ransome has a contingent right, upon completion of the initial seven-plane conversion program, to acquire up to a 1/3 interest in Mohawk and to maintain this interest in the event of the acquisition by Allegheny of additional shares or convertible debentures of Mohawk

The application also describes certain agreements which are necessary to formalize the various transactions between the parties and others.

The joint venture agreement between Allegheny, Mohawk and Ransome provides for (a) the conveyance of five Nord 262 aircraft owned by Allegheny to Mohawk; (b) the conveyance by Ransome to Mohawk of title to its two owned Nord 262 aircraft, and the delivery of three Nord aircraft leased from Allegheny, such transfers to be accomplished simultaneously with the delivery of each of five converted Mohawk 298 aircraft to Ransome; and (c) the terms, timing and price of the foregoing aircraft transfers and the grant of an option to Ransome to acquire the sixth and seventh Mohawk 298 aircraft.<sup>2</sup>

In addition to the foregoing, the application lists other agreements necessary to the successful completion of the program. These include (a) the conversion agreement with Frakes Aviation, a Texas company which has done the feasibility study and will do the prototype

<sup>2</sup> Ransome agrees to repurchase one converted aircraft for each one it formerly owned (2) or leased (3). The purchase price of Mohawk 298 aircraft by Ransome is based on actual costs, and will be equal to the sum of: (1) The cost to Mohawk of the unconverted Nord N-262; (2) One-seventh of the total conversion contract price, exclusive of engineering costs; (3) All taxes or other government charges imposed upon the aircraft or Mohawk, pro rata; (4) One-fifteenth of the engineering costs; and (5) One-seventh of all reasonable costs incurred by Mohawk.

No. 34-Pt. I-13

<sup>&</sup>lt;sup>1</sup> At present the only designated officer of Mohawk is Walter J. Short, Allegheny's Executive Vice President-Finance, who will serve as President of Mohawk.

conversion and testing, and the subsequent modification; and (b) an agreement between Mohawk and Societe Nationale Industriale Aerospatiale (SNIAS) under which the latter will provide technical data and assistance to Frakes Aviation. and will provide a U.S. inventory of spare parts as long as there are at least five Mohawk 298 aircraft operating in North America.<sup>3</sup>

The application states that, although the basic transaction is not complex, the status of the joint applicants as air carriers and of Mohawk as a person engaged in a phase of aeronautics, together with several details of the subsidiary transaction, together require exemption or approval under a number of sections of the Act.<sup>4</sup>

In support of their request for approval. exemption or other relief from the various sections of title IV of the Act, applicants point out that the overriding consideration in all of these is the public interest and that none of the transactions or agreements involved will adversely affect such interest. The end product of the arrangements, the Mohawk 298, will be an improved aircraft capable of providing better service to the public and it will be available to any operator at prices comparable to that at which it is available to Ransome. The establishment of Mohawk to achieve this goal and the other transactions involved thus do not create a monopoly and thereby tend to restrain competition or jeopardize another air carrier not a party thereto. The application notes, therefore, that it would be entirely appropriate to approve the acquisition of Mohawk under the third proviso of section 408(b) or grant Allegheny an exemption from section 408 pursuant to section 416(b) in order to expedite the matter. With respect to the transfer of aircraft by Allegheny and Ransome to Mohawk, applicants urge that the Board disclaim jurisdiction since the aircraft involved do not, with respect to Allegheny, represent a substantial part of its properties 5 and, with respect to Ransome, represent only a trade-in of an older Nord aircraft for the modified Mohawk 298. No comments have been received from any other person.

Upon consideration of the foregoing, the Board concludes that Allegheny and Ransome are air carriers and that Mohawk is a person engaged in a phase of aeronautics, all within the meaning of sections 408, 409, and 412 of the Act. Thus, the Board has initial jurisdiction over the various transactions and agreements included in the application. Concerning these transactions, there is no

<sup>6</sup> The application also states that the interlocking relationships of Mr. Short appear to come within the exemption from section 409 in 14 CFR 287.

indication that the various arrangements will create a monopoly and thereby tend to restrain competition; nor will they jeopardize another air carrier not a party thereto. It further appears that the program proposed by Allegheny amounts to the best way which Allegheny, according to the business judgment of its management, can dispose of some surplus aircraft (and make more economical the aircraft being operated now by one of its commuter associates). Thus, with a limitation upon our approval to aircraft presently owned by Allegheny or Ransome, it does not appear that these transactions would be inconsistent with the public interest or that the requirements of section 408 would be otherwise unfulfilled. However, since these public interest factors pertaining to equipment presently owned by Allegheny and Ransome would not apply to Nord aircraft not presently owned by them, our final approval will apply only to transactions related to such aircraft. Specifically our tentative approval herein does not extend to or contemplate similar arrangements with respect to aircraft acquired by Allegheny, Ransome or their affiliates for the purpose of reconfiguration and resale."

No person disclosing a substantial interest in this proceeding is currently requesting a hearing; and it is concluded that the public interest does not require a hearing. Notice of intent to dispose of the section 408 issues without a hearing shall be published in the FEDERAL REG-ISTER; and a copy thereof shall be furnished to the Attorney General not later than the day following the date of such publication (see section 408(b) third proviso).

With regard to the issues arising under section 408 of the Act, the Board tentatively finds that the transaction which is the subject of the application does not affect the control of an air carrier directly engaged in the operation of aircraft in air transportation, does not result in creating a monopoly, and does not tend to restrain competition. Therefore, it is the Board's tentative conclusion that the application under section 408 of the Acts should be approved.

There is, however, the question whether the establishment of Mohawk for the purposes described herein constitutes an engagement by Allegheny, a subsidized air carrier, in a non-transport activity

<sup>\*</sup>We do point out here that Aliegheny's involvement beyond aircraft presentiy owned by it or Ransome would tend to resemble, if not in fact be, that of a manufacturer of aircraft equipment used and useful in air transportation. Such status, if in fact achieved, might, among other things, encourage Allegheny to attempt to influence the selection by "Aliegheny Commuter" carriers of aircraft "manufacturered" by Aliegheny. In short, Aliegheny's position as a major certificated air carrier, its close relationships with a number of commuter carriers, and its own interest in the success of the Nord reconfiguration program, would raise public interest questions under section 408 which would warrant substantial scrutiny.

within the meaning of section 399.90 of the Board's Policy Statements.<sup>8</sup> Substantial engagement by a subsidized carrier in such an activity is presumed, under the Policy Statement, not to be in the public interest. In any instance in which this situation is present, the carrier has the burden of showing that such activities will not involve a risk of significant financial loss and will not unduly divert the management or otherwise interfere with the primary business of the carrier which is to provide air transportation. Section 399.90 enumerates the major factors which the Board will consider in determining whether a non-transport activity is in the public interest."

One of the Board's principal considerations in instances of this nature is the extent to which the non-transport activity may divert the attention of the carrier-management from its primary responsibility. We note, in this regard, that Mohawk will exist primarily as a paper corporation to hold title to the aircraft, to supervise the modification work, and to arrange for the lease or sale of the aircraft after modification. The new corporation will occupy offices in Allegheny's headquarters and apparently will require a minimum of supervision by Allegheny's management. According to the carrier, its concern will be limited essentially to assuring that the intent of its investment is carried out, as the conversion work will be done elsewhere and as only a small sales staff will be required by Mohawk for marketing the converted aircraft. As noted above, one Allegheny official has been designated to serve as an officer of Mohawk.10

\* A "non-transport activity" is defined by section 339.90 to mean "any business activity performed by a subsidized air carrier which is not an integral part of the transportation of persons, property or mail by the carrier pursuant to its certificate of public convenience and necessity of other authorization granted by the Board." Allegheny submits that the Mohawk proposal is not a nontransport activity but rather is "related to Allegheny's primary transport activity." In any event, the carrier believes its participation in the arrangement is not of a substantial nature. We are unable to conclude that the proposed activity is an "integral" part of Allegheny's operation or otherwise fails outside the scope of section 399.90.

•Such factors include the additional investment in plant and organization and the number of personnel necessary to perform the activity in excess of those required for the carrier's normal operations; the carrier's past experience in performing the activity; the amount and strength of the competition; the speculative nature of the activity; the affinity to the air carrier's normal activity; the amount of supervision required; the extent of any conflict between the air carrier's interest in the activity and its performance of air transportation; the extent to which the activity contributes to the development of the air carrier's traffic; and the extent to which the activity contributes to safety in air commerce.

<sup>10</sup> Footnote 1, supra. Any other officers and directors of Allegheny who may also serve on Mohawk must, of course, report such affiliations pursuant to Part 245 of the Board's Economic Regulations.

<sup>&</sup>lt;sup>3</sup> This basic conversion to be paid to Frakes by Mohawk for each of the first seven aircraft is \$350,000.

<sup>&</sup>lt;sup>4</sup> The application notes particularly sections 408(a)(1), 408(a)(2), 408(a)(6), 409 and 412.

<sup>&</sup>lt;sup>6</sup> Order 70-11-13, November 4, 1970.

Another major concern of the Board in connection with subsidized carriers' non-transport activities is whether the undertaking involves a risk of significant financial loss. Here, we note that Allegheny has advanced to date \$155,255 toward the development of the initial prototype aircraft." By March 1975, at which time the first completed aircraft is scheduled to be available, Allegheny will have invested a total of \$1,457,785. Overall, the program contemplates total payments to Frakes of \$2,450,000, which would be the maximum exposure to Allegheny. The carrier anticipates, however, that upon the successful conversion of the initial prototype (March, 1975), subsequent modification costs can be accomplished through borrowings by Mohawk against the value of the transferred Nord airframes and the revenue from the sale or lease of converted aircraft as they become available. In considering the degree of business risk involved, we also note that the contractual provisions permit termination of the program by Allegheny if the first aircraft completed does not meet predetermined technical and performance standards. Also, there is a commitment by Ransome to purchase five of the converted aircraft. Further, the price to be paid by Ransome is not a fixed amount, but rather is geared to the recovery of Mohawk's conversion costs. In the final analysis, the significant import of the program is to assist Allegheny in disposing of aircraft surplus to its needs and to upgrade Ransome's flight equipment. Although the risk of financial loss is present, the provisions of the proposal seem reasonable when measured in terms of its objectives. Moreover, any expansion of the scope of the project beyond that contemplated herein, or appreciable increase in the amount of Allegheny's total investment, would require that applicants seek further authority from the Board. Under all of these circumstances, the Board tentatively finds that section 399.90 is not a bar to the Board's approval of the transaction.

The Board has further decided to disclaim jurisdiction over the acquisition of Nord 262 aircraft by Mohawk from Allegheny and Ransome. In Allegheny's case these aircraft are not only surplus to its operations but constitute less than 10 percent of the total capacity, value and number of Allegheny's total aircraft fleet." With respect to Ransome there will be no decrease in its operating capability since each Nord it transfers to

<sup>11</sup> The amount includes \$72,255 paid to Frakes (\$30,000 refundable deposit for the purchase from United Aircraft of Canada, purchase from United Alrcrait of Canada, Ltd. of two PT-6A 45 engines; \$45,255 as an initial progress payment for preliminary work), plus further progress payments of \$15,000, \$15,000 and \$50,000, respectively. The preliminary engineering studies indicate that the performance of the aircraft can be im-proved by the engine conversion.

<sup>19</sup> Orders 70-11-13 and 70-11-14, Novem-

ber 4, 1970. \* American Airlines, Inc.-Boeing Co. Order E-24698, January 31, 1967, Docket 18030.

Mohawk will be replaced by a Mohawk 298 as a concurrent transaction. Thus, the overall arrangement constitutes a trade-in and re-purchase resembling previous similar transactions over which the Board has disclaimed jurisdiction."

Finally, we tentatively approve the joint venture agreement between Allegheny, Mohawk, and Ransome. The public interest considerations involved in the overall arrangement are in essence the same as those considered supra; and the agreement does not appear to be in violation of any other provision of the Act so long as it is confined to the various transactions described in the application and limited elsewhere in this order. Thus, the Board tentatively finds that the joint venture agreement between Allegheny, Mohawk, and Ransome is not adverse to the public interest nor in violation of the Federal Aviation Act of 1358, as amended.

Accordingly, it is ordered That:

1. Interested persons are afforded 14 days from the date of this order in which to file comments on the tentative findings and conclusions herein (including the section 408 issues raised by the acquisition of Mohawk by Allegheny and Ransome); such comments shall be filed with the Board's docket section in the form and manner stated in the Board's rules of practice (14 CFR Part 302);

2. The applicants' request for a disclaimer of jurisdiction under section 408 with respect to the aircraft acquisitions described herein be and it hereby is granted:

3. The joint venture agreement between the applicants be and it hereby is tentatively approved pursuant to section 412(b) of the Act;

4. Except to the extent granted or tentatively approved herein, the application be and it hereby is dismissed: and

5. This order shall be published in the FEDERAL REGISTER; and a copy shall be served upon the Attorney General within one day after issuance.

By the Civil Aeronautics Board.

EDWIN Z. HOLLAND. [SEAL] Secretary.

[FR Doc.74-3905 Filed 2-15-74;8:45 am]

#### [Docket 26260]

**COMPAGNIE NATIONALE DE TRANSPORTS** AERIENS ROYAL AIR MAROC

#### Further Notice of Prehearing Conference and Hearing

In the matter of Compagnie Nationale de Transports Aeriens Royal Air Maroc, foreign air carrier permit, Morocco-New York-Montreal.

Pursuant to the request of counsel for the applicant and with the concurrence of counsel for the Bureau of Operating Rights, notice is hereby given that a prehearing conference in the above-captioned proceeding is now assigned to be held on February 22, 1974, at 10 a.m. (local time), in Room 503, Universal Building, 1825 Connecticut Avenue, NW., Washington, D.C., before the under-signed. (See 39 FR, 2289, January 18, 1974.)

Notice is also given that the hearing in this proceeding will be held immediately following conclusion of the prehearing conference unless a person objects or shows reason for a postponement thereof on or before February 20, 1974.

Dated at Washington, D.C., February-12, 1974.

[SEAL] ALEXANDER W. ARGERAKIS, Administrative Law Judge.

[FR Doc.74-3906 Filed 2-15-74;8:45 am]

### DELAWARE RIVER BASIN COMMISSION

#### NOTICE OF PUBLIC HEARING

Notice is hereby given that the Delaware River Basin Commission will hold a public hearing on Wednesday, February 27, 1974, in Room 603, City Hall Annex, Juniper and Filbert Streets in Philadelphia, beginning at 2 p.m. The subjects of the hearing will be as follows:

A. A proposal to amend the Comprehensive Plan so as to include therein the following projects:

1. Lehigh County Authority. A well water supply project to augment public water supplies in the Authority's service area in Upper Macungie Township, Lehigh County, Pa. A transmission main will connect new well No. 7 to the existing system. The new facility is expected to yield one million gallons per

day. 2. Telford Borough Authority. An interceptor sewer to serve areas of Telford Borough, Hilltown and West Rockhill Townships in Bucks and Montgomery Counties, Pa. Ap-proximately 31,000 feet of interceptor sewer will be installed to serve an ultimate population of about 35,000 persons.

3. North Penn Water Authority. A well water supply project to augment public water supplies in Hatfield Township and adjacent municipalities in Montgomery and Bucks Counties, Pa. Designated as Well No. 15, the new facility is expected to yield 140,000 gallons per day.

4. A Pocono Country Place, Inc. A well water supply project to provide water service in the "A Pocono Country Place" development in Coolbaugh Township, Monroe County, Pa. A water storage and distribution system will also be constructed. Designated as Well No. 2, the new facility is expected to yield 288,000 gallons per day.

5. Pennsgrove Water Supply Co. A well water supply project to provide standby water service in the Bridgeport section of Logan Township, Gloucester County, N.J. Desig-nated as Well No. 2, the new facility will be limited to a maximum withdrawal of an average of 100,000 gallons per day during any 30-day period.

6. Borough of Glassboro. A well water supb. Borough of Glassboro. A well water sup-ply project to augment public water sup-plies in the Borough of Glassboro, Gloucester County, N.J. Designated as Well No. 5, the new facility will be limited to a maximum withdrawal of an average of 1.4 million gal-lons per day during any 30-day period. 7. New Jersey Water Co. A well water sup-

ply project to augment public water supplies in the company's Washington District in the Borough of Washington, Warren County, N.J. Designated as Well No. 3, the new facility is expected to yield 300,000 gallons per day. Use of the new facility would be within

the existing system limitation of an average of 1.8 million gallons per day from all sources during any 30-day period. 8. Stratford Severage Authority. Expan-

8. Straiford Sewerage Authority. Expansion and upgrading of the Authority's sewage treatment plant in the Borough of Straiford, Camden County, N.J. The upgraded facility is designed to remove 92 percent of BOD<sub>2</sub> and suspended solids from a design flow of one million gallons per day. Treated effluent will discharge into North Branch of Big Timber Creek.

B. An application for water quality certification pursuant to Section 401 of the Federal Water Pollution Control Act:

City of Milford. A project to construct a storm water sewer outfall from the North Milford sanitary interceptor in Milford, Del. The outfall would be located at the storm water sewer termination point on the north bank of the Mispillion River.

Documents relating to the items on this hearing notice may be examined at the Commission's offices. Persons wishing to testify are requested to notify the Secretary prior to the hearing.

#### W. BRINTON WHITALL, Secretary.

FEBRUARY 11, 1974.

[FR Doc.74-3843 Filed 2-15-74:8:45 am]

## ENVIRONMENTAL PROTECTION AGENCY

#### AIRCRAFT AND AIRPORT NOISE REGULATIONS

## **Notice of Public Comment Period**

Section 7(a) of the Noise Control Act of 1972 (Pub. L. 92-574, 86 Stat. 1234) required the Administrator of the Environmental Protection Agency to conduct a study of aircraft and airport noise and report thereon to the Congress by July 27, 1973. That report was submitted as required.

Section 7(b) of the Noise Control Act, amending Section 611 of the Federal Aviation Act of 1958 (49 U.S.C. § 1437), required the Administrator of EPA to submit proposed regulations on aircraft and airport noise to the Federal Aviation Administration (FAA) following submittal of the report required by section 7(a) of the Noise Control Act.

In the section 7(a) report, the Administrator of EPA discussed the adequacy of FAA aircraft noise regulations and made tentative assessment of a number of regulatory actions that could be effective in controlling aircraft noise. After further review of those possible actions, the EPA Administrator is now considering the development of ten regulations which may be submitted to the FAA for its consideration under section 611 of the Federal Aviation Act as amended.

A short title and synopsis of the ten regulatory proposals which EPA is considering follows:

1. Noise abatement takeoff operating procedures. Individual airports, or runways of the airports, can be placed into the following three main categories regarding community noise exposure: Sideline noise sensitive, near downrange noise sensitive, and far downrange

noise sensitive. A set of three standard takeoff procedures suitable for safe operation of each type of civil turbojet aircraft is being considered for use, as appropriate, to minimize the noise exposure of the noise sensitive communities.

2. Noise abatement approach operating procedures. A set of standardized approach procedures suitable for safe operation of each type of civil turbojet aircraft is being considered for use as appropriate to minimize community noise exposure. The set of procedures includes: all Instrument Landing Systems (ILS) standardized for a three-degree approach angle, two-segment approaches for use under Visual Flight Rules (VFR) conditions, and minimum flap settings for use under VFR conditions.

3. Noise abatement minimum altitudes. Minimum safe altitudes higher than are presently specified in the Federal Aviation regulations, are being considered for the purpose of noise abatement, applicable to civil turbojet powered aircraft regardless of category.

4. Civil aircraft fleet noise requirements. Regulations are being considered that would establish civil aircraft noise requirements, prevent an immediate escalation of fleet noise levels (FNL), and require a reduction in FNL within specified time limits.

5. Supersonic civil aircraft noise. Regulations are under consideration that would limit the noise generated by civil supersonic aircraft regardless of category.

6. Modifications to Federal Aviation Regulations (FAR) Part 36. Modifications to FAR 36 for lowering the noise limits for all new aircraft types that must comply are being considered. In addition, various amendments may be proposed that would require altitude and temperature accountability, strengthen test conditions for acoustical change approvals, and, in general make the rule clearer and more effective.

7. Propeller driven small aircraft. Noise standards may be proposed for propeller driven small aircraft applicable to new type designs, newly produced aircraft of older type designs, and to the prohibition of "acoustical changes" in type design of those aircraft that increase their noise levels.

8. Reduced or short takeoff or landing (R/STOL) aircraft. Noise standards may be proposed for all aircraft capable of operating from short or reduced length runways. (Official definitions for these lengths have not been established but 2.000 and 4.000 feet, respectively, are being considered.)

9. Vertical takeoff or landing (VTOL) aircraft. Noise standards may be proposed for all aircraft capable of takeoff or approach operations in a vertical (or nearly vertical) mode.

10. Airport noise regulation. The intent of the airport noise regulation which is under consideration will be to establish goals, set up mechanisms and set into motion processes by which the noise exposure of communities around airports

can be limited to levels consistent with public health and welfare requirements.

The achievement and maintenance of noise exposure limits for communities around airports will require a comprehensive program:

(a) To make aircraft inherently quieter and to have them flown as quietly as possible.

(b) To design or modify the total operating plan of the airport so as to minimize the extent of the airport noise impact zone and tailor its shape to avoid existing noise-sensitive land uses.

(c) To prevent buildup of new housing or other noise-sensitive land uses in present and anticipated future noise impact zones and, where necessary, resolve by land use measures (soundproofing or conversion) those few impacted areas where the noise exposure cannot be adequately decreased by other means.

Item (a) is the objective of regulations listed as items 1 through 9 above while items (b) and (c) are the objectives of the Airport Noise Regulation.

The airport noise regulation should be structured so as to provide a quantitative framework within which all levels of government and affected persons can work together effectively, gradually to reduce existing and prevent new noise exposure situations inconsistent with public health and welfare, and to provide an impetus for their cooperative actions. The implementation process being considered is as follows: After the promulgation of the Federal airport noise regulation by the FAA, the existing airports with jet operations would be reviewed by the FAA.<sup>1</sup> Proprietors of airports identified by the FAA as a result of this review would be required to submit to the FAA their time-phased implementation plans. Development of implementation plans for each airport would be done by a process of consultation involving local governments and the public. Quantitative prediction of the effectiveness of various alternative operational modes for the airport would be carried out by the airport proprietor as part of the local development of the implementation plan.

The implementation plan for the airport would then be submitted by the proprietor to the FAA for approval. Any final adjustments of the plan required during the approval process would be incorporated, and the implementation plan adopted as a Federal regulation for the airport. Specific elements of the plan would be promulgated as FAA regulations or operating rules and thus become subject to FAA enforcement. Progress in implementing approved implementation plans would be reviewed on a periodic basis. An airport's compliance with its Federally-approved implementation plan would be made a condition for receiving the benefit of further Federal support, possibly including but not limited to an operating certificate for the airport, further use of Federal funds, and approval of environmental impact statements respecting proposed projects at the airport or within its noise impact zone.

It is the intention of the Environmental Protection Agency to submit any proposed regulations in such legal form as to make them canable of immediate incorporation in notices of proposed rulemaking to amend the Federal Aviation Regulations (which are contained in Title 14 of the Code of Federal Regulations).

Among the first nine regulations being considered, as listed above, it is to be noted that rulemaking processes have already been initiated by the FAA, by publication of advance notices of proposed rulemaking or, in some cases, notices of proposed rulemaking. The processes available to EPA nevertheless include those set forth in Section 611 as amended, and comments of the public to EPA on all ten of the above proposals are therefore invited. It is anticipated that each of the ten proposals would be submitted to the FAA as it is developed. An airport noise regulation proposal must consider the effects of the other proposed regulations and therefore would be submitted last.

The Agency publishes this notice in order to invite early public participation in the development of EPA's draft regulations for proposal to the FAA. EPA expects, to the extent possible within the time frame for EPA development of each regulatory proposal, to make available mechanisms for further public comment as our draft proposals become more specific. This participation does not affect the right of the public to participate in the later review of these regulations by FAA, according to processes set forth in section 611 as amended and the Administrative Procedure Act (5 U.S.C. 500 et. seq.)

That opportunity for later public participation can be summarized as follows:

EPA will transmit the proposed regulations to the FAA by letter, will publish notice of the transmittal in the Federal Register, and will make the proposed regulations and the supporting "project reports" available to the public. Under section 611, the FAA must publish EPA's proposed regulations in the FEDERAL REG-ISTER within 30 days and commence public hearings within 60 days thereafter.

The purpose of this notice is to invite interested persons to participate in EPA's development of the regulations to be proposed, by submitting such written data, views or arguments as they may desire. Communications should identify the public file number and title of the regulation being addressed, and be submitted in triplicate to the: Office of Noise Control Programs, Environmental Protection Agency, Crystal Mall Building No. 2, 11th Floor, 1921 Jefferson Davis Highway, Washington, D.C. 20460.

Data, views or arguments submitted on any topic related to the regulatory action being addressed will be considered. However, information of the following kinds will be particularly useful:

(I) For the aircraft-related regulations (Items 1 through 9 above), any information relating to the basic requirement that the regulations contribute to the promotion of an environment for all

Americans free from noise that jeopardizes their health or welfare, or to the four statutory constraints:

(a) Consistency with the highest degree of safety in air commerce or air transportation in the public interest: (b) Economic reasonableness

(c) Technological practicability; and (d) Appropriateness for the particular type of aircraft, aircraft engine, appliance or certificate to which it will apply.

(II) For the airport-related regulation (Item 10 above), any information relating to the foregoing statutory criteria; and in addition any information or views on the following subjects:

(a) Potential methods for classifying airports as may be appropriate for differential regulatory treatment:

(b) Data on the extent of the current noise impact problem at U.S. airports, both civil and military;

(c) Analytical models for estimating the noise environments generated by complex noise sources in communities (such as highways, airports, industrial plants) and the strengths and weaknesses of each model;

(d) Information on airport noise monitoring systems including their performance characteristics, costs and modes of use:

(e) Views and study results regarding alternative methods of financing various actions implicit in carrying out an airport noise regulation (including reduction of the noise characteristics of existing aircraft), not limited to financing methods available only under existing legislation;

(f) Information and experience on various legal mechanisms for controlling the land use aspect of the airport/community interface:

(g) Methodologies and data concerning the social and economic impacts, on airport influence regions, of potential restrictions on either airport activity level or surrounding land development;

(h) Methodologies and data on the quantifiable effects upon interstate and foreign commerce of potential actions stemming from an airport noise regulation:

(i) Potential interactions with other environmental and energy conservation considerations; and

(j) Recommendations concerning co-Federal/State/local operative mechanisms for efficient implementation of an airport noise regulation.

All communications received within the time limits listed in the following table will be considered. All comments received will be made available for examination by interested persons, both before and after the closing date, at Office of Public Affairs, Environmental Protection Agency, 4th and M Streets, SW Washington, D.C. 20460.

Note: Priority attention would be given to those air carrier airports with significant noise problems (i.e., whose noise impact zones presently encompass large populated areas) However, it is presently envisioned that the regulation would be structured to be applicable to airports of all sizes and uses, and to require that all new airport sitings,

airport expansions or other airport actions tending to increase cumulative noise exposure be conditioned upon continual compliance with the exposure limits established for application to new projects as defined in the regulation.

| <br>              | <br>  | <br>  |
|-------------------|-------|---|
| Public<br>ile No. | Title | Comment<br>period,<br>time from<br>date of<br>this notice |

| A/A 73-1  | Noise Abatement Takeoff       | 60 days. |
|-----------|-------------------------------|----------|
|           | Operating Procedures.         |          |
| A/A 73-2  | Noise Abatement Approach      | Do.      |
|           | Operation Procedures.         |          |
| A/A 73-3  | Noise Abatement Minimum       | Do.      |
|           | Altitudes.                    |          |
| A/A 73-4  | Civil Aircraft Fleet Noise    | Do.      |
|           | Requirements.                 |          |
| A/A 73-5  | Supersonic Civil Aircraft     | Do.      |
|           | Noise.                        |          |
|           | Modifications to FAR Part 36. | Do.      |
| A/A 73-7  | Propeller Driven Small Air-   | Do.      |
|           | craft.                        |          |
| A/A 73-8  | Reduced or Short Takeoff or   | Do.      |
|           | Landing (R/STOL) Air-         |          |
|           | craft.                        |          |
| A/A 73-9  | Vertical Takeoff or Landing   | Do.      |
|           | (VTOL) Aircraft.              |          |
| A/A 73-10 | Airport Noise Regulation      | 90 days. |

RUSSELL E. TRAIN.

Administrator. FEBRUARY 13, 1974.

[FR Doc.74-3915 Filed 2-15-74;8:45 am]

#### [OPP 32000/11]

## NOTICE OF RECEIPT OF APPLICATIONS FOR PESTICIDE REGISTRATION; DATA TO BE CONSIDERED IN SUPPORT OF APPLICATIONS

On November 19, 1973, the Environmental Protection Agency published in the FEDERAL REGISTER (38 FR 31862) its interim policy with respect to the administration of section 3(c) (1) (D) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended (86 Stat, 979), and its procedures for implementation. This policy provides that EPA will, upon receipt of every application, publish in the FEDERAL REGISTER, a notice containing the information shown below. The labeling furnished by the applicant will be available for examination at the Environmental Protection Agency, Room EB-37, East Tower, 401 M Street, SW., Washington, D.C. 20460.

On or before April 22, 1974, any person who (a) is or has been an applicant. (b) desires to assert a claim for compensation under section 3(c)(1)(D) against another applicant proposing to use supportive data previously submitted and approved, and (c) wishes to preserve his opportunity for determination of reasonable compensation by the Administrator must notify the Administrator and the applicant named in the FEDERAL REGISTER of his claim by certified mail. Every such claimant must include, at a minimum, the information listed in this interim policy published on November 19, 1973.

Applications submitted under 2(a) or 2(b) of the interim policy in regard to usage of existing supportive data for registration will be processed in accordance with existing procedures. Applications submitted under 2(c) will be held for the 60-day period before commencing processing. If claims are not received, the application will be processed in nor-

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mal procedure. However, if claims are received within 60 days, the applicants against whom the particular claims are asserted will be advised of the alternatives available under the Act. No claims will be accepted for possible EPA adjudication which are received after April 22. 1974

#### APPLICATIONS RECEIVED

- EPA File Symbol 7969-UG. BASF Wyandotte Corporation, 100 Cherry Hill Road, Parsip-pany, New Jersey 07054. Basalin Manujacpany, New Jersey 01094. Busuin manufac-turers' Concentrate. Active Ingredient: Fluchloralin [N - (2 - Chloroethyl)-a,a,a-trifluoro - 2,6 - dinitro - N - propyl - p-toluidine] 55%. Method of Support: Application proceeds under 2(a) of interim policy.
- EPA File Symbol 32694-L. Contrast Maintenance Chemicals, Inc., P.O. Box 40025, In-dianapolis, Indiana 46240, Industrial DE-AL. Active Ingredients: n-Alkyl (60% C14, 30% C16, 5% C12, 5% C18) Dimethyl Benzyi Ammonium Chiorides 5%; n-Alkyl (68% Cl2, 32% Cl4) Dimethyl Ethylbenzyl Ammonium Chlorides 5%, Method of Sup-port: Application proceeds under 2(c) of interim policy.
- EPA File Symbol 240-ERG. Daly-Herring Company, P.O. Box 428, Kinston, North Carolina 28501. Harlequin Vegetable Dust. Active Ingredient: Endosulfan (Hexa-chlorohexahydromethano-2,4,3 - benzodioxathiepin oxide) 3.0%. Method of Support: Application proceeds under 2(c) of interim policy.
- EPA File Symbol 912-TT. Farmers Union Central Exchange, Inc., P.O. Box "G", St. Paul. Minnesota 55165. Cenex Grain Storer. Active Ingredients: Isobutyric Acid 28.2% Propionic Acid 18.8%. Method of Support: Application proceeds under 2(b) of interim policy.
- EPA File Symbol 10065-G. Fisons Corporation, 2 Preston Court, Bedford, Massachu-setts 01730. Ficam W. Active Ingredient: 2,3 isopropylidenedioxyphenyl N-methyl-carbamate 76%. Method of Support: Application proceeds under 2(a) of interim policy.
- EPA File Symbol 802-LEN. The Chas. H. Lilly Co., 109 S.E. Aider, Portland, Oregon 97214. Miller's LV BrushKiller D. Active Ingredients: 2,4 - Dichlorophenoxyacetic Acid, Butoxy Propyl Esters 36.7%; 2,4,5-Trichlorophenoxyacetic Acid, Butoxy Propyl Esters 34.8%. Method of Support: Application proceeds under 2(c) of interim policy.
- EPA File Symbol 802-LER. The Chas. H. Lilly Co., 109 S.E. Alder, Portland, Oregon 97214. Müller's Silvex 4 BP. Active Ingredient: Butoxy Propyl Esters of Silvex [2-(2,4,5-Trichlorophenoxy) Propionic Acid | 68.0%. Method of Support: Application proceeds under 2(c) of interim policy.
- EPA File Symbol 1124-TI. Purex Corporation. 24600 South Main Street, Carson, Califor-nia 90745. Guarder Giant Size Chlorine Tablets. Active Ingredient: Trichloro-s-triazinetrione 99.5%. Method of Support: Application proceeds under 2(b) of interim policy.
- EPA Reg. No. 476-2108. Stauffer Chemical Company, 1200 South 47th Street, Rich-mond, California 94804. Devrinol 50-WP. Active Ingredient: 2-(alpha-naphthory)-N.N-diethylpropionamide 50%. Method of Support: Application proceeds under 2(b) of interim policy.

Dated February 11, 1974.

DOUGLAS D. CAMPT, Acting Director, Registration Division.

[FR Doc.74-3799 Flied 2-15-74;8:45 am]

## NOTICES

## [OPP-36002-4-5] **REGISTRATION OF PESTICIDES**

Notice of Denial of Registration Applications were made pursuant to

the provisions of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended (86 Stat. 793), to register pesti-cides containing DDT. The applicants, products, and intended uses are:

Bakersfield Ag-Chem, Bakersfield, Cali-fornia, DDT-Toxaphene 24E (Application No. 11369-R, Received May 8, 1973), for use on seed alfalfa to control lygus bugs and on citrus (oranges and lemons) to control fruit tree leafrollers, western tussock moth, beet citrus cut worm.

Coastal Ag-Chem Co., Oxnard, California, Coastal DDT Toxaphene 2-4E (Application No. 9469-A, Received August 28, 1973), for use on alfalfa (seed crop only), citrus, onions, and peppers.

Dettelbach Pesticide Corporation, Atlanta, Georgia, Professional DDT 50% Tracking Powder (Application No. 6754-GI, Received July 11, 1973), for use as a tracking powder for control of mice. Farmcraft, Inc., Tigard, Oregon, Farmcraft

DDT-24E (Application No. 1871-IL, Received April 12, 1973), for use on cole crops, sweet corn, mint, hops, stone fruits, strawberries, nursery plants, and greenhouse plants.

These applications for registration have been denied and the applicants have been notified. The reasons for denial are set forth in the Order of the Administrator, filed June 14, 1972, and published in the FEDERAL REGISTER Of July 7, 1972 (37 FR 13369), and the failure of the applicants to submit data in support of the applications, as required by section 3(c)(1) of the Act (86 Stat. (080)

Dated: February 12, 1974.

CHARLES L. ELKINS, Acting Assistant Administrator for Hazardous Materials Control.

[FR Doc.74-3917 Filed 2-15-74:8:45 am]

## FEDERAL COMMUNICATIONS COMMISSION

[Report 687]

COMMON CARRIER SERVICES **INFORMATION**<sup>1</sup>

#### **Domestic Public Radio Services Applications Accepted For Filing**<sup>4</sup>

#### FEBRUARY 11, 1974.

Pursuant to \$\$ 1.227(b)(3) and 21.-30(b) of the Commission's rules, an application, in order to be considered with any domestic public radio services application appearing on the attached list, must be substantially complete and tendered for filing by whichever date is earlier: (a) The close of business one

<sup>1</sup> Ali applications listed in the appendix are subject to further consideration and review and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations and other requirements.

"The above alternative cut-off rules apply to those applications listed in the appendix as having been accepted in Domestic Public Land Mobile Radio, Rural Radio, Point-to-Point Microwave Radio and Local Television Transmission Services (Part 21 of the rules).

FEDERAL REGISTER, VOL. 39, NO. 34-TUESDAY, FEBRUARY 19, 1974

business day preceding the day on which the Commission takes action on the previously filed application; or (b) within 60 days after the date of the public notice listing the first prior filed application (with which subsequent applications are in conflict) as having been accepted for filing. An application which is subsequently amended by a major change will be considered to be a newly filed application. It is to be noted that the cut-off dates are set forth in the alternative-applications will be entitled to consideration with those listed in the appendix if filed by the end of the 60 day period, only if the Commission has not acted upon the application by that time pursuant to the first alternative earlier date. The mutual exclusivity rights of a new application are governed by the earliest action with respect to any one of the earlier filed con-flicting applications.

The attention of any party in interest desiring to file pleadings pursuant to section 309 of the Communications Act of 1934, as amended, concerning any domestic public radio services application accepted for filing, is directed to §§ 21.27 of the Commission's rules for provisions governing the time for filing and other requirements relating to such pleadings.

> FEDERAL COMMUNICATIONS COMMISSION VINCENT J. MULLINS.

> > Secretary.

#### APPLICATIONS ACCEPTED FOR FILING DOMESTIC PUBLIC LAND MOBILE RADIO SERVICE

[SEAL]

- 20907-C2-TC-74, AAA Anserphone, Inc.---Jackson. Consent to Transfer of Control from John N. Palmer, transferor to William P. McMullan, Jr., et al., transferees. Sta-tions: KU0627, Grenada, Mississippi. 20908-C2-TC-(3)-74, All City Telephone An-
- swering Service, Inc. Consent to Transfer of Control- from Merchants Police, Inc., transferors to Harold S. Leich, transfere Stations: KRS716, KSA266 & KSC373, Miiwaukee, Wisconsin.
- Service (KOA733): C.P. for additional fa-cilities to operate on 454.175 and 454.225 MHz located at Seattle First National Bank Building, Seattle, Washington.
- 20910-C2-AL-74, Robert E. Measures d/b as Radiofone. Consent to Assignment of License from Robert E. Measures, assignor to Jim Bob Measures, assignee. Station: KQZ791, Weatherford, Texas.
- 20011-C2-P-(2)-74, The Diamond State Tele-phone Company (KGH864): C.P. for addi-tional facilities to operate on 152.75 MHz and change antenna system and power operating on 152.69 MHz located on east side of County Road #195, 2 miles SW of Dover. Delaware.
- 20912-C2-P-74, Evans Radio Company, Inc. (KSV889): C.P. for additional facilities to operate on 152.21 MHz located at 1400 Main Street, Columbia, South Carolina
- 20913-C2-P-(3)-74, Southern Bell Telephone and Telegraph Company (KIY603); C.P. to change antenna system operating on base facilities 152.69 and 152.81 MHz and test facilities 157.95 and 158.07 MHz located at 461 East Main Street, Spartansburg, South Carolina.
- 20914-C2-P-74. Bonduel Telephone Company (New): C.P. for a new 1-way signaling sta-tion to operate on 158.10 MHz to be located 2.8 miles west of City Limits of Bonduel, Wisconsin.

- 20915-C2-P-74, Scandinavia Telephone Company (New): C.P. for a new 1-way signaling station to operate on 158.10 MHz to be located 2 miles SE of Scandinavia, Wisconsin.
- 20916-C2-P/L-(2)-74, The University of North Carolina: C.P. to reinstate expired license to operate on 152.57 and 152.72 MHz to be located at Wilson Court, Chapel Hill, North Carolina.

#### Major amendments

- 1552-C2-P-73, Western Electronics and Communications (New): Amend to change base station frequency to 152.12 MHz. All other particulars remain as reported on PN #613 dated September 11, 1972.
- 5283-C2-P-73, RCC of Virginia, Inc. (New), Virginia Beach, Virginia. Amend to change base station location to near NW intersection of Virginia 190 and Centerville Turnpike. All other particulars to remain as reported on PN #632 dated January 22, 1973.
- 5628-C2-P-(3)-73, Empire Communications Company (New), Oakridge, Oregon. Amend to show control station location as 392 East 3rd Street, Eugene, Oregon. All other particulars to remain as reported on PN #634 dated February 5, 1973.
- 20795-C2-P-74, Peter A. Bakal. Amend call sign to read KED364 and base frequency to read 152.24 MHz. All other particulars to remain as reported on PN #683, dated January 14, 1974.

#### Correction

20852-C2-F-(3)-74, Albert F. DiCroce d/b as Peabody Telephone Answering Service (KCC786): Correct PN #685 dated January 28, 1974, to read: C.P. for additional facilities to operate on 152.21 MHz at Loc. #1: Newbury Street, Route 1, Peabody, Massachusetts; add antenna loc. #2: On top of Belleview Hill, West Roxbury, Massachusetts, and add antenna loc. #3: Silver Hill, Haverhill, Massachusetts, both to operate on 152.06 MHz.

#### RURAL RADIO SERVICE

60201-C6-P-74, Pacific Northwest Bell Telephone Company (New): C.P. for a new rural subscriber station to operate on 157.92 MHz to be located 14 miles East of Fall Creek, Oregon.

POINT-TO-POINT MICROWAVE RADIO SERVICE

- 3003-C1-P-74, 3 Rivers Telephone Cooperative, Inc. (KPZ78), 2.6 Miles SW of Fairfield, Montana. Lat. 47°35'04'' N., Long. 112°00'07'' W. C.P. to add freqs. 11685V and 11445H MHz toward a new point of communication at Augusta, Mont., via Passive Reflector.
- 3004-C1-P-74. Same (New), Lot 1, Blk. 14, Augusta, Montana. Lat. 47°39'36" N., Long. 112°33'35" W. C.P. for a new station on freqs. 10755V and 10995H MHz toward Fairfield, Mont., via Passive Reflector.
- 3005-C1-P-74, The New England Telephone and Telegraph Company (KCL57), 234 Washington Street, Providence, Rhode Island. Lat. 41°49'16" N., Long. 71°25'02" W. C.P. to add freq. 2162.0H MHz toward a new point of communication at Kingstown, R.I., on azimuth 185°33'.
- 3006-C1-P-74, Same (New), Old Town Road, New Shoreham, Rhode Island. Lat. 41°10′21″ N., Long. 71°33′52″ W. C.P. for a new station on freq. 2165.2H MHz toward S. Kingstown, R.I., on azimuth 13°43′.
- 3007-C1-P-74, Same (New), Tower Hill Road, South Kingstown, Rhode Island. Lat. 41°29'48'' N., Long. 71'27'33'' W. C.P. for a new station on freq. 2112.0H MHz toward Providence, R.I., on azimuth 5°31'; freq. 2115.2H MHz toward N. Shoreham, R.I., on azimuth 193°47'.

- 3008-C1-P/L-74, The Ohio Bell Telephone Company (New), Temporary Fixed Locations within the territory of the grantee. C.P. and License for a new station on freqs. 3700-4200, 5925-6425, and 10700-11700 MHz.
- 3051-C1-P-74, Michigan Bell Telephone Company (KQM41), 309 S. Washington Street, Saginaw, Michigan. Lat. 43 °25′51′′ N., Long. 83°56′24′′ W. C.P. to add freq. 4130V MHz toward Pine Run., Mich., on azimuth 143°37′.
- 3052-C1-P-74, Same (KQG59), 502 Beach Street, Flint, Michigan. Lat. 43°00'53'' N., Long. 83°41'33'' W. C.P. to add freq. 4130H MHz toward Pine Run, Mich., on azimuth 03°19'.
- 3053-C1-P-74, Same (KQF43), 1.5 Miles East of Pine Run, Michigan. Lat. 43°10'20" N., Long. 83°40'48" W. C.P. to add freq. 4170H MHz toward Flint, Mich., on azimuth 183°20'; freq. 4170V MHz toward Saginaw, Mich., on azimuth 323°48'.
- 3054-CI-MP-74, Southern Pacific Communications Company (WQO37), Mod. of C.P. to change station location to 45 12th Avenue, San Diego, California. Lat. 32\*42'16" N., Long. 117\*09'13" W.; change frequency and point of communication to 6226.9H MHz toward Otay Mountain, Calif., respectively.
- 3055-C1-P-74, Southern Pacific Communications Company (New): Otay Mountain, 5 Miles SW of Dulzura, California. Lat. 32°35'42' N., Long. 116°50'39' W.C.P. for a new station on freqs. 5974.8H MHz toward San Diego, Calif., and 6034.2V MHz toward Monument Peak, Calif. 3056-C1-MP-74, Same (WQO36): Monument
- 3056-C1-MP-74, Same (WQO36): Monument Peak, 16 Miles SE of Julian, California. Lat. 32\*53'31' N., Long. 116'25'11' W. Mod. of C.P. to change polarization of freq. 6286.2 MHz and point of communication to vertical and Otay Mountain, Calif., respectively.
- (New): 15 Columbus Circle, New York, New York, Lat. 40°46'09' N., Long. 73°58'55' W. C.P. for a new station on freq. 11,625H MHz toward West Milford, N.J., on azimuth 310°44'.
- 3058-C1-MP-74, American Television Relay, Inc. (KKT64): Sandia Crest, 8.1 Miles SE of Bernalillo, New Mexico. Lat. 35°12'44" N., Long. 106°26'59" W. Mod. of C.P. to change point of communication at Albuquerque to Lat. 35°06'36" N., Long. 106°33'18" W.; the radio path bearing toward Albuquerque, N. Mex. is now 220°15'.
- 3059-C1-P-74, West Texas Microwave Company (KKT90): 1.1 Miles NNW of Levelland, Texas. Lat. 33°36'08'' N., Long. 102°23'01'' W. C.P. to add point of communication on freqs. 11,265V and 11,505V MHz (via power split) toward Littlefield, Tex., on azimuth 9°17'. (Informative: Applicant is reinstating expired Construction Permit, File No. 6554-C1-P-68.)

#### Major amendments

- 2607-C1-MP-74, N-Triple-C Inc. (W0H87): 23rd and Stark Avenue, Kansas City, Missouri. Change frequency toward 1102 Grand Avenue, Kansas City, Mo. to 11,345V MHz.
- 2608-C1-MP-74, Same (New): 1102 Grand Avenue, Kansas City, Missouri. Change frequency toward 23rd and Stark Avenue, Kansas City, Missouri to 10,775V MHz. (All other particulars same as reported on Public Notice dated 1-14-74.)

#### Correction: Major amendments

2188-C1-MP-74, Mountain Microwave Corp. (WQR88): 1102 "1" Street, Omaha TOC, Nebraska. Correct to Read: Mod. of C.P. to change polarization from H to V on freq. 11,075 MHz toward KETV. (All other particulars same as reported on Public Notice #685, dated 1-28-74.)

Correction: Applications accepted for filing 2768-C1-P-74, General Telephone Company

of Kentucky (KYC57): High Knob, Kentucky. Correct to Read: C.P. to add freq. 6375.2V MHz toward Ashland (Pollard Hill), Ky. on azimuth 56°27'. (All other particulars same as reported on Public Notice #685, dated 1-28-74.)

#### NOTICE

The Commission has approximately 1,000 point to point microwave applications (most of them proposing specialized common carrier services) which have not been amended to comply with rules adopted on June 3, 1971 in the First Report and Order in Docket 18920 (29 FCC 2d 870) and/or the requirement for submission of a statement concerning site availability pursuant to Rule § 21.15(c) (5). (See Public Notices dated May 30, 1972; September 25, 1972 and January 29, 1973.) In recognition of the effort required in meeting these requirements, the Commission has been liberal in granting extensions of time to amend applications. However, it now appears that more than enough time has been allowed to permit the acquisition and filing of the necessary data. Therefore, any application pending as of December 31, 1972, which is not amended by April 30, 1974, to comply with the rules adopted in Docket 18920, the requirements of § 21.15(c) (5), or otherwise as requested by the Commission's staff, will be dismissed for applicant's failure to prosecute pursuant to § 21.28(c). Further ensions of time in these matters should not anticipated.

[FR Doc.74-3827 Filed 2-15-74;8:45 am]

### GUAM BROADCASTING CO. Standard Broadcast Application Availability

The application (File No. BP-19323) of Guam Broadcasting Company, Inc., for a construction permit for a new standard broadcast station at Agana, Guam, on 540 kHz, 10 kW, U, has been amended to specify the same power and hours of operation on the 720 kHz channel. Since this change in proposed frequency constitutes a major amendment as defined in § 1.571(a) of the rules, § 1.571(j)(1) requires that a new file number be assigned. Thus, the applicant's previously assigned "cut-off" date of December 13, 1973 (Public Notice released November 1, 1973, No. 09204), is no longer applicable and a new 'cut-off" date is required. Accordingly, notice is hereby given, pursuant to § 1.571(c) of the Commission's rules, that on March 26, 1974, the aforementioned application will be considered as ready and available for processing. Pursuant to § 1.227(b) (1) and § 1.591(b) of the rules, an application, in order to be afforded comparative consideration with that application must be substantially complete and tendered for filing at the offices of the Commission in Washington, D.C., by the close of business on March 25, 1974.

The attention of any party in interest desiring to file pleadings concerning this application, pursuant to section 309 (d) (1) of the Communications Act of 1934, as amended, is directed to § 1.580(i) of the Commission's rules for the provisions governing the time of filing and other requirements relating to such pleadings.

6146

The new file number assigned to this application is BP-19602.

Adopted: February 8, 1974.

Released: February 11, 1974.

FEDERAL COMMUNICATIONS COMMISSION, [SEAL] VINCENT J. MULLINS, Secretary.

[FR Doc.74-3826 Filed 2-15-74;8:45 am]

#### [Docket No. 19902; FCC 74-135]

### DAYTIME AM BROADCAST STATIONS Sign-on Times; Order Modifying Interim Regulations

In the matter of amendment of Part 73 of the Commission's rules to provide a one-hour advancement in the sign-on times of daytime AM broadcast stations to recoup the morning hour lost by the enactment of year-around-Daylight Saving Time.

1. On December 18, 1973, we adopted an Order (FCC 73-1324) defining the pre-sunrise operating privileges of daytime-only AM broadcast stations pending resolution of matters at issue in this proceeding. In general terms, the relief provided in that Order allows daytime stations with no foreign protection problems to "back up" their licensed sign-on times by one hour, using the facilities described in their pre-sunrise service authorizations (PSA's). Stations ineligible for a PSA were, by the blanket provisions of paragraph 7(f) of that Order, allowed to commence operation one hour prior to local sunrise with a power of 50 watts, if in so doing, no violation of existing international agreements would occur.

2. In the notice of inquiry and proposed rule making (FCC 73-1323) (39 FR 1075, Jan. 4, 1974) issued in this proceeding, comments were requested on various related matters, including the status of PSA-holders with specified pre-sunrise powers of less than 50 watts, as well as an undertermined number of technically eligible licensees who have never applied for PSA's-presumably because of the severity of time and/or power restrictions under existing PSA rules. Paragraph 10(b), Notice.

3. After the adoption of the December 18 order, a number of daytimers-including those holding low-power PSA's as well as those eligible therefor-have requested special relief from pre-sunrise power restrictions which, it must be conceded, are unrealistically low in terms of effective community service; e.g., WJKM, Hartsville, Tennessee (3.1 watts): WNWI, Valparaiso, Indiana (10 watts); WAHT, Annville-Cleona, Pennsylvania (0.85 watts); KYMN, Northfield, Minnesota (4.2 watts); KOLM, Rochester, Minnesota (1.15 watts); WGTR, Natick, Massachusetts (1.6 watts); and WAVS, Fort Lauderdale, Florida (2.5 watts). Under existing PSA rules, these restrictions are designed to protect U.S. cochannel dominant stations to the west of the daytime station. Some of these li-

censees are attempting to compete in the same market with other daytime stations currently ineligible for a PSA but nonetheless permitted to operate one hour prior to local sunrise with a power of 50 watts pursuant to paragraph 7(f) of the December 18 Order. Since all stations involved in this comparison operate on U.S. clear channels, the argument is made that to hold "eligible" stations to existing PSA power restrictions, while at the same time providing a flat 50-watt presunrise operating power for stations presently ineligible for a PSA, is basically inequitable and should be corrected.

4. Despite the additional nighttime skywave interference which will be inflicted on the U.S. clear channel services by the grant of the relief requested, we have concluded that considerations of basic fairness require that, pending outcome of rule making, all daytime stations assigned to U.S. I-A and I-B clear channels (except those on U.S.-shared I-B clear channels, where such power would not provide foreign protection) be placed on the same 50-watt footing with respect to pre-sunrise operating power. In reaching this conclusion, we stress that we are in no way prejudging the outcome of rule making or of the specific issues raised in paragraph 10(b) of the Notice.

5. Authority for the adoption of this Order is contained in section 6 of PL 93-182 and section 4(1) of the Communications Act of 1934, as amended. Because of the urgent need for the interim adjustments herein ordered and because we interpret PL 93-182 as permitting these adjustments to be made without regard to hearing rights which might otherwise be asserted by affected fulltime stations under section 316 of the Communications Act, we find that compliance with the notice and effective date provisions of the Administrative Procedure Act (5 U.S.C. 533) is not required.

6. Accordingly, it is ordered, That effective February 20, 1974, and pending further action of the Commission, the Order (FCC 73-1324) (39 FR 1077, Jan. 4, 1974) adopted December 18, 1973, is modified in the following particulars:

(a) Amend paragraph 7(d) to read as follows:

(d) Class II (secondary) daytimers assigned to U.S. I-A and I-B clear channels and presently holding PSA's may achieve the one-hour advancement by adhering, throughout the year, to the sign-on times specified in outstanding Commission letters with the pre-sunrise facilities described in their PSA's: Provided. That if the authorized pre-sunrise power is less than 50 watts, the operating power may be increased to 50 watts during the hour immediately preceding local sunrise if no co-channel skywave interference to foreign stations would result (see paragraph 1, Appendix); and: Provided further, That on or before April 15. 1974, stations availing themselves of the 50-watt option shall give written notice to the Commission setting forth the date such operation commenced, describing the method whereby the power reduction from the licensed value has been

achieved (if different from that presently employed for PSA operation), and including calculations to establish that the 50-watt pre-sunrise operation causes no objectionable interference to any foreign station. The PSA mode(s) of operation shall be continued until the standard (non-advanced) sign-on times specified in their station licenses, at which times they shall shift to the daytime facilities authorized therein.

(b) Add a new paragraph 7(g) to read as follows:

(g) Class II (secondary) daytimers assigned to U.S. I-A and I-B clear channels and currently eligible for a PSA but who have not applied therefor because the allowable pre-sunrise power would be less than 50 watts may, on the effective date of this Order, commence operation one hour prior to local sunrise with a power of 50 watts into the daytime or critical hours antenna system, as appropriate, if no co-channel skywave interference to foreign stations would result (see paragraph 2, Appendix), and may continue such mode of operation until the standard (non-advanced) sign-on times specified in their station licenses: Provided. That on or before April 15, 1974, stations availing themselves of this privilege shall give written notice to the Commission setting forth the date such operation commenced, describing the method whereby the power reduction has been achieved, and including calculations to establish that the 50-watt pre-sunrise operation causes no objectionable interference to any foreign station; and: Provided further, That in no event shall op-eration under this paragraph commence earlier than 6 a.m. local time or local sunrise at the controlling foreign I-B clear channel station (if any) to the east. whichever is later-see paragraph 3, Appendix.

(c) Amend paragraph 8 to read as follows:

8. It is further ordered, That any licensee or permittee eligible for a PSA specifying a pre-sunrise power of more than 50 watts must apply for and obtain such PSA before the privileges conferred by this Order shall become operative.

7. It is further ordered, That the requests for special relief described in paragraph 3 of this Order are granted to the extent indicated, and in all other respects are denied.

Adopted: February 6, 1974.

Released: February 11, 1974.

#### FEDERAL COMMUNICATIONS COMMISSION, VINCENT J. MULLINS,

[SEAL]

Secretary.

#### APPENDIX

1. The following daytime stations hold PSA's but are precluded from increasing PSA powers because of foreign interference conflicts:

KANN—Ogden, Utah. KBII—Liberty, Mo. KCIT—Lockhart, Tex. KCOM—Comanche, Tex. KGRI—Henderson, Tex. KHYM—Gilmer, Tex.

KILR—Estherville, Iowa. KKIM—Albuquerque, N. Mex. KLPR—Oklahoma City, Okla. KORC-Mineral Wells, Tex. KSTA-Coleman, Tex. WKBA—Vinton, Va. WKYE—Bristol, Tenn. WLUX—Baton Rouge, La.

WSER-Elkton, Md.

WTYN—Tryon, N.C. WXVA—Charleston, W. Va.

WYNA-Raleigh, N.C.

WYNX-Smyrna, Ga.

2. The following daytime stations are eligi-ble for PSA's under § 73.99 of the rules but are precluded from 50-watt PSA operation because of foreign interference conflicts: KGGH-Houston, Tex.

(new) -McComb, Miss.

WMAG-Forest, Miss. WXTN-Lexington, Miss.

The following daytime stations are eligible for PSA's under § 73.99 of the rules but with sign-on times later than 6 a.m. local which sign on times later than 5 a.m. local time because of their geographic relation-ship to foreign I-B clear channel stations: KMLO--Vista, Calif. KNBA--Vallejo, Calif.

KNCR-Fortuna, Calif.

WKDR-Plattsburgh, N.Y.

[FR Doc.74-3825 Filed 2-15-74;8:45 am]

## FEDERAL ENERGY OFFICE ADVISORY COMMITTEES

## **Notice of Establishment**

This notice is published in accordance with the provisions of section 9(a) (2) of the Federal Advisory Committee Act (Pub. L. 92-463). Following consultation with the Office of Management and Budget, notice is hereby given that it is in the public interest to establish the following advisory committees. A description of the nature and purpose of these committees is contained in their charters which are published below.

#### Dated: February 13, 1974.

#### WILLIAM E. SIMON,

#### Administrator.

TRANSPORTATION ADVISORY COMMITTEE CHARTER

1. Objectives and scope of activities. The objectives of the Transportation Advisory Committee are to advise the Administrator, Federal Energy Office (FEO) with respect to general transportation aspects of interests and problems related to the policy and imple-mentation of programs to meet the current national energy crisis.

2. Committee tenure. In view of the goals and purposes of the Committee, it will be expected to continue beyond the foreseeable future. However, its continuation will be sub-ject to biennial review and renewed as re-quired by section 14 of Pub. L. 92-463.

3. Official to whom committee reports. The Committee will report to the Administrator, Federal Energy Office.

4. Support services. Necessary support for the Committee will be furnished by the Federal Energy Office.

5. Committee duties. The duties of the Committee are solely advisory and are stated in paragraph 1 above.

6. Estimated annual cost. The estimated annual operating costs for the Committee are \$20,000 and involve approximately one-half man-years of staff support. scribed in paragraph 2 above.

7. Meetings. The Committee will meet ap-

B. Terminately four times a year.
B. Termination date. The Committee will terminate two years from date of this Charter, unless prior to that date renewal action is taken by the Administrator, FEO, as de-9. Determination. Establishment of this

Committee is determined to be in the public interest in connection with the performance of duties imposed on the Federal Energy Office by Executive Order No. 11748, dated De-cember 4, 1973, which delegated to the Administrator, FEO, authority vested in the President by the Emergency Petroleum Allo-cation Act of 1973 (Pub. L. 93-159); section 203(a) (3) of the Economic Stabilization Act of 1970 (Pub. L. 91-379) as amended; and specified authorities under the Defense Pro-duction Act of 1950 (50 U.S.C. App. 2061 et seq), as amended.

## CONSTRUCTION ADVISORY COMMITTEE

## CHARTER

1. Objectives and scope of activities. The objectives of the Construction Advisory Committee are to advise the Administrator, Federal Energy Office (FEO) with respect to general construction aspects of interests and problems related to the policy and imple-mentation of programs to meet the current national energy crisis. 2. Committee tenure. In view of the goals

and purposes of the Committee, it will be expected to continue beyond the forseeable future. However, its continuation will be subject to biennial review and renewed as

required by section 14 of Pub. L. 92-463. 3. Official to whom committee reports. The Committee will report to the Adminis-

trator, Federal Energy Office. 4. Support services. Necessary support for the Committee will be furnished by the Fed-

eral Energy Office. 5. Committee duties. The duties of the Committee are solely advisory and are stated in paragraph 1 above.

6. Estimated annual cost. The estimated annual operating costs for the Committee are \$20,000 and involve approximately onehalf man-years of staff support. 7. Meetings. The Committee will meet ap-

proximately four times a year.

8. Termination date. The Committee will terminate two years from date of this Charter, unless prior to that date renewal action is taken by the Administrator, FEO, as de-scribed in paragraph 2 above.

9. Determination. Establishment of this Committee is determined to be in the public interest in connection with the performance of duties imposed on the Federal Energy Of-fice by Executive Order No. 11748, dated December 4, 1973, which delegated to the Administrator, FEO, authority vested in the President by the Emergency Petroleum Al-location Act of 1973 (Pub. L. 93-159); sec-tion 203(a) (3) of the Economic Stabilization Act of 1970 (Pub. L. 91-379) as amended; and specified authorities under the Defense Production Act of 1950 (50 U.S.C. App. 2061 et seq.), as amended.

#### PROFESSIONAL/SERVICE ORGANIZATIONS ADVISORY COMMITTEE

#### CHARTER

1. Objectives and scope of activities. The objectives of the Professional/Service Organizations Advisory Committee are to advise the Administrator, Federal Energy Office (FEO) with respect to professional/service organization aspects of interests and prob-lems related to the policy and implementation of programs to meet the current national energy crisis.

2. Committee tenure. In view of the goals and purposes of the Committee, it will be expected to continue beyond the forseeable future. However, its continuation will be

subject to biennial review and renewed as

3. Official to whom committee reports. The Committee will report to the Adminis-

required by section 14 of Pub. L. 92-463.

the Committee will be furnished by the Federal Energy Office. 5. Committee duties. The duties of the

Committee are solely advisory and are stated in paragraph 1 above. 6. Estimated annual cost. The estimated

annual operating costs for the Committee are \$20,000 and involve approximately onehalf man-years of staff support.

7. Meetings. The Committee will meet approximately four times a year. 8. Termination date. The Committee will

terminate two years from date of this Charter, unless prior to that date renewal action is taken by the Administrator, FEO, as described in paragraph 2 above.

9. Determination. Establishment of this Committee is determined to be in the public interest in connection with the performance of duties imposed on the Federal Energy Office by Executive Order No. 11748, dated December 4, 1973, which delegated to the Administrator, FEO, authority vested in the President by the Emergency Petroleum Al-location Act of 1973 (Pub. L. 93-159); section 203(a) (3) of the Economic Stabilization Act of 1970 (Pub. L. 91-379) as amended; and specified authorities under the Defense Production Act of 1950 (50 U.S.C. App. 2061 et seq), as amended.

[FR Doc.74-3964 Filed 2-14-74;2:29 p.m.]

## **EMERGENCY ADVISORY COMMITTEE FOR** NATURAL GAS-SUBCOMMITTEE ON LP-GAS SUPPLY AND DEMAND

#### **Notice of Meeting**

The first meeting of the Government Policies Task Group of the Subcommittee on LP-Gas Supply and Demand of the Emergency Advisory Committee for Natural Gas shall be held on Wednesday, February 20, 1974, at 10 a.m. in Room 4426, U.S. Treasury Building, 15th and Pennsylvania Avenue, NW., Washington, D.C.

The meeting of the Government Policies Task Group will be limited to a discussion to a general purpose and ob-jectives of the group and discussion involving the following areas:

a. Mandatory Petroleum Allocation Pro-gram on propane and butane.

b. Pricing regulations on propane and butane.

c. Mandatory Allocation Program of other petroleum products and its impact on LP-

Gas supply and demand. d. Other factors effecting the supply and demand of LP-Gas.

This meeting is open to the public, limited to available space, i.e., any in-terested person may attend, appear before or file statements with Committee.

Dated: February 13, 1974.

L. A. D'ANDREA Executive Secretary-EACNG.

[FR Doc.74-3963 Filed 2-14-74;2:29 pm]

#### STATE LEGISLATURE ADVISORY COMMITTEE

### **Notice of Meeting**

Notice is hereby given in accordance with Pub. L. 92-463 that a meeting of the

State Legislature Advisory Committee will be held Friday, February 22, 1974, at 10 a.m., in Room 4121, Treasury Building, 15th & Pennsylvania Avenue, NW., Washington, D.C.

The Committee was established to advise the Administrator, FEO, with respect to interests and problems of the states related to the policy and implementation of programs to meet the current national energy crisis. The agenda for the meeting is as follows:

I. Discussion of the current status of Federal energy programs and proposals, Fiscal Year 1975 budget requests, price rollback possibilities, lifting of the oil embargo and rationing proposals.

II. Petroleum Allocation Programs in the States. A discussion of the effectiveness of State Energy Offices and the regulations for allocating scarce petroleum resources.

III. Intergovernmental Cooperation. A discussion of FEO's intergovernmental programs, including the activities of regional offices, training programs, technical assistance programs, and grant activities to States and local governments.

The meeting is open to the public; however, space and facilities are limited.

Further information concerning the meeting may be obtained from Paul Sweet National Legislative Conference, 1150 17th Street, NW. Suite 602, Washington, D.C. 20036, telephone: (202) 785-5610. Minutes of the meeting will be made available for public inspection at the Federal Energy Office, Washington, D.C.

Dated: February 14, 1974.

WILLIAM E. SIMON.

Administrator. [FR Doc.74-3965 Filed 2-14-74;2:29 pm]

## FEDERAL HOME LOAN BANK BOARD

[H.C. 170]

AMERICAN FINANCIAL CORP. AND UNITED DAIRY FARMERS INVESTMENT CO.

Notice of Receipt of Application for Approval of Acquisition of Control of Excellent Loan and Building Association Co.

#### FEBRUARY 13, 1974.

Notice is hereby given that the Federal Savings and Loan Insurance Corporation has received an application from the American Financial Corporation and the United Dairy Farmers Investment Company, Cincinnati, Ohio, savings and loan and bank holding companies, for approval of their acquisition of control of the Excellent Loan and Building Association Company, Cincinnati, Ohio, an uninsured institution, under the provisions of section 408(e) of the National Housing Act, as amended (12 U.S.C. 1730a (e)), and § 584.4 of the regulations for Savings and Loan Holding Companies, said acquisition to be effected by the exchange of cash for the stock of the Excellent Loan and Building Association Company. Following the acquisition it has proposed that said association be merged into the Hunter Savings Association, an insured subsidiary of the appli-

cants. Comments on the proposed acquisition should be submitted to the Director, Holding Companies Section, Office of Examinations and Supervision, Federal Home Loan Bank Board, Washington, D.C. 20552, on or before March 21, 1974.

[SEAL] EUGENE M. HERRIN, Assistant Secretary, Federal Home Loan Bank Board. [FR Doc.74-3897 Filed 2-15-74:8:45 am]

FEDERAL POWER COMMISSION [Docket No. RP74-66] ARKANSAS LOUISIANA GAS CO.

## Notice of Change in Rates

#### FEBRUARY 12, 1974.

Take notice that Arkansas Louisiana Gas Company (Arkansas) on January 31, 1974, tendered for filing FPC Gas Rate Schedules XFS-1, First Revised Sheet No. 2 in its Original Tariff Volume No. 3; XFS-3, First Revised Sheet No. 37 in its Original Tariff Volume No. 3; and XFS-18, Original Sheet No. 100 in its Original Tariff Volume No. 3. Arkansas requests that the filing be permitted to become effective as of January 1, 1974.

Arkansas states that the increased tariff reflects solely the appropriate reimbursement of the increase in the Louisiana severance tax, pursuant to Commission Order No. 500, issued December 28, 1973, in Docket No. RM74-9.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before February 25, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

#### KENNETH F. PLUMB, Secretary.

[FR Doc.74-3880 Filed 2-15-74;8:45 am]

### [Docket No. CI74-94] BLAKE HAMMAN

## Notice of Extension of Time and Postponement of Hearing

FEBRUARY 12, 1974.

On February 5, 1974, Blake Hamman filed a motion for an extension of the procedural dates fixed by order issued January 22, 1974, in the above-designated matter. The motion states that the interveners have no objection to the request.

Upon consideration, notice is hereby given that the procedural dates in the above matter are modified as follows: Service of Applicant's Testimony, April 15,

1974. Hearing, April 25, 1974 (10 a.m. e.d.t.).

KENNETH F. PLUMB, Secretary.

[FR Doc.74-3882 Filed 2-15-74;8:45 am]

[Docket No. CI74-385]

## BRUNSON & McKNIGHT, INC. Notice of Application

FEBRUARY 11, 1974.

Take notice that on January 31, 1974, Brunson & McKnight, Inc. (applicant), P.O. Box 297, Hobbs, New Mexico 88240, filed in Docket No. CI74-385 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale for resale and delivery of natural gas in interstate commerce to Transwestern Pipeline Company from the Hat Mesa (Morrow) Field, Lea County, New Mexico, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that it intends to sell natural gas to Transwestern from the subject acreage within the contemplation of § 157.29 of the regulations under the Natural Gas Act (18 CFR 157.29) and proposes to continue said sale for one year from the end of the 180-day emergency period within the contemplation of § 2.70 of the Commission's General Policy and Interpretations (18 CFR 2.70). Applicant proposes to sell approximately 90.000 Mcf of gas per month at 55.0 cents per Mcf at 14.65 psia, subject to upward and downward Btu adjustment, with upward Btu adjustment limited to 1,100 Btu per cubic foot.

Any person desiring to be heard or to make any protest with reference to said application should on or before March 4, 1974, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requiremnts of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required

herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for applicant to appear or be represented at the hearing.

> KENNETH F. PLUMB, Secretary.

[FR Doc.74-3881 Filed 2-15-74;8:45 am]

## [Docket No. RP74-68] COLORADO INTERSTATE GAS CO. Notice of Proposed Change in Rates

#### FEBRUARY 12, 1974.

Take notice that Colorado Interstate Gas Company (CIG), on January 30, 1974, tendered for filing proposed changes in its FPC Gas Tariff, Second Revised Volume No. 1. CIG proposes to increase its jurisdictional rates by \$10,065,261 to reflect the increased cost of gas which results from the transfer of CIG's former producing properties to CIG Explora-tion, Inc. (Exploration), and the pricing of the gas produced therefrom at the applicable area rate rather than on a cost-of-service basis.

CIG states that the Commission approved the transfer of properties and pricing the gas at area rates rather than on a cost-of-service basis by order issued January 7, 1974, in Docket Nos. CP73-184, et al. According to CIG, the increased rates will fund a 5-year exploration and development program for the acquisition of additional supplies of gas for CIG's existing customers.

The company states that CIG and Exploration plan to transfer the producing properties on March 1, 1974. Therefore, the proposed effective date of the revised tariff sheets is March 1, 1974.

CIG states that these rates were originally proposed in Docket No. RP73-93, but were withdrawn when certificate authorization was not received before October 1, 1973. CIG therefore incorporates by reference the pertinent cost support in of its filing in Docket No. RP73-93.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before February 20, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a part must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB, Secretary. [FR Doc.74-3883 Filed 2-15-74;8:45 am]

## NOTICES

### [Project No. 2232]

DUKE POWER COMPANY, INC.

Notice of Application for Approval of Joint Use of Project Lands and Waters

FEBRUARY 12, 1974.

Public notice is hereby given that application for approval of joint use of project lands and waters was filed January 24, 1974, under the Federal Power Act (16 U.S.C. 791a-825r) by Duke Power Company (Duke) (Correspondence to: Mr. George W. Ferguson, Jr., Associate General Counsel, Duke Power Company, Legal Department, P.O. Box 2178, Charlotte, North Carolina 28201) for Project No. 2232, located on the Catawba River, in Alexander, Burke, Caldwell, Catawba, Gaston, Iredell, Lincoln, McDowell. and Mecklenburg Counties, North Carolina and the Catawba and Wateree Rivers, in Chester, Fairfield, Kershaw, Lancaster, and York Counties, South Carolina. The project lands and waters affected are located on the Wateree River in Kershaw County, South Carolina. The project affects navigable waters of the United States

According to the application, Duke on January 15, 1974, entered into an Indenture and Agreement with Lugoff Water District of Kershaw County (Lugoff) to grant an easement and right-of-way to Lugoff for construction, operation and maintenance of a water supply pumping station and intake pipes at the Wateree Development of Project No. 2232. By this filing Duke requests the Commission's approval of said agreement.

The Indenture and Agreement granted a 20 foot wide right-of-way 864.5 feet in length, of which approximately 505 feet would be within project boundaries. A 10 inch underground pipe would extend 340 feet to the shoreline on the west side of the Wateree Hydroelectric Station, then 157 feet along a four foot wide walkway on the reservoir surface to an 8 by 12 foot platform with two pumps thereon.

Construction would begin between January and March and be completed by May 1974. Lugoff would have the initial use of 1.5 million gallons per day from Lake Wateree; this quantity would increase to about 3 million gallons per day by the year 1995.

Any person desiring to be heard or to make protest with reference to said application should on or before March 22, 1974, file with the Federal Power Commission, Washington D.C. 20426, petitions to intervene or protests in accordance with the requirement of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to a proceeding. Persons wishing to become parties to a proceeding or to patricipate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The application is on file

with the Commission and is available for public inspection.

> KENNETH F. PLUMB. Secretary.

[FR Doc.74-3884 Filed 2-15-74;8:45 am]

#### [Docket No. E-8615]

## LOUISIANA POWER & LIGHT CO.

**Notice of Filing of Tariff Change** FEBRUARY 12, 1974.

Take notice that on February 4, 1974, Louisiana Power & Light Company (Company) tendered for filing proposed changes in its FPC Electric Service Tariff. Rate Schedules to Rural Cooperatives. FPC Rate Schedule Nos. 34, 35, 37 and 42. Company states that the proposed tariff changes would increase revenues from jurisdictional sales and service by \$3,911,-156 based on the 12-month period ending April 1, 1974.

Company alleges that at present it is earning a rate of return of only 2.01 percent on wholesale service to rural cooperatives (based on book figures for the 12 months ending June 30, 1973) and that it estimates that this rate of return will decrease to 0.93 percent without rate relief. According to Company, the proposed changes modify the fuel adjustment clause to permit the Company to recover its increased cost of fuel and also revise other charges to reflect accurately the costs of service.

Company further states that the proposed rate schedules will supersede Rate Schedules REA-7 and REA-8 and requests that these new schedules be allowed to become effective April 5, 1974. Company alleges that copies of this filing were served upon all customers served under the above FPC rate schedules.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE, Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before February 25, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

> KENNETH F. PLUMB, Secretary.

[FR Doc.74-3885 Filed 2-15-74;8:45 am]

#### [Docket No. CP73-29]

## NORTHERN NATURAL GAS CO.

**Notice of Petition To Amend** 

FEBRUARY 11, 1974. Take notice that on January 31, 1974, Northern Natural Gas Company (Peti-tioner), 2223 Dodge Street, Omaha, Nebraska 68102, filed in Docket No. CP

73-29 a petition to amend the order of the Commission issued in said docket on December 13, 1972, as amended October 9, 1973, by authorizing a one-year extension of a leased storage arrangement between Petitioner and Michigan Wisconsin Pipeline Company (Mich Wisc) and a similar extension of a natural gas exchange arrangement between Petitioner and Great Lakes Transmission Company (Great Lakes), all as more fully set forth in the petition to amend which is on file with the Commission and open to public inspection.

By the order issued December 13, 1972, Petitioner was authorized, among other things, to enter into a one-year leased storage arrangement with Mich Wisc and a one-year natural gas exchange arrangement with Great Lakes. Under the former arrangement Petitioner delivered during off-peak periods in April through October 1972 a total of 2.8 million Mcf of natural gas to Mich Wisc for storage and subsequent redelivery by Mich Wisc to Petitioner during the period of November 1972 through February 1973. Under the exchange arrangement between Petitioner and Great Lakes, dated July 15, 1972, Great Lakes delivers not less than 25.000 Mcf of gas per day to Petitioner at Carlton and Grand Rapids, Minnesota, in exchange for delivery by Petitioner of equivalent volumes of gas to Great Lakes at Wakefield, Michigan, or to Mich Wisc for the account of Great Lakes at Janesville, Wisconsin.

Petitioner states that as a result of the additional delivery capability and operational flexibility afforded Northern by these two arrangements Petitioner was able to provide an additional 44,807 Mcf per day of winter period service to its utility customers for the 1972–73 heating season. The petition states that during the 1973–74 heating season these arrangements were used to provide approximately 65,000 of the 105,000 Mcf per day of peaking service demand to its utility customers.<sup>1</sup>

Petitioner requests authorization to continue for an additional one-year period both the exchange arrangement and the leased storage service. The petition states that continuation of the leased storage arrangements for one year, will have the effect of conserving 2.8 million Mcf of gas produced during off-peak periods for wintertime high priority use by Petitioner's customers. Petitioner states further that this extension of leased storage when combined with a one-year extension of the exchange arrangement with Great Lakes which provides operational flexibility to Petitioner's system

will assist Petitioner in meeting its existing requirements for the 1974–75 heating season.

Any person desiring to be heard or to make any protest with reference to said petition to amend should on or before March 4, 1974, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

KENNETH F. PLUMB,

#### Secretary.

[FR Doc.74-3886 Filed 2-15-74;8:45 am]

#### [Docket No. E-8613]

## PACIFIC POWER & LIGHT CO. Notice of Application

### FEBRUARY 11, 1974.

Take notice that on January 31, 1974, Pacific Power & Light Company (Applicant), a corporation organized under the laws of the State of Maine and qualified to transact business in the States of Oregon, Wyoming, Washington, California, Montana and Idaho, with its principal business office at Portland, Oregon, filed an application with the Federal Power Commission, pursuant to section 204 of the Federal Power Act, seeking an order authorizing the issuance of 2,500,000 shares of its authorized but unissued Common Stock of the par value of \$3.25 per share.

Proceeds from the issuance and sale of the Common Stock will be used to retire short-term notes and to finance, in part, Applicant's 1974 construction program, presently estimated at \$259.-589.000.

Any person desiring to be heard or to make any protest with reference to said application should, on or before March 6, 1974, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The application is on file with the Commission and available for public inspection.

#### KENNETH F. PLUMB, Secretary.

[FR Doc.74-3887 Filed 2-15-74;8:45 am]

## [Docket No. CP73-318] SOUTHERN NATURAL GAS CO. Notice of Petition for Modification

FEBRUARY 12, 1974.

Take notice that on February 4, 1974. Southern Natural Gas Company (Southern), P.O. Box 2563, Birmingham, Alabama 35202, filed in Docket No. CP73-318 a petition for modification of the Commission's order issued October 24, 1973, in said docket pursuant to section 7(c) of the Natural Gas Act so as to waive the provisions of \$157.7(b)(4) of the regulations under the Natural Gas Act (18 CFR 157.7(b)(4)), all as more fully set forth in the petition which is on file with the Commission and open to public inspection.

The order of October 24, 1973, granted Southern gas-purchase budget author-ization pursuant to §157.7(b) of the Commission's regulations. The order stated that gas-purchase facilities mean those facilities, subject to the Commission's jurisdiction, necessary to connect Applicant's system with the facilities of the authorized seller of gas and that the authorization granted is limited to facilit'es to connect Southern's system only. On November 19, 1973, Southern filed a petition to clarify the order of October 24, 1973, to make clear that Southern may construct gas-purchase facilities under the subject budget-type authorization in cases where these facilities are constructed by Southern to connect production purchased by Southern to the system of Sea Robin Pipeline Company (Sea Robin), with Sea Robin then transporting all the gas purchased by Southern to Southern's pipeline system. On January 3, 1974, the Commission issued an order in the instant docket stating that the existing Regulations do not permit such an arrangement.

Southern states that Sea Robin is an unincorporated joint venture in which Southern owns a 50 percent interest through a wholly-owned subsidiary, Southern Deepwater Pipeline Company (Southern Deepwater), and that the Sea Robin joint venture was established under an agreement between Southern Deepwater and a wholly-owned subsidiary of United Gas Pipe Line Company (United) for the purpose of purchasing natural gas supplies in certain areas located offshore Louisiana and constructing and operating a pipeline to deliver the natural gas from that area to Southern and United. The petition indicates that, presently, in addition to selling gas to Southern and United, Sea Robin transports gas for Southern under transportation arrangements and that Sea Robin is obligated to do so under the terms of the Sea Robin joint venture.

Because of this close affiliation with Sea Robin and the operation of its system, Southern requests that the Commission amend the certificate issued in the instant docket and waive \$ 157.7(b)(4) of the regulations as being an unreasonably burdensome requirement on Southern's ability to act with dispatch under its budget-type authorization. Southern states that Sea Robin is in

<sup>&</sup>lt;sup>1</sup>An amendatory order was issued in the instant docket on October 9, 1973, authorizing, among other things, a one-year extension of the subject exchange and leased storage arrangements. By Commission order in Docket No. CP74-1, also issued on October 9, 1973, Petitioner was authorized, among other things, to increase its peak daily reliance on these two arrangements thereby increasing the temporary winter period service available for sale to its utility customers from 45,000 Mcf to 65,000 Mcf of gas per day.

close proximity to the majour source of new gas supplies becoming available to Southern and that utilization of the Sea Robin system for transportation purposes of gas purchased by Southern is vital in Southern's gas supply program. Further, Southern states that the delay inherent in requiring the filing for separate certificate authority for each and every minor gas purchase facility which Southern proposes to construct and attach to Sea Robin's system could possibly impair Southern's ability to attach rapidly and efficiently new gas supplies to its system.

Any person desiring to be heard or to make any protest with reference to said petition should on or before March 5, 1974, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

> KENNETH F. PLUMB, Secretary.

[FR Doc.74-3888 Filed 2-15-74;8:45 am]

#### [Docket No. RP74-37-9]

#### UNITED GAS PIPE LINE CO.

Notice of Petition for Extraordinary Relief FEBRUARY 11, 1974.

Take notice that on January 21, 1974, Norco Gas & Fuel Company, Inc. (Norco), a city gate customer of United Gas Pipe Line Company (United), filed a petition for extraordinary relief seeking to use 1971 as the year upon which base requirements should be set for its one industrial customer, Bunge Corporation's (Bunge) Destrehan, Louisiana plant. This Bunge plant processes soybean oil and meal for exporation to several counties and is the only one of 28 major grain elevators owned by Bunge that is able to so process soybeans. It, thus, is a vital link in the entire Bunge soybean operation.

Norco states that the Bunge Destrehan plant's base requirement of 500 Mcf/d is based on the year 1972 when that plant was shutdown for 6 months due to a major explosion. The plant is designed to operate on 1,500 Mcf/d with a minimum standard for continued operation set at 1,000 Mcf/d. The plant has alternate capability to burn fuel oil on an emergency basis, but has been unable to obtain such fuel.

Norco further states that it has requested United to use 1971 as the base year in that it is more representative of Bunge's operations. The request was denied.

A shortened notice period in this proceeding may be in the public interest. Any person desiring to be heard or to make protest with reference to said petition should on or before February 20, 1974, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to a proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The petition is on file with the Commission and is available for public inspection.

> KENNETH F. PLUMB. Secretary.

[FR Doc.74-3889 Filed 2-15-74:8:45 am]

# FEDERAL RESERVE SYSTEM **APLINGTON INSURANCE, INC.**

Acquisition of Bank

Aplington Insurance, Inc., Aplington, Iowa, has applied for the Board's approval under section 3(a) (3) of the Bank Holding Company Act (12 U.S.C. 1842 (a) (3)) to acquire 4 percent of the voting shares of State Savings Bank, Aplington. Iowa. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Aplington Insurance, Inc., is also engaged in the nonbank activity of being a general insurance agency. In addition to the factors considered under section 3 of the Act (banking factors), the Board will consider the proposal in the light of the company's nonbanking activities and the provisions and prohibitions in section 4 of the Act (12 U.S.C. 1843).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Chicago. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than March 11, 1974.

Board of Governors of the Federal Reserve System, February 11, 1974.

ELIZABETH L. CARMICHAEL, [SEAL]

Assistant Secretary of the Board. [FR Doc.74-3831 Filed 2-15-74;8:45 am]

#### LANDMARK BANKING CORPORATION OF FLORIDA

#### **Order Approving Acquisition of Bank**

Landmark Banking Corporation of Florida, Fort Lauderdale, Florida, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under section 3(a) (3) of the Act (12 U.S.C. 1842 (a) (3)) to acquire 80 per cent or more

of the voting shares of First National Bank of Sunrise, Sunrise, Florida ("Bank"), a proposed new bank.

Notice of the application, affording opportunity for interested persons to submit comments and views has been given in accordance with section 3(b) of the Act. The time for filing comments and views has expired, and none has been timely received. The Board has considered the application in light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant controls thirteen banks with aggregate deposits of \$616 million, representing approximately 3 per cent of the total deposits in commercial banks in Florida and is the eighth largest bank holding company in the State.

Bank will be located in the North Broward County banking market<sup>2</sup> in which 22 banking organizations control a total of 43 banks. Applicant ranks as the largest banking organization in the market, controlling five subsidiary banks with aggregate deposits of \$318.6 million representing approximately 23 per cent of market commercial bank deposits (as of December 31, 1972). Since the proposed acquisition involves the establishment of a de novo bank, no existing or potential competition between any of Applicant's existing subsidiary banks and Bank would be eliminated nor would concentration of banking resources be increased in the relevant market. The Board concludes that consummation of the proposed acquisition will not have an adverse effect on competition in any relevant area.

The financial and managerial resources and future prospects of Applicant and its subsidiary banks are regarded as satisfactory and consistent with approval of the application. Bank as a proposed new bank, has no financial or operating history but its prospects under Applicant's management appear favorable. Therefore, banking factors are consistent with approval of the application. Although there is no evidence that the banking needs of the communities to be served are not being adequately met, Bank would serve as an additional competitive source of banking services. Accordingly, considerations relating to the convenience and needs of the communities to be served are consistent with approval. It is the Board's judgment that the transaction would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after that date, and (c) First

<sup>2</sup> The North Broward banking market is approximated by that portion of Broward County north of Fort Lauderdale, to and including Deerfield Beach, Florida.

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National Bank of Sunrise, Sunrise, Florida, shall be opened for business not later than six months after the effective date of this Order. Each of the periods described in (b) and (c) may be extended for good cause by the Board, or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

By order of the Board of Governors,<sup>3</sup> effective February 11, 1974.

[SEAL] CHESTER B. FELDBERG, Secretary of the Board.

### NORTHWEST OHIO BANCSHARES, INC. Order Approving Acquisition of Bank

Northwest Ohio Bancshares, Inc., Toledo, Ohio, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under section 3(a) (3) of the Act (12 U.S.C. 1842(a) (3)) to acquire 80 per cent or more of the voting shares (less directors' qualifying shares) of The Cygnet Savings Bank Company, Cygnet, Ohio ("Bank").

Notice of the application, affording opportunity for interested persons to submit comments and views has been given in accordance with section 3(b)of the Act. The time for filing comments and views has expired, and none has been timely received. The Board has considered the application in light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the fourteenth largest banking organization in Ohio, controls one banking subsidiary, located in Toledo, Ohio, with deposits of approximately \$443 million, representing 1.7 per cent of commercial bank deposits in the State.<sup>1</sup> Acquisition of Bank would increase Applicant's share of State deposits by 0.1 per cent and would not result in a significant increase in the concentration of banking resources in Ohio.

Applicant controls approximately 32.7 per cent of deposits in the Toledo market ' and ranks as the largest banking organization in that market. Based on the facts of record, the Board is of the view that Bank (\$16 million in deposits), headquarted in Cygnet, a small farming community about 25 miles south of Toledo, operates in a local banking market on the southern fringe of the Toledo market. In addition, the Board notes that the office of Applicant's subsidiary bank which is closest to Bank is separated by twelve miles and eight offices of competing banks. It does not appear that consummation of the proposed acquisition would eliminate any significant amount of existing competition between Bank and Applicant's subsidiary bank. Applicant's banking subsidiary can branch only into two communities (Northwood

and Rossford) on the northern border of Wood County (the county in which Bank is located), both of which are approximately 25 miles north of Cygnet and 15 miles north of Bank's closest office. Bank can branch into Lucas County (the county in which Applicant's banking subsidiary is located) if it transfers its main office to one of the same two communities. However, in view of Bank's size and the number of banking offices operating in the two communities, we believe this is unlikely. Accordingly, it does not appear likely that consummation of the proposed transaction would have a significant adverse effect on the development of future competition in view of Ohio's restrictive branching law and the presence of numerous intervening banks. It is the Board's judgment that competitive considerations are consistent with approval of the application.

The financial and managerial resources and future prospects of Applicant and its present subsidiary bank are regarded as satisfactory; those of Bank are regarded as generally satisfactory and are expected to become more favorable through affiliation with Applicant. Banking factors lend some weight toward approval of the application. Although there is no evidence in the record to indicate that the banking needs of the area are not currently being met, the proposed affiliation is likely to facilitate Bank's participation in larger loans, and make trust services and investment services available to the community through Bank. Considerations relating to the convenience and needs of the community to be served, therefore, lend some weight toward approval of the application. It is the Board's judgment that the transaction would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Cleveland pursuant to delegated authority.

By order of the Board of Governors,<sup>3</sup> effective February 11, 1974.

[SEAL] CHESTER B. FELDBERG, Secretary of the Board.

[FR Doc.74-3833 Filed 2-15-74;8:45 am]

### TEXAS COMMERCE BANCSHARES, INC. Acquisition of Bank

Texas Commerce Bancshares, Inc., Houston, Texas, has applied for the Board's approval under section 3(a)(3)of the Bank Holding Company Act (12

<sup>a</sup> Market data are as of June 30, 1972. <sup>a</sup> Voting for this action: Vice Chairman Mitchell and Governors Brimmer, Sheehan, Bucher and Holland. Absent and not voting: Chairman Burns and Governor Daane.

U.S.C. 1842(a)(3)) to acquire 100 percent of the voting shares (less directors' qualifying shares) of the successor by merger to Guaranty National Bank and Trust of Corpus Christi, Corpus Christi, Texas. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842 (c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Dallas. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than March 6, 1974.

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Board of Governors of the Federal Reserve System, February 11, 1974.

[SEAL] ELIZABETH L. CARMICHAEL, Assistant Secretary of the Board.

[FR Doc.74-3834 Filed 2-15-74;8:45 am]

### TEXAS COMMERCE BANCSHARES, INC. Acquisition of Bank

#### Acquisition of balls

Texas Commerce Bancshares, Inc., Houston, Texas, has applied for the Board's approval under section 3(a)(3)of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire all the voting shares (less directors' qualifying shares) of the successor by merger to Arlington Bank and Trust, Arlington, Texas. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842 (c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Dallas. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than March 7, 1974.

Board of Governors of the Federal Reserve System, February 11, 1974.

 [SEAL] ELIZABETH L. CARMICHAEL, Assistant Secretary of the Board.
 [FR Doc.74-3835 Filed 2-15-74:8:45 am]

### TEXAS COMMERCE BANCSHARES, INC.

#### Acquisition of Bank

Texas Commerce Bancshares, Inc., Houston, Texas, has applied for the Board's approval under section 3(a)(3)of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 100 percent of the voting shares (less directors' qualifying shares) of Union Bank of Fort Worth, Fort Worth, Texas. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Dallas. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System,

<sup>&</sup>lt;sup>3</sup> Voting for this action: Vice Chairman Mitchell and Governors Brimmer, Sheehan, Bucher and Holland. Absent and not voting: Chairman Burns and Governor Daane.

<sup>&</sup>lt;sup>1</sup> All banking data, unless otherwise indicated, are as of June 30, 1973.

Washington, D.C. 20551, to be received not later than March 4, 1974.

Board of Governors of the Federal Reserve System, February 12, 1974.

[SEAL] ELIZABETH L. CARMICHAEL, Assistant Secretary of the Board.

[FR Doc.74-3836 Filed 2-15-74;8:45 am]

# TEXAS COMMERCE BANCSHARES, INC.

### Acquisition of Bank

Texas Commerce Bancshares, Inc., Houston, Texas, has applied for the Board's approval under section 3(a)(3)of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 100 percent of the voting shares (less directors' qualifying shares) of the successor by merger to First National Bank of Hurst, Hurst, Texas. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Dallas. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than March 1, 1974.

Board of Governors of the Federal Reserve System, February 12, 1974.

[SEAL] ELIZABETH L. CARMICHAEL, Assistant Secretary of the Board. [FR Doc.74-3837 Filed 2-15-74;8:45 am]

# UST CORP.

#### **Acquisition of Bank**

UST Corp., Boston, Massachusetts, has applied for the Board's approval under section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire not less than 95 per cent of the voting shares of Milton Bank and Trust Company, Milton, Massachusetts. The factors that are considered in acting on the application are set forth in section 3 (c) of the Act (12 U.S.C. 1842(c)).

UST Corp. is also engaged in the following nonbank activities: factoring, equipment leasing, and corporate financial planning. In addition to the factors considered under section 3 of the Act (banking factors), the Board will consider the proposal in the light of the company's nonbanking activities and the provisions and prohibitions in section 4 of the Act (12 U.S.C. 1843).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Boston. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than March 11, 1974.

Board of Governors of the Federal Reserve System, February 11, 1974.

[SEAL] ELIZABETH L. CARMICHAEL, Assistant Secretary of the Board.

[FR Doc.74-3830 Filed 2-15-74;8:45 am]

# NOTICES NATIONAL SCIENCE FOUNDATION

# ADVISORY PANEL FOR GENETIC BIOLOGY

#### Notice of Meeting

Pursuant to the Federal Advisory Committee Act (Pub. L. 92-463), notice is hereby given of a meeting of the Advisory Panel for Genetic Biology to be held at 9 a.m. on March 11 and 12, 1974, in Room 321 at 1800 G Street NW., Washington, D.C. 20550.

The purpose of this Panel is to provide advice and recommendations as part of the review and evaluation process for specific proposals and projects. The agenda will be devoted to the review and evaluation of research proposals.

This meeting is concerned with matters which are within the exemptions of 5 U.S.C. 552(b) and will not be open to the public in accordance with the determination by the Director of the National Science Foundation dated December 17, 1973, pursuant to the provisions of section 10(d) of Pub. L. 92-463.

For further information concerning this Panel, contact Dr. Rose M. Litman, Program Director, Genetic Biology Program, Room 326, 1800 G Street NW., Washington, D.C. 20550.

> T. E. JENKINS, Assistant Director for Administration.

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FEBRUARY 8, 1974.

[FR Doc.74-3907 Filed 2-15-74;8:45 am]

### SECURITIES AND EXCHANGE COMMISSION

[812-3556]

AMERICAN GENERAL LIFE INSURANCE COMPANY OF DELAWARE AND AMER-ICAN GENERAL LIFE INSURANCE COM-PANY OF DELAWARE SEPARATE AC-COUNT D

# Notice of Application for Exemptions

FEBRUARY 8, 1974.

In the matter of American General Life Insurance Company of Delaware and American General Life Insurance Company of Delaware Separate Account D, 2727 Allen Parkway, Houston, Texas 77019.

Notice is hereby given that American General Life Insurance Company of Delaware Separate Account D ("Separate Account D"), a unit investment trust registered under the Investment Company Act of 1940 ("Act"), and American General Life Insurance Company of Delaware (the "Company") (hereinafter collectively referred to as "Applicants"), have filed an application pursuant to Section 6(c) of the Act for an order of the Commission exempting Applicants, to the extent noted below, from the provisions of Sections 22(d), 26(a), and 27(c) (2) of the Act. All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein, which are summarized below.

The Company, a wholly-owned subsidiary of the American General Insurance Company (the "Parent"), is a stock life insurance company incorporated

FEDERAL REGISTER, VOL. 39, NO. 34-TUESDAY, FEBRUARY 19, 1974

under Delaware law. Separate Account D is a separate account of the Company established on November 19, 1973, pursuant to Delaware law, as the facility for issuing single and periodic payment deferred and single payment immediate variable annuity contracts (the "Contracts"). Amounts allocated to Separate Account D pursuant to the Contracts will be applied to purchase shares of American General Growth Fund, Inc. ("Fund"), a diversified, open-end management investment company registered under the Act. American General Management Company, Inc., a wholly-owned subsidiary of the Parent, is the investment adviser for the Fund. Persons who are registered representatives of Channing Company, Inc., another wholly-owned subsidiary of the Parent and a registered broker-dealer under the Securities Exchange Act of 1934, will sell the Contracts.

Section 22(d) of the Act provides, in pertinent part, that no registered investment company or principal underwriter thereof shall sell any redeemable security to the public except at a current offering price described in the prospectus.

Applicants offer annuity contracts under which purchase payments may be accumulated on either a fixed or a variable basis or a combination of both. Deductions for sales and administrative expenses are made from each payment as described in the prospectus. Applicants request exemptions from section 22(d) of the Act to permit sales of Contracts without sales and administrative charges when (i) accumulated purchase payments are transferred from a fixed to a variable basis, before the annuity payment period begins, with a \$5.00 charge for each transfer; (ii) surrender values or death benefits under a life insurance policy issued by the Company are applied to the purchase of a Contract; (iii) proceeds payable on the death of an annuitant, under an annuity contract offered by Applicants, either before or after annuity payments have begun, and whether on a fixed or variable annuity basis, are applied to the purchase of a Contract for the beneficiary of such contract; and (iv) accumulated values of contracts are applied at the end of the accumulation periods of such contracts to the purchase of single payment deferred Contracts then being offered by the Company.

Applicants state that the sales and administrative charges imposed upon payments accumulated on a fixed or variable basis are identical and that the sales and administrative charges imposed under the Company's life insurance policies are often greater than those levied under the Contracts. Applicants assert that the assessment of additional sales and administrative expense charges for the transfer or application of accumulated values or. amounts payable under existing policies or annuity contracts for the purchase of Contracts would result in double or even greater fees being imposed upon the purchasers of such Contracts. Therefore, Applicants contend that no discrimination would result from the elimination of such charges because no purchaser would be relieved of the duty to pay some sales and

administrative charge whether under an annuity contract or life insurance policy; all that is avoided is the discrimination that results from the double payment of charges by persons wishing to change the manner in which payments are determined and not change the right to receive such payments. Applicants represent that the elimination of sales and administrative charges will not result in disruptive distribution patterns for the Contracts. Applicants assert that a secondary market in Contracts cannot develop because such Contracts represent rights of specific individuals to payments which are guaranteed by the Company or dependent upon the investment performance of the Fund.

Applicants further request an exemption from section 22(d) of the Act to permit the imposition of a fixed administrative charge of \$.50 on each periodic payment and of \$25.00 on each single payment made to purchase a Contract. Such fixed charges, if expressed in terms of a percentage of the purchase payment, would vary with the size of the payment. Applicants state that the cost of administering each payment, whether periodic or single, remains the same irrespective of the size of the purchase payment. Therefore, Applicants contend that, by permitting the fixed administrative charges, Contract holders will enjoy the savings in expense that would have been retained by the Company if a percentage fee were charged.

Sections 26(a) and 27(c)(2). Sections 26(a) and 27(c)(2), as here pertinent, provide in substance that a registered unit investment trust, and any depositor and principal underwriter for the trust are prohibited from selling periodic payment plan certificates unless the proceeds of all payments other than sales load are deposited with a qualified bank as trustee or custodian and held under an indenture or agreement containing specified provisions. Such indenture or agreement must provide (1) that the trustee or custodian be a bank of a designated size, (2) that the assets be held in trust and proscribes the charges which may and may not be charged against such assets, (3) that the trustee or custodian may only resign in a specified fashion and (4) that certain records be kept of and certain notices be given to security holders.

Applicants request an exemption from sections 26(a) and 27(c) (2) to permit the Applicants to sell Contracts without need of an independent trustee or custodian. In support of such request. Applicants state that the net purchase payments under the Contracts will be invested in the shares of the Fund whose assets will be held in the custody of a custodian meeting the requirements of section 26(a) of the Act. The ownership of Fund shares by Separate Account D will be held in an open account so that such ownership will only be indicated on the books of the Fund and Separate Account D and will not be evidenced by transferable stock certificates. The Company is subject to extensive supervision and control by the

Delaware Commissioner of Insurance. the National Association of Securities Commissioners, and the insurance commissioners of each state in which the Contracts will be sold. Under Delaware law and the terms of the Contracts, the assets of Separate Account D are not chargeable with liabilities arising out of any other business conducted by the Company. Obligations arising under the Contracts as general obligations of the Company, cannot be abrogated without violating the Delaware insurance law. Therefore, Applicants assert that such existing regulation of the Company affords substantially the same protection contemplated by the provisions of sections 26(a) and 27(c) (2) of the Act.

Applicants have consented that the requested exemption from sections 26(a) and 27(c)(2) be subject to the following conditions: (1) that the deductions for administrative services shall not exceed such reasonable amounts as the Commission shall prescribe, the Commission reserving jurisdiction for such purpose, and (2) that the payment of sums and charges out of the assets of Separate Account D shall not be deemed to be exempted from regulation by the Commission by reason of the requested order, provided that Applicants' consent to this condition shall not be deemed to be concession to the Commission of authority to regulate the payment of sums and charges out of such assets other than charges for administrative services, and Applicants reserve the right in any proceeding before the Commission, or any suit or action in any court, to assert that the Commission has no authority to regulate the payment of such other sums and charges.

Section 6(c) of the Act authorizes the Commission, upon application, to exempt any person from any provision or provisions of the Act conditionally or unconditionally if and to the extent such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person may, not later than March 6, 1974, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request, and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon Applicants at the address stated above. Proof of such service (by affidavit, or in case of an attorney at law, by certificate) shall be filed contemporaneously with the request. As provided by Rule 0-5 of the Rules and Regulations promulgated

under the Act, an order disposing of the application will be issued as of course following March 6, 1974, unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Investment Management Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS, Secretary.

[FR Doc.74-3856 Filed 2-15-74;8:45 am]

#### [File No. 500-1]

#### BBI, INC.

#### **Notice of Suspension of Trading**

FEBRUARY 7, 1974.

The common stock of BBI, Inc., being traded on the American Stock Exchange and the Philadelphia-Baltimore-Washington Stock Exchange pursuant to provisions of the Securities Exchange Act of 1934 and all other securities of BBI, Inc., being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission that the summary suspension of trading in such securities on such exchanges and otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

Therefore, pursuant to sections 19 (a) (4) and 15(c) (5) of the Securities Exchange Act of 1934, trading in such securities on the above-mentioned exchange and otherwise than on a national securities exchange is suspended, for the period from February 8, 1974 through February 17, 1974.

By the Commission.

[SEAL] GEORGE A. FITZSIMMONS, Secretary.

[FR Doc.74-3862 Filed 2-15-74;8:45 am]

### [File No. 500-1]

#### EQUITY FUNDING CORPORATION OF AMERICA

### Notice of Suspension of Trading

FEBRUARY 8, 1974.

The common stock of Equity Funding Corporation of America being traded on the New York Stock Exchange, the Midwest Stock Exchange, the Pacific-Coast Stock Exchange, the Philadelphia-Baltimore-Washington Stock Exchange, the Boston Stock Exchange; warrants to purchase the common stock being traded on the American Stock Exchange and the Philadelphia-Baltimore-Washington Stock Exchange; 91/2 percent debentures due 1990 being traded on the New York Stock Exchange; and 51/2 percent convertible subordinated debentures due 1991 being traded on the New York Stock Exchange pursuant to provisions of the

Securities Exchange Act of 1934 and all other securities of Equity Funding Corporation of America being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission that the summary suspension of trading in such securities on such exchanges and otherwise than on a national securities exchange is required in the public interest and for the protection of investors; Therefore, pursuant to sections 19(a)

Therefore, pursuant to sections 19(a)(4) and 15(c)(5) of the Securities Exchange Act of 1934, trading in such securities on the above mentioned exchanges and otherwise than on a national securities exchange is suspended, for the period from February 11, 1974 through February 20, 1974.

By the Commission.

#### [SEAL] GEORGE A. FITZSIMMONS, Secretary.

[FR Doc.74-3857 Filed 2-15-74;8:45 am]

#### [File No. 500-1]

### INDUSTRIES INTERNATIONAL, INC. Notice of Suspension of Trading

### FEBRUARY 8, 1974.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Industries International, Inc. being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors:

Therefore, pursuant to section 15(c) (5) of the Securities Exchange Act of 1934, trading in such securities otherwise than on a national securities exchange is suspended, for the period from February 11, 1974 through February 20, 1974.

By the Commission.

[SEAL] GEORGE A. FITZSIMMONS, Secretary.

[FR Doc.74-3858 Filed 2-15-74;8:45 am]

#### [812-3579]

### NATIONAL AVIATION CORP. Notice of Filing of Application for

# Exemption

FEBRUARY 7, 1974.

In the matter of National Avlation Corporation, 630 Fifth Avenue, New York, New York 10020.

Notice is hereby given that National Aviation Corporation ("Applicant"), a non-diversified, closed-end management investment company registered under the Investment Company Act of 1940 (the "Act"), has filed an application for an order of the Commission pursuant to section 6(c) of the Act declaring that G. Keith Funston ("Funston"), a director of Applicant, shall not be considered an "interested person" of Applicant within the meaning of section 2(a)(19) of the Act solely by reason of his status as a director of the Metropolitan Life In-

surance Company ("Metropolitan"). All interested persons are referred to the application on file with the Commission for a statement of the representations made therein, which are summarized below.

Applicant is a New York corporation, registered under the Act as a non-diversified, closed-end management investment company.

Funston, one of nine directors of applicant, is also a director of Metropolitan, a New York mutual life insurance company, principally engaged in the sale of life, accident, and health insurance, and annuities, including variable annuities, Metropolitan is registered as a brokerdéaler under the Securities Exchange Act of 1934 solely because it sells variable annuities. Metropolitan engages in securities transactions as a broker-dealer only with respect to its sales of variable annuities. Metropolitan has never engaged in securities transactions on behalf of Applicant.

Section 2(a) (19) of the Act, in pertinent part, defines an "interested person" of an investment company as any broker or dealer registered under the Securities Exchange Act of 1934 or any affiliated person of such broker or dealer. Section 2(a) (3) of the Act defines an affiliated person of another person to include any director or employee of such other person. Consequently, Funston, an affiliated person of a registered brokerdealer, is an "interested person" of Applicant within the meaning of section 2 (a) (19) of the Act.

Section 6(c) of the Act provides that the Commission may, upon application, conditionally or unconditionally exempt any person from any provisions of the Act to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and with the purposes fairly intended by the policy and previsions of the Act.

Applicant represents that the legislative history of section 2(a) (19) indicates that the Congress contemplated that the Commission would exempt from the definition of "interested person" those persons who were, in fact, in a position to act independently on behalf of the investment company and its share holders in dealing with the company's investment adviser or principal underwriter.

Applicant states that Funston has no relationship with Applicant other than as a director and shareholder. Applicant represents and warrants that so long as Funston remains one of its directors, Applicant will not knowingly purchase any securities from or through, or sell any securities to or through, Metropolitan or any subsidiary of Metropolitan.

Applicant contends that Funston's affiliation with Metropolitan will not impair his independence in acting on behalf of Applicant and its shareholders.

Notice is further given that any interested person may, not later than March 4, 1974, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request, and the

issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon Applicants at the address stated above. Proof of such suervice (by affidavit, or in the case of an attorney at law, by certificate) shall be filed contemporaneously with the request. As provided by Rule 0-5 of the application will be issued as of course following March 4, 1974, unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Investment Management Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS, Secretary.

[FR Doc. 74-3863 Filed 2-15-74:8:45 am]

### [File No. 500-1]

### PATTERSON CORP.

### Notice of Suspension of Trading

FEBRUARY 8, 1974.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Patterson Corp. being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

Therefore, pursuant to section 15(c) (5) of the Securities Exchange Act of 1934, trading in such securities otherwise than on a national securities exchange is suspended, for the period from February 9, 1974 through February 18, 1974.

By the Commission.

### [SEAL] GEORGE A. FITZSIMMONS,

Secretary.

[FR Doc.74-3859 Filed 2-15-74;8:45 am]

#### [File No. 500-1]

REPUBLIC NATIONAL LIFE INSURANCE

#### Notice of Suspension of Trading

FEBRUARY 7. 1974.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Republic National Life Insurance Company being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

Therefore, pursuant to section 15(c) (5) of the Securities Exchange Act of

6156

1934, trading in such securities otherwise than on a national securities exchange is suspended, for the period from 10:00 a.m. (EDT) February 7, 1974 through February 16, 1974.

By the Commission.

[SEAL] GEORGE A. FITZSIMMONS, Secretary.

[FR Doc.74-3864 Filed 2-15-74;8:45 am]

### [File No. 500-1] **U.S. FINANCIAL INC.**

### **Notice of Suspension of Trading**

FEBRUARY 7, 1974.

The common stock of U.S. Financial Incorporated being traded on the New York Stock Exchange pursuant to provisions of the Securities Exchange Act of 1934 and all other securities of U.S. Financial Incorporated being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission that the summary suspension of trading in such securities on such exchange and otherwise than on a national securities exchange is required in the public interest and for the protection of investors:

Therefore, pursuant to sections 19(a)(4) and 15(c) (5) of the Securities Exchange Act of 1934, trading in such securities on the above mentioned exchange and otherwise than on a national securities exchange is suspended, for the period from February 8, 1974 through February 17, 1974.

By the Commission.

[SEAL] GEORGE A. FITZSIMMONS, Secretary.

[FR Doc.74-3860 Filed 2-15-74;8:45 am]

#### [File No. 500-1]

### WESTGATE CALIFORNIA CORP. **Notice of Suspension of Trading**

### FEBRUARY 8, 1974.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock (class A and B), the cumulative preferred stock (5% and 6%), the 6% subordinated debentures due 1979 and the 61/2% convertible subordinated debentures due 1987 being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors:

Therefore, pursuant to section 15(c) (5) of the Securities Exchange Act of 1934, trading in such securities otherwise than on a national securities exchange is suspended, for the period from February 9, 1974 through February 18, 1974.

By the Commission.

[SEAL] GEORGE A. FITZSIMMONS, Secretary. [FR Doc.74-3861 Filed 2-15-74;8:45 am]

### NOTICES

#### INVESTMENT ADVISERS

Notice of Intention To Cancel Registration of Certain Investment Advisers

#### FEBRUARY 8, 1974.

Notice is hereby given that the Division of Investment Management Regulation has requested that the Securities & Exchange Commission issue an order pursuant to section 203(i) of the Investment Advisers Act of 1940 (the "Act") cancelling the registrations of those investment advisers whose names appear in the attached Appendix.

The registrants named in the Appendix have not paid to the Commission the \$100 annual assessment for calendar year 1972 imposed by Rule 203-3(b) under the Act. All communications addressed to these registrants, including five mailings during 1973 concerning the annual assessment, have been returned by the Postal Service as undeliverable. This indicated a failure to comply with Rule 204-1(b) under the Act, which provides that if the information contained in any application for registration as an investment adviser, or in any amendment thereto, becomes inaccurate for any reathe investment adviser shall son. promptly file an amendment on Form ADV correcting such information.

Since the registrants named in the Appendix have not paid the annual assessment for 1972 as required by Rule 203-3(b), and have failed to notify the Commission of any change in address as required by Rule 204-1(b), the staff of the Division of Investment Management Regulation believes that reasonable grounds exist to support a finding that these registrants are no longer in existence or are not engaged in business as investment advisers.

Notice is further given that any interested person may, not later than March 5, 1974 at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request, and the issues, if any, of fact on law proposed to be controverted. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. At any time after said date, the Commission may issue an order cancelling any or all of these registrations upon the basis of the information stated herein unless an order for hearing on said cancellation shall be issued upon request. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Investment Management Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS. Secretary.

#### APPENDIX

ATLANTA REGION

Crans L. M. Investment Adviser 801-7059 McGrath John Barrington 801-3878 Ursus-Taurus Co. 801-8522

#### BOSTON REGION

National Institute of Scientific Professionals 801-778

Robbins Planning Co. 801-2332

#### CHICAGO REGION

ASI Financial Corp. 801-4693 Fry Phillip S. and Associates 801-8397 Investment Planning 801-837 Monterey Market Letter 801-3034 Siegler Edward N. & Co. 801-3832

DENVER REGION

Young & Co., Inc., 801-4468

#### FOREIGN

Crimmins Edwin Joseph 801-7573

FORT WORTH REGION

Johnson Herbert Winston 801-5120

#### LOS ANGELES REGION

Balanced Computer Planning Corp. 801-8364 Charter Counseling Corp. 801-5193 D. S. N. Management Co. 801-5986 Hilliard R. W. Investment Adviser 801–4803 Last J. T. & Co. 801–4089 Market Watchdog, the 801–5467 Quigley H. H. & Co., Inc., 801-6158 Reynolds Management & Research Co. 801-8060 Sanders & Sanders 801-5143 Walden Management Group, Inc., 801-7771 Weston Daniel D. 801-1221 William Neal Bryant 801-4109 Clemens & Co. 801-3647 Henry Hartman 801-8967 Heath & Co. 801-3927

Innovative Enterprises, Inc., 801-5584

Investors Charting Service 801-7786

Janus Management Corp. 801-5937 The Key Common Stocks Super Trading Situations 801-6745

Thomas Joseph Koukis 801-8790 The Lally Managed Stock Selection System 801-8737

Dave Las & Associates 801-8402 The MWB Report 801-8644 Rueppel Management Co. 801-7934 Securities Research Systems 801-4268 Synergetic Sciences, Inc., 801-6764 Gerald Nelson Tuthill 801-4256 Value-plus 801-8565

#### NEW YORK REGION

Allina Joseph O. 801–3470 Alphadex Corp. 801–7263 Aubert Management, Inc., 801-8476 Cartamerica Equity Studies 801–6847 Geier Letter, Inc., The 801–4391 Gentrys Momentum Studies 801-7569 The Shelton Study 801-4944 Grand Central Advisory Corp. 801-8542 Kane Richard A. 801-5892 Macrovest, Inc., 801-5472 Meredith James Howard 801-7293 PMCS Advisers. Inc., 801-8515 Scientific Systems Services 801-8756 Siko Co. 801-6055 Social Dimensions Management Corp. 801-8270

Tecton Investors Advisory Service 801-6614

#### SEATTLE REGION

Currier Edward Farnsworth 801-8016 Dumke Investment Services 801-6559 Hicks Investment Advisory Service 801-8197

#### WASHINGTON REGION

Breedlove Kendall Harold 801–7645 Cannon & Company, Inc., 801–7928 Phillips John Joseph, Jr., 801–4689

[FR Doc.74-3855 Filed 2-15-74;8:45 am]

### SUSQUEHANNA RIVER BASIN COMMISSION

#### MANAGEMENT AND DEVELOPMENT OF WATER RESOURCES OF THE SUSQUE-HANNA RIVER BASIN

Notice of Adoption of Comprehensive Plan

The Susquehanna River Basin Commission unanimously adopted a Comprehensive Plan to guide the management and development of the water resources of the Susquehanna River Basin on December 13, 1973.

The Susquehanna River Basin Compact, Public Law 91-575, requires that the Commission formulate such a Plan and that the Commission act to coordinate, guide and regulate to the extent practical and necessary, the many aspects of water resources management.

The adopted Plan sets forth broad objectives and goals and outlines program initiatives dealing with flood plain management and protection; water supply; water quality; recreation, fish and wildlife; cultural, visual and other amenities. It also establishes guidelines and criteria that the Commission will use as a basis for the consideration of proposed projects and programs affecting the water resources of the basin.

The Plan provides a broad framework for the conservation, management, development, and use of the Basin's water and related natural resources to be followed by private and governmental organizations within the Basin.

Copies of the Plan are available upon request from:

Susquehanna River Basin Commission, 5012 Lenker Street, Mechanicsburg, Pennsylvania 17055.

> ROBERT J. BIELO, Executive Director.

[FR Doc.74-3841 Filed 2-15-74;8:45 am]

### DEPARTMENT OF LABOR Occupational Safety and Health Administration [V-74-12] CONTINENTAL CAN CO., INC.

#### Application for Variance

I. Notice of Application. Notice is hereby given that Continental Can Company, Inc., Mill Operations Division, Post Office Box 1425, Augusta, Georgia 30903, has made application pursuant to section 6(d) of the Williams-Steiger Occupational Safety and Health Act of 1970 (84 Stat. 1596), and 29 CFR 1905.11 for a variance from the standards prescribed in 29 CFR 1910.261(b)(4) pertaining to lockouts for power sources.

The address of the place of employment that will be affected by the application is as follows:

Continental Can Company, Inc. Post Office Box 1425 Mill Operations Division Augusta, Georgia 30903

The applicant certifies that employees who would be affected by the variance have been notified of the application by giving a copy of it to their authorized employee representative, and by posting a copy at all places where notices to employees are normally posted. Employees have also been informed of their right to petition the Assistant Secretary for a hearing.

Regarding the merits of the application, the applicant contends that it is providing a place of employment as safe as that required by 29 CFR 1910.261(b) (4) which specifies locking out the source of power at the main disconnect switch before performing any work which requires close contact with the machinery or equipment.

The applicant states that much of its equipment is designed so it cannot be locked out. Rather than have more than one system, the applicant contends that it is safer to use a single tag-out system.

The system which has been developed involves placing the hold tag of each employee who will be working on the machine on the disconnect switch. The tag can only be removed by the shift or day electrician at the personal request of the employee. In situations where the tag-out is impossible, a man is stationed at the disconnect switch.

The applicant further states that at the time this procedure was implemented all employees received a copy of the procedure and training instruction. Training in the tag-out procedure is part of the orientation program for all new employees.

A copy of the application will be made available for inspection and copying upon request at the Office of Standards, U.S. Department of Labor, 1726 M St. NW., Room 210, Washington, D.C. 20210, and at the following Regional and Area Offices:

U.S. Department of Labor Occupational Safety and Health Administra-

tion

1375 Peachtree Street, N.E. Suite 587

Atlanta, Georgia 30309

U.S. Department of Labor

Occupational Safety and Health Administration

1371 Peachtree Street, N.E.

Suite 723 Atlanta, Georgia 30309

All interested persons, including employers and employees, who believe they would be affected by the grant or denial of the application for a variance are invited to submit written data, views and arguments relating to the pertinent application no later than March 21, 1974. In addition, employers and employees who believe they would be affected by a grant or denial of the variance may request a hearing on the application no later than March 21, 1974, in conformity with the requirements of 29 CFR 1905.15.

Submission of written comments and requests for a hearing should be in quadruplicate, and must be addressed to the Office of Standards at the above address.

Signed at Washington, D.C., this 13th day of February 1974.

JOHN STENDER, Assistant Secretary of Labor. [FR Doc.74-3892 Filed 2-15-74:8:45 am]

### COST OF LIVING COUNCIL FOOD INDUSTRY WAGE AND SALARY COMMITTEE

#### Notice of Meeting

Pursuant to the provisions of the Federal Advisory Committee Act (Public Law 92-463, 86 Stat. 770) notice is hereby given that the Food Industry Wage and Salary Committee, established under the authority of section 212(f) of Economic Stabilization Act, as amended, section 4(a) (iv) of Executive Order 11695, and Cost of Living Council Order No. 14, will meet on Wednesday, February 20, 1974. The meeting will be open to the public on a first-come, first-served basis at 10 a.m., in Conference Room 8202, 2025 M Street NW., Washington, D.C.

The agenda will consist of a discussion of policy questions involving food industry wage matters, and, if circumstances permit, of food industry wage cases pending before the Cost of Living Council.

The Chairman of the Committee is empowered to conduct the meeting in a fashion that will, in his judgment, facilitate the orderly conduct of business.

Issued in Washington, D.C., on February 15, 1974.

> HENRY H. PERRITT, Jr., Executive Secretary, Cost of Living Council

[FR Doc.74-4049 Filed 2-15-74:11:45 am]

### INTERSTATE COMMERCE COMMISSION

[Notice No. 447]

#### ASSIGNMENT OF HEARINGS

FEBRUARY 13, 1974.

Cases assigned for hearing, postponement, cancellation or oral argument appear below and will be published only once. This list contains prospective assignments only and does not include cases previously assigned hearing dates. The hearings will be on the issues as presently reflected in the Official Docket of the Commission. An attempt will be made to publish notices of cancellation of hearings as promptly as possible, but interested parties should take appropriate steps to insure that they are notified of cancellation or postponements of hearings in which they are interested. No amendments will be entertained after February 19, 1974.

#### 6158

- MC 217 Sub-16, Point Transfer, Inc.; MC 8600 Sub-31, Werner Continental, Inc.; MC 13569 Sub-27, The Lake Shore Motor Freight Co.; MC 14552 Sub-50, J. V. Mc-Nicholas Transfer Company, and MC 138286 Sub-2, John F. Scott Company, now assigned March 4, 1974, at Pittsburgh, Pa., is cancelled and reassigned to April 16, 1974 (2 weeks), at Pittsburgh, Pa., in a hearing room to be later designated. MC 33919 Sub 7, Fairchild General Freight,
- MC 33919 Sub 7, Fairchild General Freight, Inc., now assigned March 25, 1974, and MC 107456 Sub 22, Harry L. Young and Sons, Inc., now assigned March 27, 1974, at Portland, Oregon, will be held in Room 103, Pioneer Courthouse, 555 S.W. Yamhill Street.

#### [SEAL] ROBERT L. OSWALD, Secretary.

[FR Doc.74-3903 Filed 2-15-74;8:45 am]

#### [Notice No. 448]

### ASSIGNMENT OF HEARINGS

#### FEBRUARY 13, 1974.

Cases assigned for hearing, postponement, cancellation or oral argument appear below and will be published only once. This list contains prospective assignments only and does not include cases previously assigned hearing dates. The hearings will be on the issues as presently reflected in the Official Docket of the Commission. An attempt will be made to publish notices of cancellation of hearings as promptly as possible, but interested parties should take appropriate steps to insure that they are notified of cancellation or postponements of hearings in which they are interested. No amendments will be entertained after February 19, 1974.

#### CORRECTION

- MC-139822, Leggitt Leasing Corporation, now being assigned hearing March 11, 1974 (2 days), in Room 5A15-17 New Federal Bldg., 1100 Commerce Street, Dallas, Tex., instead of March 13, 1974 (3 days).
- Stead of March 13, 1974 (3 days).
   MC-116077 (Sub-No. 349), Robertson Tank Lines, Inc., now being assigned hearing March 13, 1974 (3 days), in Room 5A15-17 New Federal Bidg., 1100 Commerce Street, Dallas, Tex., instead of March 11, 1974 (2 days).

#### [SEAL] ROBERT L. OSWALD, Secretary.

[FR Doc.74-3902 Filed 2-15-74;8:45 am]

### [No. AB 1 (Sub-No. 22)] CHICAGO AND NORTH WESTERN

# TRANSPORTATION CO.

#### Abandonment Between Gowrie and Harcourt, Iowa

Present: Kenneth H. Tuggle, Commissioner, to whom the matter which is the subject of this order has been assigned for action thereon.

Upon consideration of the record in the above-entitled proceeding and of a staff-prepared environmental threshold assessment survey which is available for public inspection upon request; and

It appearing, that no environmental impact statement need be issued in this proceeding, because this proceeding does

not represent a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321, et seq.: and good cause appearing therefore:

It is ordered, That applicant be, and is hereby, directed to publish the appended notice in a newspaper of general circulation in Webster County, Iowa, within 15 days of service of this order, and certify to this Commission that this has been accomplished.

And it is further ordered, That notice of this order shall be given to the general public by depositing a copy thereof in the Office of the Secretary of the Commission at Washington, D.C. 20423, and by forwarding a copy to the Director, Office of the Federal Register, for publication in the FEDERAL REGISTER.

Dated at Washington, D.C., this 12th day of February, 1974.

By the Commission, Commissioner Tuggle.

[SEAL] ROBERT L. OSWALD, Secretary.

# INTERSTATE COMMERCE COMMISSION

#### [No. AB 1 (Sub-No. 22]

#### Chicago and North Western Transportation Company

#### Abandonment Between Gowrie and Harcourt, Iowa

The Interstate Commerce Commission hereby gives notice that by order dated February 12, 1974, it has been determined that the proposed abandonment of the line of Chicago and North Western Transportation Company (C&NW) between Gowrie and Harcourt, Iowa, a distance of approximately 5.4 miles, if approved by the Commission, would not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. §§ 4321, et seq., and that preparation of a detailed environmental impact statement will not be required under section 4332(2)(c) of the NEPA

Approval of the abandonment will facilitate the sale of the westernmost 2.5 miles of track to the Consolidated Cooperative of Gowrie, which will operate its own railroad over said track between its new half million bushel grain elevator and the C&NW's main line at Gowrie. Furthermore, the abandonment will not substantially affect the area's total transportation scheme due to the availability of nearby rail service and the lack of traffic over the subject line in recent years.

The determination was based upon the staff preparation and consideration of an environmental threshold assessment survey, which is available for public inspection upon request to the Interstate Commerce Commission, Office of Proceedings, Washington, D.C. 20423; telephone 202-343-6989.

Interested parties may comment on this matter by the submission of representations to the Interstate Commerce Commission, Washington, D.C. 20423, on or before March 6, 1974.

[FR Doc.74-3898 Filed 2-15-74;8:45 am]

# [Notice No. 24]

#### MOTOR CARRIER BOARD TRANSFER PROCEEDINGS

Synopses of orders entered by the Motor Carrier Board of the Commission pursuant to sections 212(b), 206(a), 211, 312(b), and 410(g) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 1132), appear below:

Each application (except as otherwise specifically noted) filed after March 27, 1972, contains a statement by applicants that there will be no significant effect on the quality of the human environment resulting from approval of the application. As provided in the Commission's Special Rules of Practice any interested person may file a petition seeking reconsideration of the following numbered proceedings on or before March 11, 1974. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC-74870. By order of February 11, 1974, the Motor Carrier Board approved the transfer to Nystrom's Moving & Storage, Inc., P.O. Box 276, Iron Mountain, Mich., of the operating rights in Certificate No. MC-106847 issued February 26, 1969 to Kenneth G. Estes, doing business as Trudell Transfer, 216 Roseland St., Kingsford, Mich., authorizing the transportation of general commodities, with exceptions, from Iron Mountain, Mich. to points in Marinette, Florence, and Forest Countles, Wis.

No. MC-FC-74883. By order of February 7, 1974, the Motor Carrier Board approved the transfer to R-G-M, a corporation, doing business as Interlines, Inc., Hawthorne, Calif., of Certificate No. MC-13651 (Sub-No. 1) issued April 16, 1962, to Peoples Transfer, Inc., Yuma, Ariz., authorizing the transportation of general commodities, with the usual exceptions, between points in the Los Angeles Harbor, Calif., Commercial Zone, and the Los Angeles, Calif., Commercial Zone; and between points in the Los Angeles, Calif., Commercial Zone on the one hand, and, on the other, points in the Los Angeles Harbor, Calif., Commercial Zone. Mr. Milton W. Flack, attorney at Law, 4311 Wilshire Boulevard, Los Angeles, Calif. 90010.

No. MC-FC-74961. By order of February 12, 1974, the Motor Carrier Board approved the transfer to Burlingame Truck Line, Inc., Scranton, Kans., of Certificates No. MC 50866 and MC 50866 (Sub No. 4) issued to J. W. Kline and E. L. Seastrom, dba K & S Truck Line,

Burlingame, Kans., authorizing the transportation of: General commodities, usual exceptions, and numerous specified commodities, between specified points and areas in Kansas and Missouri. Clyde N. Christey, attorney, 641 Harrison St., Topeka, Kans. 66603.

No. MC-FC-74965. By order entered February 11, 1974, the Motor Carrier Board approved the transfer to Perkins Motor Transport, Inc., Mankato, Minn., of the operating rights set forth in Permit No. MC-136411 (Sub-No. 1), issued March 22, 1973, to Daryl Perkins, Neil Perkins, and Dennis Perkins, doing business as Perkins Motor Transport, Mankato, Minn., authorizing the transportation of pre-stressed concrete hollow core slabs used for structural floor or wall paneling, from Savage, Minn., to points in Illinois, Indiana, Iowa, North Dakota, South Dakota, and Wisconsin, restricted to a transportation service to be performed under a continuing contract, or contracts, with Fabcon, Inc. James H. Malecki, State and Center Streets, New Ulm, Minn. 58073, attorney for applicants

No. MC-FC-74968. By order of February 11, 1974, the Motor Carrier Board approved the transfer to Joseph L. Edelstein, Inc., Peabody, Mass., of Certificate of Registration No. MC-57211 (Sub No. 1), evidencing a right to engage in interstate or foreign commerce in the transportation of general commodities, solely within the State of Massachusetts. Richard L. Reynolds, attorney, 480 Lincoln Ave., Saugus, Mass, 01906.

No. MC-FC-74969. By order of February 12, 1974, the Motor Carrier Board approved the transfer to Val-Co Corp., Justice, Ill., of a portion of the operating rights in Certificate No. MC-136147 (Sub-No. 1) issued July 18, 1973 to Valley Transit Corp., Justice, Ill., authorizing the transportation of passengers and their baggage, and express and newspapers in the same vehicle with passengers between Chicago, Ill. and Joliet, Ill., over regular routes. James R. Madler, 1255 N. Sandburg Terr., Chicago, Ill. 60610, attorney for applicants.

[SEAL] ROBERT L. OSWALD, Secretary,

[FR Doc.74-3901 Filed 2-15-74;8:45 am]

#### [Notice No. 23]

#### MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

The following are notices of filing of application, except as otherwise specifically noted, each applicant states that there will be no significant effect on the quality of the human environment resulting from approval of its application, for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules of Ex Parte No. MC-67 (49 CFR 1131) published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965.

These rules provide that protests to the granting of an application must be filed with the field official named in the FED-ERAL REGISTER publication, on or before March 6, 1974. One copy of such protests must be served on the applicant, or its authorized representative, if any, and the protests must certify that such service has been made. The protests must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six (6) copies.

A copy of the application is on file, and can be examined at the Office of the Secretary. Interstate Commerce Commission, Washington, D.C., and also in the field office to which protests are to be transmitted.

#### MOTOR CARRIERS OF PROPERTY

No. MC 30887 (Sub-No. 201 TA), filed February 4, 1974. Applicant: SHIPLEY TRANSFER, INC., 49 Main Street, Reisterstown, Md. 21136. Applicant's representative: Theodore Polydoroff, 1250 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Molten liquid polypropylene, in bulk, in tank vehicles, from Crowley, La., to Doswell, Va., for 180 days. SUPPORTING SHIPPER: Mr. E. F. Townsend, District Traffic Manager, Hercules Incorported, 900 Life of Tower, Atlanta, Ga. 30308. PROTESTS TO: William L. Georgia SEND PROTESTS TO: Hughes, District Supervisor, Interstate Commerce Commission, Bureau of Operations. 814-B Federal Building, Baltimore, Md. 21201.

No. MC 30887 (Sub-No, 202 TA), filed February 4, 1974. Applicant: SHIPLEY TRANSFER, INC., 49 Main Street, Reisterstown, Md. 21136. Applicant's representative: Theodore Polydoroff, 1250 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Dry plastic granules, in bulk, in tank vehicles, from Baltimore, Md., to Lampeter, Pa., on traffic having a prior movement by rail, for 180 days. SUPPORTING SHIP-PER: Mr. Charles J. Helton, Senior Analyst, Exxon Chemical Company USA, 1333 W. Loop South, Houston, Tex. 77027. SEND PROTESTS TO: William L. Hughes, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 814-B Federal Building, Baltimore, Md. 21201.

No. MC 51146 (Sub-No. 357 TA), filed February 4, 1974. Applicant: SCHNEI-DER TRANSPORT, INC., P.O. Box 2298, Green Bay, Wis. 54306. Applicant's representative: Neil DuJardin (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Waste paper, from points in Ohio, Indiana, Illinois, St. Louis, Mo., and Louisville, Ky., to Battle Creek, Mich., for 180 days. SUPPORTING SHIPPER: Michigan Carton Company, 79 E. Fountain Street, Battle Creek, Mich. 49016 (Wen-

dell D. Chichester, Traffic Manager). SEND PROTESTS TO: District Supervisor John E. Ryden, Interestate Commerce Commission, Bureau of Operations, 135 West Wells Street, Room 807, Milwaukee, Wis. 53203.

No. MC 82841 (Sub-No. 134 TA) (COR-RECTION), filed January 22, 1974, published in the FEDERAL REGISTER issue of February 5, 1974, and republished as corrected this issue. Applicant: HUNT TRANSPORTATION, INC., 10770 I Street, Omaha, Nebr. 68127. Applicant's representative: Marshall D. Becker, Suite 530, Univac Building, 7100 West Center Road, Omaha, Nebr. 68106. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Hay handling and processing equipment, and attachments, from Lincoln, Nebr., to points in the United States (except Alaska and Hawaii), for 180 days. SUPPORTING SHIPPER: Mc-Kee Bros. Limited. George A. Rode. Traffic Manager, #54 Oriole Pwky., El-mira, Ontario, Canada. SEND PRO-TESTS TO: Carroll Russell, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Suite 620, Union Pacific Plaza Building, 110 North 14th Street, Omaha, Nebr. 68102.

NOTE.—The purpose of this republication is to add *Hay* as part of the original commodity, which was omitted in error.

No. MC 11075 (Sub-No. 118TA), filed January 30, 1974. Applicant: TRANS-PORT, INC., 1215 Center Avenue, P.O. Box 396, Moorhead, Minn. 56560. Applicant's representative: Ronald B. Pitsenbarger, P.O. Box 396, Moorhead, Minn. 56560. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Petroleum products, in bulk, from Mankato, Minn., to points in South Dakota, Nebraska, and Iowa, for 180 days. SUPPORTING SHIP-PER: Midwest Oil of South Dakota, 615 East 8th, Sioux Falls, S. Dak. 57100. SEND PROTESTS TO: J. H. Ambs, District Supervisor, Bureau of Operations, Interstate Commerce Commission, P.O. Box 2340, Fargo, N. Dak. 58102.

No. MC 104654 (Sub-No. 154TA), filed February 4, 1974. Applicant: COMMER-CIAL TRANSPORT, INC., P.O. Box 469, Belleville, Ill. 62222. Applicant's repre-sentative: Edward G. Villalon, 1032 Pennsylvania Building, Pennsylvania Ave. and 13th St. NW., Washington, D.C. 20004. Authority sought to operate as a common carrier by motor vehicle, over irregular routes, transporting: Liquid fertilizer solutions in bulk, in tank vehicles, (1) From Dublin and Jordan, Ind., to points in Illinois, Kentucky, Michigan, and Ohio; and (2) From Breese, Ill., to points in Indiana and Kentucky, for 180 days. SUPPORTING SHIPPER: J. J. Stefanec, Manager of Transportation Legislation, Agrico Chemical Company, P.O. Box 3166, Tulsa, Okla. 74101. SEND PROTESTS TO: Harold C. Jolliff. District Supervisor, Interstate Commerce Commission, Bureau of Operations, Leland Office Building, 527 East Capitol

62701.

No. MC 107010 (Sub-No. 51TA), filed Februray 1, 1974. Applicant: BULK CARRIERS, INC., P.O. Box 423, Auburn, Nebr. 68305. Applicant's representative: Patrick E. Quinn, Box 82028, Lincoln, Nebr. 68501. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Anhydrous ammonia, from the Mapco Pipeline terminal at or near Clay Center, Kans., to points in Iowa, Missouri, and Nebraska, for 180 days. SUPPORTING SHIPPER: Charles D. Rosas, Farmland Industries, Inc., Box 7305, Kansas City, Mo. 64116. SEND PROTESTS TO: Max H. Johnston, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 320 Federal Building and Court House, Lincoln, Nebr. 68508.

No. MC 107403 (Sub-No. 880TA). filed January 29, 1974. Applicant: MAT-LACK, INC., 10 W. Baltimore Ave., Lansdowne, Pa. 19050. Applicant's representative: John Nelson (same address as applicant). Authority sought to operate as a common carrier, by motor ve-hicle, over irregular routes, transporting: Activated carbon, in bulk, in tank vehicles, from Cedar Rapids, Iowa, to Pittsburgh, Pa., for 180 days. SUPPORT-ING SHIPPER: Calgon Corporation, P.O. Box 1346, Pittsburgh, Pa. 15230. SEND PROTESTS TO: Ross A. Davis, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Federal Building, Room 3238, 600 Arch Street, Philadelphia, Pa. 19106.

No. MC 107403 (Sub-No. 881TA), filed February 5, 1974. Applicant: MATLACK, INC., 10 West Baltimore Ave., Lansdowne, Pa. 19050. Applicants representative: John Nelson (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: No. 4 fuel oil, in bulk, in tank vehicles, from Columbus, Ohio, to Decatur, Ill., for 180 days. SUPPORTING SHIPPER: C. M. Thomas, Owner, Ray Oil Company, 120 E. Ogden Avenue, Hinsdale, Ill. 60521. SEND PROTESTS TO: Ross A. Davis, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 600 Arch Street, Room 3238, Philadelphia, Pa. 19106.

No. MC 111729 (Sub-No. 416TA), filed February 4, 1974. Applicant: PUROLA-TOR COURIER CORP., 2 Nevada Drive, Lake Success, N.Y. 11040. Applicant's representative: John M. Delany (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Business papers, records, audit and accounting media of all kinds, and advertising material of all kinds, related thereto, (1) Between Chicago, Ill., and points in Missouri (except St. Louis County, Mo.); (2) Between Oak Brook. Ill., and Lansing, Mich.; and (3) Between Richmond, Va., and Greenville, S.C., for 90 days. SUPPORTING SHIPPERS: Sears Roebuck & Company, 925 S. Ho-

Avenue, Room 414, Springfield, Ill. man, Chicago, Ill.; Prudential Property and Casualty Insurance Company, 2111 Enco Drive, Oak Brook, Ill.; and The C. F. Sauer Company, 2000 W. Broad Street, Richmond, Va. SEND PROTESTS TO: Anthony D. Giaimo, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 26 Federal Plaza, New York, N.Y. 10007.

> No. MC 114239 (Sub-No. 31 TA) (Correction), filed January 17, 1974, published in the FEDERAL REGISTER Notice No. 22, dated February 7, 1974, and republished as corrected this issue. Applicant: FAR-RIS TRUCK LINE, Faucett, Mo. 64448, Mail: 3209 S. Highway 169, St. Joseph, Mo. 64503. Applicant's representative: Tom B. Kretsinger, Suite 910, Fairfax Building, 101 Eleventh Street, Kansas City Kans. 64105.

> Note .- The purpose of this partial republication is to show the correct Sub number as No. MC 114239 (Sub-No. 31 TA), in lieu of MC 114239 (Sub-No. 3 TA), which was published in the FEDERAL REGISTER in error. The rest of the publication will remain the same.

No. MC 114725 (Sub-No. 55 TA), filed January 31, 1974. Applicant: WYNNE TRANSPORT SERVICE, INC., 2606 North 11th Street, Omaha, Nebr. 68110. Applicant's representative: J. Max Harding, 605 South 14th Street, P.O. Box 82028, Lincoln, Nebr. 68501. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes. transporting: Distillers solubles, from Atchison, Kans., to Omaha, Nebr., for 180 days. SUPPORTING SHIPPER: Allied Chemical Corporation, James T. Helm, Area Manager, 801 Abbott Drive, Omaha, Nebr. SEND PROTESTS TO: District Supervisor Carroll Russell, Interstate Commerce Commission, Bureau of Operations, Suite 620, Union Pacific Plaza, 110 North 14 St., Omaha, Nebr. 68102.

No. MC 116077 (Sub-No. 351TA), filed February 1, 1974. Applicant: ROBERT-SON TANK LINES, INC., 2000 West Loop South, Suite 1800, Houston, Tex. 77027. Applicant's representative: J. C. Browder (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Liquid caustic potash, in bulk, in tank vehicles, from Corpus Christi, Tex., to Billings, Mont., for 180 days. SUPPORTING SHIPPER: PPG Industries, Inc., One Gateway Center, Pittsburgh, Pa. SEND PROTESTS TO: District Supervisor John Mensing, Interstate Commerce Commission, Bureau of Operations, 8610 Federal Building, 515 Rusk Avenue, Houston, Tex. 77002.

No. MC 116273 (Sub-No. 168TA), filed January 31, 1974. Applicant: D & L TRANSPORT, INC., 3800 S. Laramie Ave., Cicero, Ill. 60650. Applicant's representative: Charles T. Jensen (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Dry plastics, in bulk, in tank vehicles, from Henry, Ill., to Pauline, Kans., and Faribault, Minn., for 180 days. SUPPORTING SHIPPER: B. F. Good-

rich Chemical Company, 6100 Oak Tree Blvd., Cleveland, Ohio 44131. SEND PROTESTS TO: District Supervisor Richard K. Shullaw, Interstate Com-merce Commission, Bureau of Operations, Everett McKinley Dirksen Building, 219 S. Dearborn Street, Room 1086, Chicago, Ill. 60604.

No. MC 123048 (Sub-No. 290 TA), filed January 30, 1974. Applicant: DIAMOND TRANSPORTATION SYSTEM, INC., 5021 21st Street, P.O. Box A, Racine, Wis. 53401. Applicant's representative: Carl S. Pope (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular transporting: Lawn mowers, routes. lawn and garden tractors, edger-trimmers, tillers, shredders and baggers, and snow throwers and parts, attachments and accessories for the above named commodities when shipped in mixed loads with the above named commodities, from the plant and warehouse sites of MTD Products, Inc., a Division of Modern Tool & Die Company, located in the Township of Liverpool, Ohio, to Palm Springs and Tulare, Calif.; points in Colorado: and points in the United States east of the western boundary line of the States of North Dakota, South Dakota, Nebraska, Oklahoma, and Texas, for 180 days. SUPPORTING SHIPPERS: Western Auto Supply Company, 2107 Grand Avenue, Kansas City, Mo. 64108 (Raymond F. Schaefer, Transportation Manager), and White Farm Equipment Company, a Division of White Motor Corporation, 2625 Butterfield Road, Oak Brook, Ill. 60521 (Richard D. Jones, Parts Administration Manager). SEND PRO-TESTS TO: District Supervisor John E. Ryden, Interstate Commerce Commission, Bureau of Operations, 135 West Wells Street, Room 807, Milwaukee, Wis. 53203

No. MC 124236 (Sub-No. 65TA), filed February 4, 1974. Applicant: CHEMI-CAL EXPRESS CARRIERS, INC., 1200 Simons Building, Dallas, Tex. 75201. Applicant's representative: Leroy Hallman, Phinney, Hallman, Pulley & Coke, 4555 First National Bank Building, Dallas, Tex. 75202. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Cement, in bulk, in tank vehicles, from Dallas, Tex., to Mobile, Ala., for 180 days. SUPPORTING SHIPPER: Trinity Division, General Portland Inc., P.O. Box 47524, Dallas, Tex. 75247. SEND PRO-TESTS TO: Gerald T. Holland, Transportation Specialist, Interstate Com-merce Commission, Bureau of Opera-tions, 1100 Commerce Street, Room 13C12, Dallas, Tex. 75202.

No. MC 127115 (Sub-No. 6TA), filed January 30, 1974. Applicant: MILLER'S TRANSPORT, INC., 510 West 4th North, Hyrum, Utah 84319. Applicant's representative: Harry D. Pugsley, 400 El Paso Gas Building, Salt Lake City, Utah 84111. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Rubber foam and cellular expanded plastics, from Orange and Anaheim, Calif., to points in Utah

and Idaho, for 180 days. SUPPORTING SHIPPER: General Tire & Rubber Co., No. 1 General Street, Akron, Ohio 44309 (Joseph S. Vatalaro, Corporate Director of Traffic). SEND PROTESTS TO: District Supervisor Lyle D. Helfer, Interstate Commerce Commission, Bureau of Operations, 5239 Federal Building, 125 South State Street, Salt Lake City, Utah 84138.

No. MC 128141 (Sub-No. 7TA), filed February 1, 1974. Applicant: TRI-STATE TRANSPORT, INC., P.O. Box 4109, Davenport, Iowa 52808. Applicant's representative: Carl E. Munson, 469 Fischer Building, Dubuque, Iowa 52001. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Liquid nitrogen solutions, in bulk, in tank vehicles, from, at, or near Buffalo, Iowa, to points in Illinois, Minnesota, Missouri, and Wisconsin, for 180 days. SUPPORT-ING SHIPPER: Twin State Engineering Company, 3732 West River Drive, Davenport, Iowa 52802. SEND PROTESTS TO: Herbert W. Allen, Transportation Spe-cialist, Bureau of Operations, Interstate Commerce Commission, 875 Federal Building, Des Moines, Iowa 50309.

No. MC 135248 (Sub-No. 10TA), filed February 4, 1974. Applicant: WILLIAM H. DEES, doing business as DEES TRANSPORTATION, P.O. Box 446, Worland, Wyo. 82401. Applicant's representative: Robert S. Stauffer, 3539 Boston Road, Cheyenne, Wyo. 82001. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Malt beverages and advertising materials when moving with malt beverages, (1) from Omaha, Nebr., to Cheyenne, Casper, Rawlins, and Basin, Wyo.; (2) from Los Angeles, Calif., to Basin, Rawlins, Rock Springs, and Worland, Wyo.; and (3) from Fairfield, Calif., to Basin, Cheyenne, Casper, Rawlins, and Rock Springs, Wyo., for 180 days. SUPPORTING SHIPPERS: Teton Distributors, Inc., P.O. Box 18, Worland, Wyo. 82401; Orrison Frontier and Distributing, Inc., Box 3282, Cheyenne, Wyo. 82001; Western Wyoming Beverages, Inc., P.O. Box 1336, Rock Springs, Wyo. 82901; and Kenny, Inc., Hammond Bldg., R.R. Avenue, Basin, Wyo. 82410. SEND PROTESTS TO: District Supervisor Paul A. Naughton, Interstate Commerce Commission, Bureau of Operations, Room 1006, Federal Building & Post Office, 100 East B Street, Casper, Wyo. 82601.

No. MC 136247 (Sub-No. 9TA), filed February 1, 1974. Applicant: WRIGHT TRUCKING, INC., 409 17th Street SW.,

P.O. Box 346, Jamestown, N. Dak. 58401. Applicant's representative: Richard P. Anderson, 502 First National Bank Bldg., Fargo, N. Dak. 58102. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Wine, brandy, and champagne (except in bulk in tank vehicles), from Guild Winery at or near Lodi, Calif.; Paul Masson Winery at or near Saratoga, Calif.; Gallo Winery at or near Modesto, Calif.; and Christian Bros. Wineries at or near Reedley and St. Helena, Calif., to Minot and Fargo, N. Dak., for 180 days. SUPPORTING SHIPPERS: Congress, Inc., 6th Avenue and 15th Street North, Fargo, N. Dak. 58102; and Dakota Beverage Company, Box 128, Minot, N. Dak. 58701. SEND PROTESTS TO: J. H. Ambs, District Supervisor, Bureau of Operations, Interstate Commerce Commission, P.O. Box 2340, Fargo, N. Dak. 58102.

No. MC 139276 (Sub-No. 1 TA), filed January 30, 1974. Applicant: ALOHA FREIGHTWAYS, INC., 225 West Higgins Road, Des Plaines, Ill. 60018. Applicant's representative: Eugene L. Cohn, One North La Salle Street, Chicago, Ill. 60602. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Iron or steel, plate or sheet and skids and racks, from the plantsites and warehouses of Pre Finish Metals, Inc., at Elk Grove Village, Ill., to Niles, Sturgis, and White Pigeon, Mich., for 180 days. SUPPORT-ING SHIPPER: Roger W. Trimble, General Warehouse Manager, Pre Finish Metals, Inc., 2111 East Pratt Blvd., Elk Grove Village, Ill. 60007. SEND PRO-TESTS TO: William J. Gray, Jr., Transportation Specialist, Interstate Commerce Commission, Bureau of Operations. Everett McKinley Dirksen Bldg., 219 S. Dearborn St., Room 1086, Chicago, Ill. 60604.

No. MC 139473 TA, filed January 29, 1974. Applicant: RED, WHITE & BLUE, INC., Star Route 1, Box 81, Seabeck, Wash. 98030. Applicant's representative: George R. La Bissoniere, 130 Andover Park East, Seattle, Wash. 98188. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Scrap iron and steel for recycling purposes only, (A) between Chehalis and Seattle, Wash., on the one hand, and, Portland, Oreg., and the United States-Canada Port of Entry at Blaine, Wash., on the other hand, and (B) between Ephrata, Wash., and Portland, Oreg., for 180 days. SUPPORTING SHIPPER: Purdy Company of Washington, 1200 112th Avenue NE., Suite 250, Bellevue, Wash. 98004. SEND PRO-

TESTS TO: L. D. Boone, Transportation Specialist, Interstate Commerce Commission, Bureau of Operations, 6049 Federal Office Building, Seattle, Wash. 98104.

No. MC 139474 TA, filed January 30, 1974. Applicant: MARLIN REESE, doing business as REESE LUMBER COM-PANY, Route 3, Cabool, Mo. 65689. Applicant's representative: Turner White, 910 Plaza Towers, Springfield, Mo. 65804. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Wooden pallets, treated posts, and finished lumber, from points in Douglas County, Mo., to Chicago, Canton, Rock Island, Joliet, Elgin, and Kankakee, Ill.; Oklahoma City, Enid, and Tulsa, Okla.; Grand Island and Omaha, Nebr.; Indianapolis, Fort Wayne, Hammond, and Gary, Ind.; and their commercial zones, for 180 days. SUP-PORTING SHIPPERS: Reese Woodtreating Co., Vanzant, Mo.; J. E. Post Co., Vanzant, Mo. 65768; and Upham & Walsh Lumber, 2720 Des Plaines Avenue, Des Plaines, Ill. 60018. SEND PROTESTS TO: John V. Barry, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 600 Federal Office Building, 911 Walnut Street, Kansas City, Mo. 64106.

By the Commission.

[SEAL] ROBERT L. OSWALD, Secretary.

[FR Doc.74-3899 Filed 2-15-74;8:45 am]

#### Notice No. 251

#### MOTOR CARRIER TRANSFER PROCEEDINGS

FEBRUARY 13, 1974.

Application filed for temporary authority under section 210(a)(b) in connection with transfer application under section 212(b) and Transfer Rules, 49 CFR Part 1132:

No. MC-FC-74980. By application filed February 11, 1974, NYLANTIC FREIGHT LINES, INC., 1415 Boston Post Rd., Larchmont, NY 10538, seeks temporary authority to lease a portion of the operating rights of EXPRESS/ S.D.Z., IRVING KLEIN, Trustee in Bankruptcy, 280 Broadway, NY 10007, under section 210a(b). The transfer to NY-LANTIC FREIGHT LINES, INC., of the operating rights of EXPRESS/S.D.Z., IRVING KLEIN, Trustee in Bankruptcy, is presently pending.

By the Commission.

ROBERT L. OSWALD, Secretary.

[FR Doc.74-3900 Filed 2-15-74;8:45 am]

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