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TITLE 3—THE PRESIDENT

PROCLAMATION 3047

NATIONAL FARM SAFETY WEEK, 1954

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS more accidental deaths occur in farming than in any other major industry in this country; and

WHEREAS a disabling injury strikes some farm person in America every twenty-six seconds, on an average, as the result of an avoidable accident; and

WHEREAS this appalling loss can be greatly reduced by the exercise of care and caution on the part of farm people:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby call upon the Nation to observe the week beginning July 25, 1954, as National Farm Safety Week; and I urgently request all farm residents to make every effort to develop safe work habits and skills, so that they may "Farm To Live and Live To Farm". I also request all persons and organizations interested in farm life and welfare to join in a campaign to free as many farm homes as possible from the tragedies and losses caused by needless accidents.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this thirtieth day of March in the year of our Lord nineteen hundred and [SEAL] fifty-four, and of the Independence of the United States of America the one hundred and seventy-eighth.

DWIGHT D. EISENHOWER

By the President:

JOHN FOSTER DULLES,
Secretary of State.

[F. R. Doc. 54-2422; Filed, Mar. 31, 1954; 2:22 p. m.]

PROCLAMATION 3048

IMPOSING A QUOTA ON IMPORTS OF RYE, RYE FLOUR, AND RYE MEAL

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS, pursuant to section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935, 49 Stat. 773, reenacted by section 1 of the act of June 3, 1937, 50 Stat. 246, and as amended by section 3 of the act of July 3, 1948, 62 Stat. 1248, section 3 of the act of June 28, 1950, 64 Stat. 261, and section 8 (b) of the act of June 16, 1951, 65 Stat. 72 (7 U. S. C. 624), the Secretary of Agriculture advised me there was reason to believe that rye, rye flour, and rye meal are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the price-support program undertaken by the Department of Agriculture with respect to rye pursuant to sections 301 and 401 of the Agricultural Act of 1949, as amended, or to reduce substantially the amount of products processed in the United States from domestic rye with respect to which such program of the Department of Agriculture is being undertaken;

WHEREAS, on December 9, 1953, I caused the United States Tariff Commission to make an investigation under the said section 22 with respect to this matter;

WHEREAS the said Tariff Commission has made such investigation and has reported to me its findings and recommendations made in connection therewith;

WHEREAS, on the basis of the said investigation and report of the Tariff Commission, I find that rye, rye flour, and rye meal, in the aggregate, are being and are practically certain to continue to be imported into the United States

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(For use during 1954)

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Title 16 ($1.00)
Titles 22–23 ($1.00)
Title 24 ($0.75)

Previously announced: Title 8 ($0.35); Titles 10–13 ($0.50); Title 18 ($0.45); Title 25 ($0.45); Titles 40–42 ($0.50); Title 49: Parts 1 to 70 ($0.60); Parts 71 to 90 ($0.65); Parts 91 to 164 ($0.45); Parts 165 to end ($0.60)

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under such conditions and in such quantities as to interfere materially with and to tend to render ineffective the said price-support program with respect to rye, and to reduce substantially the amount of products processed in the United States from domestic rye with respect to which said price-support program is being undertaken; and

WHEREAS I find and declare that the imposition of the quantitative limitations hereinafter proclaimed is shown by such investigation of the Tariff Commission to be necessary in order that the entry, or withdrawal from warehouse, for consumption of rye, rye flour, and rye meal will not render ineffective, or materially interfere with, the said price-support program:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, acting under and by virtue of the authority vested in me by the said section 22 of the Agricultural Adjustment Act, as amended, do hereby proclaim that

(1) the total aggregate quantity of rye, rye flour, and rye meal which may be entered, or withdrawn from warehouse, for consumption in the period beginning on the date of this proclamation and ending at the close of June 30, 1954, shall not exceed 31,000,000 pounds, of which not more than 2,500 pounds may be in the form of rye flour or rye meal; and

(2) the total aggregate quantity of rye, rye flour, and rye meal which may be entered, or withdrawn from warehouse, for consumption in the 12-month period beginning July 1, 1954, shall not exceed 186,000,000 pounds, of which not more than 15,000 pounds may be in the form of rye flour or rye meal,

which permissible total quantities I find and declare to be proportionately not less than 50 per centum of the total quantity of such rye, rye flour, and rye meal entered, or withdrawn from warehouse, for consumption during the representative period July 1, 1950 to June 30, 1953, inclusive.

The provisions of this proclamation shall not apply to certified or registered seed rye for use for seeding and crop-improvement purposes, in bags tagged and sealed by an officially recognized seed-certifying agency of the country of production, if

(a) the individual shipment amounts to 100 bushels (of 56 pounds each) or less, or

(b) the individual shipment amounts to more than 100 bushels (of 56 pounds each) and the written approval of the Secretary of Agriculture or his designated representative is presented at the time of entry, or bond is furnished in a form prescribed by the Commissioner of Customs in an amount equal to the value of the merchandise as set forth in the entry, plus the estimated duty as determined at the time of entry, conditioned upon the production of such written approval within six months from the date of entry.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the City of Washington this 31st day of March in the year of our Lord nineteen hundred and fifty-four, and of the Independence of the United States of America the one hundred and seventy-eighth.

[SEAL]

DWIGHT D. EISENHOWER

By the President:

JOHN FOSTER DULLES,
Secretary of State.

[F. R. Doc. 54-2436; Filed, Mar. 31, 1954; 5:00 p. m.]

EXECUTIVE ORDER 10524

DELEGATING CERTAIN FUNCTIONS OF THE PRESIDENT RESPECTING SCHOOL-CONSTRUCTION ASSISTANCE

By virtue of the authority vested in me by section 301 of title 3 of the United States Code, and as President of the United States, it is hereby ordered as follows:

SECTION 1. The Secretary of Health, Education, and Welfare is hereby authorized and empowered, without the approval, ratification, or other action of the President, to make the findings authorized to be made by the President under section 305 (a) (3) of the act of September 23, 1950, entitled "An Act relating to the construction of school facilities in areas affected by Federal activities, and for other purposes", as added by section 1 of the act of August 8, 1953, Public Law 246, 83rd Congress (67 Stat. 523; 20 U. S. C. 295 (a) (3)).

SEC. 2. In making the findings described in clause (A) of the said section 305 (a) (3), the Secretary of Health, Education, and Welfare shall follow and be bound by the recommendations of the Director of the Office of Defense Mobilization with respect thereto, and in making the findings described in clause (B) of the said section, the Secretary of Health, Education, and Welfare shall follow and be bound by the recommen-

dations of the Secretary of Labor with respect thereto. The recommendations of the Director of the Office of Defense Mobilization and of the Secretary of Labor shall be furnished promptly to the Secretary of Health, Education, and Welfare upon the latter's request therefor from time to time.

SEC. 3. Except as may be incompatible with the requirements of national security as determined by the Secretary of Defense, the said Secretary shall furnish the Secretary of Labor, upon request made from time to time by the Secretary of Labor, information respecting the inmigration of military personnel as referred to in clause (B) of the said section 305 (a) (3).

DWIGHT D. EISENHOWER

THE WHITE HOUSE,
March 31, 1954.

[F. R. Doc. 54-2452; Filed, Apr. 1, 1954; 10:17 a. m.]

RULES AND REGULATIONS

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

VETERANS' ADMINISTRATION

Effective upon publication in the FEDERAL REGISTER, paragraph (e) is added to § 6.122 as set out below.

§ 6.122 *Veterans' Administration.* * * *

(e) *Department of Veterans' Benefits.* (1) Assistant Deputy Administrator (Field)—(not to exceed March 31, 1955).

(2) Executive Director for Supervision.

(3) Five Area Management Supervisors.

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633. E. O. 10440, March 31, 1953, 18 F. R. 1823)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] WM. C. HULL,
Executive Assistant.

[F. R. Doc. 54-2398; Filed, Apr. 1, 1954; 8:55 a. m.]

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

DEPARTMENT OF STATE

Effective upon publication in the FEDERAL REGISTER, subparagraph (15) is added to § 6.302 (a) as set out below.

§ 6.302 *Department of State*—(a) *Office of the Secretary.* * * *

(15) Secretary of the International Joint Commission—United States and Candada.

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633. E. O. 10440, March 31, 1953, 18 F. R. 1823)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] WM. C. HULL,
Executive Assistant.

[F. R. Doc. 54-2397; Filed, Apr. 1, 1954; 8:55 a. m.]

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

DEPARTMENT OF JUSTICE

Effective upon publication in the FEDERAL REGISTER § 6.308 (l) (2) is added as set out below.

§ 6.308 *Department of Justice.* * * *
(l) Office of Legal Counsel. * * *

(2) The First Assistant to the Assistant Attorney General.

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633. E. O. 10440, March 31, 1953, 18 F. R. 1823)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] WM. C. HULL,
Executive Assistant.

[F. R. Doc. 54-2362; Filed, Apr. 1, 1954; 8:49 a. m.]

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

THE TAX COURT OF THE UNITED STATES

Effective upon publication in the FEDERAL REGISTER, paragraphs (a) and (c) of § 6.120 are revoked and § 6.320 (a) is added as set out below:

§ 6.320 *The Tax Court of the United States.* (a) One Private Secretary and two Technical Assistants for the Chief Judge and each Judge.

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633. E. O. 10440, March 31, 1953, 18 F. R. 1823)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] WM. C. HULL,
Executive Assistant.

[F. R. Doc. 54-2363; Filed, Apr. 1, 1954; 8:49 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Commodity Stabilization Service and Commodity Credit Corporation, Department of Agriculture

Subchapter B—Loans, Purchases, and Other Operations

[1954 C. C. C. Grain Price Support Bulletin 1, Supp. 1, Rye]

PART 421—GRAINS AND RELATED COMMODITIES

SUBPART—1954-CROP RYE LOAN AND PURCHASE AGREEMENT PROGRAM

A price support program has been announced for 1954-crop rye. The 1954 C. C. C. Grain Price Support Bulletin 1 (19 F. R. 967), issued by the Commodity Credit Corporation and containing regulations of a general nature with respect to price support operations for certain grains and related commodities produced in 1954 is supplemented as follows:

Sec.
421.601 Purpose.
421.602 Availability of price support.
421.603 Eligible rye.
421.604 Warehouse receipts.
421.605 Determination of quantity.
421.606 Determination of quality.
421.607 Maturity of loans.
421.608 Support rates.
421.609 Warehouse charges.
421.610 Settlement.

AUTHORITY: §§ 421.601 to 421.610 issued under sec. 4, 62 Stat. 1070, as amended; 15 U. S. C. Sup. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 301, 401, 63 Stat. 1053, 1054, 15 U. S. C. Sup. 714c, 7 U. S. C. Sup. 1447, 1421.

§ 421.601 *Purpose.* This subpart states additional specific regulations which, together with the general regulations contained in the 1954 C. C. C. Grain Price Support Bulletin 1 (§§ 421.401 to 421.421), apply to loans and purchase agreements under the 1954-Crop Rye Price Support Program.

§ 421.602 *Availability of price support*—(a) *Method of support.* Price support will be made available through farm-storage and warehouse-storage loans and through purchase agreements.

(b) *Area.* Farm-storage and warehouse-storage loans and purchase agreements will be available wherever rye is grown in the continental United States, except that farm-storage loans will not be available in areas where the ASC State committee determines that rye cannot be safely stored on the farm.

(c) *Where to apply.* Application for price support should be made at the office of the ASC county committee which keeps the farm-program records for the farm.

(d) *When to apply.* Loans and purchase agreements will be available from the time of harvest through January 31, 1955, and the applicable documents must be signed by the producer and delivered to the county committee not later than such date.

(e) *Eligible producer.* An eligible producer shall be an individual, partnership, association, corporation, or other legal entity producing rye in 1954 as landowner, landlord, tenant, or sharecropper.

§ 421.603 *Eligible rye.* At the time the rye is placed under loan or delivered under a purchase agreement, it must meet the following requirements:

(a) The rye must have been produced in the continental United States in 1954 by an eligible producer.

(b) The beneficial interest in the rye must be in the eligible producer tendering the rye for loan or for delivery under a purchase agreement, and must always have been in him, or must have been in him and a former producer whom he succeeded before the rye was harvested.

(c) Such rye must be rye grading No. 2 or better, or rye grading No. 3 on the factor of "test weight" only, but otherwise grading No. 2 or better.

(d) The rye must not grade Tough, Light Smutty, Smutty, Light Garlicky, Garlicky, Weevily or contain in excess of 1 percent ergot, except that rye represented by warehouse receipts grading tough will be eligible if the warehouseman certifies on the supplemental certificate or on a statement attached to the warehouse receipt "Rye grading Tough has been processed at the request of the eligible producer, and delivery will be made of the same country-run quality, quantity, and grade not Tough and no lien for processing will be claimed by the warehouseman from Commodity Credit Corporation or any subsequent holder of said warehouse receipt."

(e) If offered as security for a farm-storage loan, the rye must have been stored in the granary at least 30 days prior to its inspection for measurement, sampling, and sealing, unless otherwise approved by the ASC State committee.

§ 421.604 *Warehouse receipts.* Warehouse receipts, representing rye in approved warehouse storage to be placed under loan or delivered under a purchase agreement, must meet the following requirements of this section:

(a) Warehouse receipts must be issued in the name of the producer, must be properly endorsed in blank so as to vest title in the holder and must be receipts issued on a warehouse approved by CCC under the Uniform Grain Storage Agreement which indicate that the rye is insured, or must be receipts issued on warehouses operated by Eastern common carriers under tariffs approved by the Interstate Commerce Commission for which custodian agreements are in effect.

(b) (1) Each warehouse receipt, or the warehouseman's supplemental certificate (in duplicate), properly identified with the warehouse receipt, must show: (i) Gross weight or bushels, (ii) grade (including special grades), (iii) percentage of ergot for rye containing in excess of $^{3}/_{10}$ of 1 percent of ergot, (iv) test weight, (v) dockage, and (vi) any other grading factor(s) when such factor(s) and not test weight determine the grade. The warehouse receipt or supplemental certificate must show whether the rye arrived by rail, truck or barge. In the case of warehouse receipts issued for rye delivered by rail or barge, the grading factors on the warehouse receipt must agree with the inbound inspection certificate for the car or barge when such certificate is issued.

(2) If the warehouseman has processed the rye as provided in § 421.603 (d), the supplemental certificate must show the numerical grade and the grading factors changed because of the rye being processed. Where the grade and grading factors shown on the supplemental certificate do not agree with the warehouse receipt, the factors shown on the supplemental certificate shall take precedence.

(c) A separate warehouse receipt must be submitted for each grade of rye.

(d) The warehouse receipt may be subject to liens for warehouse charges only to the extent indicated in § 421.609.

(e) Warehouse receipts representing rye which has been shipped by rail or water from a country shipping point to a designated terminal point or shipped by rail or water from a country shipping point to a storage point and stored in transit to a designated terminal point, must be accompanied by registered freight bills, or by a certificate containing similar information in a form prescribed by the CSS commodity office which shall be signed by the warehouseman and which may be part of the supplemental certificate.

§ 421.605 *Determination of quantity.* (a) The quantity of rye placed under farm-storage loan may be determined either by weight or by measurement. The quantity of rye placed under a warehouse-storage loan or delivered under a farm-storage loan or under a purchase agreement shall be determined by weight.

(b) When the quantity is determined by weight, a bushel shall be 56 pounds of rye free of dockage. In determining the quantity of sacked rye by weight, a deduction of ¾ of a pound for each sack shall be made.

(c) When the quantity of rye is determined by measurement, a bushel shall be 1.25 cubic feet of rye testing 56 pounds per bushel. The quantity determined shall be the following percentages of the quantity determined for 56-pound rye:

For rye testing:	Percent
56 pounds or over	100
55 pounds or over, but less than 56 pounds	98
54 pounds or over, but less than 55 pounds	96
53 pounds or over, but less than 54 pounds	95
52 pounds or over, but less than 53 pounds	92

(d) The percentage of dockage shall be determined and the weight of such dockage shall be deducted from the gross weight of the rye in determining the net quantity available for loan or purchase.

§ 421.606 *Determination of quality.* (a) The grade, grading factors and all other quality factors shall be determined in accordance with the methods set forth in the Official Grain Standards of the United States for Rye, whether or not such determinations are made on the basis of an official inspection.

(b) The quantity of ergot shall be stated in terms of tenths of one percent and where applicable, the word "Ergoty" shall be added to, and made a part of, the grade designation.

§ 421.607 *Maturity of loans.* Loans mature on demand but not later than April 30, 1955.

§ 421.608 *Support rates.* Basic support rates for rye will be set forth in 1954 C. C. C. Grain Price Support Bulletin 1, Supplement 2, Rye. These support rates will be established for rye stored in approved warehouse storage at designated terminal markets, and for rye stored in approved country warehouses and in approved farm storage. The support rate for the quality of rye placed under a loan or delivered under a purchase agreement shall be the applicable basic suport rate adjusted in accordance with the provisions of this section.

(a) *Support rates at designated terminal markets.* (1) (i) Rye eligible for loan or purchase at the support rates established at designated terminal markets must have been shipped on a domestic interstate freight rate basis. On any rye shipped at other than the domestic interstate freight rate, the support rate at the designated terminal market shall be reduced by the difference between the rate of freight paid (plus tax) and the domestic interstate freight rate (plus tax).

(ii) The support rates established for designated terminal markets will apply to rye which has been shipped by rail or water from a country shipping point to one of the designated terminal markets, as evidenced by paid freight bills duly registered for transit privileges: *Provided,* That in the event the amount of paid-in freight is insufficient to guarantee the minimum proportional domestic interstate freight rate from the terminal market, there shall be deducted from the applicable terminal support rate the difference between the amount of freight actually paid in and the amount required to be paid in to guarantee outbound movement at the minimum proportional domestic interstate freight rate.

(2) (i) When shipped by rail or water and stored at any designated terminal market, rye for which neither registered freight bills nor registered freight certificates are presented to guarantee outbound movement at the minimum proportional domestic interstate freight rate, shall have a support rate equal to the applicable terminal rate minus 8 cents per bushel.

(ii) For rye received by truck and stored at any designated terminal market, the support rate shall be determined by making a deduction from the applicable terminal rate as follows:

Terminal located in	Amount of deduction (cents per bushel)
Area I: Arizona, California, Idaho, Nevada, Oregon, Utah, Washington	12½
Area II: Minnesota, Montana, North Dakota, South Dakota, also Superior, Wisconsin	12½
Area III: Colorado, Illinois, Iowa, Kansas, Missouri, Nebraska, Wyoming, Wisconsin, except Superior	13
Area IV: All States not listed in Areas I, II, and III above	14

(b) *Support rates for rye in approved warehouse-storage at other than designated terminal markets.* (1) The support rate for rye stored in approved warehouses (other than those situated in the designated terminal markets) which is shipped by rail or water, shall be determined by deducting from the appropriate designated terminal market rate an amount equal to the transit balance, if any (plus tax) of the through-freight rate from point of origin

for such rye to such terminal market: *Provided*, That on any rye shipped at other than the domestic interstate freight rate the support rate shall be further reduced by the difference between the rate of freight paid (plus tax) and the domestic interstate freight rate (plus tax) from the point of origin of such rye to the point of storage: *And provided further*, That in the case of rye stored at any railroad transit point, taking a penalty by reason of out-of-line movement or for any other reason, to the appropriate designated market, there shall be added to such transit balance an amount equal to any out-of-line costs or other costs incurred in storing rye in such position.

(2) The warehouse receipts must be accompanied by the original paid freight bills or certificates of the warehouseman and other required documents as set forth in § 421.604.

(c) *Discounts*. The basic support rates shall be adjusted by all applicable discounts listed in 1954 C. C. C. Grain Price Support Bulletin 1, Supplement 2, Rye.

§ 421.609 *Warehouse charges*. (a) Warehouse receipts and the rye represented thereby stored in approved warehouses operating under the Uniform Grain Storage Agreement may be subject to liens for warehouse handling and storage charges not to exceed the Uniform Grain Storage Agreement rates from the date the rye is deposited in the warehouse for storage. Where the date of deposit (the date of the warehouse receipt if the date of deposit is not shown) on warehouse receipts representing rye stored in warehouses operating under the Uniform Grain Storage Agreement is on or before April 30, 1955, there shall be deducted in computing the amount of the loan or purchase price the storage charges as determined in accordance with the table of deductions for warehouse charges to be issued on a later date, unless written evidence is submitted with the warehouse receipt that all warehouse charges, except receiving and loading out charges have been prepaid through April 30, 1955.

(b) Warehouse receipts and the rye represented thereby stored in approved warehouses operated by Eastern common carriers may be subject to liens for warehouse elevation (receiving and delivering) and storage charges from the date of deposit at rates approved by the Interstate Commerce Commission. There shall be deducted in computing the loan or purchase price the amount of the approved tariff rate for storage (not including elevation), which will accumulate from the date of deposit through April 30, 1955, unless written evidence is submitted with the warehouse receipt that the storage charges have been prepaid. The county committee shall request the CSS commodity office to determine the amount of such charges.

§ 421.610 *Settlement*—(a) *Settlement value*. (1) In the case of eligible rye delivered to CCC from farm-storage under the loan program, settlement shall be made at the applicable support rate determined in accordance with § 421.418 (e). The support rate shall be for the grade and quality of the total quantity of rye eligible for delivery. If, upon delivery, the rye under farm-storage loan is of a grade and/or quality for which no support rate has been established, the settlement value shall be computed at the support rate established for the grade and/or quality of the rye placed under loan, less the difference, if any, at the time of delivery, between the market price for the grade and/or quality placed under loan and the market price of the rye delivered, as determined by CCC: *Provided, however*, That if such rye is sold by CCC in order to determine its market price the settlement value shall not be less than such sales price.

(2) In the case of eligible rye delivered to CCC under purchase agreement, settlement shall be made at the applicable support rate determined in accordance with § 421.603 and § 421.418 (e).

(b) *Storage deduction for early delivery*. Whenever farm-stored rye under loan or purchase agreement is delivered to CCC prior to April 30, 1955, a deduction for storage shall be made in accordance with the schedule of deductions for warehouse charges (§ 421.609), except that no such deduction shall be made if such early delivery is made because the loan is called solely for the convenience of CCC, or if it is determined by CCC at the time of delivery that the rye will be sold rather than stored, or if CCC requires early delivery on an area basis.

(c) *Refund of prepaid handling charges*. In case a warehouseman charges the producer for the receiving or the receiving and loading out charges on rye under loan or purchase agreement (or charges for elevation in the case of warehouses operated by Eastern common carriers), the producer shall, upon delivery of the rye to CCC, be reimbursed or given credit by the county office for such prepaid charges in an amount not to exceed the charges authorized under the Uniform Grain Storage Agreement (or approved tariff in the case of warehouses operated by Eastern common carriers) provided, the producer furnishes to the county committee written evidence signed by the warehouseman that such charges have been paid.

(d) *Track-loading payment*. A track-loading payment of 3 cents per bushel shall be made to the producer on rye delivered to CCC on track at a country point.

Issued this 29th day of March 1954.

[SEAL] J. A. McConnell,
Executive Vice President, Commodity Credit Corporation.

[F. R. Doc. 54-2372; Filed, Apr. 1, 1954; 8:51 a. m.]

[1954 C. C. C. Corn Bulletin A, Amdt. 1]

PART 421—GRAINS AND RELATED COMMODITIES

SUBPART—1954 CROP CORN PRICE SUPPORT PROGRAM

UNDERPLANTED CORN ACREAGE

Section 421.478 (g) is amended by adding the word "allotment" at the end of the paragraph so that it will read as follows:

§ 421.478 *Definitions*. * * *

(g) *Underplanted corn acreage*. Means the number of acres by which the 1954 corn acreage on the farm is less than the farm acreage allotment.

(Sec. 4, 62 Stat. 1070, as amended; 15 U. S. C. Sup. 714b. Interprets or applies sec. 5, 62 Stat. 1072, secs. 401, 403, 63 Stat. 1054; 15 U. S. C. Sup. 714c, 7 U. S. C. Sup. 1421, 1423)

Done at Washington, D. C., this 29th day of March 1954.

[SEAL] True D. Morse,
Acting Secretary of Agriculture.

[F. R. Doc. 54-2371; Filed, Apr. 1, 1954; 8:51 a. m.]

Chapter V—Agricultural Marketing Service, Department of Agriculture

Subchapter B—Export and Domestic Consumption Programs

PART 524—HONEY

SUBPART—HONEY DIVERSION PROGRAM VMD 66a (1954 MARKETING SEASON)

Sec.
524.345 General statement.
524.346 Rate of payment.
524.347 Eligibility for payment.
524.348 Applications and approvals.
524.349 Minimum grade and inspection.
524.350 Period of diversion.
524.351 Net price to diverter.
524.352 Claims for payment supported by evidence of compliance.
524.353 Records and accounts.
524.354 Amendment and termination.
524.355 Persons not eligible for payment.
524.356 Set-off.
524.357 Joint payee or assignment.
524.358 Good faith.
524.359 Definitions.

AUTHORITY: §§ 524.345 to 524.359 issued under sec. 32, 49 Stat. 774, as amended; 7 U. S. C. 612c.

§ 524.345 *General statement*. (a) In order to encourage the domestic consumption of honey produced in the continental United States by diverting it from normal channels of trade and commerce, the Secretary of Agriculture, pursuant to the authority conferred by section 32 of Pub. Law 320, 74th Congress, as amended, offers to make payments to eligible persons complying with the terms and conditions hereinafter set forth.

(b) Information pertaining to this program and forms prescribed for use may be obtained from the following:

Erwin M. Graham, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Fourteenth Street and Independence Avenue, SW., Washington 25, D. C.

Minard F. Miller, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, P. O. Box 19, Lakeland, Fla.

John W. Gannaway, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Room 549, New Custom House, Denver 2, Colo.

Michael T. Coogan, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture,

1031 South Broadway, Room 1005, Los Angeles 15, Calif.

Werner Allmandinger, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, 1000 Geary Street, San Francisco 9, Calif.

Robert H. Eaton, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Eastern Building, 515 Southwest Tenth Avenue, Portland 5, Oreg.

§ 524.346 *Rate of payment.* The rate of payment applicable to honey of U. S. Grade C or better diverted in accordance with the terms and conditions of this subpart shall be 3.75 cents per pound.

§ 524.347 *Eligibility for payment.* Payments will be made to any individual, partnership, association, corporation or other legal entity located in and maintaining a business organization within the continental United States (a) who executes and files with the Director, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C. in triplicate an application on Form FV-457 [1] (Revised March 15, 1954), "Application for Honey Diversion Program VMD 66a (1954 Marketing Season) and for Approval of Diversion Product," (b) whose application is approved by the Administrator, (c) who diverts honey produced in the continental United States or sells such honey for diversion into a product for which his application has been approved, and (d) who files claim as provided in § 524.352 and otherwise complies with all the terms and conditions of this subpart.

§ 524.348 *Applications and approvals.* Applications may be based (a) on intent of the applicant to divert, (b) on sales contracts, or (c) on sales negotiations. Applications will be considered for approval in the order submitted and in accordance with the availability of funds. Approval of applications based on sales negotiations shall be subject to the filing with the Administrator of a notification of completion of negotiations. If such notification is not filed within 30 days from date of approval of the application, the Administrator may cancel the approval. Such notification shall list the quantity and floral source of the honey to be diverted and any differences between the details in the approved application and those set forth in the sales contract. The Administrator reserves the right to cancel the approval of any application based on sales negotiations, but notice of such cancellation must be mailed prior to the filing of notice of completion of the sales negotiations. An application based on a sales contract must be filed with the Administrator within seven days of the execution of the sales contract. Applications must be approved before diversion of the honey. If a sales contract with respect to which the Administrator has approved an application is modified in any respect, the applicant shall notify the Administrator promptly of such modification. The Administrator will give notice to the applicant of the approval or nonapproval of such modification.

[1] Filed as part of the original document.

§ 524.349 *Minimum grade and inspection.* Honey diverted under this subpart shall be equal to, or better than, U. S. Grade C of the "United States Standards for Grades of Extracted Honey," effective April 16, 1951. It shall have been inspected prior to diversion at either the applicant's or at the diverter's plant or warehouse. Such inspection shall be performed by an inspector of the Processed Products Standardization and Inspection Branch, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture. The cost of the inspection and issuance of certificates shall be borne by the applicant.

§ 524.350 *Period of diversion.* No payment under this subpart will be made in connection with any honey diverted by the applicant or sold into an approved diversion outlet unless the diversion was accomplished by the applicant or the sales contract was entered into after the effective date hereof and prior to 12 o'clock midnight, e. s. t., March 31, 1955. Where diversion is by someone other than the applicant, the time for diversion shall extend to 12 o'clock midnight, e. s. t., April 30, 1955.

§ 524.351 *Net price to diverter.* The net price per unit of weight charged the diverter shall be established by deducting the rate of payment under this offer from the gross sales price of such unit of weight.

§ 524.352 *Claims for payment supported by evidence of compliance.* (a) Applicants shall file claims for payment not later than May 31, 1955, with the Director, Cincinnati CSS Commodity Office, United States Department of Agriculture, 1010 Broadway, Cincinnati 2, Ohio. Each claim for payment shall be filed in an original and two copies on Form FDA-564 (Public Voucher—Diversion Programs) and shall show the number assigned by the United States Department of Agriculture on the related approved application, and shall be supported by:

(1) The original or a signed copy of the inspection certificate required in § 524.349;

(2) A certified statement by the applicant that the honey has been diverted in the manner specified in his application and within the applicable period specified in § 524.350, or that the honey has been sold and delivered for diversion in accordance with the terms and conditions of this subpart, and that such honey was produced in the continental United States;

(3) Where diverter is other than applicant, a signed or certified true copy of the sales contract;

(4) Where diverter is other than applicant, a certification from the diverter of such honey that diversion has been accomplished and the manner and date of such diversion; and,

(5) Such other documents as may be required by the Administrator as evidence of the diversion of the honey.

(b) Each sales contract shall show the date of sale, the price per unit of weight charged to the diverter, the quantity (net weight) of honey sold, and the floral source of such honey. If the price per unit of weight charged the diverter, shown in the sales contract, is on a basis other than delivered to diverter's plant or warehouse, the applicant shall certify on the copy of the sales contract that the delivered price is the equivalent of the price actually charged to the diverter.

§ 524.353 *Records and accounts.* Each applicant shall maintain accurate records with respect to the honey he diverts and sells for diversion. With respect to sales, such records shall show the quantities, sales prices, dates of delivery, and the dates of completion of diversion. Such records and accounts and other documents relating to any transaction in connection with this program shall be preserved until at least March 31, 1957, and shall be available as long as preserved, during regular business hours, for inspection and audit by authorized employees of the United States Department of Agriculture. Applicants who sell honey for diversion shall also obtain and furnish to the Administrator a statement signed by the person who diverts the honey (a) that he will keep records showing, in respect to each lot of honey received, the quantity, weight, date of receipt, price paid, date when diversion was completed, and manner of diversion; (b) that the records pertaining to such diversion shall be preserved until at least March 31, 1957; (c) that such records shall be available during regular business hours for inspection by authorized employees of the United States Department of Agriculture until at least March 31, 1957; and (d) that the diversion plant shall be available for inspection by such authorized employees.

§ 524.354 *Amendment and termination.* This subpart may be amended or terminated by the Administrator at any time by public announcement of such amendment or termination. No amendment or termination shall be applicable to any honey covered by an approved application.

§ 524.355 *Persons not eligible for payment.* No member of, or delegate to, Congress, or Resident Commissioner, shall be admitted to any share or part of any contract resulting from this subpart or to any benefits that may arise therefrom, but this provision shall not be construed to extend to such a contract if made with a corporation for its general benefit, or to any such person acting in his capacity as a beekeeper.

§ 524.356 *Set-off.* The Administrator may set off, against any amount owed to any applicant under this subpart, any amount owed by such applicant to the United States Department of Agriculture, Commodity Credit Corporation, or any other agency of the United States.

§ 524.357 *Joint payee or assignment.* The applicant may name a joint payee on vouchers or invoices for payment or may assign the proceeds of the approved application to a recognized financing institution as provided in this subpart. No assignment by the applicant shall be made of an approved application, or any

rights thereunder, except that the applicant may assign, in accordance with the provisions of the Assignment of Claims Act of 1940, as amended (31 U. S. C. 203, 41 U. S. C. 15), the proceeds of the approved application, to a bank, trust company, Federal lending agency, or other recognized financing institution: *Provided*, That such assignment shall be recognized only if and when the assignee thereof files written notice of the assignment, in accordance with the instructions on Form CSS-66, "Notice of Assignment," which form must be used in giving notice of assignment to the Administrator. The "Instrument of Assignment" may be executed on Form CSS-347 or the assignee may use his own form of assignment. The CSS forms may be obtained from the Administrator or the Cincinnati CSS Commodity Office.

§ 524.358 *Good faith*. If the Secretary determines that any applicant or diverter has not acted in good faith in connection with any transaction under this subpart or has failed to discharge fully any obligation assumed by him under this subpart, the applicant may be denied the right to continue participating in this program or the right to receive payment under this subpart in connection with any sale or diversion previously made under this subpart, or both.

§ 524.359 *Definitions*. As used in §§ 524.345 through 524.359, the following terms have the following meanings:

(a) "Administrator" means the Administrator, Agricultural Marketing Service, United States Department of Agriculture, Washington, D. C., or any person to whom the Administrator has subdelegated authority to perform, as Representative of the Secretary of Agriculture, the functions vested in the Administrator in this subpart.

(b) "Diversion" means the utilization of honey produced in the continental United States in the manufacture of a product approved by the Administrator, by blending with one or more other commodities, by coating of a food, feed, or tobacco product, or by any other method approved by the Administrator, so as to preclude re-use or consumption of the honey as honey. Approval of diversion products shall be restricted to those (1) in which no honey has been utilized by any manufacturer since January 1, 1948, except pursuant to an approved diversion application under prior section 32 programs, or (2) in which the use of honey has been negligible as to either the number of manufacturers or the percentage of the total sweetening agents employed in the product, or both.

(c) "Sales contract" means a contract for the sale of honey under which the applicant is clearly obligated to sell, and the diverter is clearly obligated to buy, a definite quantity of honey at a definite price. The contract shall consist of a written instrument signed by the applicant and the diverter, or a written offer and acceptance evidenced by an exchange of telegrams or letters. However, such a sales contract may be subject to the condition that a diversion payment under this subpart will be made in connection with such sale.

(d) "Applicant" is the individual, partnership, association, corporation or other legal entity which files a diversion application and receives approval of the Administrator pursuant to § 524.348. Only applicants are eligible to receive diversion payments.

(e) "Diverter" is the individual, partnership, association, corporation or other legal entity which performs diversion as defined in paragraph (b) of this section. Diverter and applicant may be one and the same.

(f) "Date of sale" means the date on which both applicant and diverter signed a sales contract, or the date of written acceptance of either a written offer or counter offer to buy or sell by which a sales contract is effectuated.

(g) "Filed." Applications, claims, and related documents are deemed to be filed when received by the appropriate USDA office.

(h) "Certified" or "certification" means a written, signed declaration, contained in or attached to any document, stating that the document is a true and correct copy of the original of such document.

(i) "Public announcement" means the issuance of a USDA press release or the publication of a notice in the FEDERAL REGISTER.

Effective date. This subpart shall become effective at 12:01 a. m., e. s. t., April 1, 1954.

NOTE: The record-keeping and reporting requirements contained in this program have been approved by, and subsequent reporting requirements will be subject to, the approval of the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Dated this 30th day of March 1954.

[SEAL] S. R. SMITH,
Representative of the Secretary of Agriculture.

[F. R. Doc. 54-2365; Filed, Apr. 1, 1954; 8:50 a. m.]

TITLE 7—AGRICULTURE

Chapter VII—Commodity Stabilization Service (Farm Marketing Quotas), Department of Agriculture

[Amdt. 1]

PART 726—FIRE-CURED, DARK AIR-CURED, AND VIRGINIA SUN-CURED TOBACCO

INCREASE IN NATIONAL MARKETING QUOTAS AND FARM ACREAGE ALLOTMENTS

Basis and purpose. The amendments set forth herein are for the purpose of increasing the national marketing quotas for fire-cured tobacco and for dark air-cured tobacco for the 1954-55 marketing year proclaimed on November 27, 1953 (18 F. R. 7653), and increasing, by the same ratio, each farm acreage allotment for the production of such kinds of tobacco. The increases are made pursuant to subsections (b) and (c) of section 371 of the Agricultural Adjustment Act of 1938, as amended.

The findings and determinations by the Secretary contained in §§ 726.502 and 726.503 have been made after investigation and upon the basis of the latest available statistics of the Federal Government.

Since fire-cured and dark air-cured tobacco growers have already seeded plant beds and are now purchasing fertilizer and other supplies and equipment and are preparing land for transplanting, it is imperative that they be notified as soon as possible of the increase in acreage allotments established for their farms. Accordingly, it is hereby determined and found that compliance with the notice, public procedure, and effective date requirements of section 4 of the Administrative Procedure Act (5 U. S. C. 1003) is impracticable and contrary to the public interest, and the amendments contained herein shall be effective upon filing of this document with the Director, Division of Federal Register.

1. Upon the basis of an investigation it has been determined that in order to meet a material increase in export demand, the amount of the national marketing quotas for fire-cured tobacco and dark air-cured tobacco for the marketing year beginning October 1, 1954, as proclaimed in §§ 726.502 and 726.503, shall be increased. Therefore, §§ 726.502 and 726.503 are amended by adding new paragraphs (f) as follows:

§ 726.502 *Findings and determinations with respect to the national marketing quota for fire-cured tobacco for the marketing year beginning October 1, 1954*. * * *

(f) It hereby being found that because of a material increase in export demand it is necessary to increase the national marketing quota for fire-cured tobacco, the national marketing quota for such tobacco established in paragraph (d) of this section in the amount of 59,400,000 pounds is increased by eleven per centum to 65,934,000 pounds.

§ 726.503 *Findings and determinations with respect to the national marketing quota for dark air-cured tobacco for the marketing year beginning October 1, 1954*. * * *

(f) It hereby being found that because of a material increase in export demand it is necessary to increase the national marketing quota for dark air-cured tobacco, the national marketing quota for such tobacco established in paragraph (d) of this section in the amount of 24,200,000 pounds is increased by ten per centum to 26,620,000 pounds.

2. To give effect to the increases in national marketing quotas for fire-cured tobacco and dark air-cured tobacco heretofore proclaimed, and in accordance with paragraph (c) of section 371 of the Agricultural Adjustment Act of 1938, as amended, the Marketing Quota Regulations, 1954-55 Marketing Year, governing the establishment of 1954 farm acreage allotments for fire-cured and dark air-cured tobacco (18 F. R. 3825) are hereby amended by adding a new § 726.529, as follows:

§ 726.529 *Increase in farm acreage allotments for the production of fire-cured and dark air-cured tobacco*. Not-

withstanding the provisions of §§ 726.515 to 726.528 the farm acreage allotments established thereunder for fire-cured tobacco and dark air-cured tobacco are increased by eleven per centum and ten per centum, respectively: *Provided*, That the acreage allotment for any old farm as increased pursuant to this section in the case of fire-cured tobacco shall not be less than the 1954 preliminary acreage allotment for such farm under § 726.516, and in the case of dark air-cured tobacco shall not be less than the 1954 preliminary acreage allotment for such farm under § 726.516 or 0.6 acre, whichever is smaller. An official notice of the increased farm acreage allotment shall be mailed to each farm operator.

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interpret or apply sec. 371, 52 Stat. 64; 7 U. S. C. 1371)

Done at Washington, D. C., this 30th day of March 1954. Witness my hand and the seal of the Department of Agriculture.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 54-2405; Filed, Apr. 1, 1954; 8:56 a. m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Docket No. AO-212-A7]

PART 907—MILK IN THE MILWAUKEE, WISCONSIN, MARKETING AREA

ORDER AMENDING ORDER, AS AMENDED, REGULATING HANDLING

§ 907.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and each of the previously issued amendments thereto; and all previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and orders (7 CFR Part 900), a public hearing was held at Milwaukee, Wisconsin, on March 16, 1954 upon proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Milwaukee, Wisconsin, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is hereby found that:

(1) The said order, as amended, and as hereby further amended, and all the terms and conditions of said order, as amended, and as hereby further amended, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk produced for sale in the said marketing area as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply and demand for such milk and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

(b) *Additional findings.* It is hereby found and determined that good cause exists for making effective not later than April 1, 1954, this order amending the order, as amended. This action is necessary in the public interest to reflect the current marketing conditions. Accordingly, any delay in the effective date of this order beyond the aforesaid date, will seriously impair orderly marketing of milk in the Milwaukee, Wisconsin, marketing area. The provisions of the said amendatory order are well known to handlers, the public hearing having been held on March 16, 1954, and a decision having been issued on March 26, 1954. Reasonable time under the circumstances has been afforded persons affected to prepare for its effective date. Therefore, it would be impracticable, unnecessary, and contrary to the public interest to delay the effective date of this amendatory order 30 days after its publication in the FEDERAL REGISTER (see section 4 (c) Administrative Procedure Act, 5 U. S. C. 1001 et seq.).

(c) *Determinations.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing or shipping the milk covered by this order amending the order, as amended, which is marketed within the Milwaukee, Wisconsin, marketing area) of more than 50 percent of the milk which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area, and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said proposed marketing agreement tends to prevent the effectuation of the declared policy of the act;

(2) The issuance of this order amending the order, as amended, is the only practical means pursuant to the declared policy of the act of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order amending the order is approved or favored by at least two-thirds of the producers who during the determined representative period (January 1954) were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof the handling of milk in the Milwaukee, Wisconsin, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, and the aforesaid order, as amended, is hereby further amended as follows:

In § 907.51 (d) change the period at the end of the sentence to a comma and add the following: "except for the months of April, May, and June of 1954, deduct 10 cents from the price computed pursuant to § 907.50 (c)."

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Issued at Washington, D. C., this 30th day of March 1954, to be effective on and after the 1st day of April 1954.

[SEAL] JOHN H. DAVIS,
Assistant Secretary of Agriculture.

[F. R. Doc. 54-2403; Filed, Apr. 1, 1954; 8:55 a. m.]

[Docket No. AO-101-A17]

PART 941—MILK IN THE CHICAGO, ILLINOIS, MARKETING AREA

ORDER AMENDING ORDER, AS AMENDED, REGULATING HANDLING

§ 941.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and each of the previously issued amendments thereto; and all previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and orders (7 CFR Part 900), a public hearing was held at Chicago, Illinois, on March 15, 1954, upon proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Chicago, Illinois, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is hereby found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions of said order, as amended, and as hereby further amended, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk produced for sale in said marketing area as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for such milk and the minimum prices specified in the order, as amended, and as hereby fur-

ther amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

(b) *Additional findings.* It is hereby found and determined that good cause exists for making effective not later than April 1, 1954, this order amending the order, as amended. This action is necessary in the public interest to reflect current marketing conditions. Accordingly, any delay in the effective date of this order beyond the aforesaid date, will seriously impair orderly marketing of milk in the Chicago, Illinois, marketing area. The provisions of the said amendatory order are well known to handlers, the public hearing having been held on March 15, 1954, and a decision having been issued on March 26, 1954. Reasonable time under the circumstances has been afforded persons affected to prepare for its effective date. Therefore, it would be impracticable, unnecessary, and contrary to the public interest to delay the effective date of this amendatory order 30 days after its publication in the FEDERAL REGISTER (see section 4 (c) Administrative Procedure Act, 5 U. S. C. 1001 et seq.).

(c) *Determination.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing or shipping the milk covered by this order amending the order, as amended, which is marketed within the Chicago, Illinois, marketing area) of more than 50 percent of the milk which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area, and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said proposed marketing agreement tends to prevent the effectuation of the declared policy of the act;

(2) The issuance of this order amending the order, as amended, is the only practical means pursuant to the declared policy of the act of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order amending the order is approved or favored by at least two-thirds of the producers who during the determined representative period (January 1954) were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof the handling of milk in the Chicago, Illinois, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, and the aforesaid order, as amended, is hereby further amended as follows:

1. In § 941.50 change the period at the end of the sentence to a comma and add: "except that for each of the delivery periods of May, June, and July of 1954, the basic formula price shall not be less than the price for Class IV milk as computed by the market administrator pursuant to § 941.52 (d) for the delivery period next preceding plus 10 cents."

2. In § 941.52 (d) add a subparagraph (4) as follows:

(4) For the delivery periods of April, May, and June of 1954, subtract 10 cents from the result pursuant to subparagraph (3) of this paragraph.

3. In § 941.40 (b) insert the county names "Boone, Grant, Knox," after the county of Wabash in Indiana.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Issued at Washington, D. C., this 30th day of March 1954, to be effective on and after the 1st day of April 1954.

[SEAL] JOHN H. DAVIS,
Assistant Secretary of Agriculture.

[F. R. Doc. 54-2404; Filed, Apr. 1, 1954; 8:56 a. m.]

[Docket No. AO-160-A-15-RO1]

PART 961—MILK IN THE PHILADELPHIA, PENNSYLVANIA, MARKETING AREA

ORDER AMENDING ORDER, AS AMENDED, REGULATING HANDLING

§ 961.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and each of the previously issued amendments thereto; and all previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and orders (7 CFR Part 900), a public hearing was held at Philadelphia, Pennsylvania, on January 21, 1954, upon proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Philadelphia, Pennsylvania, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is hereby found that:

(1) The said order, as amended, and as hereby further amended, and all the terms and conditions of said order, as amended, and as hereby further amended, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk produced for sale in said marketing area as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply of and demand for such milk and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

(b) *Additional findings.* It is hereby found and determined that good cause exists for making effective not later than April 1, 1954, this order amending the order, as amended. This action is necessary in the public interest to reflect current marketing conditions. Accordingly, any delay in the effective date of this order beyond the aforesaid date, will seriously impair orderly marketing of milk in the Philadelphia, Pennsylvania, marketing area. The provisions of the said amendatory order are well known to handlers, the public hearing having been held on January 21, 1954, and a decision having been issued on March 29, 1954. Reasonable time under the circumstances has been afforded persons affected to prepare for its effective date. Therefore, it would be impracticable, unnecessary, and contrary to the public interest to delay the effective date of this amendatory order 30 days after its publication in the FEDERAL REGISTER (see section 4 (c) Administrative Procedure Act, 5 U. S. C. 1001 et seq.).

(c) *Determination.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing or shipping the milk covered by this order amending the order, as amended, which is marketed within the Philadelphia, Pennsylvania, marketing area) of more than 50 percent of the milk which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area, and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said proposed marketing agreement tends to prevent the effectuation of the declared policy of the act;

(2) The issuance of this order amending the order, as amended, is the only practical means pursuant to the declared policy of the act of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order amending the order is approved or favored by at least two-thirds of the producers who during the determined representative

period (January 1954) were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof the handling of milk in the Philadelphia, Pennsylvania, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, and the aforesaid order, as amended, is hereby further amended as follows:

1. Delete § 961.40 (b) and substitute the following:

(b) *Class II milk.* The price per hundredweight during each month shall be the sum of the values calculated by the market administrator pursuant to subparagraphs (1) and (2) of this paragraph, except as provided in subparagraph (3) of this paragraph.

(1) *Butterfat.* Add all market quotations (using the midpoint of any weekly range as one quotation) of prices per 40-quart can of fresh sweet cream of bottling quality of 40 percent butterfat content, not including prices for cream carrying special municipal approvals, reported at Philadelphia for each week ending within the month by the United States Department of Agriculture, divide by the number of quotations, subtract $2.00 and divide by 8.50: *Provided,* That such butterfat value shall not be less than 4 times 120 percent of the average of the daily wholesale selling price for Grade A (92-score) butter at New York as reported by the United States Department of Agriculture for the month for which payment is to be made, less 19 cents.

(2) *Skim milk.* From the average of all the prices per pound for nonfat dry milk solids made by the roller process, sold as "other brands" for human consumption in bags or barrels by carlots (using mid-point of any range as one quotation), published during such month in "Producer's Price Current", subtract 5 cents, multiply by .90 and multiply by 7.5.

(3) For the months of April, May, and June 1954, in the case of milk, skim milk, or butterfat, dumped, disposed of for animal feed, or manufactured by the handler or others into butter, Cheddar cheese, Baker's or any other cheese except cream or cottage cheese, evaporated milk, milk chocolate, nonfat dry milk solids, soup, candy or bakery products, less any milk, butterfat, or equivalent of concentrated milk product received from a nonproducer plant, the value shall be adjusted downward at the rate, applied to the total utilization during the month in such products, of 20 cents per hundredweight of such total quantity, or 5 cents per pound of butterfat in such total quantity, whichever results in the greater aggregate adjustment.

2. In § 961.41 delete paragraph (b) and substitute:

(b) The Class II price shall be subject to a butterfat differential for each one-tenth of one percent variation above or below 4 percent which is the butterfat value computed pursuant to § 961.40 (b) (1) divided by 40.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Issued at Washington, D. C., this 30th day of March 1954, to be effective on and after the 1st day of April 1954.

[SEAL] JOHN H. DAVIS,
Assistant Secretary of Agriculture.

[F. R. Doc. 54-2402; Filed, Apr. 1, 1954; 8:55 a. m.]

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

[Supp. 23]

PART 4b—AIRPLANE AIRWORTHINESS; TRANSPORT CATEGORIES

MISCELLANEOUS AMENDMENTS

An automatic propeller feathering device is a design feature not specifically covered in the Civil Air Regulations. This supplement outlines the Civil Aeronautics Administration's policies governing the approval of aircraft incorporating an automatic propeller feathering device. These policies have previously been applied in the approval of particular automatic propeller feathering devices. The supplement also contains a table of standard vapor pressures for correcting engine power for humidity, and acceptable methods for establishing downwind take-off and landing performance. The following policies are adopted to read as follows:

§ 4b.10-2 *Approval of automatic propeller feathering installations (CAA policies which apply to § 4b.10).* An automatic propeller feathering device is a design feature not specifically covered in the Civil Air Regulations. When an airplane incorporates an automatic feathering device, it will be acceptable under the provisions of § 4b.10 as providing an equivalent level of safety in showing compliance with §§ 4b.115, 4b.116, 4b.120 and 4b.133 if it complies with policies prescribed in §§ 4b.115-2, 4b.116-1, 4b.120-1, 4b.401-1, and 4b.700-1, and if there are no features or characteristics which make it unsafe for use on transport aircraft.

§ 4b.110-1 *Engine power corrections (CAA policies which apply to § 4b.110)*—(a) *Engine power corrections for vapor pressure.* The following standard vapor pressures versus altitude have been established for the purpose of correcting airplane performance data in accordance with § 4b.110:

Altitude (feet):	*Vapor pressure (in. hg.)*
0	0.400
2,000	.307
4,000	.237
6,000	.179
8,000	.133
10,000	.096
12,000	.069
14,000	.049
16,000	.035
18,000	.025
20,000	.016
25,000	.005

(b) *Engine power corrections for cylinder head temperatures.* Official flight tests should be discontinued whenever engine limitations are exceeded. This procedure automatically makes corrections of this type unnecessary.

(c) *Engine power corrections for fuel flow.* Official flight tests should not be conducted when the metering characteristics of the carburetor are outside the range of acceptable tolerances. This procedure automatically makes corrections for fuel-air mixture ratio in performance evaluation unnecessary.

§ 4b.113-1 *Downwind take-off (CAA policies which apply to § 4b.113).* Downwind take-off data may be approved on the following basis to provide for situations where geographic locations and terrain indicate they are desirable:

(a) *Performance.* In determining the required distances for take-off in downwind the data should be substantiated by actual flight tests. The general methods and procedures would be comparable to those for substantiating take-off distances in no wind. The flight tests should be conducted in tailwind components up to 150 percent of the maximum velocity for which approval is desired except that the performance tests may be simulated in zero wind as outlined below:

(1) The accelerate portions of the "take-off" and "accelerate-stop" should be demonstrated at speeds corresponding to the zero wind plus 150 percent of the tailwind component for which approval is desired. The calculated distances for entry in the Airplane Flight Manual should also be based on 1.5 times the tailwind component. (See subparagraph (3) of this paragraph.)

(2) The decelerate portion of the "accelerate-stop" should be demonstrated by stopping from a speed corresponding to V_1 plus 1.5 times the tailwind velocity for which certification is desired.

(3) In determining the take-off distances for the Airplane Flight Manual performance data, 150 percent of the effect of the reported tailwind component should be taken into account. (See § 4b.740-1 (a) (2) (x).) This may in some cases, permit calculating the required distances without further tests providing sufficiently high speed take-offs and decelerations were made in the original type tests. However, except in the circumstances outlined in paragraph (d) of this section, actual take-offs should be made under the conditions outlined in paragraph (b) of this section to check the flight and ground handling characteristics.

(b) *Controllability.* Take-offs should be made in steady downwind velocities equal to 1.5 times the maximum velocity for which approval is granted to check the controllability at the higher ground speeds with correspondingly reduced aerodynamic control forces, dynamic balance of landing gear, nose gear shimmy or vibration, etc.

(c) *Brakes.* At present it is believed that the existing brake capacity requirements are sufficient to cover take-offs in downwind velocities of 10 mph. measured at 50' height. However, in wind velocities above 10 mph. and in unusual cases or special types of operation additional

tests or substantiation of the adequacy of the brakes may be necessary.

(d) *Tolerances.* (1) With regard to performance tests outlined in paragraph (a) of this section, approval may be given for calculated take-off distances for reported tailwind velocities up to 10 mph. measured at 50′ height without camera tests additional to those required for approval of the no wind data.

(2) With regard to controllability tests outlined in paragraph (b) of this section, approval may be given for reported downwind velocities up to 10 mph. measured at 50′ height without additional flight tests.

§ 4b.115-2 *Approval of automatic propeller feathering installations for use in establishing accelerate-stop distance (CAA policies which apply to § 4b.115).* The accelerate-stop distance should be determined with the automatic propeller feathering installation feathering the propeller of the critical engine and with the other throttles closed at the instant of attainment of V_1. (See §§ 4b.10-2, 4b.401-1, 4b.700-1, and Civil Air Regulations Part 4b Interpretation No. 1)

§ 4b.116-1 *Approval of automatic propeller feathering installations for use in establishing the take-off path (CAA policies which apply to § 4b.116).* The take-off path may be modified by permitting a feathered propeller instead of windmilling after the necessary time interval has elapsed from the instant of engine failure to complete feathering of the propeller. If it can be shown that the net work produced by the feathering propeller from the instant of engine failure to completion of feathering under all types of engine failure is positive using a datum based on feathered propeller drag, then it is permissible to assume that the propeller of the failed engine is in the feathered drag condition from the instant of attainment of the take-off climb speed V_2. (See §§ 4b.10-2, 4b.401-1, and 4b.700-1.)

§ 4b.120-1 *Approval of automatic propeller feathering installations for use in establishing flaps in take-off position climb (CAA policies which apply to § 4b.120 (a) and (b)).* The propeller of the inoperative engine may be in the feathered condition during either or both of the landing gear extended or retracted conditions if:

(a) The propeller would be completely feathered at the beginning of these segments of the take-off flight path, or

(b) It can be shown that the network produced by the feathering propeller during the segment is positive using a datum based on feathered propeller drag. (See §§ 4b.10-2, 4b.401-1, and 4b.700-1.)

§ 4b.122-1 *Downwind landings (CAA policies which apply to § 4b.122).* Downwind landing data will be approved on the following basis to provide for situations where geographic locations and terrain indicate they are desirable, as well as for use with ILS:

(a) *Performance.* In determining the required distances for landing downwind, the data should be substantiated by actual flight tests. The general methods and procedures should be comparable to those for substantiating landing distances in no wind. The flight tests should be conducted in tailwind velocities up to the maximum velocity for which approval is desired except that the performance tests may be simulated in zero wind as outlined below:

(1) Landings should be demonstrated by approaching and contacting at speeds corresponding to the zero wind speed plus 150 percent of the tailwind velocity for which approval is desired.

(2) In determining the downwind landing distances for the Airplane Flight Manual data, 150 percent of the effect of the reported tailwind velocity should be taken into account. (See § 4b.740-1 (d) (2) (x).) This may, in some cases, permit calculating the required distances without further tests providing sufficiently high speed landings and decelerations were made in the original type tests. However, except in the cases outlined in paragraph (d) of this section, actual landings should be made under the conditions described in paragraph (b) of this section to check the flight and ground handling characteristics.

(b) *Controllability.* Landings should be made in steady downwind velocities equal to 1.5 times the maximum velocity for which approval is desired to check the controllability at the higher ground speed with correspondingly reduced aerodynamic control forces, dynamic balance of landing gear, nose gear shimmy or vibration, etc. Also actual approaches should be demonstrated under the above wind conditions at an approach angle corresponding to the maximum ILS beam angle (3° 18′) to determine the minimum altitude on the glide path from which the airplane can be readily flared for landing.

(c) *Brakes.* At present it is believed that the existing brake capacity requirements are sufficient to cover landings in downwind velocities of 5 mph. However, in wind velocities above 5 mph. and in unusual cases or special types of operation, a revision to the braking system may be required. In determining the landing distances under paragraph (a) of this section, normal braking as outlined in § 4b.123 "Landplanes" should not be exceeded.

(d) *Tolerances.* (1) With regard to performance tests outlined in paragraph (a) of this section, approval will be given for calculated landing distances for reported tailwind velocities up to 10 mph. measured at 50 feet height without camera tests additional to those required for approval of the no wind data.

(2) With regard to controllability tests outlined in paragraph (b) of this section, approval will be given for reported downwind velocities up to 10 mph. measured at 50 feet without additional flight tests.

§ 4b.401-1 *Approval of automatic propeller feathering system (CAA policies which apply to § 4b.401 (c)).* All parts of the feathering device which are integral with the propeller or attached to it in a manner that may affect propeller airworthiness should be considered from the standpoint of the applicable provisions of Part 14 of this subchapter. The determination of the continuing eligibility of the propeller under the existing type certificate, when the device is installed or attached, will be made on the following basis:

(a) The automatic propeller feathering system should not adversely affect normal propeller operation and should function properly under all temperature, altitude, airspeed, vibration, acceleration, and other conditions to be expected in normal ground and flight operation.

(b) The automatic device should be demonstrated to be free from malfunctioning which may cause feathering under any conditions other than those under which it is intended to operate. For example, it should not cause feathering during:

(1) Momentary loss of power.

(2) Approaches with reduced throttle settings.

(c) The automatic propeller feathering system should be capable of operating in its intended manner whenever the throttle control is in the normal position to provide take-off power. No special operations at the time of engine failure should be necessary on the part of the crew in order to make the automatic feathering system operative.

(d) The automatic propeller feathering installation should be such that not more than one engine will be feathered automatically even if more than one engine fails simultaneously.

(e) The automatic propeller feathering installation should be such that normal operation may be regained after the propeller has begun to feather automatically.

(f) The automatic propeller feathering installation should incorporate a switch or equivalent means by which to make the system inoperative. (See also § 4b. 10-2.)

§ 4b.700-1 *Automatic propeller feathering operating limitations and information (CAA policies which apply to § 4b.700).* (a) All limitations on the use of automatic feathering system, including flight conditions when the system must be operative or inoperative should be determined and noted when appropriate.

(b) Any placards found necessary should be provided in the airplane.

(c) A complete statement of operating limitations and instructions for the use of the system should be included in the Airplane Flight Manual.

(d) If certification is desired both with and without the feathering system operative, two corresponding sets of performance data properly identified should be included in the Airplane Flight Manual. (See also § 4b.10-2.)

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interprets or applies sec. 603, 52 Stat. 1009 as amended, 49 U. S. C. 553)

[SEAL] F. B. LEE,
Administrator of Civil Aeronautics.

[F. R. Doc. 54-2344; Filed, Apr. 1, 1954; 8:45 a. m.]

TITLE 17—COMMODITY AND SECURITIES EXCHANGES

Chapter II—Securities and Exchange Commission

PART 250—GENERAL RULES AND REGULATIONS, PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

FILING OF REPORTS TO STOCKHOLDERS AND STATE COMMISSIONS

On February 10, 1954, the Securities and Exchange Commission published for comments and suggestions a proposed revision of Form U5S (17 CFR 259.5s) and a proposed new Rule U-29 (§ 250.29). After considering all of the comments and suggestions received, the Commission has adopted the proposed revision of the form and the proposed rule with certain modifications.

The text of Rule U-29 (§ 250.29) is as follows:

§ 250.29 *Filing of reports to stockholders and State Commissions.*[1] (a) Two copies of each report submitted by any registered holding company or any subsidiary thereof to its stockholders generally shall be filed with the Commission not later than ten days after such submission.

(b) A copy of each annual report submitted by any registered holding company or any subsidiary thereof to a State Commission covering operations not reported to the Federal Power Commission shall be filed with the Securities and Exchange Commission not later than ten days after such submission.

The foregoing action has been taken pursuant to the Public Utility Holding Company Act of 1935, particularly sections 14, 15, and 20 (a) thereof and pursuant to the Securities Exchange Act of 1934, particularly sections 13, 15 (d), and 23 (a) thereof.

Rule U-29 (§ 250.29) shall become effective on April 30, 1954, except that reports of the character referred to in the rule submitted by any registered holding company or any subsidiary thereof prior to April 30, 1954 and not previously filed pursuant to the public Utility Holding Company Act of 1935 shall be filed prior to May 10, 1954.

(Sec. 20, 49 Stat. 833; 15 U. S. C. 79t. Interprets or applies secs. 13, 15, 23, 48 Stat. 894, 895, 901, as amended, secs. 14, 15, 49 Stat. 827, 828; 15 U. S. C. 78m, 78o, 78w, 79n)

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

MARCH 25, 1954.

[F. R. Doc. 54-2360; Filed, Apr. 1, 1954; 8:49 a. m.]

PART 259—FORMS PRESCRIBED UNDER THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

FORMS FOR REGISTRATION AND ANNUAL SUPPLEMENTS

On February 10, 1954, the Securities and Exchange Commission published for comments and suggestions a proposed revision of Form U5S (17 CFR 259.5s) and a proposed new Rule U-29 (§ 250.29 of this chapter). After considering all of the comments and suggestions received, the Commission has adopted the proposed revision of the form and the proposed rule with certain modifications.

Form U5S is the system annual reporting form for registered holding companies and could, prior to the present revision, also be used by registered holding companies to satisfy annual reporting requirements under the Securities Exchange Act of 1934. The revision is designed to modify items of the form which, in the Commission's experience, now serve little useful regulatory or disclosure purpose and impose a substantial reporting burden. In addition, the form can now be used to satisfy annual reporting requirements of the Securities Exchange Act of 1934, not only for registered holding companies but also for their subsidiaries. This should eliminate substantial duplicate reporting.

While retaining the requirement for consolidating financial statements, which appear material to an appraisal of system and intra-system operations, the revised form no longer requires the filing of Federal Power Commission and State Commission reports or stockholder reports as exhibits. Federal Power Commission reports are readily available to the public at the Federal Power Commission's offices. Stockholder reports are usually furnished to the Commission by holding companies and their subsidiaries when available and Rule U-29 (which is similiar to the Commission's Rule N-30B2-1 (§ 270.30b2-1 of this chapter) under the Investment Company Act of 1940)) formalizes the practice. Rule U-29 also requires the filing of State Commission reports covering operations not reported to the Federal Power Commission, since this information would otherwise be not readily available to the Commission. Reports covered by the rule which were distributed prior to April 30, 1954, the effective date of the rule, and have not already been filed, should be filed prior to May 10, 1954.

The revised Form U5S[1] requires aggregate remuneration information but does not require individual reporting of remuneration. Individual remuneration data for parent companies will, of course, continue to be available in proxy statements filed pursuant to Rule U-61 (§ 250.61 of this chapter) and Regulation X-14 and similar data for substantially all utility subsidiaries is available in the public Federal Power Commission reports, and in many cases, in State Commission reports.

The form has been drafted with particular reference to the reporting requirements of continuing holding company systems. It is recognized that, in the case of the few remaining complex systems still in process of reorganization under section 11 of the act, modifications of certain requirements of the form may be necessary. The Commission proposes to continue to consider requests for such modifications in appropriate cases.

A copy of the revised Form U5S may be obtained by any interested person on request.

The foregoing action has been taken pursuant to the Public Utility Holding Company Act of 1935, particularly sections 14, 15, and 20 (a) thereof and pursuant to the Securities Exchange Act of 1934, particularly sections 13, 15 (d), and 23 (a) thereof.

The revision of Form U5S shall become effective immediately upon publication, March 29, 1954, except that any registrant which so desires may file its report for the calendar year 1953 on the form as previously in effect. The Commission has extended to May 31, 1954, the time for filing an annual report on Form U5S for the year 1953 pursuant to section 14 of the Public Utility Holding Company Act of 1935 or pursuant to section 13 or 15 (d) of the Securities Exchange Act of 1934.

(Sec. 20, 49 Stat. 833; 15 U. S. C. 79t. Interprets or applies secs. 13, 15, 23, 48 Stat. 894, 895, 901, as amended; secs. 14, 15, 49 Stat. 827, 828; 15 U. S. C. 78m, 78o, 78w, 79n)

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

MARCH 25, 1954.

[F. R. Doc. 54-2359; Filed, Apr. 1, 1954; 8:49 a. m.]

TITLE 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of Foreign Commerce, Department of Commerce

Subchapter B—Export Regulations

[6th Gen. Rev. of Export Regs., Amdt 84]

PART 373—LICENSING POLICIES AND RELATED SPECIAL PROVISIONS

IRON AND STEEL

Section 373.40 *Iron and steel* is amended by deleting therefrom paragraph (e) *Iron and steel scrap.*

This amendment shall become effective as of April 1, 1954.

(Sec. 3, 63 Stat. 7; 65 Stat. 43; 67 Stat. 62; 50 U. S. C. App. Sup. 2023. E. O. 9630, Sept. 27, 1945; 10 F. R. 12245, 3 CFR, 1945 Supp.; E. O. 9919, Jan. 3, 1948, 13 F. R. 59, 3 CFR, 1948 Supp.)

LORING K. MACY, *Director, Bureau of Foreign Commerce.*

[F. R. Doc. 54-2395; Filed, Apr. 1, 1954; 8:55 a. m.]

[6th Gen. Rev. of Export Regs., Amdt. P. L. 70]

PART 399—POSITIVE LIST OF COMMODITIES AND RELATED MATTERS

COMMODITIES NO LONGER SUBJECT TO EVIDENCE OF AVAILABILITY REQUIREMENTS

Section 399.1 *Appendix A—Positive List of Commodities* is amended by deleting the letter "D" in the column headed "Commodity Lists" with respect

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[1] Sections 14 and 15.

[1] Filed as part of the original document.

to the following commodities, indicating that such commodities are no longer subject to evidence of availability requirements (see § 373.3 of this subchapter):

Dept. of Commerce Schedule B No.	Commodity
601010	Melting steel scrap (No. 1 heavy and No. 2).
601040	Baled sheet melting scrap.
601050	Borings, shovelings, and turnings (steel melting scrap).
601070	Iron scrap.
601090	Other scrap (specify type).

This amendment shall become effective as of April 1, 1954.

(Sec. 3, 63 Stat. 7; 65 Stat. 43; 67 Stat. 62; 50 U. S. C. App. Sup. 2023. E. O. 9630, Sept. 27, 1945, 10 F. R. 12245, 3 CFR, 1945 Supp.; E. O. 9919, Jan. 3, 1948, 13 F. R. 59, 3 CFR, 1948 Supp.)

LORING K. MACY,
Director,
Bureau of Foreign Commerce.

[F. R. Doc. 54-2396; Filed, Apr. 1, 1954; 8:55 a. m.]

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 53461]

PART 4—VESSELS IN FOREIGN AND DOMESTIC TRADES

MISCELLANEOUS AMENDMENTS

Single applications for overtime services of customs officers have been required to specify the nature of the services desired and the exact times that they will be needed. Compliance with this requirement has resulted in unnecessary work because of the necessity in many cases of filing several applications for overtime services of customs officers in connection with only one arrival of a vessel at a United States port.

Accordingly, in order (1) to simplify customs requirements and procedures in connection with requests for overtime services of customs officers in entering and clearing vessels, supervising the unlading or lading thereof, and related activities, (2) to authorize the use of customs Form 3171, Application and Permit To Lade or Unlade Vessels of 5 Net Tons or More, as an application and permit to retain unentered goods on the wharf for more than 5 days, and (3) to bring the regulations into conformity with the amendment of section 484 (a), Tariff Act of 1930, by section 16 (b), Customs Simplification Act of 1953, the Customs Regulations are amended as follows:

1. Section 4.10 is amended by inserting the following sentence after the first sentence:

§ 4.10 *Request for overtime services.* * * * Such request for overtime services must specify the nature of the services desired and the exact times when they will be needed, unless arrangements are made locally so that the proper customs officer will be seasonably notified during official hours in advance of the rendering of the services as to the nature of services desired and the exact times that they will be needed.

(Secs. 448, 451, 624, 46 Stat. 714, 715, as amended, 759; 19 U. S. C. 1448, 1451, 1624)

2. Section 4.30 (c) is amended by inserting the following sentence after the third sentence:

§ 4.30 *Permits and special licenses for unlading and lading.* * * *

(c) * * * Such request for overtime services must specify the nature of the services desired and the exact times when they will be needed, unless arrangements are made locally so that the proper customs officer will be seasonably notified during official hours in advance of the rendering of the services as to the nature of the services desired and the exact times that they will be needed.

(R. S. 2793, as amended, secs. 446, 448, 450, 451, 452, 453, 454, 490, 624, 46 Stat. 713, 714, 715, as amended, 716, 726, 759; 19 U. S. C. 288, 1446, 1448, 1450, 1451, 1452, 1453, 1454, 1490, 1624)

3. Section 4.37 *Lay order; general order* is amended as follows:

a. Paragraph (a) is amended by substituting "fifth" for "second" in the first sentence and by adding the following sentence: "The application for an initial lay order to allow the merchandise to remain on the wharf or pier beyond the fifth working day may be included, if the collector approves, in the space provided therefor in the application made on customs Form 3171 for a permit to lade or unlade."

b. Paragraph (b) is amended by substituting "5-day period" for "2-day period".

(Secs. 448, 457, 490, 624, 46 Stat. 714, 716, 726, 759; 19 U. S. C. 1448, 1457, 1490, 1624)

When arrangements are made to notify the proper local customs officer seasonably and during official hours in advance of the rendering of the overtime services as to the nature of the services desired and the exact times that they will be needed, as provided for in the above amendments to §§ 4.10 and 4.30 (c) of the Customs Regulations, the words "as per supplemental oral request" shall be noted by the applicant in his request for overtime services. Customs Forms 3171 and 3853 will so specify when they are again reprinted.

The above amendment which adds a new sentence to § 4.37 (a) of the Customs Regulations shall be effective as soon as customs Form 3171, revised as indicated by the amendment, has been reprinted and is ready for distribution. The other amendments above shall be effective on the date of publication in the FEDERAL REGISTER.

(R. S. 161, 251, secs. 2, 3, 23 Stat. 118, as amended, 119, as amended, sec. 624, 46 Stat. 759; 5 U. S. C. 22, 19 U. S. C. 66, 1624, 46 U. S. C. 2, 3)

[SEAL] C. A. EMERICK,
Acting Commissioner of Customs.

Approved: March 25, 1954.

H. CHAPMAN ROSE,
Acting Secretary of the Treasury.

[F. R. Doc. 54-2392; Filed, Apr. 1, 1954; 8:54 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter VI—Business and Defense Services Administration, Department of Commerce

[BDSA Reg. 2 (Formerly NPA Reg. 2), Amdt. 1 of March 31, 1954]

REG. 2—BASIC RULES OF THE PRIORITIES SYSTEM

LIMITATION ON USE AND DISPOSITION OF CERTAIN MATERIALS

This amendment is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this amendment, consultation with industry representatives has been rendered impracticable due to the need for immediate action.

This amendment affects BDSA Reg. 2 (formerly NPA Reg. 2) by the addition of a new paragraph (d) to section 17 and by the addition of List B to the regulation. Additional formal changes of an editorial nature are made in section 17 (a), (b), and (c) to correspond with the transition from NPA to BDSA and to reflect the addition of paragraph (d) to the section.

Section 17 of BDSA Reg. 2 (formerly NPA Reg. 2), dated March 23, 1953, is hereby amended to read as follows:

SEC. 17. *Use or disposition of material acquired under this regulation.* (a) Any person who gets material with a rating or through a specific authorization or a directive of BDSA must, if possible, use or dispose of it (or of the product into which it has been incorporated) for the purpose for which the assistance was given. However, material obtained with any DO rating may be used to fill any DX rated order. Physical segregation is not required as long as the restrictions applicable to any specific lot of material or product are observed with respect to an equivalent amount of the same material or product.

(b) The restriction in paragraph (a) of this section does not apply when a material, or a product in which it has been incorporated, can no longer be used for the purpose for which the priority assistance was given; for example, when the assistance was given to fill a particular order and the material or product does not meet the customer's specifications or the contract or order is cancelled. In such cases the rules on further use and disposition in paragraphs (c) and (d) of this section must be observed.

(c) Except as provided in paragraph (d) of this section, the holder of a material or product subject to paragraph (b) of this section may sell it as long as he complies with all requirements of other applicable sections of this regulation and of other orders and regulations of BDSA, or he may use it himself in any manner or for any purpose as long as he complies with such requirements.

(d) When a material appearing on List B of this regulation which has been acquired with a rating or through a specific authorization or directive of BDSA, or when a product into which such material has been incorporated, can no longer be used for the purpose for which the priority assistance was given, the following rules apply:

(1) To the extent that such material or product can be used to fill other orders then on hand which are accompanied by a rating or a specific authorization or directive of BDSA, and with respect to which such holder has not already received other material of the same kind by the use of priority assistance for the purpose of filling such other orders, it must be so used.

(2) To the extent that such material or product can be used for the purpose specified in subparagraph (1) of this paragraph but where material of the same kind to fill such other orders has been ordered by the use of priority assistance and has not been received, it must be so used, and the provisions of section 12 (b) apply.

(3) To the extent that such material can not be used for the purpose and in the manner specified in subparagraphs (1) and (2) of this paragraph, the holder of such material must immediately notify BDSA in writing of the description, quantity, and location and his proposed use, sale, or disposition of such material, and may not use, sell, or dispose of such material for a period of 10 days after the date of mailing such written notification except as specifically authorized or directed in writing by BDSA. If no written authorization or direction is issued by BDSA within such period, the rules stated in paragraph (c) of this section apply.

BDSA Reg. 2 (formerly NPA Reg. 2), dated March 23, 1953, is further amended by the addition thereto of List B of BDSA Reg. 2 immediately following list A of such regulation. List B of BDSA Reg. 2 is as follows:

LIST B OF BDSA REG. 2 (FORMERLY NPA REG. 2)

1. Primary Nickel in the following forms:
   - Electrolytic nickel.
   - Ingots.
   - Pigs.
   - Rondelles.
   - Cubes and pellets.
   - Rolled and cast anodes.
   - Shot.
   - Oxides.
   - Salts.
   - Chemicals.

(64 Stat. 816, Pub. Law 95, 83d Cong.; 50 U. S. C. App. Sup. 2154)

This amendment shall take effect March 31, 1954.

BUSINESS AND DEFENSE SERVICES ADMINISTRATION,
CHAS. F. HONEYWELL,
Administrator.

[F. R. Doc. 54-2421; Filed, Mar. 31, 1954; 1:54 p. m.]

TITLE 31—MONEY AND FINANCE: TREASURY

Chapter I—Monetary Offices, Department of the Treasury

[1954 Dept. Circular 1]

PART 129—VALUES OF FOREIGN MONEYS

QUARTER BEGINNING APRIL 1, 1954

APRIL 1, 1954.

§ 129.17 *Calendar year, 1954.* * * *

(b) *Quarter beginning April 1, 1954.* Pursuant to section 522, title IV, of the Tariff Act of 1930, reenacting section 25 of the act of August 27, 1894, as amended, the following estimates by the Director of the Mint of the values of foreign monetary units are hereby proclaimed to be the values of such units in terms of the money of account of the United States that are to be followed in estimating the value of all foreign merchandise exported to the United States during the quarter beginning April 1, 1954, expressed in any such foreign monetary units: *Provided, however,* That if no such value has been proclaimed, or if the value so proclaimed varies by 5 per centum or more from a value measured by the buying rate in the New York market at noon on the day of exportation, conversion shall be made at a value measured by such buying rate as determined and certified by the Federal Reserve Bank of New York and published by the Secretary of the Treasury pursuant to the provisions of section 522, title IV, of the Tariff Act of 1930.

[The value of foreign monetary units, as shown below in terms of United States money, is the ratio between the legal gold content of the foreign unit and the legal gold content of the United States dollar. It should be noted that this value, with respect to most countries, varies widely from the present exchange rates. Countries not having a legally defined gold monetary unit, or those for which current information is not available, are omitted.]

Country	Monetary unit	Value in terms of U. S. money	Remarks
Colombia	Peso	$0.5128	Monetary Law No. 90 of Dec. 16, 1948, effective Dec. 18, 1948, content of peso 0.50637 gram of gold 9/10 fine. Obligation to sell gold suspended Sept. 24, 1931.
Costa Rica	Colon	.1781	Parity of 0.158267 fine gram gold established by decree law effective Mar. 22, 1947.
Denmark	Krone	.4537	Conversion of notes into gold suspended Sept. 29, 1931.
Dominican Republic	Peso	1.0000	By monetary law No. 1528 effective Oct. 9, 1947, gold content of peso equal to 0.888671 gram fine.
Ethiopia	Dollar	.4025	New unit established by Proclamation of the Emperor on May 25, 1945, effective July 23, 1945.
Finland	Markka	.0426	Conversion of notes into gold suspended Oct. 12, 1931.
Guatemala	Quetzal	1.0000	Decree No. 203 of Dec. 10, 1945, defined the monetary unit as 15 5/21 grains gold 9/10 fine. Conversion of notes into gold suspended Mar. 6, 1933.
Haiti	Gourde	.2000	National bank notes redeemable on demand in U. S. dollars.
Peru	Sol	.4740	Conversion of notes into gold suspended May 18, 1932; exchange control established Jan. 23, 1945.
Philippines	Peso	.5000	International value according to the Central Bank Act approved June 15, 1948. Exchange control established.
Sweden	Krona	.4537	Conversion of notes into gold suspended Sept. 29, 1931.
Uruguay	Peso	.6583	Present gold content of 0.585018 gram fine established by law of Jan. 18, 1938. Conversion of notes into gold suspended Aug. 2, 1914; exchange control established Sept. 7, 1931.
Venezuela	Bolivar	.3267	Exchange control established Dec. 12, 1936.

(Sec. 522, 46 Stat. 739; 31 U. S. C. 372)

[SEAL] H. CHAPMAN ROSE,
Acting Secretary of the Treasury.

[F. R. Doc. 54-2393; Filed, Apr. 1, 1954; 8:54 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

[Circular No. 1871]

PART 191—GENERAL REGULATIONS APPLICABLE TO MINERAL PERMITS, LEASES AND LICENSES

SUSPENSION OF OPERATIONS AND PRODUCTION

Section 191.26 is amended to read as follows:

§ 191.26 *Suspension of operations and production.* (a) Applications by lessees for relief from the producing requirements or from all operating and producing requirements of mineral leases shall be filed in triplicate in the office of the regional oil and gas supervisor for oil and gas leases, and in the office of the regional mining supervisor for all other leases.[1] As to oil and gas leases, no suspension of operations and production will be granted on any lease in the absence of a well capable of production on the leasehold, except where the Secretary directs a suspension in the interest of conservation. Complete information must be furnished showing the necessity for such relief.

(b) The term of any lease will be extended by adding thereto any period of suspension of all operations and production during such term pursuant to any direction or assent of the Secretary.

(c) A suspension shall take effect as of the time specified in the direction or assent of the Secretary. Rental and minimum royalty payments will be suspended during any period of suspension of all operations and production directed or assented to by the Secretary, beginning with the first day of the lease

[1] By Departmental Order No. 2699 and Geological Survey Order No. 218 of August 11, 1952, the regional oil and gas supervisors and the regional mining supervisors are authorized to act on applications for suspension of operations or production or both filed pursuant to this section and to terminate suspensions of this kind which have been or may be granted.

month on which the suspension of operations and production becomes effective or, if the suspension of operations and production becomes effective on any date other than the first day of a lease month, beginning with the first day of the lease month following such effective date. The suspension of rental and minimum royalty payments shall end on the first day of the lease month in which operations or production is resumed. Where rentals are creditable against royalties and have been paid in advance, proper credit will be allowed on the next rental or royalty due under the lease.

(d) No lease will be deemed to expire by reason of a suspension of production only pursuant to any direction or assent of the Secretary.

(e) If there is a well capable of producing on the leased premises and all operations and production are suspended pursuant to any direction or assent of the Secretary, the commencement of drilling operations only will be regarded as terminating the suspension as to operations but not as to production, and as terminating the period of suspension to be added to the term of the lease as provided in paragraph (b) of this section and the period of suspension of rental and minimum royalty payments as provided in paragraph (c) of this section. However, as provided in paragraph (d) of this section, the term of the lease will not be deemed to expire so long as the suspension of production remains in effect.

(f) The minimum annual production requirements of a lease issued under the act for coal, phosphate, potassium, sodium, oil shale or sulphur shall be proportionately reduced for that portion of a lease year for which suspension of operations and production is directed or granted by the Secretary of the Interior in the interest of conservation.

(Sec. 32, 41 Stat. 450; 30 U. S. C. 189)

DOUGLAS MCKAY,
Secretary of the Interior.

MARCH 29, 1954.

[F. R. Doc. 54-2345; Filed, Apr. 1, 1954; 8:45 a. m.]

Appendix—Public Land Orders

[Public Land Order 948]

CALIFORNIA

PARTIAL REVOCATION OF PUBLIC LAND ORDER NO. 125 WHICH WITHDREW PUBLIC LANDS FOR USE OF THE WAR DEPARTMENT

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

1. Public Land Order No. 125 of May 28, 1943, withdrawing public lands for the use of the War Department as bombing target sites which was partially revoked by Public Land Orders No. 442, 581, and 807, is hereby revoked so far as it affects the following-described lands:

SAN BERNARDINO MERIDIAN

T. 6 N., R. 1 W.,
Sec. 4.
T. 6 N., R. 3 W.,
Sec. 21, NW¼.
T. 4 N., R. 2 E.,
Sec. 1, SE¼SE¼;
Sec. 12, E½NE¼, NE¼SE¼.
T. 4 N., R. 3 E.,
Sec. 6, S½SW¼, SW¼SE¼;
Sec. 7, NW¼, W½NE¼, N½SW¼, NW¼SE¼.
T. 6 N., R. 3 E.,
Sec. 35, E½.
T. 3 N., R. 4 E.,
Sec. 6.
T. 4 N., R. 4 E.,
Sec. 5, N½.
T. 5 N., R. 4 E.,
Sec. 32, S½.
T. 6 N., R. 5 E.,
Sec. 30.
T. 3 N., R. 6 E.,
Sec. 24, SE¼;
Sec. 25, NE¼.
T. 3 N., R. 7 E.,
Sec. 19, SW¼;
Sec. 30, NW¼.

The areas described aggregate approximately 4,320 acres.

2. The following-described lands released from withdrawal by this order shall not become subject to the initiation of any rights or to any disposition under the public-land laws until it is so provided by an order of classification to be issued by an authorized officer opening the lands to application under the Small Tract Act of June 1, 1938 (52 Stat. 609; 43 U. S. C. 682a) as amended, with a 91-day preference-right period for filing such applications by veterans of World War II and other qualified persons entitled to preference under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279-284) as amended:

SAN BERNARDINO MERIDIAN

T. 6 N., R. 3 W.,
Sec. 21, NW¼.

The area described contains 160 acres.

3. The remaining lands released from withdrawal by this order are located in a somewhat remote arid desert area where irrigation is necessary for crop production, and where irrigation water is in short supply. Creosote bush is the dominant vegetative cover. The lands will not be subject to occupancy or disposition until they have been classified. Any application that is filed will be considered on its merits.

4. This order shall not otherwise become effective to change the status of the lands referred to in paragraph 3 until 10:00 a. m. on the 35th day after the date of this order. At that time the said lands shall become subject to application, petition, location and selection under the applicable public land laws, subject to valid existing rights, the provisions of existing withdrawals, the requirements of applicable laws, and the 91-day preference-right filing period for veterans of World War II and others entitled to preference under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279-284) as amended.

Inquiries regarding the lands shall be addressed to the Manager, Land Office, Bureau of Land Management, Los Angeles, California.

ORME LEWIS,
Assistant Secretary of the Interior.

MARCH 29, 1954.

[F. R. Doc. 54-2347; Filed, Apr. 1, 1954; 8:46 a. m.]

[Public Land Order 949]

WASHINGTON

ORDER REVOKING EXECUTIVE ORDER NO. 8622 OF DECEMBER 27, 1940

By virtue of the authority vested in the President by section 1 of the act of June 25, 1910 c. 421 (36 Stat. 847; 43 U. S. C. 141) and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

Executive Order No. 8622 of December 27, 1940, reserving the following-described lands under the jurisdiction of the Department of the Interior for use by the Game Commission of the State of Washington in connection with the Squaw Creek Antelope Range and Wildlife Refuge is hereby revoked:

WILLAMETTE MERIDIAN

T. 15 N., R. 20 E.,
Sec. 30.

The area described contains 646.78 acres.

The lands are located about fifteen miles north of Yakima and are accessible by a state highway and a private road. They lie at an elevation between 2000 and 2500 feet. Annual precipitation is about seven inches. The topography is rough and mountainous with steep westerly breaks. The soils are a rocky, shallow, brown, silty clay loam. The vegetation consists of bluebunch wheat grass, cheat, sage, and sandberg bluegrass. The lands are best adaptable to grazing. Any application that is filed will be considered on its merits. The lands will not be subject to occupancy or disposition until they have been classified.

This order shall not otherwise become effective to change the status of the described lands until 10:00 a. m. on the 35th day after the date of this order. At that time the said lands shall become subject to application, petition, location and selection under the applicable public-land laws, subject to valid existing rights, the provisions of existing withdrawals, the requirements of applicable laws, and the 91-day preference-right filing period for veterans of World War II and others entitled to preference under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279-284), as amended.

Inquiries regarding the lands shall be addressed to the Manager, Land and Survey Office, Bureau of Land Management, Spokane, Washington.

ORME LEWIS,
Assistant Secretary of the Interior.

MARCH 29, 1954.

[F. R. Doc. 54-2346; Filed, Apr. 1, 1954; 8:46 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 919]

HANDLING OF MILK IN SOUTHWEST KANSAS MARKETING AREA

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND PROPOSED ORDER

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was conducted at Dodge City, Kansas, on August 18-21, inclusive, 1953, pursuant to notice thereof which was issued on July 29, 1953 (18 F. R. 4519).

Upon the basis of the evidence introduced at the hearing and the record thereof the Deputy Administrator, Agricultural Marketing Service, on February 12, 1954, filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision in this proceeding. The notice of filing such recommended decision and opportunity to file written exceptions thereto was published in the FEDERAL REGISTER on February 17, 1954 (19 F. R. 898).

The material issues of record related to:

1. The character of commerce in the handling of milk;
2. The need for regulation;
3. The extent of the marketing area;
4. The scope of regulation;
5. The classification of milk;
6. Class prices;
7. Payments to producers;
8. The administrative assessment; and
9. Administrative provisions.

Findings and conclusions. Upon the evidence adduced at the hearing and the record thereof it is hereby found and concluded that:

1. *Character of commerce.* The handling of milk in the Southwest Kansas marketing area is in the current of interstate commerce or directly burdens, obstructs or affects interstate commerce in milk or its products.

Milk produced for the Southwest Kansas marketing area is regularly distributed on routes extending into the States of Colorado, Oklahoma and Texas. The principal distribution in these states is by a handler whose plant is located in Dodge City, Kansas, although there is lesser distribution in the State of Oklahoma by a handler whose plant is in Liberal, Kansas. The Dodge City handler competes in procurement and sales with all other handlers of the Southwest Kansas area.

Milk produced in Colorado and Oklahoma is distributed in Kansas in competition with milk produced for the Southwest Kansas marketing area. Some of this distribution is by handlers whose plants are located in Colorado and Oklahoma. Other distribution is by handlers from the Wichita, Kansas, market which receives supplies from producers whose farms are located in Oklahoma.

During periods when milk production is in excess of the needs for fluid sales, producer milk is manufactured into products such as ice cream, butter and cheese which are disposed of over a wide area including states other than Kansas. In periods when milk production is short of the needs for fluid sales, milk is imported from other areas. Some of such imports are from states other than Kansas.

2. *The need for regulation.* The issuance of an order to regulate the handling of milk in the Southwest Kansas marketing area will tend to effectuate the declared policy of the Agricultural Marketing Agreement Act.

Under short supply conditions that prevailed in the Southwest Kansas area through 1952 a cooperative association of producers had succeeded in establishing a nominal class use basis for pricing milk of its members and other producers disposed of to a number of the principal handlers of the area. The arrangements in effect followed generally the classification and pricing pattern in effect in the Wichita market, including the premium in excess of minimum order prices that were negotiated in the Wichita market. Returns to producers were based upon the average utilization by classes of the milk received by each handler.

Milk production in the Southwest Kansas area increased substantially early in 1953 in common with the experience in many other areas. The marketing system that appeared to work with reasonable satisfaction under conditions of short supply has not been adequate for the changed conditions. The handling and pricing of surplus milk has not been uniform. All handlers do not have adequate facilities for handling milk in excess of their fluid needs. While reasonable uniformity has prevailed in the prices at which handlers have accounted to producers for the milk used for their fluid sales there have been considerable differences in the prices at which they have accounted for the milk used in other ways. A considerable disparity in the blend prices of individual handlers has occurred through some handlers providing a market for only that milk needed for their fluid sales while other handlers have attempted to provide a market for the increased production through their manufacturing facilities.

After failure to reach an agreement with one handler concerning the price for milk in excess of fluid needs early this spring, the association retailed the milk of some 17 of its member producers for some weeks in competition with this handler and others, and for this time pooled the proceeds of the sales of all of its members. When retail sales were discontinued and the milk of these producers was placed with another handler who needed it only for manufacturing purposes, the association pool was also discontinued because nonmember producers were receiving higher blend prices from certain handlers.

It is evident that the area requires a marketing system whereby all producers share equitably the fluid sales of the area and also share equally the burden of seasonal and cyclic surpluses of milk. The distribution of facilities for handling milk in excess of fluid requirements do not permit these results through even distribution of milk supplies to handlers.

Producers and handlers have failed to agree upon any uniform plan designed to bring about a more uniform seasonal pattern of production to meet the needs of the market. One attempt to establish a base plan was abandoned after a short period of operation apparently because its provisions were not well understood by all elements of the market. Attempts to reach agreement on other increases have failed.

No testimony was offered at the hearing in opposition to the issuance of an order. It is concluded that the issuance of a marketing order will provide stability to the market and tend to effectuate the declared policy of the act.

3. *The extent of the marketing area.* The marketing area should be defined to include 26 cities, all in the Southwestern portion of Kansas, and 14 townships located in 7 counties which include or are adjacent to 9 of these cities.

Producers proposed that the marketing area be defined to include the corporate limits of the Cities of Dodge City, Garden City, Pratt, Great Bend, Larned, Kinsley and Scott City, all in Kansas, and supported the addition of the City of Liberal, Kansas, to this list of cities. Handlers proposed that the marketing area be defined as 29 counties plus two small municipalities in a 30th county.

Southwest Kansas is predominantly a rural area with no large centers of population. The cities which producers support as the marketing area are the largest cities in this portion of the state, and vary from approximately 3,000 to 15,000 in population. They are also the places at which are located the principal milk processing plants at which milk is received from producers for distribution in the area. There are, however, numerous smaller towns in which milk received at plants in these larger towns is distributed. In only three of these—Hoisington, Ellinwod, and Elkhart are there any milk plants which receive milk from dairy farmers and distribute fluid milk. Hoisington and Ellinwood are in the immediate vicinity of Great Bend.

Throughout a considerable portion of the surrounding area distribution of Grade A milk for fluid consumption is exclusively from (1) plants located within the area proposed, (2) plants regulated by the order for the Wichita, Kansas, market, and (3) producers retailing their own milk. There is little if any distribution of non-Grade A milk other than by farmer retailers. The regulation proposed is restricted to pric-

ing Grade A milk eligible for fluid consumption that is received by handlers from producers. While it is not feasible to define a marketing area to include all territory within which regulated handlers may extend their sales it is considered advisable that the area defined include that territory within which they are the principal or sole suppliers of the kind of milk to be regulated and in which their sales are a significant portion of their business.

One Dodge City handler who distributes milk throughout the entire 29 county area proposed has about 13 percent of his sales in Dodge City and less than half of his sales in the 8 cities which producers proposed. A Garden City handler with distribution in 15 counties has slightly more than half of his sales in three of these cities. While the record does not show the percentage distribution of their sales, it shows that another Dodge City handler and a handler whose plant is located at Pratt each distribute milk in eight counties.

It is concluded that the marketing area should be defined to include the cities of Ashland, Cimarron, Coldwater, Dodge City, Ellinwood, Garden City, Great Bend, Greensburg, Hoisington, Hugoton, Johnson, Jetmore, Kinsley, La Crosse, Lakin, Larned, Liberal, Meade, Medicine Lodge, Ness City, Pratt St. John, Scott City, Stafford, Syracuse, and Ulysses and certain townships which are adjacent to or include the Cities of Dodge City, Ellinwood, Garden City, Great Bend, Hoisington, Kinsley, Larned and Pratt. The marketing area so defined will include the principal points at which handlers of the larger cities are the suppliers of Grade A milk. It will accomplish the intent of handlers in requesting regulation by county boundaries and at the same time will present less administrative problems.

Population is not dense in the rural areas of Southwest Kansas. The geographical location and population of smaller towns is such as to make it impractical for there to be any substantial milk distribution in the area without sales in the defined marketing area. The inclusion of townships surrounding or adjacent to the principal cities will prevent the establishment of retail sales of unregulated milk adjacent to the boundaries of these cities.

Sales in Greeley, Wichita, Morton, Lane, and Kingman counties are not a significant part of the milk sales of the major handlers who will be regulated by the area herein proposed. For this reason the defined marketing area does not include cities in these counties. The recommended decision included the City of Elkhart in Morton County in the area to be defined and did not include Scott City in Scott County. A review of the record in the light of exceptions received indicates that with respect to milk supplies and sales, Scott City is more closely related to the other portions of the area than is Elkhart. It is therefore concluded that Scott City should be included in the defined marketing area and that Elkhart need not be included.

Within the defined area, milk labeled Grade "A" must be produced and handled under local or state supervision in accordance with the standards of the United States Public Health Service Standard Milk Ordinance. These standards have been adopted by the Kansas State Board of Agriculture and are contained in the ordinances of the principal cities. While not all of the cities of the defined marketing area require milk of Grade "A" quality, distribution of non-Grade "A" milk appears to be limited to that of producer-retailers. As indicated by the area of distribution of major handlers, milk of Grade "A" quality moves freely within the defined area. While only one handler distributes throughout the entire area, several handlers distribute their milk throughout a considerable portion of the area. A single cooperative association represents a majority of the producers supplying the principal handlers who would be regulated.

4. *The scope of regulation.* The minimum class prices of the orders should apply to milk of Grade A quality received directly from the farm on which it is produced, at a milk plant from which fluid milk is distributed on routes in the marketing area, or at a receiving plant closely associated with and regularly supplying such a plant.

Health authorities of most cities of the marketing area in which bottling plants are located inspect the farms of and issue permits or ratings to those producers whose milk is eligible for distribution as Grade A Milk. In at least one instance, Liberal, the record indicates that currently farm inspections are made and ratings issued by the State of Kansas. However the City of Liberal is proposing to adopt an ordinance under which these functions will be performed by municipal authorities.

In order to distinguish clearly what milk is to be subject to the order, which processors and distributors are to be subject to regulation, and which dairy farmers will have their milk priced and pooled, it is necessary to include in the order definitions of "approved plant", "handler", "producer" and "other source milk".

"Approved plant" should be defined to include those milk plants approved by the appropriate health authorities having jurisdiction in the marketing area from which Class I milk (fluid milk items specifically named elsewhere in the order) is disposed of under Grade A label on routes in the marketing area. The definition should also include the plants which regularly receive milk from producers under inspection of the health authority of a municipality of the marketing area and move it to a plant under common ownership from which Grade A milk is disposed of on routes in the marketing area. The definition will thus be restricted to those plants regularly supplying the fluid milk needs of the area and will not include outside plants which from time to time furnish supplementary supplies to plants regularly supplying the area. There are presently no plants operating as receiving stations. One handler however, has a second plant which until recently was operated as a receiving and bottling plant and where milk from producers is presently collected and moved in farmer's cans to the handler's principal plant. Provision is made for this plant to be considered an approved plant should the handler choose to receive and commingle milk there for more economical handling.

It was contended that the benefits of market-wide pooling shall not be extended to dairy farms or fluid milk plants having only casual association with the market. Accordingly a proposal was made that a plant which disposed of less than 15 percent of its receipts of Grade A milk on routes in the marketing area be excluded from pooling. The need for such a provision at this time appears largely speculative and accordingly no action is herein considered on the basis of this record.

"Handler" should be defined as any person in his capacity as the operator of an approved plant and any cooperative association with respect to milk of producers which it may divert for its own account to an unapproved plant. The handler is the person who receives milk from producers and who is responsible for reporting receipts and utilization of milk and for paying producers minimum prices. A cooperative association in its role of marketing milk of its producer members may need for short periods to divert producers milk from approved plants to unapproved plants for its own account. If the association is defined as a handler for such milk, even though it has no plant, the producers whose milk is so diverted will continue to receive the uniform price established under the order and their milk will be available for fluid use when needed.

"Producer" should be defined as any person, other than a producer-handler who produces milk received at an approved plant, or diverted from an approved plant to an unapproved plant for the account of a handler, which milk is produced under a Grade A dairy farm permit or rating issued by the appropriate health authority of a municipality of the marketing area or by the State of Kansas. Provision should be made to exclude any person whose milk is priced under another Federal order as a producer under this order, since this would result in such persons' milk being priced and pooled under two separate regulations.

The order does not propose to price the milk or pool the Class I sales of a producer-handler, who is a person operating an approved plant and produces milk but receives no milk from producers. The producer-handler is his own marketing agent and is thus in a position to regulate his production to his sales and completely control its disposition. Producer-handlers are thus in an entirely different position from producers whose milk is marketed through a handler, and a producer-handler's milk should not be subject to the pricing and pooling provisions of the order. Any milk that producer-handlers sell to handlers is normally surplus to their own operations; to pool such milk without also pooling the Class I sales producer-handlers make directly would result in a preferential market to producer-handlers as compared with producers regularly supplying handlers. Producer-

handlers should therefore be excluded from the definition of producers and any milk they deliver to buying handlers be treated as other source milk.

"Other source milk" should be defined to include all skim milk and butterfat other than that contained in producer milk. When received at an approved plant, such milk would be from dairy farmers not approved for producing Grade A milk or from a plant which does not qualify as an approved plant. Other source milk would not be priced under the order, but would be allocated to the lowest use in the handler's plant to prevent its displacing producer milk, which constitutes the regular supply of the market, from Class I.

5. *Classification of milk.* Milk should be classified in two classes. Class I milk should include all skim milk and butterfat disposed of as milk, skim milk, buttermilk, flavored milk drinks, and cream or cream mixtures. These are the products which are required by health regulations to be Grade A milk. Class II milk should include all skim milk and butterfat used to produce products not required to be from Grade A milk, disposed of for livestock feed, and allowable shrinkage.

Unaccounted for milk in excess of a reasonable allowance for plant loss should be Class I milk in order to require full accounting by handlers for their receipts. Two percent is considered a reasonable maximum allowance for this purpose under most conditions. For the flush production months of April, May and June the maximum allowance with respect to skim milk is established at 5 percent of receipts in order that handlers with skim milk in excess of their needs in volumes too small to justify transportation to manufacturing plants or other disposition as Class II milk may not suffer undue hardships. No limit need be put on shrinkage of other source milk since such milk is deducted from the lowest use class under the allocation provisions. Since it is not feasible to segregate shrinkage of producer milk from that of other source milk in the same plant, total shrinkage is prorated on the basis of the volume of receipts.

To prevent other source milk, which is unpriced, from displacing from Class I producer milk which is the regular supply for the market, other source milk should be allocated to the lowest class uses in a handler's plant. In establishing the classification of milk, responsibility should be placed upon the handler who first receives milk from producers to account for all milk and milk products received, and to prove to the market administrator his claim that such receipts should be classified as other than Class I. The handler who first receives milk from producers is the person who is in position to satisfy this primary requirement of a class price plan. Such a handler must be held responsible for reporting properly the utilization of such milk and making full payment for it. He must, therefore, maintain records to establish unquestionable proof of the utilization of all milk he receives.

Provision should be made to cover the classification of milk, skim milk and cream transferred to other milk plants since such disposition may be for either fluid (Class I) or manufacturing (Class II) use. Transfers to the approved plants of other handlers may be at classification agreed upon between the handlers, provided the transferee plant has use in the agreed class and the prior claim of producer milk in Class I utilization is maintained. This is the most practical method of dealing with interhandler transfers since it is convenient to handlers and under the market-wide pool neither the total cost of milk to handlers nor returns to producers are changed. Transfers to a producer-handler should be Class I since producer-handlers normally purchase from handlers only for fluid use. Transfers from approved plants to fluid milk plants within 300 miles of Dodge City should be classified as Class I milk up to the total disposition of Class I milk from such plant in excess of its receipts from the dairy farmers constituting its regular source of supply. Transfers to manufacturing plants (those with no route distribution of fluid milk) within 300 miles should be Class II milk. Transfers of milk or skim milk to plants located more than 300 miles from Dodge City should be Class I. Milk and skim milk normally cannot economically be transported greater distances for manufacturing use. The 300 mile limit establishes an area within which there are manufacturing facilities adequate to dispose of any prospective excess of producer milk.

Cream may economically be transported considerable distances for manufacturing use. The use of Grade A certification is a reasonably accurate criterion as to whether cream moves for fluid use or manufacturing use. It is provided that transfers of cream to unapproved plants without regard to distance shall be Class I if under Grade A certification, and Class II if without such certification and identified by label and invoice as for manufacturing use.

6. *Class prices.* The minimum price for Class I milk in the Southwest Kansas marketing area should be based upon the value of milk for manufacturing purposes, as reflected by the prices paid for milk by mid-west condenseries and market prices for butter and nonfat dry milk solids. The production of manufacturing quality milk is neither an important agricultural enterprise in the Southwest Kansas area nor a significant factor in the total potential supply for the market. Nevertheless changes in the value of milk for manufacturing purposes have for considerable time been reflected in the prices for fluid use. Such changes have resulted from the relationship of the Wichita market to the Southwest Kansas market. There is considerable competition for milk sales between Wichita handlers and Southwest Kansas handlers. There is also some competition for milk supplies between the two markets. As a result the milk prices in the Southwest Kansas area have followed the pattern in the Wichita market. The minimum prices of the Wichita order are based upon manufacturing milk values. The relationship between the two markets is sufficiently close to make it important that changes in minimum order prices be influenced by the same factors. The basic formula price to be used in establishing the current month price for milk of 3.8 percent butterfat content should be the higher of the prices paid farmers at 15 milk manufacturing plants in Wisconsin and Michigan or a formula price based on market values of butter and nonfat dry milk solids. Such a basic formula parallels closely that in the Wichita order, prices milk at the basic test to which the market is accustomed, and permits handlers to know their costs at the time of purchase.

The Class I price should be the basic formula price plus $1.65 in all months of the year. This is the Class I differential of the Wichita market. Producers proposed that this differential be $1.90 in order to compensate for differences in the classification and method of accounting for milk herein proposed from those applicable under the Wichita order and currently in use in the Southwest Kansas market. They contended that a Class I differential of $1.90 would be required, when applied to the separate classification and accounting for skim milk and butterfat proposed, to produce a blend or uniform price equal to that which would result from a $1.65 Class I differential applied to the milk equivalent classification and accounting system in use heretofore. Computation of the results under the two systems indicates that a differential somewhat less than $1.90 would accomplish this result.

Milk supplies in the Southwest Kansas area have increased substantially throughout 1952 and 1953. For January 1953 receipts were 26 percent greater than for January 1952. For May 1953 the increase over the same month a year earlier was more than 50 percent. Much of this increased supply was needed, as the market was in short supply during much of 1952 and for several years previously. Furthermore the prices paid producers much of this time were substantially in excess of the minimum prices of the Wichita order. The record however indicates that underlying economic conditions in the area have changed in a way which will increase the attractiveness of milk production. The principal agricultural enterprises of the area are wheat and beef cattle. Reductions in wheat acreages under marketing quotas and reduced profits from beef operations will, in the opinion of producer witnesses, increase milk production. These changes may also be reflected in sales volumes in this area in which much of the economy is closely related to agricultural enterprises. Under these circumstances it is considered advisable that the Class I differential be established at $1.65 at this time.

Producers proposed that the Class II price be the butter-powder formula price but that 30 cents for all months other than April, May and June, and 45 cents in these months, less than this price should apply to milk used in certain ways, principally that used for the manufacture of butter and cheese. Handlers proposed that the Class II price be determined by a butter-powder formula price incorporating lower yield factors and larger manufacturing al-

lowances than those included in the attached order. For July the handler proposal was 47 cents less than the butter-powder formula price adopted as an alternative basic formula.

There is little production of milk for manufacturing use in the Southwest Kansas area and consequently limited facilities for processing milk into manufactured dairy products. Major milk handlers have facilities for making ice cream and cottage cheese and until recently all Grade A milk in excess of fluid needs was used in these products. Some handlers have limited facilities for making butter and cheese, and there is one cheese plant of limited capacity in the area. Increased supplies of milk in the flush season of 1953 were sufficient to require use of these facilities in disposition of surplus Grade A milk. The limited volume and facilities for manufacturing milk in the area provide no basis for pricing Class II milk on the basis of local paying prices.

National market values appear to be appropriate for pricing Class II uses with the possible exception of butter and hard-type cheese during spring months of flush production. The butter-powder formula has over the past seven years averaged within four cents per hundredweight of the United States average price paid for manufacturing milk shown in the record. For 1953 however, the U. S. average price paid was 19 cents less than the butter-powder formula price, indicating that under current dairy marketing conditions in the country there has been a widening of the gross margin between market values of dairy products and the prices plants generally pay for manufacturing milk.

The proposals received at the hearing apparently presuppose an indefinite continuation of these wider gross margins. While such margins have widened under somewhat similar conditions in the past they have reduced as marketing conditions change. In order that the current marketing situation may be reflected in the Class II price without freezing the price at an arbitrarily low level, it is concluded that the national average price for manufacturing milk should determine the Class II price. For July 1953 this price was 21.8 cents less than the butter-powder formula price. A preliminary estimate of this price is published by the Department by the end of the month to which it applies. The price per hundredweight and the average test of milk are given. While this preliminary estimate is subject to later revision, comparisons of preliminary and final figures show that these seldom show a revised price that is not related to a corresponding change in the butterfat test reported. It appears that when converted to a 3.8 percent basis by direct ratio the price reported currently is appropriate for use in determining the Class II price of the Southwest Kansas order.

In the recommended decision provision was made for a credit of four cents per pound applicable to butterfat in producer milk classified as Class II and used in the manufacture of butter and cheese during the months of March through June 1954. It is not now expected that an order will be issued which will be effective for pricing purposes before the expiration of this period, hence the provision is not included in the order.

The minimum class prices thus determined apply to milk of 3.8 percent butterfat content. Such prices to handlers should be adjusted for the actual butterfat test of the milk classified in each class. Butterfat differentials to handlers accomplish this result. For Class I milk the handler butterfat differential should be .125 times the Chicago butter price of the preceding month for each one-tenth percent variation from 3.8 percent. For Class II milk the differential should be .115 times the butter price of the current month. Such differentials reflect an appropriate difference in the value of butterfat in Class I milk and in Class II milk in this market.

7. *Payments to producers.* The proposed order provides for a market-wide pool under which all producers supplying the market would receive the same price for their milk regardless of its utilization by the handler who received the milk. Under present arrangements in the market the returns of producers supplying each handler are based on that handler's utilization of milk, and consequently prices vary among handlers. These variations were minor when the market was in short supply and practically all milk received was used as Class I milk. With more ample supplies considerably wider variations have occurred. Some handlers do not have facilities for handling any volume of milk in excess of their fluid needs and consequently have restricted their receipts to approximately their fluid needs. Other handlers with manufacturing facilities handle the reserve supply and seasonal surpluses of the area. For a period the cooperative association attempted to pool the returns of their members as a means of equalizing returns. During this period non-member producers in high utilization plants received returns in excess of member-producers. As a result of the past experiences in the market the cooperative association recommends that market-wide pooling of all producers be provided in the order.

The record indicates that steps should be taken to level out production on the market. At the present time there is a wide variation between the high and low months of production. Alignment of Class I prices with those of the Wichita market does not provide for seasonal differences in Class I prices beyond those that are in the basic formula price. Producers have proposed a fall incentive plan whereby 50 cents per hundredweight would be deducted in computing the uniform price during each of the months of April, May and June, and one-third of the total amount deducted would be disbursed to producers on the basis of their deliveries during each of the following months of August, September and October. This plan has the effect of applying a seasonal element in the pricing of milk to producers. It is concluded it should be adopted as a means of encouraging a more uniform pattern of production.

The practice of paying producers twice monthly now prevails in the market and should be continued under the order. Uniform prices, however, should be computed only once each month. Provision should be made for an advance payment with respect to milk delivered during the first half of the month at not less than the previous months' Class II price with final settlement for all deliveries at the uniform price of the order.

The butterfat differential to be used in making payments to producers should be the Chicago butter price times .12. This is the differential used in the Wichita order and in the Southwest Kansas market at this time. Handler's costs are not affected by this differential as it is merely a means of prorating returns to producers delivering milk of varying butterfat tests.

Provision is made for payments to a cooperative association of the amounts due its member producers if the cooperative association has such authority, as determined by the market administrator, and requests that payments be so made. This practice was used for a time by a cooperative association in the market.

8. *The administrative assessment.* It appears that an administrative assessment of 5 cents per hundredweight on all producer milk and on other source milk used in Class I will be required to defray the cost of administering the order, at least during its initial stages.

The market administrator is required to verify the use of all milk received at approved plants and must have sufficient funds to enable him to administer properly the terms of the order. In view of the anticipated volume of milk to be regulated and the costs incident to regulation over a widespread area, a maximum rate of 5 cents per hundredweight should be adopted to guarantee a sufficient income for proper administration. Expenses are normally relatively high at the beginning of a program. Should experience show that a lesser rate will suffice, provision is made that the Secretary may reduce the assessment to whatever amount is necessary to meet expenses without amending the order.

9. *Administrative provisions.* The remaining provisions of the order are of a general administrative nature, are incidental to the other provisions of the order, and are necessary for the proper and efficient administration of the order. They provide for the selection of a market administrator, define his powers and duties, prescribe the information to be reported by handlers and set forth the rules to be followed in making the computations required by the order. They also prescribe the length of time that records must be retained and provide a plan for the liquidation of the order in the event of its suspension or termination. They are similar to like provisions of other orders and except as set forth below require no comment.

Producer-handlers should be exempt from the regulatory provisions of the order except that requiring the filing of reports as requested by the market administrator. Reports are required from the producer-handler in order to verify his continued status as a producer-han-

dler and to suplement market information.

A handler who operates an approved plant which is subject to the regulatory provisions of another milk marketing agreement or order issued pursuant to the act should be exempt from the provisions of this order other than for reporting his volume of Class I sales in the marketing area. It would be impractical to attempt to regulate a handler under two separate orders with respect to the same milk. It appears reasonable that the effective regulation should be that of the area in which such a handler makes the greater portion of his sales. Such a provision will conform to the parallel provisions of the Wichita order. A proposal that such a handler be required to pay any amount by which the value of Class I milk disposed of in the Southwest Kansas marketing area (at the minimum prices of this order) exceeds that charged under the other order need not be adopted. Handlers subject to the Wichita order are the only ones likely to be affected by such a provision. The pricing provisions herein recommended are so aligned with those of the Wichita order as to make the provision unnecessary.

The order should provide limitations on the period of time handlers shall retain books and records which are required to be made available to the market administrator, and on the period of time in which obligations under the order shall terminate. The provision made in this regard is identical in principle with the general amendment made to all in operation on July 30, 1947, effective February 22, 1949, and the Secretary's decision of January 26, 1949 (14 F. R. 444), covering the retention of records and limitation of claims is equally applicable in this situation and is adopted as a part of this decision.

Provision should be made for the dissemination of market information to producers, for the verification of weights and for the sampling and testing of milk received from producers for whom such services are not being rendered by a qualified cooperative association. The order should provide that 6 cents per hundredweight, or such lesser amount as the Secretary may determine be deducted from payments to such producers and be turned over to the market administrator to finance the cost of such services. The percent costs of rendering such services are increased in the Southwest Kansas area by the distances between handler plants and the relatively small number of producers. For producers for whom a cooperative association is rendering such services, the handler should pay to the cooperative association such deductions as the producer has authorized the cooperative to collect, such payments to be in lieu of those to the market administrator.

General findings. (a) The proposed marketing agreement and the order and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(b) The parity prices of milk produced for sale in the said marketing area as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply and demand for such milk, and the minimum prices specified in the proposed marketing agreement and in the order, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(c) The proposed marketing agreement and the order will regulate the handling of milk in the same manner as, and are applicable only to persons in the respective classes of industrial and commercial activity specified in, the said marketing agreement upon which a hearing has been held.

Ruling on exceptions. Within the period reserved therefor, exceptions were filed to certain of the findings, conclusions and actions recommended by the Deputy Administrator. In arriving at the findings, conclusions and regulatory provisions of this decision, such exceptions were carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings, conclusions and actions decided upon herein are at variance with any of the exceptions, such exceptions are overruled.

Determination of representative period. The month of January 1954 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of an order to regulate the handling of milk in the Southwest Kansas marketing area in the manner set forth in the attached order is approved or favored by producers who, during such period, were engaged in the production of milk for sale in the marketing area specified in such marketing order.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled respectively "Marketing Agreement Regulating the Handling of Milk in the Southwest Kansas Marketing Area," and "Order Regulating the Handling of Milk in the Southwest Kansas Marketing Area," which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the attached order which will be published with this decision.

This decision filed at Washington, D. C., this 29th day of March 1954.

[SEAL] JOHN H. DAVIS,
Assistant Secretary of Agriculture.

Order[1] Regulating the Handling of Milk in the Southwest Kansas Marketing Area

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919.0 Findings and determinations.

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[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

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Sec.
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919.101 Separability of provisions.

AUTHORITY: §§ 919.0 to 919.101 issued under sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c.

§ 919.0 *Findings and determinations*—(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon a proposed marketing agreement and a proposed order regulating the handling of milk in the Southwest Kansas marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(2) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the said order are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(3) The said order regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial and commercial activity, specified in a marketing agreement upon which a hearing has been held;

(4) All milk and milk products handled by handlers, as defined in this order, are in the current of interstate commerce or directly burden, obstruct or affect interstate commerce in milk or its products; and

(5) It is hereby found that the necessary expense of the market administrator for the maintenance and functioning of such agency will require the payment by each handler as his pro rata share of such expense, 5 cents per hundredweight, or such lesser amount as the Secretary may prescribe, with respect to all receipts within the month of (i) other source milk which is classified as Class I milk, and (ii) milk from producers including such handler's own production.

Order relative to handling. It is therefore ordered that on and after the effective date hereof the handling of milk in the Southwest Kansas marketing area shall be in conformity to and in compliance with the following terms and conditions:

DEFINITIONS

§ 919.1 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C., 601 et seq.).

§ 919.2 *Secretary.* "Secretary" means the Secretary of Agriculture of the United States, or any other officer or employee of the United States, authorized to exercise the powers or to perform the duties of the Secretary of Agriculture.

§ 919.3 *Department.* "Department" means the United States Department of Agriculture or such other Federal agency authorized to perform the price reporting functions of the United States Department of Agriculture.

§ 919.4 *Person.* "Person" means any individual, partnership, corporation, association, or any other business unit.

§ 919.5 *Cooperative association.* "Cooperative association" means any cooperative marketing association of producers which the Secretary determines, after application by the association:

(a) To be qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act"; and

(b) To have full authority in the sale of milk of its members and to be engaged in making collective sales or marketing milk or its products for its members.

§ 919.6 *Southwest Kansas marketing area.* "Southwest Kansas marketing area", hereinafter called "the marketing area", means all territory within the cities of:

Ashland.	La Crosse.
Cimarron.	Lakin.
Coldwater.	Larned.
Dodge City.	Liberal.
Ellinwood.	Meade.
Garden City.	Medicine Lodge.
Great Bend.	Ness City.
Greensburg.	Pratt.
Hoisington.	St. John.
Hugoton.	Scott City
Johnson.	Stafford.
Jetmore.	Syracuse.
Kinsley.	Ulysses.

And within the townships of Great Bend, South Bend, North Homestead, South Homestead, and Lakin in Barton County, Kinsley in Edwards County, Garden City in Finney County, Dodge and Richland in Ford County, Larned and Pleasant Grove in Pawnee County, Canter and Saratoga in Pratt County, and Liberal in Seward County, all in the State of Kansas.

§ 919.7 *Approved plant.* "Approved plant" means any milk plant approved by the appropriate health authority having jurisdiction in the marketing area:

(a) From which milk is disposed of under a Grade A label on wholesale or retail routes (including plant stores) as Class I milk in the marketing area, or

(b) Where milk of producers for whom permits or ratings are issued by a municipality of the marketing area is regularly received, tested, weighed, and commingled for shipment to a plant described in paragraph (a) of this section under the same ownership.

§ 919.8 *Unapproved plant.* "Unapproved Plant" means any milk plant which is not an approved plant.

§ 919.9 *Handler.* "Handler" means:

(a) Any person in his capacity as the operator of an approved plant; or

(b) Any cooperative association with respect to the milk of any producer which it causes to be diverted to an unapproved plant for the account of such cooperative association.

§ 919.10 *Producer.* (a) "Producer" means any person, other than a producer-handler, who produces milk which (1) is received at an approved plant directly from the farm at which produced, and (2) is produced under a dairy farm permit or rating for the production of milk to be disposed of as Grade A milk issued by the appropriate health authority of a municipality of the marketing area or by the State of Kansas.

(b) "Producer" shall include any such person whose milk is regularly received at an approved plant but which is caused to be diverted by a handler to an unapproved plant, and milk so diverted shall be deemed to have been received at an approved plant by the handler who causes it to be diverted. "Producer" shall not include a person with respect to milk produced by him which is received at a plant operated by a handler who is subject to another Federal marketing order and who is partially exempt from the provisions of this order pursuant to § 919.61.

§ 919.11 *Producer milk.* "Producer milk" means all skim milk and butterfat in milk produced by a producer which is received by a handler either directly from producers or from other handlers.

§ 919.12 *Other source milk.* "Other source milk" means all skim milk and butterfat other than that contained in producer milk.

§ 919.13 *Producer-handler.* "Producer-handler" means any person who produces milk and operates an approved plant, but who receives no milk from producers.

§ 919.14 *Route.* "Route" means any delivery (including a delivery by a vendor or at a plant store) of milk, skim milk, buttermilk, or flavored milk drink other than in bulk to a milk processing plant.

MARKET ADMINISTRATOR

§ 919.20 *Designation.* The agency for the administration of this subpart shall be a market administrator, selected by the Secretary who shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of the Secretary.

§ 919.21 *Powers.* The market administrator shall have the following powers with respect to this subpart:

(a) To administer its terms and provisions;

(b) To receive, investigate, and report to the Secretary complaints of violation;

(c) To make rules and regulations to effectuate its terms and provisions; and

(d) To recommend amendments to the Secretary.

§ 919.22 *Duties.* The market administrator shall perform all duties necessary to administer the terms and provisions of this subpart, including, but not limited to the following:

(a) Within 30 days following the date on which he enters upon his duties, or such lesser period as may be prescribed

by the Secretary, execute and deliver to the Secretary a bond, effective as of the date on which he enters upon his duties and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer the terms and provisions of this subpart;

(c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(d) Pay, out of the funds provided by § 919.88:

(1) The cost of his bond and of the bonds of his employees,

(2) His own compensation, and

(3) All other expenses, except those incurred under § 919.87, necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided in this subpart, and, upon request by the Secretary, surrender, the same to such other person as the Secretary may designate;

(f) Publicly announce, at his discretion, unless otherwise directed by the Secretary, the name of any person who, 5 days after the day upon which he is required to perform such acts, has not made (1) reports pursuant to §§ 919.30 and 919.31, or (2) payments pursuant to §§ 919.80 to 919.88, inclusive;

(g) Submit his books and records to examination by the Secretary and furnish such information and reports as may be requested by the Secretary;

(h) Verify all reports and payments by each handler by audit, if necessary, of such handler's records and of the records of any other handler or person upon whose utilization the classification of skim milk or butterfat for such handler depends;

(i) Publicly announce the prices determined for each month as follows:

(1) On or before the 5th day of each month, the minimum prices for Class I milk pursuant to § 919.51 (a) and the Class I butterfat differential pursuant to § 919.52 (a), both for the current month, and the minimum price for Class II milk pursuant to § 919.51 (b) and the Class II butterfat differential pursuant to § 919.52 (b), both for the preceding month; and

(2) On or before the 12th day of each month the uniform price, computed pursuant to § 919.71 and the butterfat differential computed pursuant to § 919.81, both for the preceding month;

(j) On or before the 12th day after the end of each month, report to each cooperative association which so requests the amount and class utilization of milk received by each handler from producers who are members of such cooperative association. For the purpose of this report the milk so received shall be prorated to each class in the proportion that the total receipts of milk from producers by such handler were used in each class;

(k) Prepare and disseminate to the public such statistics and information as he deems advisable and as do not reveal confidential information.

REPORTS, RECORDS AND FACILITIES

§ 919.30 *Reports of receipts and utilization.* On or before the 7th day after the end of each month, each handler, except a producer-handler, shall report to the market administrator in the detail and on forms prescribed by the market administrator as follows:

(a) The quantities of skim milk and butterfat contained in milk received from producers;

(b) The quantities of skim milk and butterfat contained in receipts from other handlers;

(c) The quantities of skim milk and butterfat contained in receipts of other source milk (except Class II products disposed of in the form in which received without further processing or packaging by the handler);

(d) The quantity of skim milk and butterfat contained in all milk, skim milk, cream and products specified as Class I milk pursuant to § 919.41 (a) on hand at the beginning and end of each month;

(e) The utilization of all skim milk and butterfat required to be reported pursuant to this section; and

(f) Such other information with respect to receipts and utilization as the market administrator may prescribe.

§ 919.31 *Payroll reports.* On or before the 20th day of each month, each handler shall submit to the market administrator his producer payroll for deliveries of the preceding month, which shall show:

(a) The total pounds and the average butterfat test of milk received from each producer and cooperative association, the number of days, if less than the entire month, for which milk was received from such producer;

(b) The amount of payment to each producer and cooperative association; and

(c) The nature and amount of any deductions or charges involved in such payments.

§ 919.32 *Other reports.* (a) Each producer-handler shall make reports to the market administrator at such time and in such manner as the market administrator may prescribe.

(b) Each handler who causes milk to be diverted for his account directly from producers' farms to an unapproved plant shall, prior to such diversion, report to the market administrator and to the cooperative association of which such producer is a member his intention to divert such milk, the proposed date or dates of such diversion, and the plant to which such milk is to be diverted.

§ 919.33 *Records and facilities.* Each handler shall maintain and make available to the market administrator or to his representative during the usual hours of business such accounts and records of his operations and such facilities as are necessary for the market administrator to verify or establish the correct data with respect to:

(a) The receipts of producer milk and other source milk and the utilization of such receipts;

(b) The weights and tests for butterfat and other content of all milk, skim milk, cream and milk products handled;

(c) Payments to producers and cooperative associations; and,

(d) The pounds of skim milk and butterfat contained in or represented by all milk, skim milk, cream and milk products on hand at the beginning and end of each month.

§ 919.34 *Retention of records.* All books and records required under this subpart to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the month to which such books and records pertain: *Provided,* That if, within such three-year period, the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case, the market administrator shall give further written notification to the handler promptly, upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 919.40 *Skim milk and butterfat to be classified.* All skim milk and butterfat received within the month by a handler and which is required to be reported pursuant to § 919.30 shall be classified by the market administrator pursuant to the provisions of §§ 919.41 to 919.46, inclusive.

§ 919.41 *Class of utilization.* Subject to the conditions set forth in §§ 919.42 through 919.46, the classes of utilization shall be as follows:

(a) Class I milk shall be all skim milk (including reconstituted skim milk) and butterfat (1) disposed of in the form of milk, skim milk, buttermilk, flavored milk drinks, cream, cultured sour cream, any mixture (except eggnog, aerated cream, and bulk ice cream mix) of cream and milk or skim milk, and (2) all others skim milk and butterfat not specifically accounted for as Class II milk;

(b) Class II milk shall be all skim milk and butterfat:

(1) Used to produce any product other than those specified in paragraph (a) of this section;

(2) Disposed of for livestock feed;

(3) In cream frozen and stored;

(4) In shrinkage of producer milk that is not in excess of 2 percent (5 percent with respect to skim milk during the months of April, May and June) of receipts from producers;

(5) In shrinkage of other source milk; and

(6) In inventory at the end of the month as milk, skim milk, cream, or any product specified in paragraph (a) of this section.

§ 919.42 *Shrinkage.* The market administrator shall allocate shrinkage over a handler's receipts as follows:

(a) Compute the total shrinkage of skim milk and butterfat for each handler; and

(b) Prorate the resulting amounts between the receipts of skim milk and butterfat in receipts from producers and of other source milk.

§ 919.43 *Responsibility of handlers and reclassification of milk.* (a) All skim milk and butterfat shall be Class I milk unless the handler who first receives such skim milk or butterfat can prove to the market administrator that such skim milk or butterfat should be classified as Class II.

(b) Any skim milk or butterfat classified as Class II milk shall be reclassified if such skim milk or butterfat is later disposed of by such handler or another handler (whether in original or other form) as Class I milk. Any skim milk or butterfat which was classified as Class II milk in the previous month pursuant to § 919.41 (b) (6) shall be reclassified as Class I milk if it is subtracted in the current month from Class I pursuant to § 919.46 (a) (4).

§ 919.44 *Transfers.* Skim milk or butterfat disposed of by a handler either by transfer or diversion from an approved plant shall be classified:

(a) At the class mutually indicated in writing to the market administrator on or before the 7th day after the end of the month within which such transaction occurred, otherwise as Class I milk, if transferred or diverted in the form of milk, skim milk, or cream to the approved plant of another handler (except a producer-handler), subject in either event to the following conditions:

(1) The receiving handler has use in such class of an equivalent amount of skim milk and butterfat, respectively; and

(2) Such skim milk or butterfat shall be classified so as to allocate to producer milk the greatest total Class I utilization in the two plants.

(b) As Class I milk, if transferred or diverted to a producer-handler in the form of milk, skim milk, or cream.

(c) As Class I milk, if transferred or diverted in the form of milk or skim milk to an unapproved plant more than 300 miles from the courthouse at Dodge City, Kansas, by the shortest highway distance as determined by the market administrator.

(d) As Class I milk, if transferred to an unapproved plant in the form of cream under Grade A certification, or unless the handler claims Class II classification and establishes the fact that such cream was transferred without Grade A certification and with each container labeled or tagged to indicate that the contents are for manufacturing use only and that the shipment was so invoiced.

(e) As Class I milk if transferred or diverted in the form of milk or skim milk to an unapproved plant located not more than 300 miles from the courthouse at Dodge City, Kansas, by shortest highway distance, as determined by the market administrator, and from which fluid milk is disposed of on wholesale or retail routes, unless the market administrator is permitted to audit the records of receipts and utilization at such unapproved plant, in which case the classification of all skim milk and butterfat received at such unapproved plant shall be determined and the skim milk and butterfat transferred from the approved plant shall be allocated to the highest use remaining after subtracting in series beginning with Class I milk, receipts of skim milk and butterfat at such unapproved plant direct from dairy farmers who the market administrator determines constitute the regular source of supply of such plant for fluid usage.

(f) As Class II milk, if transferred or diverted in the form of milk or skim milk to an unapproved plant located not more than 300 miles from the courthouse at Dodge City, Kansas, by shortest highway distance as determined by the market administrator, and from which fluid milk is not disposed of on wholesale or retail routes.

§ 919.45 *Computation of the skim milk and butterfat in each class.* For each delivery period the market administrator shall correct for mathematical and for other obvious errors the report of receipts and utilization submitted by each handler and shall compute the total pounds of skim milk and butterfat, respectively, in Class I milk and Class II milk of such handler.

§ 919.46 *Allocation of skim milk and butterfat classified.* After making the computation pursuant to § 919.45, the market administrator shall determine the classification of producer milk as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in Class II the pounds of skim milk determined pursuant to § 919.41 (b) (5);

(2) Subtract from the remaining pounds of skim milk in each class the pounds of skim milk received from other handlers in a form other than milk, skim milk or cream according to its classification pursuant to § 919.41;

(3) Subtract from the remaining pounds of skim milk in series beginning with Class II, the pounds of skim milk in other source milk;

(4) Subtract from the remaining pounds of skim milk in series beginning with Class II, the pounds of skim milk in inventory at the beginning of the month in the form of milk, skim milk, cream (except frozen cream), or any other product specified in § 919.41 (a);

(5) Subtract from the remaining pounds of skim milk in each class the skim milk received from other handlers in the form of milk, skim milk or cream according to its classification as determined pursuant to § 919.44 (a);

(6) Add to the remaining pounds of skim milk in Class II the pounds of skim milk subtracted pursuant to subparagraph (1) of this paragraph;

(7) If the remaining pounds of skim milk remaining in both classes exceed the pounds of skim milk received from producers, subtract such excess from the pounds of skim milk remaining in each class in series beginning with Class II. Any amount so subtracted shall be called "overage."

(b) Butterfat shall be allocated in accordance with the same procedure outlined for skim milk in paragraph (a) of this section.

(c) Add the pounds of skim milk and the pounds of butterfat allocated to producer milk in each class, respectively, as computed pursuant to paragraphs (a) and (b) of this section and determine the percent of butterfat content in such milk in each class.

MINIMUM PRICES

§ 919.50 *Basic formula price to be used in determining Class I prices.* The basic formula price to be used in determining the price per hundredweight of Class I milk shall be the higher of the prices computed pursuant to paragraphs (a) and (b) of this section for the preceding month.

(a) The average of the basic or field prices per hundredweight reported to have been paid, or to be paid, for milk of 3.5 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the Department, divided by 3.5 and multiplied by 3.8:

Present Operator and Location

Borden Co., Mount Pleasant, Mich.
Carnation Co., Sparta, Mich.
Pet Milk Co., Hudson, Mich.
Pet Milk Co., Wayland, Mich.
Pet Milk Co., Coopersville, Mich.
Borden Co., Orfordville, Wis.
Borden Co., New London, Wis.
Carnation Co., Chilton, Wis.
Carnation Co., Berlin, Wis.
Carnation Co., Richland Center, Wis.
Carnation Co., Oconomowoc, Wis.
Pet Milk Co., New Glarus, Wis.
Pet Milk Co., Belleville, Wis.
White House Milk Co., West Bend, Wis.
White House Milk Co., Manitowoc, Wis.

(b) The price per hundredweight computed by adding together the plus values pursuant to subparagraphs (1) and (2) of this paragraph:

(1) From the simple average as computed by the market administrator of the daily wholesale selling prices (using the midpoint of any price range as one price) per pound of Grade A (92-score) bulk creamery butter per pound at Chicago, as reported by the Department during the month, subtract 3 cents, add 20 percent thereof, and multiply by 3.8.

(2) From the simple average as computed by the market administrator of the weighted averages of carlot prices per pound for nonfat dry milk solids, spray and roller process, respectively, for human consumption, f. o. b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the preceding month through the 25th day of the current month by the Department deduct 5.5 cents, multiply by 8.5, and then multiply by 0.962.

§ 919.51 *Class prices.* Subject to the provisions of § 919.52, the minimum prices per hundredweight to be paid by each handler for milk received at his plant from producers during the month shall be as follows:

(a) *Class I milk.* The price per hundredweight shall be the basic formula price plus $1.65 during all months of the year.

(b) *Class II milk.* The price per hundredweight shall be the average price reported by the Department for the current month for milk for manufacturing purposes, f. o. b. plant, United States, adjusted to a 3.8 percent butterfat basis by direct ratio.

§ 919.52 *Butterfat differential to handlers.* If the average butterfat content of the milk of any handler allocated to any class pursuant to § 919.46 is more or less than 3.8 percent, there shall be added to the respective class price, computed pursuant to § 919.51 (a) and (b) for each one-tenth of one percent that the average butterfat content of such milk is above 3.8 percent, or subtracted for each one-tenth of one percent that such average butterfat content is below 3.8 percent, an amount equal to the butterfat differential computed by multiplying the simple average, as computed by the market administrator, of the daily wholesale selling price per pound (using the mid-point of any price range as one price) of Grade A (92-score) bulk creamery butter at Chicago, as reported by the Department during the appropriate month, by the applicable factor listed below and dividing the result by 10:

(a) Class I milk: Multiply such price for the preceding month by 1.25; and

(b) Class II milk: Multiply such price for the current month by 1.15.

APPLICATION OF PROVISIONS

§ 919.60 *Producer-handlers.* Sections 919.40 through 919.46, 919.50 through 919.52, 919.70 through 919.71, 919.80 through 919.89 shall not apply to a producer-handler.

§ 919.61 *Handlers subject to other orders.* In the case of any handler who the Secretary determines disposes of a greater portion of his milk as Class I milk in another marketing area regulated by another milk marketing agreement or order issued pursuant to the act, the provisions of this order shall not apply except that the handler shall with respect to his total receipts of skim milk and butterfat, make reports to the market administrator at such time and in such manner as the market administrator may require and shall allow verification of such reports by the market administrator pursuant to § 919.33.

DETERMINATION OF UNIFORM PRICE

§ 919.70 *Computation of value of milk.* The value of milk received during each month by each handler from producers shall be a sum of money computed by the market administrator as follows:

(a) Multiply the pounds of such milk in each class by the applicable respective class prices (adjusted pursuant to § 919.52) and add together the resulting amounts;

(b) Add an amount computed by multiplying the pounds of any overage deducted from each class pursuant to § 919.46 (a) (7) by the applicable class price(s);

(c) Add any charges computed as follows:

(1) For any skim milk or butterfat in inventory reclassified pursuant to § 919.43 (b) which is not in excess of the quantity in producer milk classified as Class II milk (other than as shrinkage) in the handler's plant for the preceding month, a charge shall be computed at the difference between its value at the Class I price for the current month and its value at the Class II price of the preceding month;

(2) For any other skim milk or butterfat reclassified pursuant to § 919.43 (b) a charge shall be computed at the difference between its value at the Class I price and its value at the Class II price both, for the month in which previously classified as Class II milk.

§ 919.71 *Computation of uniform price.* For each month the market administrator shall compute the uniform price per hundredweight for all milk of 3.8 percent butterfat content received from producers as follows:

(a) Combine into one total the values computed pursuant to § 919.70 for all handlers who made the reports prescribed in § 919.30 and who made the payments pursuant to §§ 919.80 and 919.83 for the preceding month;

(b) For each of the months of April through June subtract an amount equal to 50 cents per hundredweight on the total amount of producer milk included in these computations to be retained in the producer-settlement fund for the purpose specified in § 919.85;

(c) Add not less than one-half of the unobligated cash balance on hand in the producer-settlement fund;

(d) Subtract if the average butterfat content of the milk included in these computations is greater than 3.8 percent or add if such average butterfat content is less than 3.8 percent an amount computed by multiplying the amount by which the average butterfat content of such milk varies from 3.8 percent by the butterfat differential computed pursuant to § 919.81 and multiplying the resulting figure by the total hundredweight of such milk;

(e) Divide the resulting amount by the total hundredweight of milk included in these computations; and

(f) Subtract not less than 4 cents nor more than 5 cents from the amount computed pursuant to paragraph (e) of this section. The resulting figure shall be the uniform price for milk of 3.8 percent butterfat content received from producers.

PAYMENTS

§ 919.80 *Time and method of payment.* Each handler shall make payment as follows:

(a) On or before the 15th day after the end of the month during which the milk was received, to each producer for whom payment is not made pursuant to paragraph (c) of this section, at not less than the uniform price for such month computed pursuant to § 919.71 adjusted by the butterfat differential computed pursuant to § 919.81, and less the amount of the payment made pursuant to paragraph (b) of this section: *Provided,* That if by such date such handler has not received full payment for such month pursuant to § 919.84, he may reduce his total payments to all producers uniformly by not more than the amount of reduction in payments from the market administrator; he shall, however, complete such payments pursuant to this paragraph not later than the date for making such payments next following receipt of the balance from the market administrator.

(b) On or before the last day of each month, to each producer for whom payment is not made pursuant to paragraph (c) of this section for milk received during the first 15 days of such month, at not less than the Class II price of the preceding month.

(c) On or before the 13th and 27th days of each month, in lieu of payments pursuant to paragraphs (a) and (b) of this section respectively, to a cooperative association which so requests, with respect to producers for whose milk the market administrator determines such cooperative association is authorized to collect payment, an amount equal to the sum of the individual payments otherwise payable to such producers. Such payments shall be accompanied by a statement showing for each producer the items required to be reported pursuant to § 919.31.

§ 919.81 *Producer-butterfat differential.* In making payments pursuant to § 919.80, there shall be added to or subtracted from the uniform price for each one-tenth of 1 percent that the average butterfat content of the milk received from the producer is above or below 3.8 percent, an amount computed by multiplying by 1.2 the simple average as computed by the market administrator of the daily wholesale selling prices per pound (using the mid-point of any price range as one price) of Grade A (92-score) bulk creamery butter at Chicago as reported by the Department during the month, dividing the resulting sum by 10, and rounding to the nearest one-tenth of a cent.

§ 919.82 *Producer-settlement fund.* The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund," into which he shall deposit all payments made by handlers pursuant to §§ 919.83 and 919.86, and out of which he shall make all payments pursuant to §§ 919.84, 919.85, and 919.86.

§ 919.83 *Payments to the producer-settlement fund.* On or before the 13th day after the end of the month during which the milk was received, each handler, including a cooperative association which is a handler, shall pay to the market administrator the amount, if any by which the value of the milk received by such handler from producers as determined pursuant to § 919.70 is greater than the amount required to be paid producers by such handler pursuant to § 919.80.

§ 919.84 *Payments out of the producer-settlement fund.* On or before the 14th day after the end of the month during which the milk was received, the market administrator shall pay to each handler, including a cooperative association which is a handler, the amount,

if any, by which the value of the milk received by such handler from producers during the month as determined pursuant to § 919.70 is less than the amount required to be paid producers by such handler pursuant to § 919.80: *Provided*, That if the balance in the producer-settlement fund is insufficient to make all payments pursuant to this paragraph, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds are available.

§ 919.85 *Fall incentive payment.* On or before the 15th day after the end of each of the months of August, September and October, the market administrator shall pay out of the producer-settlement fund to each producer from whom milk was received by handlers during the month, an amount computed as follows:

(a) Divide one-third of the total amount held pursuant to § 919.71 (b) by the total hundredweight of producer milk received by all handlers during the month and multiply the resulting amount (computed to the nearest cent per hundredweight) by the hundredweight of milk received from each such producer during the month: *Provided*, That payment under this paragraph due any producer who has given authority to a cooperative association to receive payments for his milk shall be distributed to such cooperative association if the cooperative association requests receipt of such payment.

§ 919.86 *Adjustment of accounts.* Whenever audit by the market administrator of any handler's reports, books, records, or accounts discloses errors resulting in money due:

(a) The market administrator from such handler;

(b) Such handler from the market administrator; or,

(c) Any producer or cooperative association from such handler, the market administrator shall promptly notify such handler of any amount so due and payment thereof shall be made on or before the next date for making payments set forth in the provisions under which error occurred.

§ 919.87 *Marketing services.* (a) Except as set forth in paragraph (b) of this section, each handler, in making payments to producers (other than himself) pursuant to § 919.80, shall deduct 6 cents per hundredweight or such lesser amount as may be prescribed by the Secretary, and shall pay such deductions to the market administrator on or before the 15th day after the end of each month. Such moneys shall be used by the market administrator to sample, test, and check the weights of milk received from producers and to provide producers with market information.

(b) In the case of producers for whom a cooperative association is actually performing the services set forth in paragraph (a) of this section, each handler shall make, in lieu of the deduction specified in paragraph (a) of this section such deductions from the payments to be made to such producers as may be authorized by the membership agreement or marketing contract between such cooperative association and such producers on or before the 15th day after the end of each month pay such deduction to the cooperative association rendering such services identified by a statement showing for each such producer the information required to be reported to the market administrator pursuant to § 919.31 in lieu of such statement a handler may authorize the market administrator to furnish such cooperative association the information with respect to such producers reported pursuant to § 919.31.

§ 919.88 *Expenses of administration.* As his pro rata share of the expense of administration of this subpart, each handler shall pay to the market administrator on or before the 15th day after the end of the month, 5 cents per hundredweight or such lesser amount as the Secretary may prescribe with respect to all receipts within the month of (a) other source milk which is classified as Class I, and (b) milk from producers including such handler's own production.

§ 919.89 *Termination of obligation.* The provisions of this section shall apply to any obligation under this subpart for the payment of money.

(a) The obligation of any handler to pay money required to be paid under the terms of this subpart shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation, unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain but need not be limited to, the following information:

(1) The amount of the obligation;

(2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and,

(3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this subpart, to make available to the market administrator or his representatives all books and records required by this subpart to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this subpart to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this subpart shall terminate two years after the end of the month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the month during which the payment (including deduction or setoff by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files, pursuant to section 8c (15) (A) of the act, a petition claiming such money.

EFFECTIVE TIME, SUSPENSION OR TERMINATION

§ 919.90 *Effective time.* The provisions of this subpart, or of any amendment to this subpart, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated, pursuant to § 919.91.

§ 919.91 *Suspension or termination.* The Secretary may suspend or terminate this subpart or any provision of this subpart whenever he finds this subpart or any provision of this subpart obstructs or does not tend to effectuate the declared policy of the act. This subpart shall terminate in any event whenever the provisions of the act authorizing it ceases to be in effect.

§ 919.92 *Continuing obligations.* If, upon the suspension or termination of any or all provisions of this subpart, there are any obligations under this subpart the final accrual or ascertainment of which requires further acts by any person (including the market administrator), such further acts shall be performed notwithstanding such suspension or termination.

§ 919.93 *Liquidation.* Upon the suspension or termination of the provisions of this subpart except this section, the market administrator, or such other liquidating agent as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable, and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated, all assets, books, and records of the market administrator shall be transferred promptly to such liquidating agent. If, upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidation and distribution, such excess shall be distributed to contributing handlers and producers in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 919.100 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this subpart.

§ 919.101 *Separability of provisions.* If any provision of this subpart or its application to any person or circumstances, is held invalid, the application of such provision and the remaining provisions of this subpart, to other persons or circumstances, shall not be affected thereby.

Order of the Secretary Directing That a Referendum Be Conducted Among the Producers Supplying Milk to the Southwest Kansas Marketing Area, and Designation of an Agent To Conduct Such Referendum

Pursuant to section 8c (19) of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 608c (19)), it is hereby directed that a referendum be conducted among the producers (as defined in the proposed order regulating the handling of milk in the Southwest Kansas marketing area) who, during the month of January 1954 were engaged in the production of milk for sale in the marketing area specified in the aforesaid order to determine whether such producers favor the issuance of the order which is a part of the decision of the Secretary of Agriculture filed simultaneously herewith.

The month of January 1954 is hereby determined to be the representative period for the conduct of such referendum.

Hobart E. Crone is hereby designated agent of the Secretary to conduct such referendum in accordance with the procedure for the conduct of referenda to determine producer approval of milk marketing orders as published in the FEDERAL REGISTER on August 10, 1950 (15 F. R. 5177), such referendum to be completed on or before the 35th day from the date this referendum order is issued.

Done at Washington, D. C., this 29th day of March 1954.

[F. R. Doc. 54-2367; Filed, Apr. 1, 1954; 8:50 a. m.]

[7 CFR Part 943]

[Docket No. AO-231-A-4]

HANDLING OF MILK IN THE NORTH TEXAS MARKETING AREA

DECISION WITH RESPECT TO PROPOSED AMENDMENTS TO TENTATIVE MARKETING AGREEMENT AND TO ORDER, AS AMENDED

Correction

The following should be added to F. R. Doc. 54-2264, appearing at page 1773 of the issue for Wednesday, March 31, 1954:

This decision filed at Washington, D. C., this 25th day of March 1954.

[SEAL] JOHN H. DAVIS,
Assistant Secretary of Agriculture.

[7 CFR Part 961]

[Docket No. AO-160-A-15-RO1]

HANDLING OF MILK IN PHILADELPHIA, PENNSYLVANIA, MARKETING AREA

DECISION WITH RESPECT TO PROPOSED AMENDMENTS TO TENTATIVE MARKETING AGREEMENT, AND TO ORDER AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was conducted at Philadelphia, Pennsylvania, on January 21, 1954, pursuant to notice thereof which was issued on January 11, 1954 (19 F. R. 273) upon proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Philadelphia, Pennsylvania, marketing area. On the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Agricultural Marketing Service, on March 16, 1954 (19 F. R. 1516) filed with the Hearing Clerk, United States Department of Agriculture, a recommended decision on issues listed as No. 2 and No. 4 herein. Issues No. 1 and No. 3 had been previously dealt with in the decision of the Secretary issued February 11, 1954 (19 F. R. 883).

The material issues on the record of the hearing were:

(1) Whether the 10-cent seasonal reduction in the Class II price should apply in February and March 1954.

(2) Whether certain Class II products should be priced in certain periods in a separate subclass at a price lower than the regular Class II price.

(3) The need for abbreviated procedure to change the Class II price formula.

(4) Revision of the Class II formula on a more permanent basis.

Findings and conclusions. The following findings and conclusions on the material issues are based upon evidence contained in the record of the hearing:

2. *Price subdivisions in Class II.* For the months of April, May, and June, 1954 Class II milk should be priced in two subdivisions: the higher price subdivision should be priced on a formula without the usual 10-cent seasonal adjustment; the lower price subdivision, which would include milk dumped, used for animal feed, or manufactured into butter, cheddar cheese, baker's or any other cheese except cream or cottage cheese, evaporated milk, milk chocolate, nonfat dry milk, soup, candy, or bakery products, should be priced 20 cents less than the higher price subdivision. The pricing formula for the butterfat value during this period should be a value based on the New York price for Grade A (92-score) butter, or that based on cream prices in the Philadelphia market (excluding cream with special municipal qualification), whichever is higher.

In the decision of February 11, 1954, and amendment effective March 1, 1954 (19 F. R. 1081), modification of the Class II price provisions was applied only for the month of March this year. The situation referred to in that decision with respect to the problems of disposal of the increased volume of milk over fluid needs is expected to continue for the other months of seasonally high production this year. Since May has usually been the month of highest production, the burden of surplus may be expected to increase over the March level. Without further price adjustments, unwillingness of handlers to accept all producer milk, and the problem of diversion of such turned-back milk, as described in the previous decision, would be considerably accentuated during coming months.

Producers and handlers urged that certain kinds of utilization in Class II be designated as a subclass, with a price lower than the regular price. Such a subdivision of Class II was presented as a step to induce handlers to accept the larger volume of milk for manufacture in their own plants or shipment to manufacturing plants. In this conjunction, certain allowances also were proposed for handling, and in case of diversion, for transportation.

It may be expected that the marketing conditions during the 1954 flush production season in this market, with respect to excess milk over fluid needs, will be similar to conditions experienced in the flush season of 1953. In the April-June period of last year the Class II price formula reduced the price, in response to the increased supply of milk, to a level, on a 3.5 percent butterfat basis, about 6 percent below the estimated average level paid for manufacturing milk nationally (converted by direct ratio to the same test). The average price during that period also was lower than if it had been based on the butter price specified in the order.

The record does not substantiate a general reduction in producer returns on Class II milk during coming flush months, except insofar as caused by changes in market values of products, and some recognition of greater usage in lower valued products, which in this market will involve greater handling and transportation costs. A subdivision of Class II utilization for pricing purposes will provide such recognition.

Products in which milk diverted to non-handler manufacturing plants would generally be used would include: butter, cheese, evaporated milk, milk chocolate, nonfat dry milk, soup, candy, and bakery products. Milk dumped or disposed or for animal feed should not return more than the lowest utilization price. Utilization in these items should be designated as a subdivision of Class II for the months of April, May and June 1954. Cottage cheese and cream cheese are regularly manufactured in handler plants for their own trade, and should not be included in the proposed subclass.

A 20-cent per hundredweight minus differential should apply to milk used in the lower priced subdivision of Class II. Such a division of Class II, with the proposed price differential, would remove the basis for the 10-cent seasonal adjustment which is now provided in the order in recognition of the higher proportion of Class II utilization in such manufactured products, as named above, during

the flush production season. The proposed pricing plan will relate the seasonal change in the Class II prices directly to that portion of the milk going into these manufactured products and most likely to incur extra handling and transportation costs.

Some possibility that the butterfat value based on the price of butter might be higher than the value based on cream prices has been mentioned. Butter is generally a marginal use for butterfat. Butter is one of the products which the Department offers to buy at a specific price under the price support program. Accordingly, it is appropriate that the butterfat value used in this special pricing for Class II milk be based upon cream or butter, whichever yields the higher value.

The proposed amendment would establish a value for utilization in the lower priced subdivision of Class II, by deducting 20 cents per hundredweight of milk or 5 cents per pound of butterfat, whichever deduction is greater. This method of adjusting to the lower price avoids giving double credit if a handler disposes of milk in nonfat dry milk and butter, and yet allows the 20 cents credit if only the butterfat or only the skim milk is disposed of in the products named in the lower priced subdivision.

Priority for producer milk in the higher priced utilization in Class II, would be maintained by subtracting a handler's receipts from non-producer sources of milk, skim milk, or butterfat, or equivalent of any concentrated product, from the quantity on which the handler's credit in this utilization would otherwise be computed.

It is further concluded that the suitability of the proposed subdivision of Class II, and special pricing thereof, cannot be decided on this record for periods beyond the current period of April, May and June of 1954.

4. *Revision of Class II formula.* Producers and handlers, in their exceptions to the recommended decision, requested that certain changes proposed in the recommended decision for a temporary period, be made permanent provisions of the order. The changes referred to were modifications of the Class II price formula made in the interest of similarity of prices under this order and orders of the Pennsylvania Milk Control Commission. From data in the record it appears such changes would not greatly affect the general level of the resulting Class II prices, and it is concluded that they should be adopted on a continuing basis.

One such change is use of the average of reported cream prices, not including cream with special municipal approval. Omission of lower Merion Township approved cream from this calculation reduces the resulting average cream price. The effect of this change on the Class II price would be offset against some changes in the other direction. Deduction of $2.00 from the average cream price and division of the result by 8.50 would give a deduction of about 23.5 cents per hundredweight of milk, as compared to 26.5 cents in the calculation of the cream value under the current Class II formula. Calculation of the skim milk value by deducting 5 cents per pound from the price of nonfat dry milk, and multiplying by 0.90 and 7.5 would, at current levels of the nonfat dry milk solids price described in the order, result in about the same value for the skim milk portion of the Class II price formula. The butterfat differential provision would be modified to simplify this calculation.

Handlers excepted to adjustments to the Class II price offsetting deductions allowed to handlers at plants 11 miles but less than 31 miles from City Hall in Philadelphia. Such adjustments are not included in the proposed amendment contained herein.

Rulings on exceptions. In arriving at the findings and conclusions included in this decision each of the exceptions received was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions herein are at variance with the exceptions, such exceptions are overruled.

General findings. (a) The proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply of and demand for milk, in the marketing area and the minimum prices specified in the proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The proposed marketing agreement and the order, as amended and as hereby proposed to be further amended, will regulate the handling of milk in the same manner as, and are applicable only to persons in the respective classes of industrial and commercial activity specified in the said marketing agreement upon which a hearing has been held.

Determination of representative period. The month of January 1954 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the order, amending the order, now in effect, regulating the handling of milk in the Philadelphia, Pennsylvania, marketing area, in the manner set forth in the attached amending order is approved or favored by producers who, during such period, were engaged in the production of milk for sale in the marketing area.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled "Marketing Agreement Regulating the Handling of Milk in the Philadelphia, Pennsylvania, Marketing Area" and "Order Amending the Order, as Amended, Regulating the Handling of Milk in the Philadelphia, Pennsylvania, Marketing Area" which have been decided upon as the appropriate and detailed means of effectuating the foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the attached order amending the order, as amended, which will be published with the decision.

This decision filed at Washington, D. C., this 29th day of March 1954.

[SEAL] JOHN H. DAVIS,
Assistant Secretary of Agriculture.

Order[1] Amending the Order, as Amended, Regulating the Handling of Milk in the Philadelphia, Pennsylvania, Marketing Area

§ 961.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Philadelphia, Pennsylvania, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area and the minimum prices specified in the said order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered that on and after the effective date hereof, the handling of milk in the Philadelphia, Pennsylvania marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended and as hereby further amended; and the aforesaid order, as amended, is hereby further amended as follows:

1. Delete § 961.40 (b) and substitute the following:

(b) *Class II milk.* The price per hundredweight during each month shall be the sum of the values calculated by the market administrator pursuant to subparagraphs (1) and (2) of this paragraph, except as provided in subparagraph (3) of this paragraph.

(1) *Butterfat.* Add all market quotations (using the mid-point of any weekly range as one quotation) of prices per 40-quart can of fresh sweet cream of bottling quality of 40 percent butterfat content, not including prices for cream carrying special municipal approvals, reported at Philadelphia for each week ending within the month by the United States Department of Agriculture, divide by the number of quotations, subtract $2.00 and divide by 8.50: *Provided,* That such butterfat value shall not be less than 4 times 120 percent of the average of the daily wholesale selling price for Grade A (92-score) butter at New York as reported by the United States Department of Agriculture for the month for which payment is to be made, less 19 cents.

(2) *Skim milk.* From the average of all the prices per pound for nonfat dry milk solids made by the roller process, sold as "other brands" for human consumption in bags or barrels by carlots (using mid-point of any range as one quotation), published during such month in "Producer's Price Current", subtract 5 cents, multiply by 0.90 and multiply by 7.5.

(3) For the months of April, May, and June 1954, in the case of milk, skim milk, or butterfat, dumped, disposed of for animal feed, or manufactured by the handler or others into butter, Cheddar cheese, Baker's or any other cheese except cream or cottage cheese, evaporated milk, milk chocolate, nonfat dry milk solids, soup, candy or bakery products, less any milk, butterfat, or equivalent of concentrated milk product received from a non-producer plant, the value shall be adjusted downward at the rate, applied to the total utilization during the month in such products, of 20 cents per hundredweight of such total quantity, or 5 cents per pound of butterfat in such total quantity, whichever results in the greater aggregate adjustment.

2. In § 961.41 delete paragraph (b) and substitute:

(b) The Class II price shall be subject to a butterfat differential for each one-tenth of one percent variation above or below 4 percent which is the butterfat value computed pursuant to § 961.40 (b) (1) divided by 40.

[F. R. Doc. 54-2368; Filed, Apr. 1, 1954; 8:50 a. m.]

INTERSTATE COMMERCE COMMISSION

[49 CFR Parts 72-74, 77, 78]

[Notice 14; Docket 3666]

EXPLOSIVES AND OTHER DANGEROUS ARTICLES

NOTICE OF PROPOSED RULE MAKING

MARCH 26, 1954.

The Commission is in receipt of applications for early amendment of the above entitled regulations insofar as they apply to shippers in the preparation of articles for transportation, and to all carriers by rail and highway, as published in orders pursuant to section 835, of the Criminal Code and Part II of the Interstate Commerce Act.

Application for these amendment ordinarily would be considered at our next hearing in this docket. It appears, however, that the proposed amendments have been the subject of exchanges and study by interested parties, in which substantial agreement has been reached, and it is proposed that the applications be disposed of by modified procedure. The reasons for the proposed amendments are shown in the appendix, hereof.

Any party desiring to be heard upon any of the proposed amendments shall advise the Commission in writing within 20 days from the date of this notice; otherwise, the Commission may proceed to investigate and determine the matters involved in the application, or may suspend action pending formal hearing in this docket.

[SEAL] GEORGE W. LAIRD, *Secretary.*

PART 72—COMMODITY LIST OF EXPLOSIVES AND OTHER DANGEROUS ARTICLES CONTAINING THE SHIPPING NAME OR DESCRIPTION OF ALL ARTICLES SUBJECT TO PARTS 71-78 OF THIS CHAPTER

Amend § 72.5 commodity list (15 F. R. 8265, 8266, 8270, 8273, Dec. 2, 1950) (18 F. R. 3133, June 2, 1953) (19 F. R. 1276, Mar. 6, 1954) (49 CFR 1950 Rev., 1953 Supp., 72.5) as follows:

§ 72.5 *List of explosives and other dangerous articles.* (a) * * *

Article	Classed as—	Exemptions and packing (see sec.)	Label required if not exempt	Maximum quantity in 1 outside container by rail express
(Change)				
Coal gas. See Hydrocarbon gas, nonliquefied.				
Ethyldichloroarsine	Pois. A	No exemption, 73.328	Poison Gas	Not accepted.
Paranitraniline (paranitroaniline), solid	Pois. B	73.304, 73.373	Poison	200 pounds.
Trifluorochloroethylene	F. G	73.302, 73.306, 73.314	Red Gas	300 pounds.
(Add)				
Methyl methacrylate monomer	F. L	73.118, 73.119	Red	10 gallons.
(Cancel)				
*Aluminum scrap (borings, chunks, clippings, shavings, sheets, or turnings).	F. S	73.153, 73.220	Yellow	100 pounds.
Xylidene	Pois. B	73.345, 73.346	Poison	55 gallons.

PART 73—SHIPPERS

SUBPART A—PREPARATION OF ARTICLES FOR TRANSPORTATION BY CARRIERS BY RAIL FREIGHT, RAIL EXPRESS, HIGHWAY, OR WATER

1. Amend § 73.25 paragraph (a) (18 F. R. 6776, Oct. 27, 1953) (49 CFR 1950 Rev., 1953 Supp., 73.25) to read as follows:

§ 73.25 *Specification containers in outside containers.* (a) Outside specification shipping containers containing no acids or other corrosive liquids may be shipped when tightly packed in strong outside fiberboard boxes or drums, wooden boxes, barrels or crates, metal barrels or drums, or other enclosures. The outside shipping container must be marked with the prescribed name of contents and labeled as required. Packages required by the regulations in this part to be marked "This Side Up" or "This End Up" must be packed in the outside packing with their filling holes up, and the outside package must be marked "THIS SIDE UP" or "THIS END UP". The outside container must also be marked "INSIDE PACKAGES COMPLY WITH PRESCRIBED SPECIFICATIONS" unless the specification markings on the inside packages are visible through openings in the outside package.

* * * * *

2. Amend § 73.31 paragraph (a) table, and notes 1 and 2 to paragraph (g) (18 F. R. 3134, June 2, 1953) (18 F. R. 6776, Oct. 27, 1953) (49 CFR 1950 Rev., 1953 Supp., 73.31) to read as follows:

§ 73.31 *Qualification, maintenance, and use of tank cars.* (a) * * *

Where these regulations call for specification Nos.—	These specification containers may also be used—
103 [1,3] and 103W [4,5]	A. R. A. II [1,4,5], III [4,5], and IV.[3]
103A [4] and 103A-W [4]	A. R. A. II [2,4] and III.[2,4]
103B [4] and 103B-W [4]	A. R. A. II [2,4] and III [2,4] rubber lined.
104 [4] and 104W [4]	A. R. A. IV.[4]
105A300 and 105A300W	A. R. A. V [2] and I. C. C. 105.[2]
106A500 and 106A500X	I. C. C. 27 cylinders mounted on or forming part of a car and classified as multi-unit tank car prior to October 1, 1930.[5]
106A800 and 106A800X	None.
107A	None.
108	Wooden tanks built and authorized prior to July 1, 1927.
108A	Wooden tanks built and authorized prior to July 1, 1927.

(No change in notes.)

* * * * *

(g) * * *

NOTE 1: Periodic retests of metal tanks, safety valves, and heater systems of tank cars, except as provided in Note 2, except those in chlorine service, and except tanks made to specification 106A500, 106A500X, 106A800, 106A800X, or 107A, (§§ 78.275, 78.276, 78.277 of this chapter) now required to be made as prescribed in paragraph (g) of this section, may be waived because of the present emergency and until December 31, 1954, or until further order of the Commission.

NOTE 2: Periodic retests of metal tanks, safety valves, and heater systems of specification 103A, 103A-W, 103C, 103C-W and 103C-AL, (§§ 78.266, 78.281, 78.268, 78.283 of this chapter) tank cars, now required to be made as prescribed in paragraph (g) of this section, may be made at 5-year intervals up to 10 years of service, thereafter at 3-year intervals up to 22 years of service, and annually after 22 years of service until December 31, 1954, or until further order of the Commission.

* * * * *

3. Amend § 73.33 introductory text of paragraph (g), and paragraph (k) (11) (18 F. R. 6776, 6777, Oct. 27, 1953) (49 CFR 1950 Rev., 1953 Supp., 73.33) to read as follows:

§ 73.33 *Qualification, maintenance, and use of cargo tanks.* * * *

(g) Cargo tanks of the specifications shown in subparagraph (1) of this paragraph, made prior to December 31, 1953, authorized for use under regulations of the Commission effective March 1, 1935, those effective June 15, 1940, or February 1, 1942, may be continued in use as previously authorized until further order of the Commission. Tanks now under construction under specification MC 310 may be so marked.

* * * * *

(k) * * *

(11) Every cargo tank authorized for the transportation of flammable liquids and/or corrosive liquids under specifications MC 300 to MC 303 inclusive, MC 310, or MC 311 (§§ 78.321 to 78.324, 78.330, or 78.331 of this chapter) must be retested as provided in the applicable specification, except that retests not required on tanks equipped with rubber lining but retests must be made before such tanks are relined.

* * * * *

4. Amend § 73.34 paragraph (f) (3), (4), and paragraph (k) (12) (16 F. R. 9373, Sept. 15, 1951) (18 F. R. 6777, Oct. 27, 1953) (49 CFR 1950 Rev., 1953 Supp., 73.34) to read as follows:

§ 73.34 *Qualification, maintenance, and use of cylinders.* * * *

(f) *Safety devices.* * * *

(3) Cylinders containing methyl mercaptan or mono, di, or trimethylamine, anhydrous. Cylinders containing not over 10 pounds of nitrosyl chloride or cylinders containing less than 165 pounds of anhydrous ammonia.

(4) Safety devices are prohibited on cylinders containing fluorine or poisonous gas or liquid as defined in § 73.326 (a).

* * * * *

(k) * * *

(12) Cylinders made in compliance with specifications ICC-4B, ICC-4BA (§§ 78.50, 78.51 of this chapter), ICC-26-240,[1] or ICC-26-300,[1] used exclusively for liquefied petroleum gas which is commercially free from corroding components, may, in lieu of the periodic hydrostatic retest, be given a complete external visual inspection at the time such periodic retest becomes due. When this inspection is used in lieu of hydrostatic retesting, subsequent inspections are required 5 years after the first such inspection and periodically at 5-year intervals thereafter. Inspections shall be made only by competent persons and the results shall be recorded on a suitable data sheet, the completed copies of which shall be kept as a permanent record. The points to be recorded and checked on these data sheets are: Date of inspection (month and year); ICC specification number; cylinder identification (registered symbol and serial number, date of manufacture, and ownership symbol (if needed for adequate identification)); type cylinder protective coating (painted, galvanized, etc. and statement as to need of refinishing or recoating); conditions checked (leakage, corrosion, gouges, dents or digs in shell or heads, broken or damaged footring or protective ring, or fire damage); disposition of cylinders (returned to service, to cylinder manufacturer for repairs, or scrapped); a cylinder which passes the inspection prescribed shall have the date recorded in the manner presently prescribed for the recording of the retest date, except that an "E" is to follow the date (month and year) indicating requalification by the external inspection method.

* * * * *

SUBPART B—EXPLOSIVES; DEFINITIONS AND PREPARATION

1. Amend § 73.65 paragraph (h) (17 F. R. 1559, Feb. 20, 1952) (49 CFR 1950 Rev., 1953 Supp., 73.65) to read as follows:

§ 73.65 *High explosives with no liquid explosive ingredient nor any chlorate.* * * *

(h) Shaped charges, commercial, having exposed lined conical cavities must have such cavities effectively filled; those having conical cavities that are covered shall be paired together with the cavities facing each other and with one or more pairs in a fiber tube, or so arranged that the conical cavities of the shaped charges at the ends of the column face toward the center of the tube. The shaped charges in the fiber tubes must fit snugly with no excess space and the fiber tubes containing the shaped charges must be packed snugly with no excess space in the outside containers. Shaped charges, commercial, must be packed in specification containers as follows:

(1) Spec. 14, 15A, or 16A (§§ 78.165, 78.168, or 78.185 of this chapter). Wooden boxes. Gross weight not to exceed 140 pounds.

(2) Spec. 23F or 23H (§§ 78.214 or 78.219 of this chapter). Fiberboard boxes. Gross weight not to exceed 65 pounds.

(3) Spec. 12B (§ 78.205 of this chapter). Fiberboard boxes which must be manufactured of at least 275-pound strength (Mullen or Cady test) double-wall corrugated fiberboard and shall be provided with double-faced corrugated lining board (see § 78.205-15 of this chapter) having minimum strength (Mullen or Cady test) of 200 pounds. Individual charges of explosives shall be packed in inside securely closed, waterproof plastic containers, or in securely closed waterproof fiberboard containers having metal ends. Gross weight not to exceed 65 pounds. Inside individual containers shall be separated by means of double-faced corrugated fiberboard partitions of material not less than 175-pound Mullen or Cady test.

* * * * *

2. Amend § 73.66 paragraphs (d) (1) and (e) (1); cancel Note 1 to paragraphs (d) (1) and (e) (1) (15 F. R. 8290, Dec. 2, 1950) (49 CFR 73.66, 1950 Rev.) to read as follows:

§ 73.66 *Blasting caps and electric blasting caps.* * * *

(d) * * *

(1) Spec. 14, 15A, or 16A (§§ 78.165, 78.168, or 78.185 of this chapter). Wooden boxes (see § 73.67 (a) (1) Note 1) or spec. 23F or 23H (§§ 78.214 or 78.219 of this chapter) fiberboard boxes, with inside containers which must be cartons or wrappings with inside containers as prescribed in paragraph (c) of this section, which must be separated from the outside box by at least one inch of tightly packed sawdust, excelsior, or equivalent cushioning material. Gross weight not to exceed 150 pounds.

Note 1: [Canceled.]

(e) * * *

(1) Spec. 14, 15A, or 16A (§§ 78.165, 78.168, or 78.185 of this chapter). Wooden boxes (see § 73.67 (a) (1) Note 1) or spec. 23F or 23H (§§ 78.214 or 78.219 of this chapter) fiberboard boxes, with inside containers which must be cartons or wrappings with inner containers as prescribed in paragraph (c) of this section, packed in an inside box made of sound lumber or a hermetically sealed metal box of metal not less than 30 gauge United States standard. The inside wooden or metal box must be separated at all points from the outside box by at least one inch of tightly packed sawdust, excelsior, or equivalent cushioning

material. Gross weight not to exceed 150 pounds.

Note 1: [Canceled.]

* * * * *

3. Amend § 73.67 paragraph (a) (1); cancel Note 2 to paragraph (a) (1) (15 F. R. 8290, Dec. 2, 1950) (17 F. R. 1560, Feb. 20, 1952) (49 CFR 1950 Rev., 1953 Supp., 73.67) to read as follows:

§ 73.67 *Blasting caps with safety fuse.* (a) * * *

(1) Spec. 14, 15A, or 16A (§§ 78.165, 78.168, or 78.185 of this chapter). Wooden boxes (see Note 1 of this paragraph) or spec. 23F or 23H (§ 78.214 or 78.219 of this chapter) fiberboard boxes, with inside containers which must be cartons or wrappings with inner containers as prescribed in § 73.66 (c), placed in the center of a coil of fuse and secured and cushioned therein to prevent movement therefrom. Gross weight not to exceed 150 pounds.

(No change in Note 1)

Note 2: [Canceled.]

* * * * *

4. Amend § 73.100 paragraph (q) (15 F. R. 8296, Dec. 2, 1950) (49 CFR 73.100, 1950 Rev.) to read as follows:

§ 73.100 *Definitions of class C explosives.* * * *

(q) Explosive rivets, each containing not more than 375 milligrams of explosive composition, are exempt from specification packaging and labeling requirements when packed in pasteboard or other inside boxes in securely closed strong wooden boxes, fiberboard boxes or metal containers. Each outside container must be marked "EXPLOSIVE RIVETS". No other restrictions apply in this part.

* * * * *

5. Add paragraph (a) (2) to § 73.143 (18 F. R. 5272, Sept. 1, 1953) (49 CFR 1950 Rev., 1953 Supp., 73.143) to read as follows:

§ 73.143 *Methylchloromethyl ether, anhydrous.* (a) * * *

(2) Spec. 15A, 15B, 15C, 16A, or 19A (§§ 78.168, 78.169, 78.170, 78.185, or 78.190 of this chapter). Wooden boxes with inside containers which must be glass or earthenware, not over 1 gallon capacity each, except that inside containers up to 3 gallons each are authorized when only one inside container is packed in each outside container.

* * * * *

SUBPART D—FLAMMABLE SOLIDS AND OXIDIZING MATERIALS; DEFINITION AND PREPARATION

1. Amend § 73.153 paragraph (b) (19 F. R. 1277, Mar. 6, 1954) (49 CFR 73.153, 1950 Rev.) to read as follows:

§ 73.153 *Exemptions for flammable solids and oxidizing materials.* * * *

(b) Liquid or solid organic peroxides, (see § 73.244 (a)), except acetyl benzoyl peroxide, solid, and benzoyl peroxide in strong outside containers having not over 1 pint or 1 pound net weight of the material in any one such package, having inside containers securely packed and cushioned with incombustible cushioning, are exempt from specification packaging, marking, and labeling requirements, unless otherwise provided, for transportation by rail freight, rail express, or highway. When for transportation by carrier by water they are exempt from specification packaging, marking other than name of contents, and labeling requirements.

* * * * *

2. Amend § 73.182 introductory text of paragraph (a) and introductory text of paragraph (b) (19 F. R. 1277, Mar. 6, 1954) (49 CFR 73.182, 1950 Rev.) to read as follows:

§ 73.182 *Nitrates.* (a) Aluminum nitrate, ammonium nitrate, ammonium nitrate fertilizer, ammonium nitrate, limestone, barium nitrate, calcium ammonium nitrate, calcium nitrate, guanidine nitrate, lead nitrate, magnesium nitrate, nitrates, n. o. s., nitrate fertilizer mixture,[1] nitrate of soda and potash, nitro carbo nitrate, potassium nitrate, silver nitrate, and sodium nitrate, when offered for transportation by rail freight, rail express, highway, or carriers by water shall be packed in containers as follows:

* * * * *

(b) Aluminum nitrate, ammonium nitrate, ammonium nitrate fertilizer, ammonium nitrate limestone, barium nitrate, calcium ammonium nitrate, calcium nitrate, guanidine nitrate, nitrate fertilizer mixture,[1] nitrate of soda and potash, potassium nitrate, and sodium nitrate, when offered for transportation by rail freight, rail express, highway, or carriers by water, in addition to containers prescribed in paragraph (a) of this section, may be packed as follows:

* * * * *

3. Amend entire § 73.220 (17 F. R. 7281, Aug. 9, 1952) (49 CFR 1950 Rev., 1953 Supp., 73.220) to read as follows:

§ 73.220 *Magnesium scrap (borings, chunks, clippings, shavings, sheets, or turnings).* (a) Magnesium scrap consisting of borings, shavings, or turnings, when shipped in carloads or truckloads, must be packed in closed metal barrels, wooden barrels, metal pails, or four-ply paper bags. In less-than-carload or less-than-truckload quantities it must be packed in closed metal drums, metal pails, or wooden barrels.

(b) Magnesium scrap consisting of chunks, clippings, or sheets may be shipped in bulk in carload or truckload quantities. Cars must be tight box cars or tightly closed steel covered gondola cars and trucks or trailers must have closed or completely covered bodies.

(c) Magnesium scrap consisting of chunks, clippings, or sheets in closed metal drums, wooden barrels, or wooden boxes is exempt from specification packaging, marking, or labeling requirements.

SUBPART E—ACIDS AND OTHER CORROSIVE LIQUIDS; DEFINITION AND PREPARATION

1. Amend § 73.247 paragraph (a) (6) and add paragraph (a) (14) (16 F. R. 9375, Sept. 15, 1951) (15 F. R. 8314, Dec. 2, 1950) (49 CFR 1950 Rev., 1953 Supp., 73.247) to read as follows:

§ 73.247 *Acetyl chloride, antimony pentachloride, benzoyl chloride, benzyl chloride, pyro sulfuryl chloride, silicon chloride, sulfur chloride (mono and di), sulfuryl chloride, thionyl chloride, tin tetrachloride (anhydrous), and titanium tetrachloride.* (a) * * *

(6) Spec. 103A, 103A-W, 105A300, or 105A300W (§§ 78.266, 78.281, 78.271, or 78.286 of this chapter). Tank cars, except that for tin tetrachloride (anhydrous) spec. 105A300 or 105A300W tank cars must be used. Benzyl chloride must be stabilized when loaded in unlined tanks.

* * * * *

(14) Spec. 1F or 1G (§§ 78.10 or 78.11 of this chapter). Polyethylene carboys in plywood boxes or drums, or wooden boxes. Authorized for benzoyl chloride and benzyl chloride only.

2. Amend § 73.257 entire paragraph (b) (18 F. R. 803, Feb. 7, 1953) (49 CFR 1950 Rev., 1953 Supp., 73.257) to read as follows:

§ 73.257 *Electrolyte (acid) or corrosive battery fluid.* * * *

(b) Shipments of electrolyte (acid) or corrosive battery fluid with vehicles offered for transportation by, for, or to the Departments of the Army, Navy, or Air Force of the United States Government are exempt from Parts 71-78 of this chapter when packed as follows:

(1) In one inside glass bottle of not over 1 gallon capacity, tightly and securely closed, packed in a strong outside container and cushioned therein on all sides with incombustible absorbent material in sufficient quantity to completely absorb liquid contents in event of breakage. Outside container must be so blocked, braced or stayed within the vehicle that it cannot change position during transit.

3. Amend § 73.260 paragraph (a) (3), (4), and entire paragraph (b) (15 F. R. 8315, 8316, Dec. 2, 1950) (49 CFR 73.260, 1950 Rev.) to read as follows:

§ 73.260 *Electric storage batteries.* (a) * * *

(3) Electric storage batteries with case of asphaltum composition, impregnated rubber, steel case type, synthetic resin (plastic), or wooden battery box type, protected against short circuits and firmly secured to skids or pallets capable of withstanding the shocks normally incident to transportation, are exempt from specification packing requirements for transportation by rail freight, highway, or water. Not more than one layer of batteries may be loaded on a skid or pallet. The height of the completed unit must not exceed 1½ times the width of the skid or pallet. The unit must weigh not less than 300 pounds gross and must not fail under a superimposed weight equal to two times the weight of the unit or a superimposed weight of 4,000 pounds if the weight of the unit exceeds 2,000 pounds. Battery terminals must not be relied upon to support any part of the superimposed weight.

(4) Electric storage batteries weighing 500 pounds or more, with case of asphaltum composition, impregnated rubber, steel case type, synthetic resin (plastic), or wooden battery box type, consisting of carriers' equipment may be shipped by rail freight when mounted on suitable skids and protected against

short circuits. Such shipments must not be offered in interchange.

(b) Electric storage batteries with case of asphaltum composition impregnated rubber, steel case type, synthetic resin (plastic), or wooden battery box type; packing authorized as follows:

(1) One to three batteries not over 25 pounds each in outside box, gross weight not over 75 pounds; specification container not required.

* * * * *

4. Amend § 73.272 paragraph (h) (2) (18 F. R. 6779, Oct. 27, 1953) (49 CFR 1950 Rev., 1953 Supp., 73.272) to read as follows:

§ 73.272 *Sulfuric acid.* * * *

(h) * * *

(2) Spec. MC 310 and MC 311 (§§ 78.330 and 78.331 of this chapter). Tank motor vehicles.

* * * * *

5. Amend § 73.289 paragraph (a) (1) (16 F. R. 11779, Nov. 21, 1951) (49 CFR 1950 Rev., 1953 Supp., 73.289) to read as follows:

§ 73.289 *Formic acid and formic acid solutions.* (a) * * *

(1) In containers prescribed in § 73.245, except spec. 5A (§ 78.81 of this chapter). Metal barrels or drums.

* * * * *

6. In § 73.314 amend the entry "Chlorine" in paragraph (a) Table; amend Note 11 and add Note 18 to paragraph (a) Table; cancel paragraph (g) (15 F. R. 8329, Dec. 2, 1950) (16 F. R. 9377, Sept. 15, 1951) (17 F. R. 9838, Nov. 1, 1952) (18 F. R. 6779, Oct. 27, 1953) (49 CFR 1950 Rev., 1953 Supp., 73.314) to read as follows:

§ 73.314 *Compressed gases in tank cars.* (a) * * *

Kind of gas	Maximum permitted filling density, Note 1	Required type of tank car, Note 2
	Percent	
Chlorine	125 125	ICC-106A500, 106A500X, Note 12. ICC-105A300, 105A300W, Notes 8 and 18.

* * * * * * *

NOTE 11: Before an ICC-105A500, ICC-105A500-W, ICC-105A600 or ICC-105A600-W tank car may be used for the transportation of liquefied carbon dioxide, the following requirements must be met: Tank must be lagged with an approved insulation material of a thickness so that the thermal conductance is not more than 0.03 B. t. u. per square foot per degree F. differential in temperature per hour; except that the insulation thickness directly over the center sills may be reduced to give a thermal conductance not exceeding 0.04 B. t. u. per square foot, per degree F. differential in temperature per hour; this reduction is to permit an anchorage which must not exceed seven (7) inches from top of center sills to bottom of tank. Tank must be equipped with one safety valve of approved design set to open at a pressure not exceeding three-fourths of the test pressure of the tank and one frangible disc device of approved design set to function at a pressure less than the test pressure of the tank. The discharge capacity of each of these safety devices must be sufficient to prevent building up of pressure in tank in excess of three-fourths of the test pressure of the tank. Tank must be equipped with two (2) pressure-regulating valves of approved design, one set to open at three-fifths of the test pressure of the tank and one set to open at two-thirds of the test pressure of the tank. Each regulating valve and safety device must have its final discharge piped to the outside of the protective housing.

* * * * *

NOTE 18: The maximum quantity of liquefied chlorine gas loaded into tanks mounted on one car structure must not exceed 60,000 pounds. *Provided*, That for single-unit tank car tanks having water weight capacities not less than 86,240 pounds nor over 90,610 pounds, lagged with 4 inches of corkboard, equipped with one or more safety valves set to open at a pressure of 225 pounds per square inch, the total discharge capacity of which must be sufficient to prevent building up of pressure in the tank in excess of 225 pounds per square inch, tank jackets stenciled ICC-105A300 or ICC-105A300W (§§ 78.271 or 78.286 of this chapter) and in all other respects constructed and maintained in full compliance with I. C. C. shipping container specification 105A500 or 105A500W (§§ 78.273 or 78.288 of this chapter), respectively, the quantity of gas loaded into such tanks must be not more than 110,000 pounds nor less than 107,800 pounds.

* * * * *

(g) [Canceled.]

7. In § 73.315 add the entries "Methyl chloride" and "Methyl chloride (optional portable tank 2,000 pounds water capacity, fusible plug)" to paragraph (a) (1) table; amend the entry "Carbon dioxide" and add the entry "Methyl chloride" in paragraph (h) table and paragraph (i) (2) table; amend Note 1 to paragraph (i) (9) (18 F. R. 6779, 6780, Oct. 27, 1953) (17 F. R. 9839, Nov. 1, 1952) (15 F. R. 8331, Dec. 2, 1950) (49 CFR 1950 Rev., 1953 Supp., 73.315) to read as follows:

§ 73.315 *Compressed gases in cargo tanks and portable tank containers.*

(a) * * *

(1) * * *

Kind of gas	Maximum permitted filling density		Specification container required	
	Percent by weight (see Note 1)	Percent by volume (see par. (f) of this section)	Type (see Note 2)	Minimum design working pressure (psig)
Methyl chloride	84	88.5	ICC-51, MC-330	150.
Methyl chloride (optional portable tank 2,000 pounds water capacity, fusible plug).	84	See Note 6	ICC-51	225.

* * * * * * *

(h) * * *

Kind of gas	Permitted gauging device
Carbon dioxide, liquefied	Rotary tube; adjustable slip tube; fixed length dip tube.
Methyl chloride	Fixed length dip tube.

* * * * *

(i) * * *

(2) * * *

Kind of gas	Minimum start-to-discharge pressure (psig)
Carbon dioxide, liquefied	See paragraph (i) (1) of this section.
Methyl chloride	150.

* * * * *

(9) * * *

NOTE 1: The maximum operating pressure in the tank may be regulated by the use of one or more pressure controlling devices, which devices shall not be in lieu of the safety relief valve required in paragraph (i) of this section.

* * * * *

SUBPART G—POISONOUS ARTICLES; DEFINITION AND PREPARATION

1. Amend § 73.346 paragraph (a) (13) (15 F. R. 8334, Dec. 2, 1950) (49 CFR 73.346, 1950 Rev.) to read as follows:

§ 73.346 *Poisonous liquids not specifically provided for.* (a) * * *

(13) Spec. 1A, 1D, or 1E (§§ 78.1, 78.4, or 78.7 of this chapter). Glass carboys in wooden boxes or plywood drums.

2. Amend § 73.367 paragraph (a) (2) (15 F. R. 8337, Dec. 2, 1950) (49 CFR 73.367, 1950 Rev.) to read as follows:

§ 73.367 *Arsenical compounds n. o. s., arsenate of lead, calcium arsenate, Paris green, and arsenical mixtures.* (a) * * *

(2) Spec. 36A or 36B (§§ 78.230 or 78.233 of this chapter). Triplex bags. Authorized only for arsenical insecticides and fungicides containing 10.0 percent or less of arsenic trioxide.

* * * * *

PART 74—CARRIERS BY RAIL FREIGHT

SUBPART A—LOADING, UNLOADING, PLACARDING AND HANDLING CARS; LOADING PACKAGES INTO CARS

Add paragraph (c) to § 74.533 (18 F. R. 3138, June 2, 1953) (49 CFR 1950 Rev., 1953 Supp., 74.533) to read as follows:

§ 74.533 *Truck bodies or trailers on flat cars.* * * *

(c) A truck body or trailer on which is mounted any cargo tank containing any dangerous article shall not be accepted for transportation or transported except under conditions approved by the Bureau of Explosives.

SUBPART B—LOADING AND STORAGE CHART OF EXPLOSIVES AND OTHER DANGEROUS ARTICLES

In § 74.538 paragraph (a) Chart, amend Item 2 vertical and horizontal columns (17 F. R. 1563, Feb. 20, 1952) (49 CFR 1950 Rev., 1953 Supp., 74.538) to read as follows:

§ 74.538 *Loading and storage chart of explosives and other dangerous articles.* (a) * * *

"2" Propellant explosives, jet thrust units (jato), class B, or igniters, jet thrust

* * * * *

SUBPART D—UNLOADING FROM CARS

1. Amend § 74.560 paragraph (b) (2) (18 F. R. 3138, June 2, 1953) (49 CFR 1950 Rev., 1953 Supp., 74.560) to read as follows:

§ 74.560 *Tank car delivery.* * * *

(b) * * *

(2) Any tank car of other than ICC-106A or 110A type (see §§ 78.275, 78.276, or 78.293 of this chapter), containing anhydrous ammonia, liquefied hydrocarbon or liquefied petroleum gas, and having interior pipes of liquid and gas discharge valves equipped with check valves, may be delivered and unloaded on carrier tracks, if the lading is piped directly from the car to permanent storage tanks of sufficient capacity to receive the entire contents of the car. Such cars may also be stored on a private track or on a carrier track when designated by the carrier for such storage.

* * * * *

(No change in Notes 1 and 2.)

2. Amend § 74.566 paragraph (a) (15 F. R. 8353, Dec. 2, 1950) (49 CFR 74.566, 1950 Rev.) to read as follows:

§ 74.566 *Cleaning cars.* (a) Cars which have contained arsenic, arsenate of lead, sodium arsenate, calcium arsenate, Paris green, calcium cyanide, potassium cyanide, sodium cyanide, or other poisonous articles, which show any evidence of leakage from packages, must be thoroughly cleaned after unloading before cars are again placed in service.

* * * * *

SUBPART E—HANDLING BY CARRIERS BY RAIL FREIGHT

Amend entire § 74.579 (15 F. R. 8354, Dec. 2, 1950) (49 CFR 74.579, 1950 Rev.) to read as follows:

§ 74.579 *Cars containing lading which has been fumigated or treated with flammable liquid, flammable gases, poisonous liquids or solids, or poisonous gases.* (a) Delivery to carrier or transportation of cars containing lading fumigated or treated with flammable liquid or flammable gas is prohibited until 48 hours have elapsed after such fumigation or treatment, or until car has been ventilated so as to remove danger of fire or explosion due to the presence of flammable vapors.

(b) Cars containing lading which has been fumigated or treated with poisonous liquid, solid, or gas, such as carbolic acid, liquid or solid, chlorpicrin, hydrocyanic acid, methyl bromide, etc., must be placarded on each door or near thereto with placard reading as follows (for cleaning cars, see § 74.566):

(Reduced size)

(Red lettering on white cardboard)

PART 77—SHIPMENTS MADE BY WAY OF COMMON, CONTRACT, OR PRIVATE CARRIERS BY PUBLIC HIGHWAY

SUBPART C—LOADING AND STORAGE CHART OF EXPLOSIVES AND OTHER DANGEROUS ARTICLES

1. In § 77.848 paragraph (a) Chart, amend Item 2 vertical and horizontal columns (17 F. R. 1564, Feb. 20, 1952) (49 CFR 1950 Rev., 1953 Supp., 77.848) to read as follows:

§ 77.848 *Loading and storage chart of explosives and other dangerous articles.* (a) * * *

"2" Propellant explosives, jet thrust units (jato), class B, or igniters, jet thrust.

* * * * *

PART 78—SHIPPING CONTAINER SPECIFICATIONS

SUBPART C—SPECIFICATIONS FOR CYLINDERS

1. Amend § 78.36-3 paragraph (a) (15 F. R. 8381, Dec. 2, 1950) (49 CFR 78.36-3, 1950 Rev.) to read as follows:

§ 78.36 *Specification 3A; seamless steel cylinders.*

* * * * *

§ 78.36-3 *Inspection by whom and where.* (a) By competent and disinterested inspector acceptable to the Bureau of Explosives; chemical analyses and tests, as specified, to be made within limits of the United States.

2. Amend § 78.37-3 paragraph (a) (15 F. R. 8384, Dec. 2, 1950) (49 CFR 78.37-3, 1950 Rev.) to read as follows:

§ 78.37 *Specification 3AA; seamless steel cylinders, made of definitely prescribed steels.*

* * * * *

§ 78.37-3 *Inspection by whom and where.* (a) By competent and disinterested inspector acceptable to the Bureau of Explosives; chemical analyses and tests, as specified, to be made within limits of the United States.

3. Amend § 78.41-3 paragraph (a) (15 F. R. 8393, Dec. 2, 1950) (49 CFR 78.41-3, 1950 Rev.) to read as follows:

§ 78.41 *Specification 3D; seamless steel cylinders.*

* * * * *

§ 78.41-3 *Inspection by whom and where.* (a) By competent and disinterested inspector acceptable to the Bureau of Explosives; chemical analyses and tests, as specified, to be made within limits of the United States.

4. Amend § 78.43-3 paragraph (a) (15 F. R. 8397, Dec. 2, 1950) (49 CFR 78.43-3, 1950 Rev.) to read as follows:

§ 78.43 *Specification 3A480X; seamless steel cylinders.*

* * * * *

§ 78.43-3 *Inspection by whom and where.* (a) By competent and disinterested inspector acceptable to the Bureau of Explosives; chemical analyses and tests, as specified, to be made within limits of the United States.

5. Amend § 78.48-3 paragraph (a) (15 F. R. 8399, Dec. 2, 1950) (49 CFR 78.48-3, 1950 Rev.) to read as follows:

§ 78.48 *Specification 4; forge welded steel cylinders.*

* * * * *

§ 78.48-3 *Inspection by whom and where.* (a) By competent and disinterested inspector acceptable to the Bureau of Explosives; chemical analyses and tests, as specified, to be made within limits of the United States.

6. Amend § 78.49-3 paragraph (a) (15 F. R. 8401, Dec. 2, 1950) (49 CFR 78.49-3, 1950 Rev.) to read as follows:

§ 78.49 *Specification 4A; forge welded steel cylinders.*

* * * * *

§ 78.49-3 *Inspection by whom and where.* (a) By competent and disinterested inspector acceptable to the Bureau of Explosives; chemical analyses and tests, as specified, to be made within limits of the United States.

7. Amend § 78.54-3 paragraph (a) (15 F. R. 8414, Dec. 2, 1950) (49 CFR 78.54-3, 1950 Rev.) to read as follows:

§ 78.54 *Specification 4B240-FLW; welded or welded and brazed cylinders with fusion-welded longitudinal seam.*

* * * * *

§ 78.54-3 *Inspection by whom and where.* (a) By competent and disinterested inspector acceptable to the Bureau of Explosives; chemical analyses and tests, as specified, to be made within limits of the United States.

SUBPART D—SPECIFICATIONS FOR METAL BARRELS, DRUMS, KEGS, CASES, TRUNKS AND BOXES

1. Amend § 78.92-14 (15 F. R. 8442, Dec. 2, 1950) (49 CFR 78.92-14, 1950 Rev.) to read as follows:

§ 78.92 *Specification 5P; lagged steel drums.*

* * * * *

§ 78.92-14 *Leakage test.* (a) Each container shall be subjected to a pressure test of at least 125 pounds per square inch sustained for at least 30 seconds. Test shall be applied to inner container before lagging material or outer shell is assembled. Failures shall be rejected or repaired and retested.

NOTE 1: If air or other gas is the pressurizing medium, the test should be conducted in a pit or equivalent means of safeguarding personnel.

(b) Subsequent to the test specified in paragraph (a) each container shall be tested with seams under water or covered with soapsuds or other suitable material by interior air pressure of at least 75 pounds per square inch. Leakage test shall be applied to finished inner container before lagging or outer shell is assembled. Leakers shall be rejected or repaired and retested.

SUBPART F—SPECIFICATIONS FOR FIBERBOARD BOXES, DRUMS, AND MAILING TUBES

1. Amend § 78.205-9 introductory text of paragraph (a) (15 F. R. 8475, Dec. 2, 1950) (49 CFR 78.205-9, 1950 Rev.) to read as follows:

§ 78.205 *Specification 12B; fiberboard boxes.*

* * * * *

§ 78.205-9 *Types authorized.* (a) To be of solid or corrugated fiberboard of the following types, or as specifically provided for in §§ 78.205-19 to 78.205-29.

* * * * *

2. Add paragraph (c) to § 78.214-6; amend § 78.214-15 paragraph (a); add paragraphs (d) and (e) to § 78.214-16 (15 F. R. 8479, 8480, Dec. 2, 1950) (16 F. R. 9381, Sept. 15, 1951) (49 CFR 1950 Rev., 1953 Supp., 78.214-6, 78.214-15, 78.214-16) to read as follows:

§ 78.214 *Specification 23F; fiberboard boxes.*

* * * * *

§ 78.214-6 *Tape.* * * *

(c) Pressure sensitive tape for closure, paper backed. The basic weight of the paper shall be not less than 70 pounds per ream after sizing and coating. Longitudinal tensile strength shall be not less than 50 pounds per inch of width and the latitudinal strength shall be not less than 11 pounds per inch of width, or for application as provided by § 78.214-16 (d) tape must be pressure sensitive, filament reinforced. Tape backing shall have a minimum longitudinal tensile strength of 160 pounds per inch of width and a minimum elongation of 12 percent at break. The tape shall have sufficient transverse strength to prevent raveling or separation of the filaments. Tape shall have an adhesion of 18 ounces per inch of width minimum when tested according to acceptable methods. Tape shall adhere immediately and firmly to fiberboard surface when applied with hand pressure in the temperature range of 0° to 120° F. No solvent or heat shall be necessary to activate the adhesive.

(1) The tape authorized must be manufactured of material which will not separate or delaminate when submerged in water for 72 hours and which will not show any delamination or bleeding up to 160° F. and which will not lose its strength, delaminate, or become brittle at 0° F.

(2) Water activated tapes are authorized when approved by the Bureau of Explosives.

§ 78.214-15 *Authorized gross weight (when packed) and parts required.* (a) Box to be of solid fiberboard, special waterproofed, at least 300-pound test, and weighing at least 250 pounds per thousand square feet. Tubes to be of solid or corrugated fiberboard at least 200-pound test and of 1-piece, or as provided in subparagraph (1), with adjoining edges stitched, taped, or glued. Glued lap not less than 1¼ inches; others 1½ inches. Lap must be firmly glued throughout entire area of contact with glue or adhesive which cannot be dissolved in water after the film application has dried.

(1) Or, box shall have one tube liner of 0.120" solid fiberboard with joint or joints either stitched or glued as prescribed in paragraph (a). One end of the tube made have a handhole approximately ¾ inch deep located at the center of the top and a perforation with a minimum of ⅛ inch cuts and ⅛ inch webs extending from the handhole to the bottom.

* * * * *

§ 78.214-16 *Closing for shipment.* * * *

(d) Or, for end opening type boxes, the container may be closed by use of pressure sensitive tape as specified in § 78.214-6 (c). When closed by this method, single strips of tape, not less than ½ inch wide, shall be applied as follows:

(1) For boxes less than 18 inches wide, 2 strips placed at right angles to the seam formed by overlapping outer flaps and not less than 3 inches from and parallel to the side score lines, each of which shall extend over the seam not less than 3 inches in each direction.

(2) For boxes more than 18 inches wide, a third strip of tape, shall be applied at the center of the seam.

(e) Tape used in closing must be at least equal in efficiency to that used on boxes passing the drum test prescribed in § 78.214-20.

SUBPART I—SPECIFICATIONS FOR TANK CARS

1. Amend § 78.265 paragraph ICC-14 (d) (15 F. R. 8489, Dec. 2, 1950) (49 CFR 78.265, 1950 Rev.) to read as follows:

§ 78.265 *Specification for tank cars having riveted steel tanks Class ICC-103.* * * *

ICC-14. *Safety valves.* * * *

ICC-14. (d) Tanks used for the transportation of corrosive liquids, flammable solids, oxidizing materials or poisonous liquids or solids, Class B, need not be equipped with safety valves, but if not so equipped must have one safety vent made of approved material at least 1¾ inches inside diameter closed with a frangible disc of suitable material, of a thickness that will hold a pressure of 30 pounds per square inch for a period of at least one hour but will rupture within eight hours. Means for holding disc in place must be such as to prevent distortion or damage to disc when applied. Safety vent closure must be chained or otherwise fastened to prevent misplacement. An additional sealed vent of approved design, to prevent use of unloading pressures in excess of 45 pounds per square inch may be applied. All tanks equipped with vents must be stenciled "Not for Flammable Liquids".

2. Amend § 78.266 paragraph ICC-14 (d) and paragraph ICC-19 (a) (15 F. R. 8491, Dec. 2, 1950) (49 CFR 78.266, 1950 Rev.) to read as follows:

§ 78.266 *Specification for tank cars having riveted steel tanks, Class ICC-103A.* * * *

ICC-14. *Safety vents.* * * *

ICC-14. (d) Each tank or compartment thereof must be equipped with one safety vent at least 1¾ inches inside diameter, closed with a frangible disc of lead or other suitable material of a thickness that will hold a pressure of 30 pounds per square inch for a period of at least one hour but will rupture within eight hours. Means for holding disc in place must be such as to prevent distortion or damage to disc when applied. Safety vent closure must be chained or otherwise fastened to prevent misplacement. An additional sealed vent of approved design, to prevent use of unloading pressures in excess of 45 pounds per square inch, may be applied.

ICC-19. *Retests of tanks and interior heater systems.* (a) Tanks and interior heater systems must be retested as prescribed for original tests in paragraph ICC-17, except that a commodity for which the tank is approved may be used for filling the tank and dome when testing tanks which have been in service not more than 10 years. The first retest of tank and interior heater system must be conducted within five years after the original test, and subsequent retests at five-year intervals up to 10 years of service, thereafter at three-year intervals up to 22 years of service, and annually after 22 years of service. Tanks in service over 10 years must be internally inspected when periodic retests are made. Interior heater systems must be tested with water only and inspected for defects which would make leakage or failure probable during transit. Tanks must also be retested before being returned to service after riveting, calking or other repairs. Interior heater systems must be retested after repairs. Reports must be rendered as prescribed in paragraph ICC-21.

3. Amend § 78.267 paragraph ICC-19 (a) (15 F. R. 8492, Dec. 2, 1950) (49 CFR 78.267, 1950 Rev.) to read as follows:

§ 78.267 *Specification for tank cars having rubber lined riveted steel tanks Class ICC-103B.* * * *

ICC-19. *Retests of tanks and interior heater systems.* (a) Periodic retests of tanks are not required. Tanks must be retested before rubber lining is renewed. The first retest of interior heater systems must be conducted within five years after the original test and subsequent retests at five-year intervals up to 10 years of service, thereafter at three-year intervals up to 22 years of service, and annually after 22 years of service. Interior heater systems must be tested with water only and inspected for defects which would make leakage or failure probable during transit. Tanks must also be retested before being returned to service after any repairs requiring riveting or calking of rivets. Interior heater systems must be retested after repairs. Reports must be rendered as prescribed in paragraph ICC-21.

4. Amend § 78.268 paragraph ICC-19 (a) (15 F. R. 8493, Dec. 2, 1950) (49 CFR 78.268, 1950 Rev.) to read as follows:

§ 78.268 *Specification for tank cars having riveted alloy steel tanks Class ICC-103C.* * * *

ICC-19. *Retests of tanks and safety valves.* (a) Tanks and safety valves must be retested as prescribed for original tests in paragraphs ICC-17 and ICC-18, except that a commodity for which the tank is approved may be used for filling tank and dome when testing tanks which have been in service not more than 10 years. The first retest must be conducted within five years after the original

test and subsequent retests at five-year intervals up to 10 years of service, thereafter at three-year intervals up to 22 years of service, and annually after 22 years of service. Tanks in service over 10 years must be internally inspected for defects which would make leakage or failure probable during transit, and must be tested with water only when periodic retests are made. Tanks must also be retested before being returned to service after riveting, calking or other repairs. Safety valves must be retested after repairs. Reports must be rendered as prescribed in paragraph ICC-21.

5. Amend § 78.280 paragraph ICC-14 (d) (15 F. R. 8507, 8509, Dec. 2, 1950) (49 CFR 78.280, 1950 Rev.) to read as follows:

§ 78.280 *Specification for tank cars having fusion-welded steel tanks Class ICC-103-W.* * * *

ICC-14. *Safety valves.* * * *

ICC-14. (d) Tanks used for the transportation of corrosive liquids, flammable solids, oxidizing materials or poisonous liquids or solids, Class B, need not be equipped with safety valves, but if not so equipped must have one safety vent made of approved material at least 1¾ inches inside diameter closed with a frangible disc of suitable material, of a thickness that will hold a pressure of 30 pounds per square inch for a period of at least one hour but will rupture within eight hours. Means for holding disc in place must be such as to prevent distortion or damage to disc when applied. Safety vent closure must be chained or otherwise fastened to prevent misplacement. An additional sealed vent of approved design, to prevent use of unloading pressures in excess of 45 pounds per square inch may be applied. All tanks equipped with vents must be stenciled "Not for Flammable Liquids".

6. Amend § 78.281 paragraph ICC-14 (d) and paragraph ICC-19 (a) (15 F. R. 8510, Dec. 2, 1950) (49 CFR 78.281, 1950 Rev.) to read as follows:

§ 78.281 *Specification for tank cars having fusion-welded steel tanks, class ICC-103A-W.* * * *

ICC-14. *Safety vents.* * * *

ICC-14. (a) Each tank or compartment thereof must be equipped with one safety vent at least 1¾ inches inside diameter, closed with a frangible disc of lead or other suitable material of a thickness that will hold a pressure of 30 pounds per square inch for a period of at least one hour but will rupture within eight hours. Means for holding disc in place must be such as to prevent distortion or damage to disc when applied. Safety vent closure must be chained or otherwise fastened to prevent misplacement. An additional sealed vent of approved design, to prevent use of unloading pressures in excess of 45 pounds per square inch, may be applied.

ICC-19. *Retests of tanks and interior heater systems.* (a) Tanks and interior heater systems must be retested as prescribed for original tests in paragraph ICC-17, except that a commodity for which the tank is approved may be used for filling the tank and dome when testing tanks which have been in service not more than 10 years. The first retest of tank and interior heater system must be conducted within five years after the original test, and subsequent retests at five-year intervals up to 10 years of service, thereafter at three-year intervals up to 22 years of service, and annually after 22 years of service. Tanks in service over 10 years must be internally inspected when periodic retests are made. Interior heater systems must be tested with water only and inspected for defects which would make leakage or failure probable during transit. Tanks must also be retested before being returned to service after any repairs requiring welding, riveting, or calking of rivets. Interior heater systems must be retested after repairs. Reports must be rendered as prescribed in paragraph ICC-21.

7. Amend § 78.282 paragraph ICC-19 (a) (15 F. R. 8511, Dec. 2, 1950) (49 CFR 78.282, 1950 Rev.) to read as follows:

§ 78.282 *Specification for tank cars having rubber-lined fusion-welded steel tanks, class ICC-103B-W.* * * *

ICC-19. *Retests of tanks and interior heater systems.* (a) Periodic retests of tanks are not required. Tanks must be retested before rubber lining is renewed. The first retest of interior heater systems must be conducted within five years after the original test and subsequent retests at five-year intervals up to 10 years of service, thereafter at three-year intervals up to 22 years of service, and annually after 22 years of service. Interior heater systems must be tested with water only and inspected for defects which would make leakage or failure probable during transit. Tanks must also be retested before being returned to service after any repairs requiring welding, riveting or calking of rivets. Interior heater systems must be retested after repairs. Reports must be rendered as prescribed in paragraph ICC-21.

8. Amend § 78.283 paragraph ICC-19 (a) (15 F. R. 8513, Dec. 2, 1950) (49 CFR 78.283, 1950 Rev.) to read as follows:

§ 78.283 *Specification for tank cars having fusion-welded alloy steel tanks Class ICC-103C-W.* * * *

ICC-19. *Retests of tanks, safety valves and interior heater systems.* (a) Tanks, safety valves, and interior heater systems must be retested as prescribed for original tests in paragraphs ICC-17 and ICC-18, except that a commodity for which the tank is approved may be used for filling tank and dome when testing tanks which have been in service not more than 10 years. The first retest must be conducted within five years after the original test and subsequent retests at five-year intervals up to 10 years of service, thereafter at three-year intervals up to 22 years of service, and annually after 22 years of service. Tanks in service over 10 years must be internally inspected when periodic retests are made. Interior heater systems must be tested with water only and inspected for defects which would make leakage or failure probable during transit. Tanks must also be retested before being returned to service after any repairs requiring welding, riveting or calking of rivets. Safety valves and interior heater systems must be retested after repairs. Reports must be rendered as prescribed in paragraph ICC-21.

9. In § 78.288 amend paragraph ICC-1 (b); Add paragraphs ICC-3 (b), AAR-3 (b), AAR-6 (e-2), AAR-6 (J-1) Note 2, and AAR-8 (b) (15 F. R. 8518, Dec. 2, 1950) (49 CFR 78.288, 1950 Rev.) to read as follows:

§ 78.288 *Specification for tank cars having lagged fusion-welded steel tanks Class ICC-105A500-W.* * * *

ICC-1. *Type.* * * *

ICC-1. (b) The tank shell and manhole nozzle must be lagged with an approved insulation material of a thickness so that the thermal conductance is not more than 0.075 B. t. u. per square foot, per degree Fahrenheit differential in temperature per hour. The entire insulation must be covered with a metal jacket, efficiently flashed around all openings so as to be weathertight. When heater systems are attached to exterior of tank, the lagging over each pipe may be reduced in thickness equivalent to one-half that required for shell. Tanks for use in transportation of liquefied carbon dioxide must have tank shell and manhole nozzle lagged with an approved insulation material of a thickness so that the thermal conductance is not more than 0.03 B. t. u. per square foot, per degree Fahrenheit differential in temperature, per hour, except that the insulation thickness directly over the center sills may be reduced to give a thermal conductance not exceeding 0.04 B. t. u. per square foot per degree Fahrenheit differential in temperature per hour; this reduction is to permit an anchorage which must not exceed seven (7) inches from top of center sills to bottom of tank.

The entire insulation must be covered with a metal jacket, efficiently flashed around all openings so as to be weathertight.

ICC-3. (b) All plates for tank, manway nozzle and anchorage for tanks used in the transportation of liquefied carbon dioxide must be made of steel to an approved specification suitable for service at low temperatures.

AAR-3. (b) All plates for tank, manway nozzle and anchorage of tanks used in the transportation of liquefied carbon dioxide must be made of steel complying with requirements of A. S. T. M. Specification A-300 (current issue) titled "Steel Plates for Pressure Vessels for Service at Low Temperatures", Class 1, Grade "A", flange or fire box quality. Impact test specimens made by the plate manufacturer shall be of the Charpy Keyhole notch type and must meet impact requirements (in both longitudinal and transverse directions of rolling) of this specification at a temperature of minus 50° F.

AAR-6. (e-2) For tanks used in the transportation of liquefied carbon dioxide, impact test specimens made by the tank fabricator may be in one direction of rolling only and shall be heat treated with the tank. The fabricator shall prepare at least one set of three specimens taken from plates used in the tank shell and anchorage; and at least one set of three specimens taken from plates used in the tank heads, such specimens to be representative of plates in each tank or group of tanks heat treated at the same time.

Weld test specimens shall be prepared from plates used in the tank and both electrode and welding procedure shall be the same as used in the fabrication of the tank. At least one set of three specimens shall be taken across the weld with the notch in the adjacent metal in the heat affected zone; and at least one set of three specimens shall be prepared from all weld metal, such specimens to be representative of each tank or group of tanks heat treated at the same time.

Impact test specimens shall be of the Charpy Keyhole notch type, standard 10 mm x 10 mm size, and shall be prepared in accordance with A. S. T. M. Specification E-23 (current issue). The specimens should be taken from a location as near as practicable to a point mid-way between the surface and center of thickness. The base of the notch should be perpendicular (normal) to the surface.

Impact test specimens shall be tested at a temperature of minus 50° Fahrenheit. The test specimen, as well as the handling tongs shall be cooled for the sufficient length of time to reach the test temperature. The test temperature shall be maintained within a range of plus or minus 3° Fahrenheit. The specimen shall be quickly transferred from the cooling device to the anvil of the testing machine and broken within a time lapse of not more than 6 seconds. The minimum impact value required for average of each set of three specimens shall be 15 ft.-lbs. The minimum impact value permitted on one specimen only of a set shall be 10 ft.-lbs. When the average value of the three specimens equals or exceeds the minimum

value permitted for a single specimen and the value for more than one specimen is below the required average value, or when the value for one specimen is below the minimum value permitted for a single specimen, a retest of three additional specimens shall be made. The value for each of these retest specimens shall equal or exceed 15 ft.-lbs. Records of impact test results shall be retained for not less than ten years by the tank builder or by the car owner if he so requests.

AAR-6. (j-1) * * *

NOTE 2: Tanks used for the transportation of liquefied carbon dioxide must have the anchor welds examined by radiography or by magnetic particle testing.

AAR-8. (b) Tank cars used for the transportation of liquefied carbon dioxide must have anchors so designed that the space between the top of center sills and bottom of tank does not exceed seven (7) inches.

* * * * *

10. In § 78.289 amend paragraph ICC-1 (b); add paragraphs ICC-3 (b), AAR-3 (b), AAR-6 (e-2), AAR-6 (j-1) Note 2, and AAR-8 (b) (15 F. R. 8519, Dec. 2, 1950) (49 CFR 78.289, 1950 Rev.) to read as follows:

§ 78.289 *Specification for tank cars having lagged fusion-welded steel tanks Class ICC-105A600-W.* * * *

ICC-1. *Type.* * * *

ICC-1. (b) The tank shell and manhole nozzle must be lagged with an approved insulation material of a thickness so that the thermal conductance is not more than 0.075 B. t. u. per square foot, per degree Fahrenheit differential in temperature per hour. The entire insulation must be covered with a metal jacket, efficiently flashed around all openings so as to be weather-tight. When heater systems are attached to exterior of tank, the lagging over each pipe may be reduced in thickness equivalent to one-half that required for shell. Tanks for use in transportation of liquefied carbon dioxide must have tank shell and manhole nozzle lagged with an approved insulation material of a thickness so that the thermal conductance is not more than 0.03 B. t. u. per square foot, per degree Fahrenheit differential in temperature, per hour, except that the insulation thickness directly over the center sills may be reduced to give a thermal conductance not exceeding 0.04 B. t. u. per square foot per degree Fahrenheit differential in temperature per hour; this reduction is to permit an anchorage which must not exceed seven (7) inches from top of center sills to bottom of tank.

The entire insulation must be covered with a metal jacket, efficiently flashed around all openings so as to be weathertight.

ICC-3. (b) All plates for tank, manway nozzle and anchorage for tanks used in the transportation of liquefied carbon dioxide must be made of steel to an approved specification suitable for service at low temperatures.

AAR-3. (b) All plates for tank, manway nozzle and anchorage of tanks used in the transportation of liquefied carbon dioxide must be made of steel complying with requirements of A. S. T. M. Specification A-300 (current issue) titled "Steel Plates for Pressure Vessels for Service at Low Temperatures", Class 1, Grade "A", flange or fire box quality. Impact test specimens made by the plate manufacturer shall be of the Charpy Keyhole notch type and must meet impact requirements (in both longitudinal and transverse directions of rolling) of this specification at a temperature of minus 50°F.

AAR-6. (e-2) For tanks used in the transportation of liquefied carbon dioxide, impact test specimens made by the tank fabricator may be in one direction of rolling only and shall be heat treated with the tank. The fabricator shall prepare at least one set of three specimens taken from plates used in the tank shell and anchorage; and at least one set of three specimens taken from plates used in the tank heads, such specimens to be representative of plates in each tank or group of tanks heat treated at the same time.

Weld test specimens shall be prepared from plates used in the tank and both electrode and welding procedure shall be the same as used in the fabrication of the tank. At least one set of three specimens shall be taken across the weld with the notch in the adjacent metal in the heat affected zone; and at least one set of three specimens shall be prepared from all weld metal, such specimens to be representative of each tank or group of tanks heat treated at the same time.

Impact test specimens shall be of the Charpy Keyhole notch type, standard 10 mm x 10 mm size, and shall be prepared in accordance with A. S. T. M. Specification E-23 (current issue). The specimens should be taken from a location as near as practicable to a point mid-way between the surface and center of thickness. The base of the notch should be perpendicular (normal) to the surface.

Impact test specimens shall be tested at a temperature of minus 50° Fahrenheit. The test specimen, as well as the handling tongs shall be cooled for the sufficient length of time to reach the test temperature. The test temperature shall be maintained within a range of plus or minus 3° Fahrenheit. The specimen shall be quickly transferred from the cooling device to the anvil of the testing machine and broken within a time lapse of not more than 6 seconds. The minimum impact value required for average of each set of three specimens shall be 15 ft.-lbs. The minimum impact value permitted on one specimen only of a set shall be 10 ft.-lbs. When the average value of the three specimens equals or exceeds the minimum value permitted for a single specimen and the value for more than one specimen is below the required average value, or when the value for one specimen is below the minimum value permitted for a single specimen, a retest of three additional specimens shall be made. The value for each of these retest specimens shall equal or exceed 15 ft.-lbs. Records of impact test results shall be retained for not less than ten years by the tank builder or by the car owner if he so requests.

AAR-6. (j-1) * * *

NOTE 2: Tanks used for the transportation of liquefied carbon dioxide must have the anchor welds examined by radiography or by magnetic particle testing.

AAR-8. (b) Tank cars used for the transportation of liquefied carbon dioxide must have anchors so designed that the space between the top of center sills and bottom of tank does not exceed seven (7) inches.

* * * * *

11. Amend § 78.291 paragraph ICC-14 (d) (16 F. R. 5333, June 6, 1951) (49 CFR 1950 Rev., 1953 Supp., 78.291) to read as follows:

§ 78.291 *Specification for tank cars having fusion-welded aluminum tanks Class ICC-103-AL-W.* * * *

ICC-14. *Safety valves.* * * *

ICC-14. (d) Tanks used for the transportation of corrosive liquids, flammable solids, oxidizing materials or poisonous liquids or solids, Class B, need not be equipped with safety valves, but if not so equipped must have one safety vent made of approved material at least 1¾ inches inside diameter closed with a frangible disc of suitable material, of a thickness that will hold a pressure of 45 pounds per square inch for a period of at least one hour, but will rupture within eight hours. Means for holding disc in place must be such as to prevent distortion or damage to disc when applied. Safety vent closure must be chained or otherwise fastened to prevent misplacement. An additional sealed vent of approved design, to prevent use of unloading pressures in excess of 45 pounds per square inch, may be applied. All tanks equipped with vents must be stenciled "Not for Flammable Liquids".

12. Amend § 78.292 paragraph ICC-19 (a) (16 F. R. 5335, June 6, 1951) (49 CFR 1950 Rev., 1953 Supp., 78.292) to read as follows:

§ 78.292 *Specification for tank cars having fusion-welded aluminum tanks Class ICC-103-A-AL-W.* * * *

ICC-19. *Retests of tanks, safety valves and interior heater systems.* (a) Tanks, safety valves and interior heater systems must be retested as prescribed for original tests in paragraphs ICC-17 and ICC-18, except that a commodity for which the tank is authorized may be used for filling tank and dome when testing tanks which have been in service not more than 10 years. The first retest must be conducted within five years after the original test and subsequent retests at five-year intervals up to 10 years of service, thereafter at three-year intervals up to 22 years of service, and annually after 22 years of service. Tanks in service over 10 years must be internally inspected when periodic retests are made. Interior heater systems must be tested with water only and inspected for defects which would make leakage or failure probable during transit. Tanks must also be retested before being returned to service after any repairs requiring welding, riveting or calking of rivets. Safety valves and interior heater systems must be retested after repairs. Reports must be rendered as prescribed in paragraph ICC-21.

13. Cancel the following reference to Special Order in Appendix D, Part 78 (15 F. R. 8543, Dec. 2, 1950) (49 CFR Appendix D, Part 78, 1950 Rev.):

APPENDIX D—SPECIAL ORDERS * * *

"Order approved December 18, 1941, in No. 3666, authorizing trial transportation of liquid chlorine in single-unit, 55-ton capacity tank cars, specification 105A500. Pertinent sections of regulations amended accordingly. Authority noted in § 73.314 (g) of this chapter".

SUBPART J—SPECIFICATIONS FOR CONTAINERS FOR MOTOR VEHICLE TRANSPORTATION

1. Amend § 78.330-9 paragraph (b) (15 F. R. 8555, Dec. 2, 1950) (49 CFR 78.330-9, 1950 Rev.) to read as follows:

§ 78.330 *Specification MC310; cargo tanks.*

* * * * *

§ 78.330-9 *Material.* * * *

(b) *Lining.* Except as provided in paragraph (c) of this section, cargo tanks must be lined and the material used for lining each cargo tank subject to this specification shall be homogeneous, nonporous, imperforate when applied, not less elastic than the metal of the tank proper, and substantially immune to attack by the commodities transported therein. It shall be of substantially uniform thickness, and it shall be directly bonded or attached by other equally satisfactory means. Joints and seams in the lining shall be made by fusing the material together, or by other equally satisfactory means. The interior of the tank shall be free from scale,

oxidation, moisture, and all foreign matter during the lining operation.

* * * * *

APPENDIX

Section, Paragraph and Reason for Amendment

72.5 (a) commodity list, to provide shipping containers for new commodities; to properly reclassify trifluorochloroethylene; to delete xylidene from the commodity list as a class B poison.

73.25 (a), to provide for enclosures other than those named when the specification container affords protection of the contents but marking is concealed.

73.31 (a) table, to provide reference to footnote 2 for rubber-lined A. R. A. II tank cars.

73.31 (g) notes 1 and 2, to extend the expiration date of periodic retests that are presently waived for certain tank cars.

73.33 (g), to specify December 31, 1953 as expiration date for construction of cargo tanks shown in paragraph (g) (1).

73.33 (k) (11), to provide reference to MC 310 cargo tank inadvertently omitted in Order No. 12.

73.34 (f) (3), (f) (4), to prohibit safety devices on cylinders containing flourine, or poisonous gas or liquid.

73.34 (k) (12), to include ICC specification 26-240 as a cylinder that may be given external visual inspection in lieu of the periodic hydrostatic retest.

73.65 (h), to provide spec. 12B fiberboard box as an additional shipping container for shaped charges.

73.66 (d) (1), (e) (1), to provide spec. 23F or 23H fiberboard box as an additional shipping container for blasting caps and electric blasting caps.

73.67 (a) (1), to allow permanent use of spec. 23F or 23H fiberboard box for blasting caps with safety fuse.

73.100 (q), to increase the amount of explosive composition in explosive rivets that is exempted from certain requirements of the regulations.

73.143 (a) (2), to provide spec. 15A, 15B, 15C, 16A, or 19A wooden boxes as additional shipping containers for methylchloromethyl ether, anhydrous.

73.153 (b), to correct an omission in previous order.

73.182 (a) and (b), to provide for the transportation of ammonium nitrate limestone.

73.220, to eliminate necessity of shipping aluminum scrap in closed containers.

73.247 (a) (6), to provide for the use of additional type tank cars for materials listed.

73.247 (a) (14), to provide for the use of spec. 1F and 1G polyethylene carboys for benzoyl chloride and benzyl chloride.

73.257 (b), to provide additional means of shipment for electrolyte (acid) or corrosive battery fluid.

73.260 (a) (3), (a) (4), and (b), to provide for the use of additional type outside container for electric storage batteries.

73.272 (h) (2), to make consistent with correlated regulations.

73.289 (a) (1), to delete extraneous words.

73.314 (a) table, to provide reference to Note 18 containing requirements previously covered in paragraph (g).

73.314 (a) table, note 11, to provide for an improved type of anchorage on tank cars for liquefied carbon dioxide.

73.314 (a) table, note 18, to provide restrictions for certain shipments of liquefied chlorine gas.

73.314 (g), to eliminate the restriction against the maximum quantity of a compressed gas which could be shipped in a tank car.

73.315 (a) (1) table, to provide for the transportation of methyl chloride in cargo and portable tanks.

73.315 (h) table, to provide for the use of gauging device on cargo and portable tanks containing methyl chloride; to make the entry "carbon dioxide, liquefied" consistent with the regulations.

73.315 (i) (2) table, to make the entry "carbon dioxide, liquefied" consistent with the regulations; to provide start-to-discharge pressure for methyl chloride.

73.315 (i) (9), note 1, to provide optional action in the use of a pressure controlling device.

73.346 (a) (13), to provide spec. 1D or 1E for shipping poisonous liquids.

73.367 (a) (2), to correct a printing error.

74.533 (c), to restrict shipments of cargo tanks containing any dangerous articles on flat cars by rail freight unless the tank and method of handling have been approved.

74.538 (a) chart, to provide loading and storing requirements for igniters, jet thrust.

74.560 (b) (2), to provide for the storage of tank cars containing certain compressed gases on a private or carrier track.

74.566 (a), to correct a printing error.

74.579, to provide placard for cars which have been fumigated or present other hazards.

77.848 (a) chart, to provide loading and storing requirements for igniters, jet thrust.

78.36-3 (a), to require stated inspection on permanent basis.

78.37-3 (a), same as § 78.36-3 (a).

78.41-3 (a), same as § 78.36-3 (a).

78.43-3 (a), same as § 78.36-3 (a).

78.48-3 (a), same as § 78.36-3 (a).

78.49-3 (a), same as § 78.36-3 (a).

78.54-3 (a), same as § 78.36-3 (a).

78.92-14, to provide more detailed requirements for pressure test for spec. 5P lagged steel drums.

78.205-9 (a), to provide reference to a new container.

78.214-6 (c), to provide for the use of an additional pressure sensitive tape for closure for spec. 23F fiberboard box.

78.214-15 (a), to provide for fabrication of lining tube of more than one-piece construction.

78.214-15 (a) (1), to provide for type of box having a lining tube provided with a handhole.

78.214-16 (d) and (e), to provide additional method of closure for spec. 23F fiberboard box.

78.265 ICC-14 (d), to provide for the use of a smaller safety vent and consequently permit the use of a heavier pipe than is presently used on class 103 tank cars.

78.266 ICC-14 (d), same as § 78.265 ICC-14 (d), applicable to class 103A tank cars.

78.266 ICC-19 (a), to provide for extended retest periods for class 103A tank cars.

78.267 ICC-19 (a), to provide for extended retest periods for class 103B tank cars.

78.268 ICC-19 (a), to provide for extended retest periods for class 103C tank cars.

78.280 ICC-14 (d), to provide for the use of a smaller safety vent and consequently permit the use of a heavier pipe than is presently used on class 103-W tank cars.

78.281 ICC-14 (d), to provide for the use of a smaller safety vent and consequently permit the use of a heavier pipe than is presently used on class 103A-W tank cars.

78.281 ICC-19 (a), to provide for extended retest periods for class 103A-W tank cars.

78.282 ICC-19 (a), to provide for extended retest periods for class 103B-W tank cars.

78.283 ICC-19 (a), to provide for extended retest periods for class 103C-W tank cars.

78.288 ICC-1 (b), ICC-3 (b), AAR-3 (b), AAR-6 (e-2), AAR-6 (j-1) note 2, and AAR-8 (b), to provide for insulation, anchorage and other constructional details of class 105A500-W tank cars.

78.289 ICC-1 (b), ICC-3 (b), AAR-3 (b), AAR-6 (e-2), AAR-6 (j-1) note 2 and AAR-8 (b), to provide for insulation, anchorage and other constructional details of class 105A600-W tank cars.

78.291 ICC-14 (d), to provide for the use of a smaller safety vent and consequently permit the use of a heavier pipe than is presently used on class 103-AL-W tank cars.

78.292 ICC-19 (a), to provide for extended retest periods for class 103A-AL-W tank cars.

Part 78 Appendix D, special orders, reference to this Order is no longer necessary.

78.330-9 (b), to permit use of present lining materials for which minimum thickness requirement is not necessary and to make consistent with spec. MC 311.

[F. R. Doc. 54-2277; Filed, Apr. 1, 1954; 8:45 a. m.]

NOTICES

CIVIL AERONAUTICS BOARD

[Docket No. 6606]

BRITISH WEST INDIAN AIRWAYS, LTD.

NOTICE OF HEARING

In the matter of the application of British West Indian Airways Limited for amendment to its foreign air carrier permit by the inclusion of British Guiana, British Honduras, Grenada, St. Thomas, Cuba, Nassau, and Bermuda.

Notice is hereby given pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that hearing in the above-entitled proceeding is assigned to be held on April 13, 1954, at 10:00 a. m., e. s. t., in the Foyer of the Auditorium, Commerce Building, Constitution Avenue, between Fourteenth and Fifteenth Streets NW., Washington, D. C., before Examiner Barron Fredricks.

Dated at Washington, D. C., March 30, 1954.

[SEAL] FRANCIS W. BROWN, *Chief Examiner.*

[F. R. Doc. 54-2400; Filed, Apr. 1, 1954; 8:55 a. m.]

[Docket No. 6328 et al.]

PAN AMERICAN WORLD AIRWAYS, INC., ET AL.; STATES-ALASKA FARE CASE

NOTICE OF PREHEARING CONFERENCE

Notice is hereby given that a prehearing conference in the above-entitled case is assigned to be held on April 12, 1954, at 10:00 a. m., in the Foyer of the Auditorium, Commerce Building, Constitution Avenue, between Fourteenth and Fifteenth Streets NW., Washington, D. C., before Examiner F. Merritt Ruhlen.

The following dockets will be considered at the conference: Pan American World Airways, Inc., Docket No. 6493; Alaska Airlines, Inc., Docket No. 6495; Alaska Coastal Airlines, Docket No. 6513; Pan American World Airways, Inc., Docket No. 6546; and Pacific Northern Airlines, Inc., Docket No. 6566.

Dated at Washington, D. C., March 30, 1954.

[SEAL] FRANCIS W. BROWN, *Chief Examiner.*

[F. R. Doc. 54-2401; Filed, Apr. 1, 1954; 8:55 a. m.]

FEDERAL POWER COMMISSION

[Docket Nos. G-683, G-1180, G-1532, G-1683, G-1857, G-2186]

KANSAS-NEBRASKA NATURAL GAS CO., INC.

ORDER REOPENING PROCEEDINGS, CONSOLIDATING PROCEEDINGS, GRANTING INTERVENTION, DENYING SHORTENED PROCEDURE AND FIXING DATE OF HEARING

Kansas-Nebraska Natural Gas Company, Inc. (Applicant), a Kansas corporation having principal places of business at Phillipsburg, Kansas, and Hastings, Nebraska, on June 11, 1953, filed an application in Docket No. G-2186 pursuant to sections 7, 15, and 16 of the Natural Gas Act (1) for permission and approval to abandon natural gas facilities (2) to modify an order of the Commission issued February 26, 1953, in Docket No. G-1857, affirming as modified the initial decision of the Presiding Examiner issued January 19, 1953, and (3) for a certificate of public convenience and necessity authorizing the construction and operation of facilities subject to the jurisdiction of the Commission, all as described in the application on file with the Commission and open to public inspection. Notice of the filing of the application has been given, including publication in the FEDERAL REGISTER on July 4, 1953 (18 F. R. 3918). Supplementary data was filed by Applicant on February 23 and March 2, 1954.

Applicant, on April 27, 1953, filed, pursuant to section 16 of the Natural Gas Act, a petition for modification of the Commission's order issued February 26, 1953, in Docket No. G-1857, affirming as modified the initial decision of the Presiding Examiner issued January 19, 1953, all as described in the petition on file with the Commission and open to public inspection. Notice of the filing of the petition has been given including publication in the FEDERAL REGISTER on May 14, 1953 (18 F. R. 2805). Modification is also requested with respect to orders of the Commission (a) dated March 30, 1946, Docket No. G-683, (b) issued July 29, 1949, Docket No. G-1180, and (c) issued February 28, 1951, Docket No. G-1532.

Central Electric & Gas Company (Central), a Delaware corporation with its principal place of business in Lincoln, Nebraska, on July 20, 1953, filed a petition with the Commission for leave to intervene in Docket Nos. G-1857 and G-2186.

The Commission, on September 18, 1953, issued an order in Docket No. G-1857, and the proceedings consolidated therewith, extending the date for acceptance by Applicant of the certificate of public convenience and necessity issued to the Applicant under the terms of the initial decision of the Presiding Examiner issued January 19, 1953, as modified by the Commission order affirming and modifying said decision, issued February 26, 1953. The date for acceptance was extended until 15 days after the Commission issues its decision and order upon the petition for modification filed in Docket No. G-1857, et al., April 27, 1953.

The proceedings in Docket Nos. G-683, G-1180, G-1532, G-1683, G-1857 and G-2186, and the orders of the Commission entered in connection therewith on various dates relate to the matters in issue presented by the application filed in Docket No. G-1857, et al., and in the petition for modification filed by Applicant in Docket No. G-1857 on April 27, 1953.

Applicant has requested that the application filed at Docket No. G-2186 be heard under the shortened procedure provided by § 1.32 (b) of the Commission's rules of practice and procedure (18 CFR 1.32 (b)) for a non-contested proceeding.

The Commission finds:

(1) It is appropriate for carrying out the provisions of the Natural Gas Act that the Commission reopen the proceedings in Docket Nos. G-683, G-1180, G-1532, G-1683, and G-1857, for the sole purpose of determining whether the orders therein should be modified as requested by Applicant in the application filed June 11, 1953, and the petition for modification filed April 27, 1953, in Docket No. G-1857.

(2) Good cause exists to consolidate the proceeding in Docket No. G-2186, and the reopened proceeding referred to in finding (1) above.

(3) Good cause has not been shown for granting the Applicant's request that the application filed at Docket No. G-2186 be heard under the shortened procedure, as provided by the Commission's rules of practice and procedure, and said request should be denied.

(4) The participation of the Central Electric & Gas Company in the proceedings at Docket Nos. G-1857 and G-2186 may be in the public interest.

The Commission orders:

(A) The proceedings in Docket Nos. G-683, G-1180, G-1532, G-1683 and G-1857 be, and the same hereby are on the Commission's own motion, reopened for the sole purpose of determining whether the orders therein should be modified as requested by Applicant in the application filed June 11, 1953, and the petition for modification filed April 27, 1953.

(B) The proceeding in Docket Nos. G-2186 and the reopened proceeding referred to in paragraph (A) above, be, and hereby are consolidated for purpose of hearing.

(C) The request of the Applicant in Docket No. G-2186 for disposition of the proceeding in accordance with the shortened procedure provided by § 1.32 (b) of the Commission's rules of practice and procedure (18 CFR 1.32 (b)) be, and hereby is denied.

(D) Central Electric & Gas Company be and the same is hereby permitted to become an intervener in this proceeding, subject to the rules and regulations of the Commission: *Provided, however,* That the participation of such petitioner shall be limited to matters affecting asserted rights and interests specifically set forth in its petition for leave to intervene; and *Provided, further,* That the admission of such petitioner shall not be construed as recognition by the Commission that it might be aggrieved because of any order or orders of the Commission entered in this proceeding.

(E) Pursuant to the authority contained in and by virtue of the jurisdiction conferred upon the Federal Power Commission by sections 7, 15 and 16 of the Natural Gas Act, and the Commission's rules of practice and procedure, a public hearing be held commencing on April 19, 1954 at 10:00 a. m. e. s. t., in the Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved and the issues presented by the aforesaid reopened and consolidated proceedings.

(F) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the Commission's rules of practice and procedure.

Adopted: March 24, 1954.

Issued: March 29, 1954.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 54-2350; Filed, Apr. 1, 1954; 8:47 a. m.]

[Docket Nos. G-1142, G-1508, G-2010, G-2074, G-2210, G-2220, G-2378]

UNITED GAS PIPE LINE CO.

ORDER AFFIRMING CERTAIN RULINGS OF PRESIDING EXAMINER AND FIXING DATE FOR RECONVENING HEARING

These matters are before the Commission pursuant to the provisions of § 1.28 of the Commission's rules of practice and procedure (18 CFR 1.28) on certification by the Presiding Examiner respecting two rulings rendered on March 24, 1954, during the course of hearings. The rulings certified were: (1) A ruling recessing the hearings herein until further order of the Commission, and (2) a ruling upon Staff Counsel's request that United be required to complete its direct case in support of all dockets at this session of the hearings, that failing to do so now United would not be permitted at a later date subsequent to cross-examination as a part of its direct case to present further evidence as to 1953 costs reflecting known changes to July 31, 1954.

Upon consideration of the arguments and contentions of the parties set forth in the portion of the transcript of the testimony certified by the Examiner, we find that the rulings should be affirmed

and the hearing reconvened at the earliest practicable time.

The Commission orders:

(A) The rulings of the Presiding Examiner certified to the Commission be and they hereby are affirmed.

(B) The hearing herein shall reconvene on May 3, 1954 at 10:00 a. m., e. d. s. t., in the Commission's Hearing Room, 441 G Street NW., Washington, D. C.

Adopted: March 25, 1954.

Issued: March 26, 1954.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 54-2351; Filed, Apr. 1, 1954; 8:47 a. m.]

[Docket Nos. G-1982, G-1983, G-1984, G-2147, G-2148]

TREASURE STATE PIPE LINE CO.

NOTICE OF APPLICATIONS

MARCH 29, 1954.

Take notice that Treasure State Pipe Line Company (Applicant), a Montana corporation, address, Great Falls, Montana, filed on March 15, 1954, three applications in the above-entitled dockets, requesting (1) an order of the Commission amending its order in Docket No. G-1982, issued on November 19, 1953, as amended by an order in Docket Nos. G-1982 and G-2147 issued on September 8, 1953, authorizing Applicant, pursuant to section 3 of the Natural Gas Act, to export natural gas from the United States to the Dominion of Canada; (2) an order of the Commission amending its order in Docket No. G-1984, issued on November 19, 1952, as amended by an order issued on September 8, 1953, issuing a certificate of public convenience and necessity authorizing Applicant to construct and operate certain natural-gas facilities used for the exportation of natural gas from the United States to the Dominion of Canada; and (3) an order of the Commission amending the Presidential Permit in Docket No. G-1983 which was signed by the President of the United States on October 30, 1952, pursuant to Executive Order No. 8202, dated July 13, 1939. The amended Permit was issued, pursuant to applications filed by Applicant in Docket Nos. G-1983 and G-2148, through signature by the President of the United States on August 15, 1953, which permit, as amended, authorized the construction, operation, maintenance and connection at the international boundary of facilities for the exportation of natural gas from the United States into the Dominion of Canada.

Applicant presently is authorized to export natural gas into Canada and to construct, operate, maintain, and connect the facilities required for such exportation pursuant to the authorizations hereinbefore described. Said authorizations, as amended, limit such exportation of natural gas to a maximum annual quantity of 80,000 Mcf for use only in Coutts and Milk River, Alberta, Canada. Applicant now proposes to increase the volumes which it is authorized to export by 40,000 Mcf annually to supply the village of Milk River, Alberta.

Applicant states that the reason it requests authority to export an additional 40,000 Mcf of natural gas annually is that the Petroleum and Natural Gas Conservation Board of the Province of Alberta has indicated that it will not permit the installation of a gas system to supply the village of Milk River unless an additional 40,000 Mcf of natural gas is authorized for export.

Applicant estimates that the total number of possible connections in the village of Milk River for the use of the natural gas which it proposes to export will be approximately 180, and that the potential market in said village will be approximately 50,000 Mcf of natural gas annually.

Applicant does not propose to construct any additional facilities and will use those facilities heretofore authorized in rendering the proposed service to Milk River.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 16th day of April 1954. The applications are on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 54-2373; Filed, Apr. 1, 1954; 8:51 a. m.]

[Docket Nos. G-1786, G-1965]

OHIO FUEL GAS CO.

ORDER OMITTING INTERMEDIATE DECISION PROCEDURE AND FIXING DATE FOR ORAL ARGUMENT

On March 11, 1954, the Ohio Fuel Gas Company (Ohio Fuel) filed a motion, pursuant to the authority contained in section 4 (a) of the Natural Gas Act and in § 1.30, paragraph (c) (2), of the Commission's general rules and regulations, for omission of the intermediate decision procedure in the above-entitled matters and for oral argument on any points of issue raised in these proceedings which cannot be resolved by negotiation between the interested parties as proposed in said motion. Answers to said motion were filed by the Dayton Power and Light Company and by the City of Lancaster, Ohio, on March 17 and March 19, respectively.

In support of its motion, Ohio Fuel alleges that it and certain affiliated companies in the Columbia Gas System propose to augment substantially their facilities during the year 1954 in order to meet the gas requirements of their markets; that as of January 31, 1954 Ohio Fuel had on its books $6,023,615 of contingent revenues collected under the rates in question in these dockets; that the contingent nature of such revenues and the effect upon the results of the financial operations of Ohio Fuel present difficulties with respect to financing the 1954 construction program; and that it is urgent that the contingent aspect of such revenues be resolved as quickly as possible. The motion further states that most if not all of the issues between Ohio Fuel, the intervenors, and the Commission's Staff might be resolved by negotiations between the parties; that, if the motion is granted, steps might be taken to work out a negotiated settlement of all or as many as possible of the issues in these proceedings; and that thereafter any remaining issues not settled by negotiation could be submitted to the Commission for decision after oral argument.

We take notice of the fact that there is pending before the Commission an application by Ohio Fuel in Docket No. G-2281 for an increase in its rates over and above its proposals in Docket Nos. G-1786 and G-1965. A hearing has been scheduled to commence on May 3, 1954, with respect to the issues presented by that application. Since some of the issues therein presented are related to those involved in Docket Nos. G-1786 and G-1965, early resolution of the issues in the latter two dockets may be of material assistance in enabling prompt determination of the issues in Docket No. G-2281. Likewise, it appears that final disposition of Docket Nos. G-1786 and G-1965 should be made at the earliest possible date if Ohio Fuel is to be enabled to enter into positive financial commitments required by its proposed 1954 construction program. Finally, it is urgent, particularly in view of the fact that monies in excess of $6,000,000 have been collected under bond by Ohio Fuel under the rates involved in Docket Nos. G-1786 and G-1965, that these proceedings be disposed of expeditiously for the benefit of all parties. Accordingly, we find, although the motion by Ohio Fuel was not timely filed, that the public convenience and necessity imperatively and unavoidably require omission of the intermediate decision procedure in these proceedings. The order herein will so provide.

The Commission orders:

(A) The intermediate decision procedure in the above-entitled matters be and the same hereby is omitted, and the record herein be certified forthwith by the Presiding Examiner to the Commission.

(B) Oral argument concerning the matters and issues involved in these consolidated proceedings be held commencing at 10 a. m., e. s. t., on April 19, 1954, in the Commission's Hearing Room, 441 G Street NW., Washington, D. C.

(C) On or before April 9, 1954, each party, including staff counsel, shall notify the Secretary of the Commission in writing (i) whether it will participate in the oral argument on April 19, and (ii) the amount of time, if any, desired for such oral argument.

(D) To the extent not herein granted, the motion by Ohio Fuel be and the same hereby is denied.

Adopted: March 24, 1954.

Issued: March 29, 1954.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 54-2374; Filed, Apr. 1, 1954; 8:51 a. m.]

[Docket Nos. G-1966, G-2175, G-1967, G-2176]

HOME GAS CO. AND MANUFACTURERS LIGHT AND HEAT CO.

ORDER OMITTING INTERMEDIATE DECISION PROCEDURE AND FIXING DATE FOR ORAL ARGUMENT

In the matters of Home Gas Company, Docket Nos. G-1966 and G-2175; the Manufacturers Light and Heat Company, Docket Nos. G-1967 and G-2176.

At the conclusion of hearing in the above-entitled proceeding on December 10, 1953, Rockland Light & Power Company (Rockland) moved to omit the intermediate decision on the ground that due and timely disposition of the matter imperatively required such action by the Commission. This motion was opposed by the Respondents and by certain other intervenors to the proceeding. By order issued January 4, 1954, the Commission denied the motion for omission of the intermediate decision. Thereafter on January 14, 1954, Rockland filed a motion for reconsideration of the Commission's order denying omission of the intermediate decision. On January 20, 1954, Respondents filed an answer opposing Rockland's motion. On March 11, 1954, the Respondents filed a motion for omission of the intermediate decision procedure; and on March 23, 1954, United Gas Improvement Company joined in Respondents' motion. Respondents assert in support of their motion that large amounts of revenues are reported on their books as contingent revenues, and that the contingent nature of such revenues presents considerable difficulties with respect to financing their 1954 construction program. Although the motion by Respondents was not within the time limits of § 1.30 (c) (3), we have considered it in conjunction with Rockland's motion.

Rockland in support of its motion for reconsideration submits that rates involved in these proceedings have been collected under bond since November 1, 1952; that the rates collected in the past and presently being collected are admitted to be excessive by the Respondents; and that the requirements of section 4 of the Natural Gas Act and the rules and regulations of the Commission require the omission of the intermediate decision procedure. The hearings in these proceedings were completed on December 10, 1953, and the final brief was filed by Respondents on March 5, 1954. We take notice of the fact that the Presiding Examiner, who presided over these hearings, is retiring during the month of March and will, therefore, be unavailable to prepare the intermediate decision. In view of the length of time during which the rates here involved have been in effect, the circumstance that the rates charged are admitted to be in part excessive, and the unavailability of the Presiding Examiner who heard the proceedings to prepare the intermediate decision, we shall omit the intermediate decision procedure and set the matter for oral argument before the Commission.

The Commission finds:

(1) Due and timely execution of the Commission's functions imperatively and unavoidably requires that the intermediate decision procedure be omitted in these proceedings.

(2) It is appropriate and in the public interest to hear oral argument concerning the matters involved and issues presented in these proceedings.

The Commission orders:

(A) The intermediate decision procedure be, and it hereby is, omitted, and the record in these proceedings be certified forthwith by the Presiding Examiner to the Commission.

(B) Oral argument be had before the Commission on April 22, 1954 at 10:00 a. m., e. s. t., in the Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved and the issues presented in these proceedings.

(C) Each party, including Staff counsel, on or before April 12, 1954 shall notify the Secretary of the Commission, in writing, as to whether such party will participate in the oral argument, and the amount of time desired for presentation of argument.

Adopted: March 24, 1954.

Issued: March 29, 1954.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 54-2375; Filed, Apr. 1, 1954; 8:52 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

[Public Notice 45]

MINIDOKA IRRIGATION PROJECT, IDAHO; NORTH SIDE PUMPING DIVISION

PUBLIC NOTICE ANNOUNCING AVAILABILITY OF WATER FOR PUBLIC LANDS AND OPENING OF PUBLIC LANDS TO ENTRY

MARCH 5, 1954.

LANDS COVERED

SECTION 1. *Lands for which water will be available.* Water will be available for the irrigation season of 1955 and thereafter for certain irrigable lands on the North Side Pumping Division of the Minidoka Irrigation Project, as shown on approved farm unit plats on file in the office of the Bureau of Reclamation, 11th and E Streets, Rupert, Idaho, and in the Land and Survey Office at Boise, Idaho.

Applications may be made in accordance with this notice, beginning at 2:00 p. m., March 30, 1954, for a certificate of qualification which will entitle the holder to file an application for entry on the public lands shown on the plats. In order to permit the continued orderly development and settlement of project lands, this public notice is issued irrespective of there being pending applications for exchange pursuant to the act of August 13, 1953 (67 Stat. 566), and regulations for the administration thereof.

The lands to which this notice pertains are described as follows:

BOISE MERIDIAN, IDAHO—PUBLIC LAND

IRRIGATION BLOCK NO. 3

Township 7 South, Range 24 East

Section	Farm unit	Description	Total irrigable acres
31	A	Tract A	87.4
	B	Tract B	93.1
	C	Tract C	92.9
32	A	Tract A	111.4
	C	Tract C	126.1
	D	Tract D	108.3
33	B	Tract B	101.7
	E	Tract E	149.5
34	A	Tract A	128.8
	B	Tract B	116.9
	C	Tract C	115.4
	D	Tract D	90.4
35	A	Tract A	119.0
	B	Tract B	110.3
	E	Tract E	128.8

Township 8 South, Range 24 East

Section	Farm unit	Description	Total irrigable acres
1	A	Tract A	118.7
	F	Tract F	117.6
2	B	Tract B	112.3
	C	Tract C	79.2
	D	Tract D	99.5
	J	Tract J	91.2
3	A	Tract A	84.6
	B	Tract B	143.0
	C	Tract C	103.4
	F	Tract F	86.2
	H	Tract H	116.1
	J	Tract J	94.6
4	C	Tract C	101.9
	D	Tract D	105.0
	F	Tract F	90.2
	G	Tract G	115.9
	K	Tract K	132.0
5	B	Tract B	81.1
	C	Tract C	97.1
	D	Tract D	85.3
	E	Tract E	88.3
	F	Tract F	96.6
	G	Tract G	89.0
	H	Tract H	93.4
6	F	Tract F	97.1
9	E	Tract F	114.1
11	E	Tract E	139.0
	F	Tract F	128.7
13	B	Tract B	91.4
	C	Tract C	85.4
	D	Tract D	98.4
	E	Tract E	100.9
	H	Tract H	130.4
	K	Tract K	104.7
14	A	Tract A	134.1
	F	Tract F	101.2
20	B	Tract B	113.1
	D	Tract D	104.3
	K	Tract K	123.0
21	E	Tract E	91.6
	F	Tract F	85.1
22	B	Tract B	105.1
	C	Tract C	110.2
	D	Tract D	97.2
	G	Tract G	76.8
	H	Tract H	84.1
	J	Tract J	83.7
23	C	Tract C	90.2
	D	Tract D	90.8
	E	Tract E	87.1
24	B	Tract B	113.5
	F	Tract F	89.2
25	C	Tract C	100.0
	D	Tract D	99.8
	E	Tract E	105.7
26	A	Tract A	107.5
	B	Tract B	111.6
	H	Tract H	110.1

Township 8 South, Range 25 East

Section	Farm unit	Description	Total irrigable acres
7	B	Tract B	126.9
17	B	Tract B	100.2
	D	Tract D	97.9
18	A	Tract A	85.7
	C	Tract C	121.0
	D	Tract D	118.8
	G	Tract G	117.3
	H	Tract H	84.3
19	A	Tract A	96.1
	K	Tract K	121.9
20	A	Tract A	100.6
	B	Tract B	107.3

The Reclamation law provides that the Secretary of the Interior may designate an area of land in a project which, in his judgment, should be reclaimed and put under irrigation at substantially the same time as an irrigation block. Pursuant to section 2 (k) of the Reclamation Project Act of 1939, the farm units described above are designated as Irrigation Block No. 3.

SEC. 2. *Limit of acreage for which entry may be made or water secured.* The public lands covered by this notice have been divided into farm units. Each of the farm units represents the acreage which, in the opinion of the Secretary of the Interior, may reasonably be required for the support of a family upon such land. The areas in the different units are fixed at the amounts shown upon the farm unit plats referred to in section 1 of this notice. The maximum acreage of land in private ownership for which application for delivery of water may be made is 160 acres of irrigable land for each landowner.

SEC. 3. *Nature of preference.* Except for a prior preference given applicants for exchange of farm units under the provisions of the act of August 13, 1953 (67 Stat. 566), who are hereinafter called "exchange applicants," a preference-right shall be given to applications which are made by certain veterans (and in some cases by their wives, husbands, or guardians of minor children) and which are filed within 90 days after the opening of the lands. The five classes of persons who are entitled to this veterans preference are set forth in section 4 of this notice.

Therefore, except for those received from qualified exchange applicants, which shall be given prior preference, applications for farm units on public lands covered by this notice which are made by persons coming within one of the five classes listed in section 4 of this notice will be given first consideration if submitted before 2:00 p. m., June 28, 1954.

In order to be eligible to receive farm units, all applicants, other than qualified exchange applicants, whether or not entitled to veterans preference, must possess the necessary qualifications as to industry, experience, character, capital, and physical fitness (see section 7 of this notice) and (except for duly appointed guardians) must be qualified to make entry under the homestead laws.

SEC. 4. *Persons entitled to veterans preference.* The classes of persons who are entitled to the veterans preference described in section 3 of this notice are as follows:

(a) Persons, including those under 21 years of age, who have served in the Army, Navy, Marine Corps, Air Force, or Coast Guard of the United States for a period of at least 90 days at any time between September 16, 1940, and July 3, 1952, inclusive, and who have been honorably discharged.

(b) Persons, including those under 21 years of age, who have served in the Army, Navy, Marine Corps, Air Force, or Coast Guard during the period described in subsection (a) of this section, regardless of length of service, and who have been discharged on account of wounds received or disability incurrred during such period in the line of duty, or, subsequent to a regular discharge, have been furnished hospitalization or awarded compensation by the Government on account of such wounds or disability.

(c) The spouse of any person in either of the first two classes listed in this section, if the spouse has the consent of such person to exercise his or her preference right. (See section 8 of this notice regarding provision that a married woman must be head of a family.)

(d) The surviving spouse of any person in either of the first two classes listed in this section, or in the case of the death or marriage of such spouse, the minor child or children of such person, by a guardian duly appointed and officially accredited at the Department of the Interior.

(e) The surviving spouse of any person whose death has resulted from wounds received or disability incurred in line of duty while serving in the Army, Navy, Marine Corps, Air Force, or Coast Guard during the period described in subsection (a) of this section, or in the case of the death or marriage of such spouse, the minor child or children of such person, by a guardian duly appointed and officially accredited at the Department of the Interior.

SEC. 5. *Definition of honorable discharge.* An honorable discharge means:

(a) Separation from the service by means of an honorable discharge or by the acceptance of resignation or a discharge under honorable conditions.

(b) Release from active duty under honorable conditions to an inactive status, whether or not in a reserve component, or retirement.

Any person who obtains an honorable discharge as herein defined shall be entitled to veterans preference even though such person thereafter resumes active military duty.

QUALIFICATIONS REQUIRED BY THE RECLAMATION AND HOMESTEAD LAWS

SEC. 6. *Examining board.* An examining board of 3 members, including the Superintendent of the Minidoka Project, who will act as secretary of the board, has been approved by the Commissioner of Reclamation to determine the qualifications and fitness of applicants to undertake the development and operation of a farm on the Minidoka Project. The board will make careful investigations to verify the statements made by applicants. Any false statement may constitute grounds for rejection of an application, cancellation of award, or cancellation of an entry.

SEC. 7. *Minimum qualifications.* This section sets forth the minimum qualifications which are necessary to give reasonable assurance of success of an entryman or entrywoman on a Reclamation farm unit. Applicants, unless qualified exchange applicants, must, in the judgment of the examining board, meet these qualifications in order to be considered for entry. Failure to meet them in any single respect will be sufficient cause for rejection of an application. No credit will be given for qualifications in excess of the required minimum.

The minimum qualifications are as follows:

(a) *Character and industry.* An applicant must be possessed of honesty, temperate habits, thrift, industry, seriousness of purpose, record of good moral conduct, and a bona fide intent to engage in farming as an occupation.

(b) *Farm experience.* Except as otherwise provided in this subsection, an applicant must have had a minimum of two years' (24 months) full-time farm experience which shall consist of participation in actual farming operations, after attaining the age of 15 years. Time spent in agricultural courses in an accredited agriculture college or time spent in work closely associated with farming, such as teaching vocational agriculture, agricultural extension work, or field work in the production or marketing of farm products, which, in the opinion of the board, will be of value to an applicant in operating a farm, may be substituted for full-time farm experience. Such substitution shall be on the basis of one year (academic year of at least nine months) of agricultural college courses or one year (twelve months) of work closely associated with farming for six months of full-time farm experience. Not more than one year of full-time farm experience of this type will be allowed. A farm youth who actually resided and worked on a farm after attaining the age of 15 and while attending school may credit such experience as full-time experience.

Applicants who have acquired their experience on an irrigated farm will not be given preference over those whose experience was acquired on a nonirrigated farm, but all applicants must have had farm experience of such a nature as, in the judgment of the examining board, will qualify the applicants to undertake the development and operation of an irrigated farm by modern methods.

(c) *Health.* An applicant must be in such physical condition as will enable him to engage in normal farm labor.

(d) *Capital.* An applicant must possess assets worth at least $4,500 in excess of liabilities. Assets must consist of cash, property or assets readily convertible into cash, or assets such as livestock, farm machinery and equipment, which, in the opinion of the board, will be useful in the development and operation of a new, irrigated farm. In considering the practical value of property which will be useful in the development of a farm, the board will not value household goods at more than $500 or a passenger car at more than $500. An applicant may be required to furnish a certified financial statement showing all of his assets and all of his liabilities. (See section 15 of this notice.) Assets not useful in the development of a farm will be considered if the applicant furnishes, at the board's request, evidence of the value of the property and proof of its conversion into useful form before the issuance of a certificate of qualification.

SEC. 8. *Other qualifications required.* Except for qualified exchange applicants, all applicants (except guardians) must

meet the requirements of the homestead laws. The homestead laws require that an entryman or entrywoman:

(a) Must be a citizen of the United States or have declared an intention to become a citizen of the United States.

(b) Must not have exhausted the right to make homestead entry on public land.

(c) Must not own more than 160 acres of land in the United States.

(d) Must, if a married woman, or a person under 21 years of age who is not eligible for veterans preference, be the head of a family. The head of a family is ordinarily the husband, but a wife or a minor child who is obliged to assume major responsibility for the support of a family may be the head of a family. Complete information concerning qualifications for homesteading may be obtained from the Land and Survey Office of the Bureau of Land Management at Boise, Idaho, or from the Director of that Bureau, Washington 25, D. C.

SEC. 9. *Restriction on ownership of project lands.* Applicants, other than qualified exchange applicants, for certificates of qualification must not hold or own, within any Federal Reclamation project, irrigable land for which construction charges payable to the United States have not been fully paid, except that this restriction does not apply to small tracts used exclusively for residential purposes.

Prior to the issuance of a certificate of qualification and not later than the time of the personal interview, an applicant who owns lands in a Federal Reclamation project must furnish satisfactory evidence that the total construction charges allocated against the land owned by the applicant have been paid in full.

WHERE AND HOW TO APPLY FOR A FARM UNIT

SEC. 10. *Application blanks.* Any person desiring to enter any of the public land farm units described in this notice must fill out the attached application blank. Additional application blanks may be obtained from the Bureau of Reclamation, 11th and E Streets, Rupert, Idaho; the Regional Director, Bureau of Reclamation, Boise, Idaho; or the Commissioner of Reclamation, Department of the Interior, Washington 25, D. C.

SEC. 11. *The filing of application.* An application for a certificate of qualification for a farm unit listed in this notice must be filed with the Bureau of Reclamation, Eleventh and E Streets, Rupert, Idaho, in person or by mail. No advantage will accrue to an applicant who presents an application in person.

SEC. 12. *Applications become Department records.* Each application submitted, including evidence of qualification to be submitted following the public drawing, will become a part of the records of the Department of the Interior and cannot be returned to the applicant. For this reason, original discharge or citizenship papers should not be submitted. In case an applicant is awarded a farm, the copy of his discharge papers will be attached to his certificate of qualification (see section 19 of this notice) for submission to the Bureau of Land Management.

SELECTION OF QUALIFIED APPLICANTS

SEC. 13. *Priority of applications.* All applications, including those filed by exchange applicants, must be received prior to 2:00 p. m., June 28, 1954. All applications, except those received from exchange applicants will be classified for priority purposes and considered in the following order:

(a) *First Priority Group.* All complete applications filed prior to 2:00 p. m., June 28, 1954, by applicants who claim veterans preference. All such applications will be treated as simultaneously filed.

(b) *Second Priority Group.* All complete applications filed prior to 2:00 p. m., June 28, 1954, by applicants who do not claim veterans preference. All such applications will be treated as simultaneously filed.

(c) *Third Group.* All complete applications filed after 2:00 p. m., June 28, 1954. Such applications will be considered in the order in which they are filed if any farm units are available for award to applicants within this group.

SEC. 14. *Public drawing.* After the priority classification, the board will conduct a public drawing of the names of the applicants in the First Priority Group as defined in subsection 13 (a) of this notice. Applicants need not be present at the drawing in order to participate therein. The names of a sufficient number of applicants (not less than four times the number of farm units to be awarded) shall be drawn and numbered in the order drawn for the purpose of establishing the order in which the applications drawn will be examined by the board to determine whether the applicants meet the minimum qualifications prescribed in this notice, and to establish the priority of qualified applicants for the selection of farm units. After such drawing, the board shall notify each applicant of his respective standing as a result of the drawing.

SEC. 15. *Submission of evidence of qualification.* After the drawing a sufficient number of applicants, in the order of their priority as established in the drawing, will be supplied with forms on which to submit evidence of qualification showing that they meet the qualifications set forth in sections 7 and 8 of this public notice and, in case veterans preference is claimed, establishing proof of such preference, as set forth in section 4 of this public notice. Full and accurate answers must be made to all questions. The completed form, together with any attachments required, must be mailed or delivered to the Bureau of Reclamation, Eleventh and E Streets, Rupert, Idaho, within 30 days of the date the form is mailed to the last known address furnished by the applicant. Failure of an applicant to furnish all of the information requested or to see that information is furnished by his references within the period specified will subject his application to rejection.

SEC. 16. *Final examination.* After the information requested as outlined in section 15 of this notice has been received or the time for submitting such statements has expired, the board shall examine in the order drawn a sufficient number of applications, together with the evidence of qualification submitted, to determine the applicants to whom certificates of qualification will be issued. This examination will determine the sufficiency, authenticity, and reliability of the information and evidence submitted by the applicants. If the examination indicates that an applicant is qualified, the applicant may be required to appear for a personal interview with the board for the purpose of: (a) Affording the board any additional information it may desire relative to his qualifications; (b) affording the applicant any information desired relative to conditions in the area and the problems and obligations relative to development of a farm unit; and (c) affording the applicant an opportunity to examine the farm units. If the applicant fails to appear before the board for a personal interview when requested, he shall thereby forfeit his priority as established by the drawing.

If the board finds that an applicant's qualifications fulfill the requirements prescribed in this notice, such applicant shall be notified, in person or by registered mail, that he is a qualified applicant and shall be given an opportunity to select one of the farm units then available. A certificate of qualification will not be issued to an applicant who owns more than 160 acres of land in the United States. Therefore, an applicant may be required by the examining board, prior to the issuance of a certificate of qualification, to submit evidence satisfactory to the board that he does not own more than 160 acres.

If the applicant fails to supply any of the information required or the board finds that the applicant's qualifications do not meet the requirements prescribed in this notice, the applicant shall be disqualified and shall be notified by the board, by registered mail, of such disqualification and the reasons therefor and of the right to appeal to the regional Director, Region 1, Bureau of Reclamation. All appeals must be received in the office of the Bureau of Reclamation, Eleventh and E Streets, Rupert, Idaho, within 15 days of the applicant's receipt of such notice, or in any event, within 30 days from the date the notice is mailed to the last address furnished by the applicant. The Office of the Bureau of Reclamation, Eleventh and E Streets, Rupert, Idaho, will forward the appeals promptly to the Regional Director. The Regional Director's decision on all appeals shall be final.

SELECTION OF FARM UNITS

SEC. 17. *Order of selection.* The applicants who have been notified of their qualification for the award of a farm unit will successively exercise the right to select a farm unit in accordance with the priority established by the drawing. If a farm unit becomes available through failure of a qualified applicant to exercise his right of selection or failure to complete his entry filing with the Bureau of Land Management, it will be offered to the next qualified applicant who has not made a selection at the time the unit is

again available. An applicant who is considered to be disqualified as a result of the personal interview will be permitted to exercise his right to select, notwithstanding his disqualification, unless he voluntarily surrenders this right in writing. If, on appeal, the action of the board in disqualifying an applicant as a result of the personal interview is reversed by the Regional Director, the applicant's selection shall be effective, but if such action of the board is upheld by the Regional Director, the farm unit selected by this applicant will become available for selection by qualified applicants who have not exercised their right to select.

If any of the farm units listed in this notice remain unselected after all qualified applicants whose names were selected in the drawing have had an opportunity to select a farm unit, and if additional applicants remain in the First Priority Group, the board will follow the same procedure outlined in section 14 of this notice in the selection of additional applicants from this group.

If any of the farm units remain unselected after all qualified applicants in the First Priority Group have had an opportunity to select a farm unit, the board will follow the same procedure to select applicants from the Second Priority Group and they will be permitted to exercise their right to select a farm unit in the manner prescribed for the qualified applicants from the First Priority Group.

Any farm units remaining unselected after all qualified applicants in the Second Priority Group have had an opportunity to select a farm unit will be offered to applicants in the Third Group in the order in which their applications were filed, subject to the determination of the board, made in accordance with the procedure prescribed herein, that such applicants meet the minimum qualifications prescribed in this notice.

In the event, however, that a farm unit remains unentered at the expiration of two years following the date of the notice, unless the unit is withdrawn from the notice, new applications will be accepted in respect to the unit and it shall be awarded to the first applicant who files an application after the expiration of the two-year period and who meets the qualifications prescribed by the notice, without regard to veterans preference.

SEC. 18. *Failure to select.* If any applicant, except a qualified exchange applicant, refuses to select a farm unit or fails to do so within the time specified by the board, such applicant shall forfeit his position in his priority group and his name shall be placed last in that group.

SEC. 19. *Payment of charges and filing homestead applications.* After each qualified applicant has advised the board of his selection of a farm unit, he shall be notified by the board of the annual construction, water rental, or other charges and shall be furnished with copies of the contracts to be executed by him as required by subsections 20 (b) and (e) of this notice. The required payment and executed contracts must be received in the office of the Bureau of Reclamation, 11th and E Streets, Rupert, Idaho, within 15 days of the receipt by the applicant of such notice and contracts. Upon receipt of such payment and of the contracts fully executed before the expiration of said 15-day period, the board shall furnish each applicant, by registered mail or by delivery in person, a certificate of qualification stating that the applicant's qualifications to enter public lands have been examined and approved by the board. Such certificate must be attached by the applicant to the homestead application, which application must be filed in the Land and Survey Office, Bureau of Land Management, Boise, Idaho. Such homestead application must be filed within 15 days from the date of the receipt by the applicant of such certificate. Failure to pay annual construction, water rental, or other charges, to execute the required contracts, or to make application for homestead entry within the period specified herein will render the application subject to rejection.

SEC. 20. *Repayment obligations required to be undertaken under Federal Reclamation laws*—(a) *Establishment of development period.* Section 9 (d) (1) of the Reclamation Project Act of 1939 provides that, if, as in the case of the lands involved in this public notice, the lands are for the most part lands owned by the United States, the Secretary, prior to the execution of a repayment contract, may fix a development period and provide for the delivery of water during that period to the individual landowners on the basis of annual payments in advance of delivery of water.

Pursuant to that authority, the development period is hereby fixed as 10 years for the lands comprising Irrigation Block No. 3 commencing January 1, 1955, subject, however, to the right of the Secretary by a supplemental notice to shorten this period should it be determined that the full period is not justified.

(b) *Repayment organization and contract.* The Reclamation Project Act of 1939 requires that, as a condition precedent to the continued delivery of water after the close of the development period, the water users must form an organization, satisfactory in form and powers to the Secretary, to contract with the United States to repay the reimbursable construction costs incurred and to be incurred by the United States in the construction and operation and maintenance of the North Side Pumping Division. The organization proposed for the area comprising the North Side Pumping Division is an irrigation district to be created under the laws of the State of Idaho embracing all the lands proposed to be served by the works of the Division as authorized by the act of September 30, 1950. Before the end of the development period for Irrigation Block No. 1, the United States will request the landowners involved to organize such a district and to enter into an appropriate repayment contract with the United States in conformity with the requirements of the Federal Reclamation laws. To insure fulfillment of this requirement, each qualified applicant will be required, as a condition precedent to the issuance of a certificate of qualification, to agree to join in a petition for the creation of such a district and to include his lands in such a district when requested so to do by the United States.

(c) *Charges payable during development period.* (1) During the development period, a minimum amount of water will be furnished at an annual charge per irrigable acre to be paid in advance of delivery of water. The quantity of water to be delivered for the minimum charge each year will be specified by the Regional Director and water in excess of the amount to be furnished for the minimum charge will be furnished on an acre-foot basis in accordance with an ascending scale of rates. It is estimated that over the development period charges for water will average $8.30 per year for each irrigable acre. It is also the present plan to set a small minimum charge for the first year and to increase it each year during the development period with the object of having the charge for the last year of the development period approximately equal to the estimated combined construction and operation and maintenance charges for the first year that construction charges are required to be paid under the repayment contract. This combined operation and maintenance and construction charge is presently estimated at $10.60 per irrigable acre annually. Charges during the development period are expected to equal operation and maintenance costs during that period and are not intended to return any of the construction costs. Prior to the execution of the repayment contract, payments required to be made during the development period will be paid by the individual water users to the United States pursuant to announcements made by the Regional Director. After the repayment contract has been executed, payments by the water users will be made to the irrigation districts which will in turn make payment to the United States.

(2) For the 1955 irrigation season a minimum charge of $4.20 per irrigable acre shall be required to be paid for each irrigable acre for which water is requested except that each entryman in the block must pay this minimum charge for at least 50 per cent of the irrigable acreage of his farm unit.

Water users will be furnished three acre-feet of water for each irrigable acre in their farm units for which payment of the minimum charge is made. Water, in excess of three acre-feet for each irrigable acre, if available, will be furnished during the 1955 irrigation season at the following rates:

Fourth acre-foot per acre	$1.70
Fifth acre-foot per acre	2.25
Sixth acre-foot per acre	2.80

(3) The foregoing charges are subject to all provisions of the Federal Reclamation laws relating to collections and penalties for delinquencies.

(d) *Construction charges required to be paid.* After the development period has ended as to each irrigation block, the water users of the block will be required

to pay, in accordance with the terms of the repayment contract, an annual charge per irrigable acre to meet operation and maintenance costs and to repay to the United States that portion of the cost of construction of the North Side Pumping Division which is assigned for repayment by the water users. The repayment contract may provide for such payment over a 50-year period following the development period and the law requires that the construction charge obligation shall be distributed equally to like classes of land, both annual installments to be adjusted on the basis of crop returns, as adjusted for agricultural parity. It is now estimated that a basic annual payment of $2.30 per irrigable acre for the entire North Side Pumping Division will be sufficient to return the current estimate of the costs of the Division required to be repaid by the water users, this representing an estimated total construction charge of $115 per irrigable acre. It is currently estimated that the average annual charge per irrigable acre for operation and maintenance will be $8.30. This estimate includes replacements required during the repayment period and the costs of power for irrigation pumping. The figures given both as to the construction obligation and the annual operation and maintenance costs are estimates only and subject to change in terms of costs as actually incurred. These estimates of the construction and operation and maintenance charges and the average estimated charges for water during the development period, as set out in subsection 20 (c) (1) of this notice, are based on the assumption that power will be furnished by the Bureau under a wheeling arrangement with the Idaho Power Company on terms similar to those provided by the existing contract with the Company, dated December 15, 1950.

(e) *Recordable contracts required.* Applicants for entry of public land will be required as a condition precedent to the issuance of a certificate of qualification, to execute and deliver a recordable contract which is intended to discourage the sale of land while it is in a developmental stage at prices in excess of its fair market value and to discourage speculation in such lands. Under present policies such contracts will remain in effect until the end of the fifth year after the commencement of payment of construction charges on the lands involved. As a basis for operation of such contracts, all the lands of the Division will be appraised at their fair market value without regard to increments by reason of the prospect of obtaining water, and the contracts will provide that, in the event lands are sold at prices in excess of their appraised values, as these are revised from time to time, a portion of the excess shall be applied in payment of construction charges against the land.

GENERAL PROVISIONS

SEC. 21. *Warning against unlawful settlement.* No person shall be permitted to gain or exercise any right under any settlement or occupation of any of the public lands covered by this notice except under the terms and conditions prescribed by this notice.

SEC. 22. *Reservation of rights of way for public roads.* Rights of way along section lines and other lines shown in red on the farm unit plats described in section 1 of this notice are reserved for county, state, and Federal highways and access roads to the farm units shown on said farm unit plats.

SEC. 23. *Reservation of rights-of-way for utilities.* Rights-of-way are reserved for Government-owned telephone, electric transmission, water and sewer lines, and water treating and pumping plants, as now constructed, and the Secretary of the Interior reserves the right to locate such other Government-owned facilities over and across the farm units above-described as hereafter, in his opinion, may be necessary for the proper construction, operation, and maintenance of the said project. Existing rights-of-way granted by the United States are also reserved.

SEC. 24. *Waiver of mineral rights.* All homestead entries for the above-described farm units will be subject to the laws of the United States governing mineral land, and all homestead applicants under this notice must waive the right to the mineral content of the land, if required to do so by the Bureau of Land Management; otherwise, the homestead applications will be rejected or the homestead entry or entries cancelled.

SEC. 25. *Effect of relinquishment or cancellation.* In the event that any entry of public land made hereunder shall be relinquished by the entryman or cancelled for any cause, other than by contest, the farm unit affected by such relinquishment or cancellation shall be disposed of as follows:

(a) If the entry is relinquished or cancelled within two years after the date of the notice, such unit shall be offered without delay to the qualified applicant next in order of priority as established in the drawing who will be treated as a standing applicant therefor under this notice. Such applicant shall be required to furnish such additional information as may be necessary to satisfy the board that he is still qualified under the terms of the notice. In the event that an award cannot be made to a qualified applicant, the unit shall be offered as prescribed in subsection (b) below.

(b) If an entry is relinquished or cancelled at any time after the expiration of 2 years following the date of the notice, unless the unit is withdrawn from the notice, new applications will be accepted in respect to the unit and it shall be awarded to the first applicant who files an application after the effective date of the relinquishment or cancellation and who meets the qualifications prescribed by the notice without regard to veterans preference.

FRED G. AANDAHL,
Assistant Secretary of the Interior.

MARCH 5, 1954.

[F. R. Doc. 54-2349; Filed, Apr. 1, 1954; 8:47 a. m.]

[Commissioner's Order 30]

CHIEF, ADMINISTRATIVE SERVICES DIVISION

DELEGATION OF AUTHORITY WITH RESPECT TO SUPPLY AND SERVICE CONTRACTS, ADVERTISING AND PERSONAL PROPERTY

MARCH 26, 1954.

This order sets forth certain authorities of the "Chief, Administrative Services Division", which were heretofore exercised by the "Chief, Supply Field Division" or "Chief, Supply Services Division" pursuant to Circular Letter No. 3509, Commissioner's Orders Nos. 4 and 12, and Departmental Order No. 2341.

SECTION 1. *Delegation of authority.* The Chief, Administrative Services Division, Office of the Assistant Commissioner and Chief Engineer, Denver, Colorado, may exercise the following authority:

(a) *Supply and service contracts.* Approve, award, and execute contracts for supplies or services in conformity with applicable regulations and statutory requirements, and subject to the availability of funds therefor, where the amount involved does not exceed $200,000.

Approve and execute change orders and extra work orders pursuant to contracts for supplies or services where the amount involved does not exceed $200,000.

Approve and enter into modifications of contracts for supplies or services which are legally permissible and terminate such contracts if such action is legally authorized, where the amount does not exceed $200,000.

(Departmental Order No. 2509, Amt. No. 16, 17 F. R. 6793, and Amt. No. 18, 19 F. R. 433; Departmental Order No. 2585, 15 F. R. 6094)

(b) *Advertising.* Authorize the publication of advertisements, notices, or proposals.

(Departmental Order No. 2735)

(c) *Personal property.* Dispose of by sale, transfer, donation, or otherwise, personal property excess to the needs of the Bureau in accordance with the Federal Property and Administrative Services Act of 1949 as amended, and regulations issued thereunder by the Administrator of General Services.

(Departmental Order No. 2642, 16 F. R. 6318, as amended)

W. A. DEXHEIMER,
Commissioner.

[F. R. Doc. 54-2348; Filed, Apr. 1, 1954; 8:46 a. m.]

FEDERAL TRADE COMMISSION

[File No. 21-451]

CHEMICAL SOIL CONDITIONER INDUSTRY

NOTICE OF HEARING AND OF OPPORTUNITY TO PRESENT VIEWS, SUGGESTIONS, OR OBJECTIONS

Opportunity is hereby extended by the Federal Trade Commission to any and all persons, firms, corporations, organizations, or other parties, including farm, labor, and consumer groups, affected by or having an interest in the proposed trade practice rules for the Chemical Soil

Conditioner Industry, to present to the Commission their views concerning said rules, including such pertinent information, suggestions, or objections as they may desire to submit, and to be heard in the premises. For this purpose they may obtain copies of the proposed rules upon request to the Commission. Such views, information, suggestions, or objections may be submitted by letter, memorandum, brief, or other communication, to be filed with the Commission not later than April 23, 1954. Opportunity to be heard orally will be afforded at the hearing beginning at 10 a. m., e. s. t., April 23, 1954, in Room 3004 of the United States Court House, Foley Square, New York City, to any such persons, firms, corporations, organizations, or other parties, who desire to appear and be heard. After due consideration of all matters presented in writing or orally, the Commission will proceed to final action on the proposed rules.

The industry for which trade practice rules are sought to be established through these proceedings is composed of persons, firms, corporations, and organizations engaged in the production or marketing of commercial products having as their active ingredients materials falling within the following groups: Polyelectrolytes such as polyvinyls, and polyacrylics, and cellulose derivatives, and lignin derivatives, which are represented as having a primary function of forming soil aggregates in soil to which they have been applied and thereby improving the resistance of such soil to the slaking action of water, increasing its water and air permeability, improving the resistance of its surface to crusting, improving its ease of cultivation, and/or otherwise favorably modifying its structural or physical properties.

Issued: March 30, 1954.

By direction of the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F. R. Doc. 54-2394; Filed, Apr. 1, 1954; 8:54 a. m.]

HOUSING AND HOME FINANCE AGENCY

Public Housing Administration

CENTRAL OFFICE

DESCRIPTION OF AGENCY AND PROGRAMS AND FINAL DELEGATION OF AUTHORITY

Section II, delegations of final authority, is amended as follows:

1. Paragraph G 2 is amended by changing the first sentence to read as follows:

2. To accept service of process pursuant to attachment or garnishment proceedings served upon the Public Housing Administration with regard to any debtor-employee of the PHA, to execute all necessary and proper documents required in connection therewith, and to appear to testify therein for the PHA when so ordered by a court of competent jurisdiction and upon proper legal notice. * * *

2. Subparagraphs 12 and 13 are added to paragraph E as follows:

12. To execute dedications, licenses, permits and easements; to execute contracts with brokers, local authorities, or others for management or disposition; to execute contracts for the services of surveyors and appraisers; to consent to the annexation of project property by a political subdivision if necessary to facilitate disposition.

Assistant Director for Disposition, Chicago Field Office

13. To execute contracts of sale, removal or demolition, deeds, and transfer documents (other than documents relating to transfers of jurisdiction without reimbursement to other Federal agencies); to execute lease cancellations and settlements; to order and execute contracts for advertisements in connection with disposition of housing.

Assistant Director for Disposition, Chicago Field Office
Chief of the Disposition Section, Chicago Field Office.

Date approved: March 22, 1954.

CHARLES E. SLUSSER, *Commissioner.*

[F. R. Doc. 54-2352; Filed, Apr. 1, 1954; 8:47 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File Nos. 30-58, 54-196, 59-97, 70-2681, 70-3156]

MISSION OIL CO. ET AL.

ORDER TERMINATING SOUTHWESTERN DEVELOPMENT CO. REGISTRATION AS HOLDING COMPANY AND RESERVING JURISDICTION OVER FEES AND EXPENSES

MARCH 29, 1954.

In the matter of the Mission Oil Company, Southwestern Development Company, and Subsidiaries, and Sinclair Oil Corporation, File Nos. 54-196, 59-97; Albert R. Jones, et al., File No. 70-2681; Southwestern Development Company, Amarillo Gas Company, Amarillo Oil Company, Clayton Gas Company, Dalhart Gas Company, Red River Gas Company, West Texas Gas Company, File No. 70-3156; Southwestern Development Company, File No. 30-58.

The Commission having on December 24, 1953 granted and permitted to become effective an application-declaration filed by Southwestern Development Company ("Southwestern"), a registered holding company, and its subsidiary companies, pursuant to sections 7, 10, and 12 of the Public Utility Holding Company Act of 1935 ("act") in which it was proposed, among other things, that all of the properties of the Southwestern holding-company system should be placed in Amarillo Gas Company, whose name would be changed to Pioneer Natural Gas Company ("Pioneer"), and in Pioneer's proposed non-utility subsidiary, Amarillo Oil Company, and that Southwestern should be liquidated and dissolved after distributing to its stockholders, in exchange for their shares of Southwestern, a pro rata amount of the common stock of Pioneer; and

Southwestern having requested that upon consummation of the proposed transactions and the filing of a Certificate of Notification with respect thereto, the Commission enter an order, pursuant to section 5 (d) of the act that Southwestern has ceased to be a holding company and that its Registration Statement under the act has ceased to be in effect; and the Commission in its order of December 24, 1953, having reserved jurisdiction to enter such an order; and

Southwestern now having filed its Certificate of Notification No. 1, which represents:

1. That on December 31, 1953, the steps required to place all of the properties of the Southwestern holding-company system in Pioneer and its single nonutility subsidiary, Amarillo Oil Company, were completed leaving as the only asset of Southwestern 1,455,514 shares of Pioneer capital stock, $7.50 par value, and that Clayton Gas Company, Dalhart Gas Company, Red River Gas Company and West Texas Gas Company were dissolved.

2. That on February 15, 1954, pursuant to appropriate resolutions of its stockholders and directors, Southwestern assigned and delivered the 1,455,514 outstanding shares of Pioneer stock to Guaranty Trust Company of New York, the Transfer Agent of Pioneer, with instructions for the transfer of said shares on the books of Pioneer to the Southwestern stockholders, on the basis of two shares of Pioneer stock for one share of Southwestern stock, and that on February 18, 1954, Southwestern filed an appropriate Notice of Dissolution which, it is stated, will become effective on April 6, 1954.

It appearing to the Commission that Southwestern no longer, either directly or indirectly, owns, controls, or holds with power to vote, any stock of any public-utility or holding company and that it is appropriate to enter an order pursuant to section 5 (d) of the act declaring that Southwestern has ceased to be a holding company and that, subject to the condition set forth below, the registration of such company has ceased to be in effect:

It is ordered, That Southwestern has ceased to be a holding company and that its registration has ceased to be in effect, upon the condition, however, that the jurisdiction over fees and expenses heretofore reserved in the Commission's orders of December 21, 1951, and December 24, 1953, be, and the same hereby is, continued.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-2354; Filed, Apr. 1, 1954; 8:48 a. m.]

[File No. 70-3207]

GEORGIA POWER CO.

ORDER AUTHORIZING PROPOSED ISSUE AND SALE OF FIRST MORTGAGE BONDS

MARCH 29, 1954.

Georgia Power Company ("Company"), a public utility subsidiary of The Southern Company, a registered holding

company, having filed with this Commission an application and amendments thereto pursuant to section 6 (b) of the Public Utility Holding Company Act of 1935 ("act") and Rule U-50 thereunder, with respect to the following proposed transaction:

The Company proposes to issue and sell, subject to the competitive bidding requirements of Rule U-50, $11,000,000 principal amount of First Mortgage Bonds, __ percent Series due 1984. The interest rate (which shall be a multiple of ⅛ of 1 percent) and the price to be paid to the Company (which shall be not less than 100 percent nor more than 102¾ percent of the principal amount, exclusive of accrued interest from April 1, 1954 to date of payment and delivery) will be determined by competitive bidding. The new Bonds will be secured by the Mortgage and Deed of Trust executed by the Company to The New York Trust Company, Trustee, dated as of March 1, 1941, as heretofore supplemented and as further supplemented by Supplemental Indenture to be dated as of April 1, 1954.

The Company proposes to use the net proceeds from the sale of the new Bonds, together with other available funds, for the construction or acquisition of permanent improvements, extensions, and additions to its property. The Company estimates that its 1954 construction program will require expenditures of approximately $33,000,000.

The issue and sale of said Bonds have been expressly authorized by the Public Service Commission of Georgia, in which State the Company is organized and doing business.

The Company requests that the order of the Commission herein be made effective upon issuance.

Fees and expenses of issuance and distribution, payable by the Company, are estimated not to exceed the following amounts:

Federal original issue tax	$12,100
Filing fee—Securities and Exchange Commission	1,133
Listing on New York Stock Exchange	1,320
Charges of trustee (including counsel)	7,800
Cost of temporary and definitive bonds	8,000
Printing and preparation of registration statement, financial statements, prospectus, competitive bidding papers, supplemental indenture, etc	20,000
Recording supplemental indenture	4,000
Services of Southern Services, Inc. (mutual service company)	7,000
Fees and expenses of counsel (Winthrop, Stimson, Putnam & Roberts)	9,100
Fees and expenses of accountants (Arthur Andersen & Co.)	4,350
Miscellaneous, including telephone and telegraph charges and traveling expenses	3,000
Total	77,803

The above fees and expenses do not include a fee of $6,000 payable by the successful bidders to their counsel, Simpson, Thacher & Bartlett.

Due notice having been given of the filing of said application, and a hearing not having been requested of or ordered by the Commission; and the Commission finding that the applicable provisions of the act and rules promulgated thereunder are satisfied, and that no adverse findings are necessary; and deeming it appropriate in the public interest and in the interest of investors and consumers that said application as amended be granted, effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said application as amended be, and the same hereby is, granted, effective forthwith, subject to the terms and conditions prescribed in Rule U-24 and Rule U-50.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary*.

[F. R. Doc. 54-2355; Filed, Apr. 1, 1954; 8:48 a. m.]

[File No. 70-3208]

NATIONAL FUEL GAS CO. ET AL.

ORDER AUTHORIZING ISSUANCE AND SALE OF DEBENTURES BY HOLDING COMPANY, AND OF COMMON STOCKS AND NOTES BY SUBSIDIARY COMPANIES

MARCH 29, 1954.

In the matter of National Fuel Gas Company, Iroquois Gas Corporation, United Natural Gas Company, Pennsylvania Gas Company, Republic Light, Heat and Power Company, Inc.; File No. 70-3208.

National Fuel Gas Company ("National"), a registered holding company, and its gas utility subsidiaries, Iroquois Gas Corporation ("Iroquois"), United Natural Gas Company ("United"), Pennsylvania Gas Company ("Pennsylvania"), and Republic Light, Heat and Power Company, Inc. ("Republic"), having filed with this Commission a joint application-declaration and amendments thereto pursuant to sections 6, 7, 9 (a), 10 and 12 (f) of the Public Utility Holding Company Act of 1935 ("act") and Rules U-43 and U-50 thereunder, with respect to the following proposed transactions:

It is stated that Iroquois, United, Pennsylvania and Republic have substantial construction programs during 1954 involving additional plant facilities needed to provide adequate service to the public, the total estimated cost of which is $11,364,250; that Republic has a bank loan of $1,500,000 maturing in 1954, the payment of which is contemplated; that Republic plans also to conduct a conversion program during 1954, involving alteration of its gas distribution plant and facilities to provide gas of higher thermal content and adjustment of the gas burning appliances in over 34,000 dwelling units at an estimated cost of approximately $720,000; and that, in order to provide the funds so required by these companies, the following transactions are proposed:

Transaction No. 1. National proposes to issue and sell, subject to the competitive bidding requirements of Rule U-50, $15,000,000 principal amount of its __ Percent Sinking Fund Debentures due 1979. The interest rate on the Debentures (which shall be a multiple of ⅛ of 1 percent) and the price (exclusive of accrued interest) to be paid for the Debentures (which shall be not less than 100 percent nor more than 102¾ percent of the principal amount) will be determined by the competitive bidding. The Debentures will be issued pursuant to the provisions of an Indenture between National and The Hanover Bank, Trustee, to be dated as of April 15, 1954.

National proposes to use the net proceeds from the sale of these Debentures to purchase the capital stocks of or to make loans to its said subsidiaries, and to apply any balance of the net proceeds not so needed, estimated at approximately $2,500,000, to reduce its outstanding bank loans, which aggregated $13,000,000 in principal amount at December 31, 1953.

Transaction No. 2. Iroquois proposes to issue and sell, and National proposes to buy, 45,000 shares of Iroquois' common capital stock, of a par value of $100 per share, for $4,500,000 cash.

Iroquois proposes to use the net proceeds from the sale of this stock, together with funds from current operations, to finance its 1954 construction program, estimated at $4,695,000, and to discharge short-term bank loans aggregating $1,000,000 made in connection with the company's 1953 construction program.

Transaction No. 3. United proposes to issue and sell, and National proposes to buy, 92,000 shares of United's no par common capital stock (having a stated value of $25 per share) for $2,300,000 cash.

United proposes to use the net proceeds from the sale of this stock, together with funds from current operations, to finance its 1954 construction program, estimated at $2,889,100.

Transaction No. 4. Pennsylvania proposes to issue and offer for sale to its stockholders, pursuant to their preemptive rights, on the basis of one share for each 12½ shares held on the record date, 46,080 shares without par value (having a stated value of $12.50 per share) of its common capital stock at a subscription price of $15 per share.

It is stated that National owns 356,931 shares (61.97 percent) of the common stock of Pennsylvania now outstanding; that National proposes to exercise its preemptive right and subscribe for 28,554 shares for a total purchase price of $428,310; that the remaining stockholders of Pennsylvania will be entitled to subscribe for 17,526 shares for a total purchase price of $262,890; that in addition to their primary subscription rights, all stockholders will be accorded a conditional purchase privilege, subject to allotment pro rata according to their primary subscription rights exercised, to subscribe for additional shares of the stock allocated for public subscription; that subscription rights and conditional purchase privileges will be evidenced by negotiable warrants expiring on April 26, 1954; that no fractional shares will be issued; that Warren National Bank, of Warren, Pennsylvania, will act as subscription agent and will assist, without

charge to the subscribers for such services, in buying and selling rights in order that subscriptions may be made for full shares; that, according to the "Weekly Over-the-Counter List" published by The Wall Street Journal for February 23, 1954, the market prices for Pennsylvania's common stock were $15.50 bid and $17.00 asked.

National states that it intends to subscribe for 28,554 additional shares, and to exercise its conditional purchase privilege and purchase such shares as are allotted to it under such privilege. Pennsylvania has entered into an agreement with National whereby Pennsylvania agrees to sell to National, and National agreed to purchase, at the subscription price of $15 per share, the total number of additional shares not taken by other stockholders.

Pennsylvania proposes to apply the proceeds from the sale of said stock to finance its 1954 construction program, estimated at $2,108,650, and to increase its supply of gas in underground storage.

Transaction No. 5. Pennsylvania also proposes to issue and sell, and National proposes to buy, from time to time during 1954, promissory notes aggregating in principal amount not to exceed $1,500,000. Such notes will be unsecured and each will be in the principal amount of $125,000. The notes will mature at annual intervals beginning April 1, 1967. Each note will bear interest at a rate per annum equal to the interest rate applicable to National's 1954 Debenture issue, plus ⅛ of 1 percent, payable semi-annually on April 1 and October 1 of each year until paid in full. Pennsylvania will have the option of prepaying these notes in whole or in part, after payment in full of all notes presently outstanding, which aggregated $5,400,000 at December 31, 1953 and which are held by National.

Pennsylvania will use the proceeds from the sale of said notes, together with funds to become available through the sale of its common stock as aforesaid, to finance its 1954 construction program.

Transaction No. 6. Republic proposes to issue and sell, and National proposes to buy 30,00 shares of Republic's capital stock, of a par value of $100 per share, for $3,000,000 cash.

Republic proposes to apply the net proceeds from the sale of this stock (1) to repay back loans due October 1, 1954 in the amount of $1,500,000, and (2) to finance, in part, its 1954 construction program, estimated at $1,671,500.

Transaction No. 7. Republic proposes to issue and sell, and National proposes to buy, from time to time during 1954, promissory notes aggregating in principal amount not to exceed $720,000. Such notes will mature in the aggregate amount of $90,000 on May 15 of each year beginning with the year 1955, and will bear interest at a rate per annum equal to the coupon interest rate applicable to National's 1954 Debenture issue, plus ⅛ of 1 percent, payable semiannually.

Republic proposes to use the net proceeds from the sale of these notes to pay the cost of its 1954 conversion program aforesaid.

Transactions Nos. 2, 6, and 7 aforesaid have been expressly authorized by the Public Service Commission of New York, in which State Iroquois and Republic are organized and doing business. The securities proposed to be issued under Transactions Nos. 3, 4, and 5 have been duly registered by order of the Public Utility Commission of Pennsylvania, in which State United and Pennsylvania are organized and doing business.

National has estimated that its expenses of issuance and distribution in connection with Transaction No. 1 will aggregate $90,000, including fees of the trustee (including trustee's counsel) in the amount of $7,500, fee of National's counsel in the amount of $8,000, and an engineer's fee in the amount of $15,000. No estimate has been filed with respect to the fees and expenses to be incurred in connection with Transactions Nos. 2 to 7 inclusive, nor have supporting affidavits been filed with respect to any of said fees and expenses.

Applicants-declarants request that the Commission's order to be entered herein become effective upon issuance.

Due notice having been given of the filing of said application-declaration, and a hearing not having been requested of or ordered by the Commission; and the Commission finding that the applicable provisions of the act and rules thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and in the interest of investors and consumers that said application-declaration as amended should be granted and permitted to become effective herewith, subject to the conditions and reservations below set out:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said application-declaration as amended be, and it hereby is, granted and permitted to become effective forthwith, subject to the terms and conditions prescribed in Rules U-24 and U-50, and subject also to reservation of jurisdiction with respect to all fees and expenses to be paid in the several transactions.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-2356; Filed, Apr. 1, 1954; 8:48 a. m.]

[File No. 70-3217]

COLUMBIA GAS SYSTEM, INC.

ORDER AUTHORIZING EXTENSION OF SHORT-TERM BANK NOTES

MARCH 29, 1954.

The Columbia Gas System, Inc. ("Columbia"), a registered holding company, having filed a declaration pursuant to sections 6 and 7 of the Public Utility Holding Company Act of 1935 ("act") regarding a proposed transaction which is summarized as follows:

By order dated May 21, 1953, the Commission permitted to become effective a declaration filed by Columbia regarding the borrowing of not in excess of $30,000,000 from certain designated banking institutions. (Holding Company Act Release No. 11931.) Pursuant thereto, Columbia issued short-term 3 percent notes, evidencing the bank borrowing, to be repaid in installments of $9,000,000 on February 26, 1954, $9,000,000 on March 31, 1954, and $12,000,000 on April 30, 1954.

Columbia paid the first installment of $9,000,000 on February 26, 1954, and has made arrangements with the lending banks to extend the maturity dates of the last two installments (aggregating $21,000,000) to May 31, 1954. Interest on the $9,000,000 installment due March 31, 1954, will accrue from March 31 to May 31, 1954, at the prime rate for short-term money as at March 31, 1954. Interest on the $12,000,000 installment due April 30, 1954, will accrue from April 30, 1954, to May 31, 1954, at the prime rate for short-term money as at April 30, 1954. Under the new arrangements Columbia has the option to prepay either or both of the installments presently due on March 31, 1954 and April 30, 1954 at any time after April 30, 1954.

According to Columbia, the original $30,000,000 of bank indebtedness was incurred for the purpose of obtaining funds to advance to its subsidiaries to finance their purchase of inventory gas. The proposed extension of the unpaid balance of the bank loans is considered an interim arrangement to enable Columbia to meet a portion of the cash requirements of its subsidiaries in connection with their 1954 construction program until funds are obtained by Columbia from the sale of securities which is the subject of a declaration now pending before the Commission (File No. 70-3210).

It is stated that no State commission has jurisdiction over the proposed transaction. It is requested that the Commission's orders herein be made effective upon issuance.

Due notice having been given of the filing of the declaration, and a hearing not having been requested of or ordered by the Commission; and the Commission finding that the applicable provisions of the act and the rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and in the interest of investors and consumers that said declaration be permitted to become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said declaration be, and it hereby is, permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24.

By the Commision.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-2361; Filed, Apr. 1, 1954; 8:49 a. m.]

[File No. 812-867]

EQUITY CORP. ET AL.

NOTICE OF FILING OF APPLICATION REQUESTING ORDER PERMITTING AFFILIATE TO REDEEM ITS PREFERRED STOCK

MARCH 29, 1954.

In the matter of The Equity Corporation, Electromode Corporation, Commer-

cial Controls Corporation; File No. 812-867.

Notice is hereby given that The Equity Corporation ("Equity"), a registered closed-end, non-diversified management investment company, and Electromode Corporation ("Electromode"), an affiliate of Equity, on behalf of themselves and also of Commercial Controls Corporation ("Commercial"), a majority-owned subsidiary of Equity, have filed an application under section 17 (b) of the Investment Company Act of 1940 ("act"), for an order exempting from the provisions of section 17 (a) of the act the redemption by Electromode of all (18,000 shares) of its outstanding 80-cent Cumulative Preferred Stock, 40 cents par value, of Electromode, all of which is owned by Commercial.

The sole business of Electromode consists of the manufacture and distribution of space heaters. In addition to preferred stock, Electromode has outstanding 2,000 shares of common stock, par value 10 cents per share, of which Equity holds 868.6 shares (43.43 percent) and Commercial holds 1,001 shares (50.05 percent). The common and preferred stocks of Electromode have one vote per share, and Equity and Commercial presently control 99.35 percent of the voting power; if the preferred stock is redeemed, as is proposed, Commercial and Equity will control 93.4 percent of the voting power.

Commercial manufactures and markets tape-controlled automatic typing machines, mail room machines and equipment and production control machines and systems. The capitalization of Commercial consists of 3 percent notes due serially from 1961 to 1970 in the principal amount of $2,678,000 of which Equity owns $1,325,500 (49.48 percent) and 100,000 shares of common stock, par value 10 cents per share, of which Equity owns 54,000 shares (54 percent).

Electromode proposes to redeem and retire its outstanding 18,000 shares of preferred stock at the redemption price of $20 per share, plus accrued and unpaid cumulative dividends. The aggregate redemption price of the outstanding shares will be $360,000 plus dividends which have accrued from January 1, 1954.

In support of the proposed transaction, the application states that the cash needs of the company do not require the retention of the cash which is proposed to be used to redeem the preferred stock. It is further stated that any necessary funds can be obtained from a local bank up to a maximum of $250,000 at any one time outstanding at a current rate of interest of 3¼ percent. The application states that even if the maximum borrowing is required, which is not anticipated, substantial savings will result due to the fact that the interest cost on the loan will be materially less than the dividend requirements on the preferred stock.

Section 17 (a) of the act makes it unlawful, subject to certain exceptions not relevant here, for an affiliated person of a registered investment company, or an affiliate of such a person, to sell to or purchase from such registered company, or any company controlled by such registered company, any security or other property. However, under section 17 (b) of the act, the Commission upon application shall grant an exemption from the provisions of section 17 (a) of the act if it finds that the terms of the proposed transaction, including the consideration, are reasonable and fair and do not involve overreaching on the part of anyone concerned and that the proposed transaction is consistent with the policy of each registered investment company concerned, as recited in its registration statement and reports filed under the act, and with the general purposes of the act.

For a more detailed statement of the matters of fact and law asserted, all persons are referred to the application which is on file in the offices of the Commission in Washington, D. C.

Notice is further given that any interested person may, not later than April 12, 1954, at 5:30 p. m., submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature of his interest, the reasons 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 or request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after said date, the application may be granted as provided in Rule N-5 of the rules and regulations promulgated under the act.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-2357; Filed, Apr. 1, 1954; 8:49 a. m.]

[File No. 812-870]

COMPOSITE BOND AND STOCK FUND, INC., ET AL.

NOTICE OF APPLICATION FOR ORDER EXEMPTING SALE OF INVESTMENT COMPANY SHARES TO EMPLOYEES, SALES REPRESENTATIVES, OFFICERS OR DIRECTORS AT LESS THAN PUBLIC OFFERING PRICE

MARCH 29, 1954.

In the matter of Composite Bond and Stock Fund, Inc., Composite Fund, Inc., Composite Research & Management Co., and Murphey Favre, Inc.; File No. 812-870.

Notice is hereby given that Composite Bond and Stock Fund, Inc. ("Bond") and Composite Fund, Inc. ("Fund"), both registered open-end diversified management investment companies, and Composite Research & Management Co. ("Research"), the investment manager of Bond and Fund, and Murphey Favre, Inc. ("Favre"), the principal underwriter-distributor of Bond and Fund, have filed an application pursuant to section 6 (c) of the Investment Company Act of 1940 ("act") for an order exempting from the provisions of section 22 (d) of the act the offering of shares of both Bond and Fund at reduced offering prices, but not less than their respective net asset values, to employees, sales representatives, officers or directors of Bond, Fund, Research and Favre.

It is proposed that the sales made to any of the above-mentioned persons will be on the same basis and any person making a purchase will be required to sign a statement agreeing not to resell such shares except by regular redemption, in the usual manner, to the company issuing the shares. It is the present intention of Favre to waive any sales load to which it would be entitled and to make all sales to such persons at net asset value.

The application states that the shares of Bond and Fund are offered and sold by Favre, primarily through its own sales organization by means of a prospectus in the form required by the Securities Act of 1933, as amended. Such prospectus states the public offering price, or prices, at which shares are to be sold and will include complete information with respect to the offering price of shares as proposed in this application, if the requested exemption is granted.

Section 22 (d) of the act, among other things, prohibits the sale of redeemable securities of a registered investment company below the current public offering price described in the prospectus, with certain exceptions. Section 6 (c) of the act authorizes the Commission by order upon application conditionally or unconditionally to exempt any transaction from any provision or provisions of the act or of any rule or regulation thereunder, if and to the extent that the Commission finds that 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.

Applicants assert that the instant proposal will in no way adversely affect the shareholders of Bond or Fund, nor will it adversely affect the interests of any future purchasers of their shares since Bond and Fund will continue to receive the full net asset value for all shares sold. The proposed waiver of sales commissions will be entirely a concession by Favre, however, since Favre will incur very little expense because of this proposal and the amount of the sales load it will forego will be relatively insignificant, it is the viewpoint of all the applicant companies that the proposal is a desirable personnel move and will produce lasting benefits to the applicants through the improvement in employee goodwill, all without detriment to the interest of any shareholder of the investment companies or the management and research companies.

For a more detailed statement of the matters of fact and law asserted, all interested persons are referred to said application which is on file in the office of the Commission in Washington, D. C.

Notice is further given that any interested person may, not later than April 12, 1954, at 5:30 p. m., submit to the Commission in writing any facts bearing

upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature of his interest, the reasons 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 or request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after said date, the application may be granted as provided in Rule N-5 of the rules and regulations promulgated under the act.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-2358; Filed, Apr. 1, 1954; 8:49 a. m.]

[File No. 812-872]

AMERICAN RESEARCH AND DEVELOPMENT CORP. AND CONTROL ENGINEERING CORP.

NOTICE OF FILING OF APPLICATION REQUESTING ORDER EXEMPTING BORROWING OF MONEY BY AFFILIATE FROM INVESTMENT COMPANY

MARCH 29, 1954.

Notice is hereby given that American Research and Development Corporation ("Research"), a Massachusetts corporation, and a registered closed-end, non-diversified management investment company and Control Engineering Corporation ("Control"), a Massachusetts corporation, and an affiliate of Research, have filed an application, as amended, for an order under section 17 (b) of the Investment Company Act of 1940 ("act") exempting from the provisions of section 17 (a) thereof the proposed purchase by Research of up to $200,000 of the Ten Year 5¾ Percent Convertible Notes proposed to be issued by Control in the principal amount of $250,000.

Control has as its principal business the design and manufacture of precision mechanical, hydraulic and electronic instruments and controls. Prior to the issuance of the proposed note, control proposes to split its common stock, Class A, and its common stock, Class B, five for one, and the par value of the Class A stock will become $4 per share and the stated value of the Class B stock will become $2 per share. In addition, Control has on March 26, 1954 offered to the holders of its Class A stock, on a pro rata basis, 700 shares of Class A stock at $50 per share (or 3,500 shares at $10 per share after the five for one split-up). Of this amount, it is expected that Research will subscribe for its pro rata share and will purchase 245 shares (or 1,227 shares after the five for one split-up).

Reflecting the split-up and the proposed sale of additional common stock mentioned above, the capitalization of Control, as forecast by the company as at March 31, 1954, will consist of $1,054,385 of notes payable to a bank; $21,825 of mortgage loans on machinery and equipment; 30,915 shares of Class A, non-voting, common stock; and 17,600 shares of Class B, voting common stock. Research will own 13,967 shares, or 45.2 percent of the outstanding Class A, non-voting, common stock and 3,105 shares, or 17.6 percent of the outstanding Class B, voting common stock. Since Research holds more than 5 per centum of the outstanding voting securities of Control, Research and Control are affiliated persons of one another, as defined in section 2 (a) (3) of the act.

Control proposes to issue and sell $250,000 of Ten Year 5¾ Percent Convertible Notes at a discount of 10 percent, by offering to each stockholder of Control the right to purchase his pro-rata share of the notes, plus a pro-rata share of any notes not purchased by any other stockholder. As noted before, Research has agreed to underwrite the proposal to the extent of agreeing to purchase up to $200,000 of the notes, which is approximately $112,000 in excess of Research's pro-rata share. The notes may be prepaid by Control after one year from the date of issue by paying a premium of 10 percent during the first six years, 7½ percent during the seventh year, 5 percent during the eighth year, and 2½ percent during the ninth year. During the tenth year, the notes may be prepaid without premium.

After one year from the date of issue, the notes may be converted into shares of Class A common stock at the rate of exchange of 61.8 shares of said Class A common stock for each $1,000 of the principal sum so converted. The Class A and Class B common stocks are pari passu except that the Class A common stock has no voting rights but has a priority in liquidation to the extent of its per value of $4 per share. It is also proposed that the notes will be fully subordinated as to principal with respect to all present and future V-loan borrowings for the financing of defense production contracts, and any indebtedness incurred in the ordinary course of business and maturing by its terms within twelve months from the date on which such indebtedness was incurred.

Control proposes to use the proceeds of the notes to consummate an agreement to purchase additional land and buildings in order to expand its plant facilities.

Section 17 (a) of the act, among other things, makes it unlawful for any affiliated person of a registered investment company to borrow money or other property from such registered company, with certain exceptions not pertinent here. However, under section 17 (b) of the act, the Commission, upon application shall grant an exemption from the provisions of section 17 (a) of the act if it finds that the terms of the proposed transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned and that the proposed transaction is consistent with the policy of each registered investment company concerned, as recited in its registration statement and reports filed under the act, and with the general purposes of the act.

For a more detailed statement of the matters of fact and law asserted, all persons are referred to the application which is on file in the offices of the Commission in Washington, D. C.

Notice is further given that any interested person may, not later than April 12, 1954, at 5:30 p. m., submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature of his interest, the reasons 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 or request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time, after said date, the application may be granted as provided in Rule N-5 of the rules and regulations promulgated under the act.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-2353; Filed, Apr. 1, 1954; 8:48 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 29061]

WINDOW GLASS FROM ARKANSAS, OKLAHOMA, AND LOUISIANA TO MOBILE, ALA.

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: F. C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Window glass, carloads.

From: Fort Smith, Ark., Henryetta and Okmulgee, Okla., and Shreveport, La.

To: Mobile, Ala.

Grounds for relief: Rail competition, competition with water carriers, market competition, and foreign competition.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, I. C. C. No. 3841, supp. 48.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing,

upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Secretary.

[F. R. Doc. 54-2376; Filed, Apr. 1, 1954; 8:52 a. m.]

[4th Sec. Application 29062]

GRAIN FROM OKLAHOMA TO NORTHERN TEXAS

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: F. C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Grain, grain products and related articles, carloads.

From: Points in Oklahoma.

To: Points in northern Texas.

Grounds for relief: Competition with rail carriers, circuity, and to maintain grouping.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, I. C. C. No. 3941, supp. 75.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Secretary.

[F. R. Doc. 54-2377; Filed, Apr. 1, 1954; 8:52 a. m.]

[4th Sec. Application 29063]

PIPE, STEEL OR WROUGHT IRON FROM GALVESTON, HOUSTON, AND ORANGE, TEX., TO HAVANA, ILL.

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: F. C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Pipe, steel or wrought iron, welded or seamless, carloads.

From: Galveston, Houston and Orange, Texas.

To: Havana, Ill.

Grounds for relief: Competition with rail carriers, circuitous routes, and additional routes.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, I. C. C. No. 3967, supp. 322.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Secretary.

[F. R. Doc. 54-2378; Filed, Apr. 1, 1954; 8:52 a. m.]

[4th Sec. Application 29064]

CAUSTIC SODA FROM MCINTOSH, ALA., TO EAST ALTON, HARTFORD, AND MURPHYSBORO, ILL.

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below.

Commodities involved: Caustic soda (sodium hydroxide), liquid, in tank-car loads.

From: McIntosh, Ala.

To: East Alton, Hartford and Murphysboro, Ill.

Grounds for relief: Rail competition, market competition, to maintain grouping and additional destinations.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1351, supp. 64.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Secretary.

[F. R. Doc. 54-2379; Filed, Apr. 1, 1954; 8:52 a. m.]

[4th Sec. Application 29065]

ALCOHOL FROM TUSCOLA, ILL., TO BALTIMORE, MD., NEWARK AND CARNEY'S POINT, N. J.

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: H. R. Hinsch, Alternate Agent, for carriers parties to schedule listed below.

Commodities involved: Denatured alcohol, and alcohol, in bond, in tank-car loads.

From: Tuscola, Ill.

To: Carney's Point and Newark, N. J., and Baltimore, Md.

Grounds for relief: Competition with water-rail carriers.

Schedules filed containing proposed rates: H. R. Hinsch, Alternate Agent, I. C. C. No. 4542, supp. 53.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Secretary.

[F. R. Doc. 54-2380; Filed, Apr. 1, 1954; 8:52 a. m.]

[4th Sec. Application 29066]

SUGAR FROM SAVANNAH AND PORT WENTWORTH, GA., TO CINCINNATI, OHIO, AND LOUISVILLE, KY.

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below.

Commodities involved: Sugar, in carloads.

From: Savannah and Port Wentworth, Ga., and points grouped therewith.

To: Cincinnati, Ohio, and Louisville, Ky., and points grouped therewith.

Grounds for relief: Competition with rail carriers, circuity, and to maintain grouping.

Schedules filed containing proposed rates: W. P. Emerson, Jr., Agent, I. C. C. No. 380, supp. 207.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-2381; Filed, Apr. 1, 1954; 8:52 a. m.]

[4th Sec. Application 29067]

SULPHURIC ACID FROM MOBILE TO DECATUR, ALA.

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below.

Commodities involved: Sulphuric acid, in tank-car loads.

From: Mobile, Ala.

To: Decatur, Ala.

Grounds for relief: Competition with rail carriers, circuity, and to meet intrastate rates.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1357, supp. 34.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-2382; Filed, Apr. 1, 1954; 8:53 a. m.]

[4th Sec. Application 29068]

LUMBER FROM SOUTHWEST TO POINTS IN KENTUCKY

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: F. C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Lumber and related articles, carloads.

From: Points in southwestern territory.

To: Masonville, Fidelio, Thompsonville and Edgoten, Ky.

Grounds for relief: Rail competition, circuity, to maintain grouping, and additional destinations.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, I. C. C. No. 3949, supp. 44.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-2383; Filed, Apr. 1, 1954; 8:53 a. m.]

[4th Sec. Application 29069]

WOODPULP FROM NAIRNS FALLS, QUEBEC, CANADA, TO CHESTER AND PHILADELPHIA, PA., AND WILMINGTON, DEL.

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: C. W. Boin, Agent, for carriers parties to schedule listed below.

Commodities involved: Woodpulp and woodpulp screenings, carloads.

From: Nairns Falls, Quebec, Canada.

To: Chester and Philadelphia, Pa., and Wilmington, Del.

Grounds for relief: Rail competition, circuity, market competition, and foreign competition.

Schedules filed containing proposed rates: Canadian National Railways tariff I. C. C. No. E-500, supp. 6.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-2384; Filed, Apr. 1, 1954; 8:53 a. m.]

[4th Sec. Application 29070]

BAKERY GOODS BETWEEN MISSOURI RIVER CITIES

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: W. J. Prueter, Agent, for carriers parties to schedule listed below.

Commodities involved: Bakery goods, carloads.

Between: Atchison and Leavenworth, Kans., Kansas City, Mo.-Kans., and St. Joseph, Mo., on the one hand and Council Bluffs, Iowa, Omaha and South Omaha, Nebr., on the other.

Grounds for relief: Competition with rail carriers, circuitous routes, and competition with motor carriers.

Schedules filed containing proposed rates: W. J. Prueter, Agent, I. C. C. No. A-3748, supp. 118.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to

take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-2385; Filed, Apr. 1, 1954; 8:53 a. m.]

[4th Sec. Application 29071]

CARBIDE OF CALCIUM FROM SAULT STE. MARIE, MICH., TO ST. LOUIS, MO.

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: W. J. Prueter, Agent, for carriers parties to schedule listed below.

Commodities involved: Calcium, carbide of, carloads.

From: Sault Ste. Marie, Mich.

To: St. Louis, Mo.

Grounds for relief: Rail competition, competition with water carriers, and market competition.

Schedules filed containing proposed rates: W. J. Prueter, Agent, I. C. C. No. A-3910, supp. 59.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-2386; Filed, Apr. 1, 1954; 8:53 a. m.]

[4th Sec. Application 29072]

LUMBER FROM NORTH PACIFIC COAST TERRITORY TO ARKANSAS, LOUISIANA, AND MISSOURI

APPLICATION FOR RELIEF

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: W. J. Prueter, Agent, for carriers parties to schedule listed below.

Commodities involved: Lumber, shingles, and related articles, carloads.

From: Points in north Pacific Coast territory.

To: Points in Arkansas, Louisiana, and Missouri.

Grounds for relief: Competition with rail carriers, circuity, and to maintain grouping.

Schedules filed containing proposed rates: W. J. Prueter, Agent, I. C. C. No. 1545, supp. 46.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-2387; Filed, Apr. 1, 1954; 8:53 a. m.]

[4th Sec. Application 29073]

PETROLEUM PRODUCTS FROM CONWAY, KANS., TO POINTS IN SOUTHWESTERN, SOUTHERN, OFFICIAL AND WESTERN TRUNK-LINE TERRITORIES

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: F. C. Kratzmeir, Agent, for carriers parties to schedules listed below.

Commodities involved: Petroleum products, carloads.

From: Conway, Kans.

To: Points in southwestern, southern, official and western trunk-line territories.

Grounds for relief: Rail competition, circuity, to maintain grouping, and additional origin.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, I. C. C. No. 3821, supp. 138; F. C. Kratzmeir, Agent, I. C. C. No. 3802, supp. 159; F. C. Kratzmeir, Agent, I. C. C. No. 3825, supp. 201; F. C. Kratzmeir, Agent, I. C. C. No. 3651, supp. 333; F. C. Kratzmeir, Agent, I. C. C. No. 4056, supp. 18; F. C. Kratzmeir, Agent, I. C. C. No. 4066, supp. 19; W. J. Prueter, Agent, I. C. C. No. A-3578, supp. 85.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-2388; Filed, Apr. 1, 1954; 8:54 a. m.]

[4th Sec. Application 29074]

GARNET SAND FROM MELBOURNE, FLA., TO BARRE, VT.

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below.

Commodities involved: Garnet sand, carloads.

From: Melbourne, Fla.

To: Barre, Vt.

Grounds for relief: Rail competition, circuity, to maintain grouping, to apply rates constructed on the short line distance formula, and additional destination.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1346, supp. 44.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-2389; Filed, Apr. 1, 1954; 8:54 a. m.]

[4th Sec. Application 29075]

PHOSPHATIC FEED SUPPLEMENTS FROM CHICAGO, CHICAGO HEIGHTS, AND JOLIET, ILL., TO ILLINOIS TERRITORY

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. G. Raasch, Agent, for carriers parties to schedule listed below.

Commodities involved: Phosphatic feed supplements, viz.: defluorinated phosphate or superphosphate, and phosphate di-calcium, carloads.

From: Chicago, Chicago Heights and Joliet, Ill.

To: Points in Illinois territory.

Grounds for relief: Rail competition, circuity, to maintain grouping, and to apply rates constructed on the basis of the short line distance formula.

Schedules filed containing proposed rates: R. G. Raasch, Agent, I. C. C. No. 809.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-2390; Filed, Apr. 1, 1954; 8:54 a. m.]

[4th Sec. Application 29076]

BRICK FROM SIOUX CITY AND SERGEANT BLUFF, IOWA TO MINNESOTA

APPLICATION FOR RELIEF

MARCH 30, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: W. J. Prueter, Agent, for the Chicago, Milwaukee, St. Paul and Pacific Railway Company, and Chicago and Northwestern Railway Company.

Commodities involved: Brick and related articles, also drain tile, carloads.

From: Sioux City and Sergeant Bluff, Iowa.

To: Specified points in Minnesota.

Grounds for relief: Rail competition, circuity, and to apply rates constructed on the basis of the short line distance formula.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-2391; Filed, Apr. 1, 1954; 8:54 a. m.]