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highlights

PART I:

FOOD LABELING REQUIREMENTS
HEW/FDA exempts unit containers in multiunit or multicomponent retail food packages and exempts declaration of net quantity of contents of packaged food (2 documents); effective 12–10–75 ..... 57451, 57453

FINGERPRINTING REQUIREMENTS
SEC announces exemption for securities industry personnel until 4–1–76 57449
SEC proposes exemptions for certain classes of securities industry personnel; comments by 2–1–76 57463

INCOME TAXES
Treasury/IRS proposes regulations relating to limitations on percentage depletion in case of oil and gas wells; hearing 1–22–76; outlines by 1–12–76; requests for copies by 1–16–76 57462

BANKS AND BANKING
FHLBB authorizes creation of Office of Neighborhood Reinvestment; effective 12–10–75 57442

VETERANS BENEFITS
VA excludes income from domestic volunteer service programs in computing annual income; effective 7–15–75 57459
VA changes effective dates in claims for increased benefits; effective 8–1–75 57459

YELLOWFIN TUNA
Commerce/NOAA revises incidental catch rate; effective 12–10–75 57461

AVIATION FUELS
FEA allows markup on retail sales by fixed base operators to reflect increased non-product costs; effective 12–1–75 57439

CONTINUED INSIDE

PART II:

BUSINESS LOAN POLICY
SBA proposes to amend regulations; comments by 1–9–76 57601

PART III:

RAIL SERVICE
ICC amends standards for Continuation subsidies; effective 1–22–76 57637

GROUND PROXIMITY WARNING SYSTEM
DOT/FAA postpones equipment requirement for certain airplanes; effective 12–4–75 57444

PLATFORMS, STRUCTURES AND ASSOCIATED EQUIPMENT
Interior/GS solicits further comments on proposed revisions; comments by 1–5–76 57502

NEW ANIMAL DRUGS
HEW/FDA approves use of cephapirin sodium for treating mastitis in lacating cows and safe use of chlortetracycline boluses in calves (2 documents); effective 12–10–75 ..... 57454, 57455

FREEDOM OF INFORMATION
SEC amends regulations on the handling of requests for records; effective 12–10–75 57449

HEALTH MANPOWER
HEW/HRA announcement on applications for Allied Health Professions Traineeship Grants 57511

FOOD STAMPS
USDA/FNS amends eligibility standards, coupon allotments, and purchase requirements for Alaska, Hawaii, Puerto Rico, the Virgin Islands and Guam (5 documents); effective 1–1–76 57435–57438

HAZARDOUS MATERIALS
DOT/MTB issues regulations on placarding tank cars containing combustible liquids; effective 1–1–77 57433

INTERCITY BUS INDUSTRY
ICC proposes change of procedures in Motor Carrier revenue proceedings; comments by 1–26–76 57465

MEETINGS—
FPC: Supply-Technical Advisory Task Force—Regulatory Aspects of Substitute Gas, 1–6–76 57497
Domestic Natural Gas Potential Resource Base, 1–8–76 57497
Study Subgroup on Gas Reserves and Resources Classifications, 1–9–76 57498
Prospective Exploration and Development and Additions to Reserves, 1–13–76 57497
Nonconventional Natural Gas Resources, 1–13–76 57497
Synthesized Gaseous Hydrocarbon Fuels, 1–14–76 57498
VA: Veterans Administration Wage Committee, 1–15–76, 1–29–76, 3–11–76 and 3–25–76 57562
CRC State Advisory Committees:
Indiana Advisory Committee, 1–10–76 57515
Massachusetts Advisory Committee, 1–8–76 57515
Pennsylvania, Delaware Advisory Committees, 1–22 and 1–23–76 57516
South Carolina Advisory Committee, 1–15–76 57516
Administrative Conference of the United States: Committee on Informal Action, 1–6–76 57511
HEW/OE: National Advisory Council on Extension and Continuing Education, 1–8 and 1–9–76 57511
DOD: Defense Science Board Task Force on "Electronic Test Equipment," 1–13 and 1–14–76 57498

RESCHEDULED MEETINGS—
CRC: Louisiana Advisory Committee, rescheduled from 12–14–75 to 12–12–75 57515

RELOCATED MEETINGS—
NRC: Advisory Committee on Reactor Safeguards; Working Group on Anticipated Transients Without Scram, 12–11–75 and 12–12–75 57520

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contents

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

Notices

Meetings:
Committee on Informal Action.. 57511

AGRICULTURE DEPARTMENT

See also Food and Nutrition Service; Forest Service; Soil Conservation Service.

Notices

Superior National Forest; transfer of lands; correction..... 57507

CENSUS BUREAU

Notices

Retail sales, purchases, and inventories; survey..... 57508

CIVIL AERONAUTICS BOARD

Proposed Rules

Certificated air carriers; uniform system of accounts; updating; correction..... 57462
Charters, inclusive tour; advertising and marketing restrictions.. 57462

Notices

Hearings, etc.:
Continental Air Lines, Inc..... 57511
United Air Lines, Inc..... 57514
Western Air Lines, Inc..... 57514

CIVIL RIGHTS COMMISSION

Notices

Meetings, State advisory committees:
Indiana..... 57515
Louisiana..... 57515
Massachusetts..... 57515
Pennsylvania..... 57516
South Carolina..... 57516

CIVIL SERVICE COMMISSION

Rules

Excepted service:
Administrative Office of the United States Courts (2 documents)..... 57461
Housing and Urban Development..... 57461
Temporary Boards and Commissions..... 57461

COMMERCE DEPARTMENT

See Census Bureau; Domestic and International Business Administration; Maritime Administration; National Oceanic and Atmospheric Administration.

CONSUMER PRODUCT SAFETY COMMISSION

Rules

Bicycle safety regulations; correction..... 57449

DEFENSE DEPARTMENT

Notices

Meetings:
Science Board Task Force on Electric Test Equipment..... 57498

DOMESTIC AND INTERNATIONAL BUSINESS ADMINISTRATION

Notices

Scientific articles; duty-free entry:
Cornell University, et al..... 57508
New York State Department of Health..... 57509
St. Alphonsus, et al.; correction.. 57509
U.S.C. School of Medicine..... 57509

EDUCATION OFFICE

Notices

Meetings:
National Advisory Council on Extension and Continuing Education..... 57511

ENVIRONMENTAL PROTECTION AGENCY

Notices

Pesticide registration; approval of requests for interim certification:
New Mexico, California, and Washington..... 57482

FEDERAL AVIATION ADMINISTRATION

Rules

Airworthiness directives:
Grumman..... 57444
Certification and operations:
Ground proximity warning system..... 57444
Transition areas..... 57444

FEDERAL ENERGY ADMINISTRATION

Rules

Mandatory petroleum price regulations:
Retail sales of aviation fuels; markup..... 57439

FEDERAL HOME LOAN BANK BOARD

Rules

Federal home loan bank system:
Neighborhood Reinvestment Office; amendment..... 57442

FEDERAL MARITIME COMMISSION

Notices

Freight forwarder licenses:
Maria Estela Andrade..... 57483

FEDERAL POWER COMMISSION

Rules

Reporting costs of environmental protection facilities and activities..... 57450

Notices

National Gas Survey; orders designating members and representatives to advisory committees and task forces (9 documents)..... 57491, 57492
Niagara Mohawk Power Corp.; extension of dates; correction..... 57498
Meetings:
Supply-Technical Advisory Committee..... 57492
Supply-Technical Advisory Task Force (5 documents).. 57497-57498

Hearings, etc.:
Alabama-Tennessee Natural Gas Co..... 57483
Cascade Natural Gas Corp..... 57483
Certain producer and pipeline respondents..... 57485
Connecticut Light and Power Co. and Hartford Electric Light Co..... 57488
Connecticut Light and Power Co., et al..... 57488
Consumers Power Co..... 57488
East Tennessee Natural Gas Co.. 57489
El Paso Natural Gas Co..... 57489
Escondido Mutual Water Co..... 57489
Escondido Mutual Water Co. et al..... 57490
Florida Gas Transmission Co.. 57490
Georgia Power Co..... 57490
Green Mountain Power Corp.. 57490
Hartford Electric Light Co..... 57491
Kansas Gas and Electric Co..... 57491
Montana Power Co..... 57491
Pacific Indonesia LNG Co. and Western LNG Terminal Co.. 57492
Panhandle Eastern Pipeline Co. and Pan Eastern Exploration Co..... 57493
Panhandle Eastern Pipe Line Co..... 57494
Philadelphia Electric Co..... 57495
Southwestern Electric Power Co..... 57495
Tennessee Gas Pipeline Co..... 57495
Texas Eastern Transmission Corp..... 57495
Texas Gas Transmission Corp.. 57495
Transco Gas Supply Corp..... 57496
Transwestern Pipe Line Co..... 57496
Trunkline Gas Co..... 57496
Wisconsin Public Service Corp.. 57496

FEDERAL TRADE COMMISSION

Rules

Prohibited trade practices:
Allied Stores Corp et al..... 57445
Carson Products Co et al..... 57446
Diesel Truck Drivers Training School, Inc., et al..... 57447

FISH AND WILDLIFE SERVICE

Rules

Hunting:
Block Island National Wildlife Refuge, RI..... 57460
Parker River National Wildlife Refuge, Mass..... 57460
Pond Island National Wildlife Refuge, Me..... 57459
Ninigret National Wildlife Refuge, RI..... 57461
Trustom Pond National Wildlife Refuge, RI..... 57460

Notices

Endangered species permits; applications (2 documents).. 57499, 57500

FOOD AND DRUG ADMINISTRATION

Rules

Animal drugs, feeds, and related products:
Cephapirin sodium..... 57454
Chlortetracycline boluses..... 57455

Food identity standards, etc.:
Salmon, canned; confirmation of effective date ... 57454
Human drugs:
Packaging and labeling; food, drugs, cosmetics and devices (2 documents) ... 57451, 57453

Notices

Animal drugs:
Kymar Ointment; withdrawal of approval ... 57510

FOOD AND NUTRITION SERVICE

Rules

Food stamp program:
State agency and eligible household participation (6 documents) ... 57434–57438

FOREST SERVICE

Notices

Environmental statements; availability, etc.:
Cooperative Gypsy Moth Suppression and Regulatory Program ... 57507

GEOLOGICAL SURVEY

Notices

Outer Continental Shelf; oil, gas and sulfur operations:
Pollution and waste disposal; Gulf of Mexico ... 57506
Platforms, structures, and associated equipment; Gulf of Mexico ... 57502

HEALTH, EDUCATION, AND WELFARE DEPARTMENT

See Education Office; Food and Drug Administration; Public Health Service.

INTERIOR DEPARTMENT

See Fish and Wildlife Service; Geological Survey; Land Management Bureau.

INTERNAL REVENUE SERVICE

Proposed Rules

Oil and gas wells; limitations on percentage depletion ... 57462

INTERNATIONAL TRADE COMMISSION

Notices

Import and export investigations:
Certain nonpowered hand tools from Japan ... 57517
Chain door locks ... 57516
Expanded, unsintered polytetrafluoroethylene in tape form (2 documents) ... 57516
Monolithic catalytic converters (3 documents) ... 57516, 57517

INTERSTATE COMMERCE COMMISSION

Rules

Freight car movement; railroad operating regulations ... 57433
Grain cars; distribution ... 57433
Hopper cars, distribution of ... 57433
Standards for determining rail service continuation subsidies ... 57637

Proposed Rules

Intercity bus industry; revenue proceedings ... 57465

Notices

Hearing assignments ... 57542
Motor carriers:
Applications and certain other proceedings ... 57543
Intrastate applications ... 57542
Irregular route property carriers; gateway elimination ... 57566
Temporary authority applications (2 documents) ... 57560, 57564
Transfer proceedings ... 57560

LABOR DEPARTMENT

See Occupational Safety and Health Administration.

LAND MANAGEMENT BUREAU

Notices

Oil and gas leasing; Outer Continental Shelf ... 57498

MANAGEMENT AND BUDGET OFFICE

Notices

Clearance of reports; list of requests (3 documents) ... 57520–57522

MARITIME ADMINISTRATION

Notices

Applications, etc.:
America Sun ... 57510
Sun Transport, Inc ... 57509

MATERIALS TRANSPORTATION BUREAU

Rules

Tank cars containing combustible liquids ... 57433

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Rules

Yellowfin tuna; incidental catch rate ... 57461

NUCLEAR REGULATORY COMMISSION

Notices

Applications, etc.:
Florida Power and Light Co ... 57518
Los Angeles Department of Water and Power, et al ... 57518
Offshore Power Systems ... 57520
Meetings:
Reactor Safeguards Advisory Committee, Working Group on Anticipated Transients Without Scram ... 57520

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

Rules

Safety plans for enforcement of standards:
New Mexico ... 57455

PENSION BENEFIT GUARANTY CORPORATION

Rules

Premiums; declaration and payment ... 57457

PUBLIC HEALTH SERVICE

Notices

Allied Health Professions Traineeship Grants; application announcement ... 57511

SECURITIES AND EXCHANGE COMMISSION

Rules

Organization and functions:
Conduct and ethics; information and requests ... 57449
Securities Act:
Fingerprinting requirements; exemption ... 57449

Proposed Rules

Fingerprinting industry personnel; exceptions ... 57463

Notices

Self-regulatory organizations:
American Stock Exchange, Inc. ... 57530
Self-regulatory organizations; proposed rule changes:
National Association of Securities Dealers, Inc ... 57533
Pacific Stock Exchange Inc. (3 documents) ... 57531, 57532
Hearings, etc.:
Ampac National Corp ... 57526
Annuity Fund ... 57526
Boston Stock Exchange ... 57522
Channing Income Fund, Inc ... 57523
Channing Securities, Inc ... 57523
Checchi-Pacific Corp. and Checchi and Co ... 57526
Consolidated Natural Gas Co. et al ... 57527
Continental Assurance Annuity Plan Account ... 57528
DF Fund, Inc ... 57523
Eastern Utilities Associates ... 57524
Highland Capital Corp. and Inficon, Inc ... 57528
Middle South Utilities, Inc. et al ... 57525
Yankee Atomic Electric Co ... 57533

SMALL BUSINESS ADMINISTRATION

Proposed Rules

Business loans; policy ... 57601

Notices

Disaster areas:
California ... 57562

SOIL CONSERVATION SERVICE

Notices

Environmental impact statements on watershed projects, availability, etc.:
Pollard Creek, Tex ... 57507

TRANSPORTATION DEPARTMENT

See Federal Aviation Administration; Materials Transportation Bureau.

TREASURY DEPARTMENT

See Internal Revenue Service.

VETERANS ADMINISTRATION

Rules

Adjudication; pensions, compensation, dependency, etc.:
Annual income; domestic volunteer service programs ... 57459
Ratings and evaluations ... 57459

Notices

Meetings:
Veterans Administration Wage Committee ... 57562

list of cfr parts affected

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published in today's issue. A cumulative list of parts affected, covering the current month to date, follows beginning with the second issue of the month.

A Cumulative List of CFR Sections Affected is published separately at the end of each month. The guide lists the parts and sections affected by documents published since the revision date of each title.

5 CFR

213 (4 documents) 57461

7 CFR

271 (6 documents) 57434–57438

10 CFR

212 27439

12 CFR

522 57442

13 CFR

PROPOSED RULES:

120 57602

14 CFR

39 57444
71 57444
121 57444
123 57444
135 57444

PROPOSED RULES:

241 57462
378 57462

16 CFR

13 (3 documents) 57445–57447
1512 57449

17 CFR

200 57449
240 57449

PROPOSED RULES:

240 57463

18 CFR

141 57450

21 CFR

1 (2 documents) 57451, 57453
3 57451
37 57454
529 57454
546 57455
556 57454

26 CFR

PROPOSED RULES:

1 57462

29 CFR

1952 57455
2602 57457

38 CFR

3 (2 documents) 57459

49 CFR

174 57433
1033 (3 documents) 57433
1125 57639

PROPOSED RULES:

1108 57465

50 CFR

28 (5 documents) 57459–57461
280 57461

CUMULATIVE LIST OF PARTS AFFECTED—DECEMBER

The following numerical guide is a list of parts of each title of the Code of Federal Regulations affected by documents published to date during December.

1 CFR

Chapter I 55633
425 56651

3 CFR

EXECUTIVE ORDERS:
8278 (Revoked in part by PLO 5550) 56667

5 CFR

213 ..... 56651, 57202, 57351, 57461
890 55829
736 56651

7 CFR

2 ..... 56421, 56669
16 55829
25 57205
25A 57205
52 57206
245 57206
271 ..... 55646, 57434–57438
722 55656
725 55656
726 56421
729 55658
907 56670
959 57209
982 55829
984 57351
1421 56423
1464 57209

PROPOSED RULES:
622 56457
916 57221
928 57221
932 56457
999 57368
1060 56674
1063 56674

9 CFR

PROPOSED RULES:
91 56675

10 CFR

212 57439

RULINGS:
1975–18 55860

12 CFR

7 56883
225 55634
226 55634
265 55635
327 57209
522 57442

13 CFR

117 57351

PROPOSED RULES:
120 57602
121 ..... 55860, 55868

14 CFR

39 ..... 55635–55637, 56652, 56883, 57352, 57353, 57444
71 ..... 55638, 55829, 56423, 56424, 56652, 56884, 57203, 57204, 57353, 57354, 57444
75 ..... 55830, 56884
97 57204
121 57444
123 57444
135 57444
288 56652

PROPOSED RULES:
37 57222
63 57342
71 ..... 55664, 55665, 55866, 56919, 57368, 57369
91 57342
105 57342
121 57342
123 57342
129 57342
135 57342
137 57342
145 57342
147 57342
241 57462
253 55665
378 57462
399 55665

15 CFR

379 56424
950 56653

16 CFR

13 ..... 56655–56658, 57195–57201, 57445–57447
302 56659
1512 57449
1602 56885

17 CFR

200 57449
210 ..... 55830, 55835
239 55836
240 ..... 55837, 57355, 57357, 57449
249 55837

PROPOSED RULES:
12 55666
240 57463

18 CFR

2 56886
35 56424
141 57450

19 CFR

4 55837
159 ..... 55638, 55639
201 55838

PROPOSED RULES:
141 56674
142 56674
143 56674
159 56674
201 56936

20 CFR

405 56659
410 56886

20 CFR—Continued

PROPOSED RULES:
405 56458
625 56931

21 CFR

1 ..... 57451, 57453
3 57451
4 55838
7 55838
37 57454
121 ..... 56907, 57209
123 56425
529 57454
540 55849
546 57455
556 57454
561 56425
606 55849
640 55849
1316 57210

PROPOSED RULES:
310 ..... 55869, 56675
330 56675
338 57292
339 57292
340 57292

22 CFR

602 56661

23 CFR

230 57358
630 55639
712 55643

24 CFR

1710 56907
1912 57210
1914 56670
1915 ..... 56672, 56910
1916 56426
1917 56426
1920 56427–56429

PROPOSED RULES:
1710 56919
1917 56459

26 CFR

1 55849
301 55849

PROPOSED RULES:
1 ..... 56448, 57364, 57462

27 CFR

6 55856
194 56887

28 CFR

PROPOSED RULES:
19 56453
42 56454

29 CFR

1902 55857
1952 57455
2602 57457

29 CFR—Continued
PROPOSED RULES:
40 ... 57332
1910 ... 55866, 55867

32 CFR
650 ... 55962

33 CFR
117 ... 56429
128 ... 56430
207 ... 57358
PROPOSED RULES:
117 ... 57222

34 CFR
PROPOSED RULES:
Ch. I ... 56459

36 CFR
7 ... 56888

37 CFR
1 ... 37358
2 ... 37358

38 CFR
1 ... 56433
3 ... 56434, 57459
PROPOSED RULES:
3 ... 56936

39 CFR
42 ... 57212
43 ... 57212
44 ... 57212
45 ... 57212
47 ... 57212
111 ... 57212
PROPOSED RULES:
111 ... 57223

40 CFR
52 ... 56888–56890, 57359
180 ... 55857, 57215
407 ... 57216
408 ... 55770
414 ... 56435, 56436
PROPOSED RULES:
6 ... 55868
85 ... 56932
124 ... 56932
125 ... 56932
407 ... 57223

41 CFR
101–26 ... 57216
105–61 ... 56892
114–43 ... 55857
114–60 ... 55858

42 CFR
57 ... 56674
PROPOSED RULES:
2a ... 56692

43 CFR
PUBLIC LAND ORDERS:
5184 (Amended by PLO 5550) ... 56667
5187 (Revoked in part by PLO 5550) ... 56667
5550 ... 56667
PROPOSED RULES:
2600 ... 57364

45 CFR
233 ... 57359
1013 ... 55859
1222 ... 57217
PROPOSED RULES:
115 ... 57042
160d ... 55659
162 ... 56678

46 CFR
42 ... 57218
310 ... 55643
PROPOSED RULES:
10 ... 55663

47 CFR
0 ... 57359
1 ... 55644
73 ... 55644, 57360
76 ... 57361
PROPOSED RULES:
76 ... 55868
89 ... 57369
91 ... 57369

49 CFR
10 ... 57361
107 ... 56442
174 ... 57433
310 ... 55645
571 ... 56667, 56898
1010 ... 56668
1033 ... 55860, 56443, 56444, 56898, 57433
1125 ... 57639
PROPOSED RULES:
393 ... 57369
557 ... 56926
567 ... 55665
568 ... 55665
571 ... 55665, 56920, 56928
579 ... 56930
1108 ... 57465

50 CFR
28 ... 56444, 56445, 56669, 57218, 57220, 57459–57461
33 ... 55860, 56446, 57363
216 ... 56899
280 ... 57461
PROPOSED RULES:
17 ... 57221
510 ... 55679

FEDERAL REGISTER PAGES AND DATES—DECEMBER

Pages	*Date*
55633–55828	1
55829–56420	2
56421–56649	3
56651–56882	4
56883–57193	5
57195–57349	8
57351–57432	9
57433–57639	10

reminders

(The items in this list were editorially compiled as an aid to FEDERAL REGISTER users. Inclusion or exclusion from this list has no legal significance. Since this list is intended as a reminder, it does not include effective dates that occur within 14 days of publication.)

Rules Going Into Effect Today

FMC—Truck detention at the port of New York 52385; 11–10–75

HEW/SRS—Grant appeals; review of post-award disputes 51443; 11–5–75

USDA/APHIS—Labeling, marking devices, and containers; poultry products inspection regulations; jar closure requirements 20369; 6–10–74

Next Week's Deadlines for Comments On Proposed Rules

AGRICULTURE DEPARTMENT

Animal and Plant Health Inspection Service—

Swine brucellosis; comments by 12–17–75 ... 48697; 10–17–75

COST ACCOUNTING STANDARDS BOARD

Contract coverage; proposed exemption; comments by 12–17–75 ..... 53271; 11–17–75

DEFENSE DEPARTMENT

Engineers Corps—

Flood control and navigation; use of storage; comments by 12–15–75. 54799; 11–26–75

ENVIRONMENTAL PROTECTION AGENCY

Air quality implementation plans:

Maryland; comments by 12–19–75. 53595; 11–19–75

Virginia; comments by 12–19–75. 53595; 11–19–75

Offshore segment of the oil and gas extraction point source category; comment period extended to 12–15–75 ..... 52857; 11–13–75

Preparation of environmental impact statements for new source NPDES permits; comments by 12–19–75. 55868; 12–2–75

FEDERAL COMMUNICATIONS COMMISSION

Air traffic control frequencies; availability to aeronautical utility mobile stations; comments by 12–15–75; reply comments by 12–26–75 ... 52744; 11–12–75

Cable television system; order extending time regarding signal strength contours; comments by 12–15–75 and reply comments by 1–12–76. 53407; 11–18–75

Table of assignments for FM broadcast stations in Wisconsin; comments by 12–19–75 ..... 51482; 11–5–75

FEDERAL POWER COMMISSION

Statements and reports; revision of steam-electric plant and water quality control data; comments by 12–15–75. 54828; 11–26–75

FEDERAL TRADE COMMISSION

Health spas; comments by 12–19–75. 49801; 10–24–75

HEALTH, EDUCATION, AND WELFARE DEPARTMENT

Education Office—

Exemplary projects in vocational education; criteria for selection of applicants for fiscal year 1976; comments by 12–15–75 ..... 52962; 11–13–75

INTERIOR DEPARTMENT

Indian Affairs Bureau—

Financial assistance and social services program; establishment of new part; comments by 12–17–75. 53403; 11–18–75

LABOR DEPARTMENT

Employee Benefits Security Office—

Annual reporting requirements for employee benefit plans; comments by 12–19–75 .... 53710; 11–19–75

Occupational Safety and Health Administration—

Exposure to trichloroethylene; comments by 12–19–75 ..... 49040; 10–20–75

LEGAL SERVICES CORPORATION

State advisory councils; appointment and function; comments by 12–17–75 ..... 53272; 11–17–75

SECURITIES AND EXCHANGE COMMISSION

Information filed with Commission; confidential treatment; comments by 1–2–76 ..... 54773; 11–26–75

TRANSPORTATION DEPARTMENT

Federal Aviation Administration—

Airworthiness directives; Sargent Industries, Pico Division Regulator; comments by 12–19–75 ... 53044; 11–14–75

Airworthiness directives; Lockheed Model 382 series; comments by 12–15–75 ..... 50544, 50545; 10–30–75

Federal airway segments; revocation; comments by 12–15–75 ... 53045; 11–14–75

Federal airway segments, transition areas, and control zones; proposed alterations and designations; comments by 12–17–75. 53270–53271; 11–17–75

Lockheed-California Company, Model L–1011–385 Series airplanes; airworthiness directives; comments by 12–16–75 .... 52744; 11–12–75

Restricted areas; alteration; comments by 12–15–75 ..... 53045; 11–14–75

Transition area, Beaufort, N.C., alteration and designation; comments by 12–19–75 ..... 53594; 11–19–75

National Highway Traffic Safety Administration—

Bus air brake systems; amendment of Standard No. 121; comments by 12–15–75 ..... 52856; 11–13–75

TREASURY DEPARTMENT

Customs Service—

Customs field organization; proposed change in Customs Region VI; comments by 12–17–75 ..... 53261; 11–17–75

Internal Revenue Service—

Income tax; extension of period for replacing principal residence for purposes of nonrecognition of gain; comments by 12–15–75 .... 53035; 11–14–75

Income tax; limitations on percentage depletion in the case of oil and gas wells; extension of time for comments to 12–17–75 .... 53261; 11–17–75

Nonbank trustees of pension and profit-sharing trusts benefiting owner-employees; comments by 12–15–75 ..... 48514; 10–16–75

Qualified benefit plans are not decreased due to certain social security increases; comments by 12–15–75 ..... 48361; 10–15–75

Trustees of individual retirement accounts; comments by 12–19–75. 53593; 11–19–75

Use of custodial accounts and annuity contracts under qualified pension, profit-sharing, and stock bonus plans, comments by 12–15–75 ..... 48517; 10–16–75

VETERANS ADMINISTRATION

Privacy Act of 1975, safeguarding of personal information; comments by 12–19–75 ..... 53598; 11–19–75

Next Week's Meetings

AGRICULTURE DEPARTMENT

Economic Research Service—

National Cotton Marketing Study Committee; to be held in Memphis, Tenn. (open), 12–16–75 ... 54850; 11–26–75

Forest Service—

Gila National Forest Grazing Advisory Board; to be held in Silver City, New Mexico (open), 12–18–75. 54595; 11–25–75

Oregon Dunes National Recreation Area Advisory Council; to be held in Corvallis, Oregon (open), 12–15–75 ..... 54018; 11–20–75

CIVIL RIGHTS COMMISSION

District of Columbia Advisory Committee (open), 12–16–75 ..... 52659; 11–11–75

Kentucky Advisory Committee; to be held in Louisville, Kentucky (open), 12–18–75 ..... 56474; 12–3–75

Minnesota Advisory Committee; to be held in St. Paul, Minnesota (open), 12–18–75 ..... 56475; 12–3–75

CIVIL SERVICE COMMISSION
Federal Employees Pay Council; to be held in Washington, D.C. (closed), 12–17–75 ..... 55896; 12–2–75

COMMERCE DEPARTMENT
National Oceanic and Atmospheric Administration—
Marine Fisheries Advisory Committee Ad Hoc Subcommittee on the NOAA role in implementation of the U.S. v. Washington ("the Boldt Decision"); to be held in Seattle, Washington (open), 12–16–75. 54600; 11–25–75
Marine Petroleum and Minerals Advisory Committee Deep Ocean Mining Environmental Study Advisory Panel; to be held in Seattle, Wash. (open with restrictions), 12–16–75 ..... 52877; 11–13–75

COMMODITY FUTURES TRADING COMMISSION
Definition and Regulation of Market Instruments Futures Advisory Committee, Forward and Leverage Contracts Subcommittee; to be held in Washington, D.C. (open), 12–16–75. 55698; 12–1–75

DEFENSE DEPARTMENT
Air Force Department—
USAF Scientific Advisory Board; to be held in Washington, D.C. (closed), 12–15–75 ..... 53412; 11–18–75
Navy Department—
Academic Advisory Board, U.S. Naval Academy; to be held at Annapolis, Md., 12–15–75 ..... 47154; 10–8–75
Office of the Secretary—
Department of Defense Wage Committee; to be held at Washington, D.C. (closed), 12–16–75 ..... 52421; 11–10–75
Department of Defense Wage Committee; to be held at Washington, D.C. (closed), 12–23–75 ..... 52421; 11–10–75

ENVIRONMENTAL PROTECTION AGENCY
Motor vehicle pollution control; motorcycle regulations; to be held in Ann Arbor, Michigan (open), 12–18–75. 53074; 11–14–75

FEDERAL COMMUNICATIONS COMMISSION
Advisory Committee to Assist FCC Steering Committee in Preparation for 1979 ITU World Administrative Radio Conference; to be held in Washington, D.C. (open), 12–15–75 ..... 53421; 11–18–75
Joint Industry/Government Committee, Working Group F, on Broadcasting Satellites; to be held in Washington, D.C. (open), 12–17–75 ..... 55901; 12–2–75
Radio Technical Commission for Marine Services; to be held in Washington, D.C. (open), 12–17 and 12–18–75. 55901; 12–2–75

FEDERAL ENERGY ADMINISTRATION
Consumer Affairs/Special Impact Advisory Committee; to be held in Washington, D.C. (open), 12–18–75. 55903; 12–2–75
Electric Utilities Advisory Committee; to be held in Washington, D.C. (open with restrictions), 12–17–75 ..... 53625; 11–19–75
Power plant productivity meeting; to be held in Boston, Mass. (open with restrictions), 12–16–75 ..... 53624; 11–19–75
Wholesale Petroleum Advisory Committee; to be held in Philadelphia, Penna. (open); 12–15–75 ..... 54608; 11–25–75

FEDERAL PREVAILING RATE ADVISORY COMMITTEE
To be held in Washington, D.C. (closed), 12–18–75 ..... 53439; 11–18–75

HEALTH, EDUCATION, AND WELFARE DEPARTMENT
Education Office—
Extension and Continuing Education, National Advisory Council on; to be held in Washington, D.C. (open with restrictions); 12–19–75. 56710; 12–4–75
Federal Programs Evaluation Committee of the National Advisory Council on Extension and Continuing Education; to be held in Washington, D.C. (open), 12–16–75 ..... 55694; 12–1–75
Food and Drug Administration—
Diagnostic Products Advisory Committee; to be held in Washington, D.C. (partially open), 12–18 and 12–19–75 ..... 53290; 11–17–75
Obstetrics and Gynecology Advisory Committee; to be held in Rockville, Md. (partially closed), 12–15 and 12–16–75 ..... 53290; 11–17–75
Panel Chairmen for Bureau of Medical Devices and Diagnostic Products; to be held in Washington, D.C. (partially closed), 12–19–75. 53291; 11–17–75
Panel on Review of Antiperspirant Drug Products; to be held in Rockville, Md. (partially closed), 12–18 and 12–19–75 ..... 53291; 11–17–75
Panel on Review of Cold, Cough, Allergy, Bronchodilator, and Antiasthmatic Drugs; to be held in Washington, D.C. (partially closed), 12–17 thru 12–19–75 ..... 53290; 11–17–75
Panel on Review of Dental Devices; to be held in Washington, D.C. (partially closed), 12–16 and 12–17–75 ..... 53290; 11–17–75
Panel on Review of Viral Vaccines and Rickettsial Vaccines; to be held in Bethesda, Md. (partially closed), 12–18 and 12–19–75 ..... 53291; 11–17–75
Health Resources Administration—
U.S. National Committee on Vital and Health Statistics and Cooperative Health Statistics Advisory Committee, joint meeting; to be held in Orlando, Fla. (open), 12–18 and 12–19–75 ..... 53293; 11–17–75
National Institutes of Health—
Hypertension Task Force; to be held in Bethesda, Md. (open with restrictions), 12–19–75 ..... 53294; 11–17–75
Social Security Administration—
Supplemental Security Income Study Group, to be held in Baltimore, Md. (open), 12–18 and 12–19–75. 48707; 10–17–75

INTERNATIONAL TRADE COMMISSION
Certain electronic audio and other related equipment; to be held in Washington, D.C. (open with restrictions), 12–17–75 ..... 50752; 10–31–75

INTERIOR DEPARTMENT
Land Management Bureau—
Safford District Multiple Use Advisory Board; to be held in Safford, Arizona (open with restrictions), 12–19–75 ..... 52868; 11–13–75
Yuma District Multiple Use Advisory Board; to be held in Yuma, Arizona (open with restrictions), 12–17–75. 52869; 11–13–75
Office of the Secretary—
National Petroleum Council; to be held in Washington, D.C. (open with restrictions), 12–15–75. 53607; 11–19–75

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
Stratospheric Research Advisory Committee; to be held in Greenbelt, Md. 12–16 and 12–17–75 ..... 55907; 12–2–75

NATIONAL FOUNDATION FOR THE ARTS AND THE HUMANITIES
Advisory Committee; Education Panel; to be held in Washington, D.C. (closed), 12–15 and 12–16–75. 53440; 11–18–75
Education Panel; Advisory Committee; to be held in Washington, D.C. (closed), 12–18 and 12–19–75 ..... 53441; 11–18–75
Fellowship Panel Advisory Committee; to be held in Washington, D.C. (closed), 12–15, 12–17, and 12–19–75 ..... 51245; 11–4–75
Fellowships Panel; Advisory Committee; to be held in Washington, D.C. (closed), 12–15–75 ..... 53441; 11–18–75
Public Programs Panel; Advisory Committee; to be held in Washington, D.C. (closed), 12–15 and 12–16–75. 53441; 11–18–75
Visual Arts Advisory Panel; to be held in Washington, D.C. (closed), 12–15 and 12–16–75 ..... 54030; 11–20–75

NATIONAL SCIENCE FOUNDATION
Science for Citizens Program; to be held in Washington, D.C. (open with restrictions), 12–15–75..... 50756; 10–31–75
Science for Citizens Program; to be held in Boston, Mass. (open with restrictions), 12–16–75.. 50756; 10–31–75

PRESIDENT'S ADVISORY COMMITTEE ON REFUGEES
Resettlement Activities; to be held in Washington, D.C. (open), 12–17–75. 52771; 11–12–75

SECURITIES AND EXCHANGE COMMISSION
National Market Advisory Board; to be held in Washington, D.C. (open), 12–15 and 12–16–75..... 46368; 10–7–75

TRANSPORTATION DEPARTMENT
Federal Aviation Administration—
U.S. Advisory Committee on Obstacle Clearance Requirements; to be held at Washington, D.C. (open), 12–16–75..... 52658; 11–11–75
Saint Lawrence Seaway Development Corporation—
Advisory Board; to be held in Washington, D.C. (open), 12–19–75. 55891; 12–2–75

TREASURY DEPARTMENT
Office of the Secretary—
Reform of the International Monetary System Advisory Committee; to be held in Washington, D.C. (closed), 12–16–75..... 55681; 12–1–75

U.S. RAILROAD RETIREMENT BOARD
Actuarial Advisory Committee; to be held in Chicago, Ill. (open), 12–15–75. 52894; 11–13–75

VETERANS ADMINISTRATION
Veterans Administration Wage Committee; to be held in Wash., D.C. (closed), 12–18–75 ..... 44208; 9–25–75

Next Week's Public Hearings

CIVIL AERONAUTICS BOARD
Boston-Atlanta nonstop service case; to be held in Washington, D.C., 12–15–75..... 53619; 11–19–75

ENVIRONMENTAL PROTECTION AGENCY
Control of air pollution from aircraft and aircraft engines to be held in Washington, D.C., 12–16 and 12–17–75. 52081; 11–7–75
Ohio; air pollution control; implementation plan for the control of sulfur dioxide; hearing to be held in Cincinnati, Ohio (open with restrictions), 12–18–75..... 53421; 11–18–75

HEALTH, EDUCATION, AND WELFARE DEPARTMENT
Administration on Aging—
Nevada, Fiscal Year 1975 State plan; to be held in Carson City, Nev., 12–19–75..... 53608; 11–19–75

HOUSING AND URBAN DEVELOPMENT DEPARTMENT
Office of Interstate Land Sales Registration—
Ranchos De Placitas, hearing to be held in Washington, D.C., 12–15–75. 52430; 11–10–75

TRANSPORTATION DEPARTMENT
Federal Aviation Administration—
Airport noise policy; to be held in New York, N.Y.; 12–15 and 12–16–75..... 48961; 10–20–75

TREASURY DEPARTMENT
Internal Revenue Service—
Employment taxes; invalid and questionable withholding exemption certificates; to be held in Washington, D.C., 12–19–75.. 53037; 11–14–75

List of Public Laws

NOTE: No acts approved by the President were received by the Office of the Federal Register for inclusion in today's LIST OF PUBLIC LAWS.

rules and regulations

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each month.

Title 49—Transportation

CHAPTER I—MATERIALS TRANSPORTATION BUREAU, DEPARTMENT OF TRANSPORTATION

[Docket No. HM-102; Amdt. No. 174-19]

PART 174—CARRIERS BY RAIL FREIGHT

Placarding of Tank Cars Containing Combustible Liquids

On January 24, 1974, the Hazardous Materials Regulations Board (the Board) published Amendment 174-19 (39 FR 2768) setting forth in Part 174 of the Department's Hazardous Materials Regulations certain new requirements pertaining to the placarding of tank cars and portable tanks (when transported by rail freight) containing combustible liquids. In response to petitions for reconsideration, Amendment No. 173-78A was published (40 FR 22263) on May 22, 1975, containing revisions to regulations published on January 24, 1974. In addition, this latter amendment and a subsequent publication on June 12, 1975 (40 FR 25024), extended the effective date of the new regulations, including those pertaining to the placarding of tank cars and portable tanks containing combustible liquids, to January 1, 1976. In each case, although immediate voluntary compliance was authorized with respect to other matters covered by the new regulations it was not authorized relative to the placarding of tank cars containing combustible liquids.

One portion of these new regulations which has generated concern is the requirement to placard tank cars containing combustible liquids with "Dangerous" placards. There are a number of operating requirements in Part 174 pertaining to tank cars placarded "Dangerous" that are not intended to apply to tank cars containing combustible liquids. Until a distinctive "Dangerous" placard for combustible liquids is prescribed, implementation of this requirement could cause confusion. In consideration of the fact that an unnecessary burden could be imposed if the placarding requirements pertaining to combustible liquids transported by railroad become effective on January 1, 1976, and that action to establish distinctive "Dangerous" placards for tank cars containing combustible liquids will be taken by the Bureau in amendments to be published under Dockets HM-103 and HM-112, the Bureau believes that the compliance date of Amendment No. 174-19 should be deferred.

In consideration of the foregoing, the effective date for compliance with §§ 174.541 and 174.584 under Amendment No. 174-19 as they pertain to the documentation and placarding of cars containing combustible liquids is changed from January 1, 1976, to January 1, 1977. Use of "Dangerous" placards on cars containing materials classed combustible is not authorized until January 1, 1977, or such earlier date as the Bureau may designate in connection with regulations to be issued under Dockets HM-103 and HM-112.

(AUTHORITY: (18 U.S.C. 831-835, 49 CFR 1.53(e)-(h).)

Issued in Washington, D.C., on December 4, 1975.

JAMES T. CURTIS, Jr.,
Director,
Materials Transportation Bureau.

[FR Doc.75-33126 Filed 12-9-75;8:45 am]

CHAPTER X—INTERSTATE COMMERCE COMMISSION

SUBCHAPTER A—GENERAL RULES AND REGULATIONS

[Service Order No. 1221-A]

PART 1033—CAR SERVICE

Railroad Operating Regulations for Freight Car Movement

DECEMBER 5, 1975.

At a session of the Intertsate Commerce Commission, Railroad Service Board, held in Washington, D.C., on the 3rd day of December, 1975.

Upon further consideration of Service Order No. 1221 (40 F.R. 50537), and good cause appearing therefor:

It is ordered, That: Section 1033.1221 *Railroad Operating Regulations for Freight Car Movement* be, and it is hereby, vacated and set aside.

§ 1033.1221 [Reserved]

(Secs. 1, 12, 15, and 17(2), 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15, and 17(2). Interprets or applies Secs. 1(10-17), 15(4) and 17(2), 40 Stat. 101, as amended, 54 Stat. 911; 49 U.S.C. 1(10-17), 15(4) and 17(2).)

It is further ordered, That this order shall become effective at 11:59 p.m., December 5, 1975; that copies of this order and direction shall be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and car hire agreement under the terms of that agreement, and upon the American Short Line Railroad Association; and that notice of this order shall be given to the general public by depositing a copy in the Office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Railroad Service Board.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc. 75-33261 Filed 12-9-75;8:45 am]

[Revised Service Order No. 1223-A]

PART 1033—CAR SERVICE

Distribution of Covered Hopper Cars

DECEMBER 5, 1975.

At a Session of the Interstate Commerce Commission, Division 3, held in Washington, D.C., on the 4th day of December, 1975.

Upon further consideration of Revised Service Order No. 1223 (40 F.R. 54796), and good cause appearing therefor:

It is ordered, That: § 1033.1223 *Distribution of Covered Hopper Cars* be, and it is hereby vacated and set aside.

§ 1033.1223 [Reserved]

(Secs. 1, 12, 15, and 17(2), 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15, and 17(2). Interprets or applies Secs. 1(10-17), 15(4) and 17(2), 40 Stat. 101, as amended, 54 Stat. 911; 49 U.S.C. 1(10-17), 15(4), and 17(2))

It is further ordered, That this order shall become effective at 11:59 p.m., December 5, 1975; that copies of this order and direction shall be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and car hire agreement under the terms of that agreement, and upon the American Short Line Railroad Association; and that notice of this order shall be given to the general public by depositing a copy in the Office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Division 3.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.75-33262 Filed 12-9-75;8:45 am]

[Service Order No. 1224-A]

PART 1033—CAR SERVICE

Distribution of Grain Cars

DECEMBER 5, 1975.

At a Session of the Interstate Commerce Commission, Railroad Service Board, held in Washington, D.C., on the 3rd day of December, 1975.

Upon further consideration of Service Order No. 1224 (40 F.R. 52611), and good cause appearing therefor:

It is ordered, That: § 1033.1224 *Distribution of Grain Cars* be, and it is hereby, vacated and set aside.

§ 1033.1224 [Reserved]

(Secs. 1, 12, 15, and 17(2), 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15, and 17(2). Interprets or applies Secs. 1(10-17), 15(4) and 17(2), 40 Stat. 101, as amended, 54 Stat. 911; 49 U.S.C. 1(10-17), 15(4), and 17(2).)

It is further ordered, That this order shall become effective at 11:59 p.m., December 5, 1975; that copies of this order and direction shall be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and car hire agreement under the terms of that agreement, and upon the American Short Line Railroad Association; and that notice of this order shall be given to the general public by depositing a copy in the Office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Railroad Service Board.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.75-33263 Filed 12-9-75;8:45 am]

Title 7—Agriculture

CHAPTER II—FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

PART 271—PARTICIPATION OF STATE AGENCIES AND ELIGIBLE HOUSEHOLDS

Food Stamp Program

The FEDERAL REGISTER of December 1, 1975 (40 FR 55655) sets forth as an Appendix to Part 271, the "Maximum Monthly Allowable Standards and Basis of Coupon Issuance" for the Food Stamp Program for the 48 States and District of Columbia, to be effective January 1, 1976. Such Appendix is hereby designated as "Appendix A."

Part 271 is further amended by adding the following Appendices B–F containing the "Maximum Monthly Allowable Standards and Basis of Coupon Issuance" for the Food Stamp Program for Alaska, Hawaii, Puerto Rico, the Virgin Islands, and Guam to be effective January 1, 1976.

Dated: December 4, 1975.

RICHARD L. FELTNER,
Assistant Secretary.

[FR Doc.75-33101 Filed 12-9-75;8:45 am]

PART 271—PARTICIPATION OF STATE AGENCIES AND ELIGIBLE HOUSEHOLDS

Food Stamp Program

Part 271 is amended by adding an appendix as follows:

APPENDIX B

[FSP No. 1976-2.1, Amdt. 72]

Maximum Monthly Allowable Income Standards and Basis of Coupon Issuance—Alaska.

Notice FSP No. 1975-2.2, which was issued pursuant to a part of Subchapter C—Food Stamp Program, under Title 7, Chapter II, Code of Federal Regulations, is superseded, effective January 1, 1976, by this Notice FSP No. 1976-2.1.

Section 7(a) of the Food Stamp Act, as amended, requires that the value of the coupon allotment be adjusted semi-annually by the nearest increment that is a multiple of two to reflect changes in the prices of food published by the Bureau of Labor Statistics.

Prior to the amendment to the Act, requiring semi-annual adjustment of the value of the coupon allotment, the adjustments were made at the beginning of each fiscal year, i.e., in July based on the cost of the economy food plan in the preceding December. With the enactment of the semi-annual adjustment, the law specified that the first adjustment be made in January 1974 to reflect changes in food prices through August 1973. Similar procedures have been used for subsequent semi-annual adjustments; i.e., the July adjustment based on the cost of the food plan in the preceding February and the January adjustment based on the cost of the food plan in the preceding August, as required by the Act. The income standards and coupon allotments set forth below are based on the allotment table adopted for the continental United States, adjusted for the cost of food in Alaska in August 1975.

Households in which all members are included in the federally-aided public assistance grant, general assistance grant, or supplemental security income benefit shall be determined to be eligible to participate in the program while receiving such grants without regard to the income and resources of the household members.

The maximum allowable income standards for determining eligibility of all other applicant households, including those in which some members are recipients of federally-aided public assistance, general assistance, or supplemental security income benefit, in Alaska, shall be as follows:

Household Size:	*Maximum Allowable Monthly Income standards—Alaska*
1	[1] $254
2	413
3	587
4	747
5	887
6	1,067
7	1,173
8	1,347
Each additional member	+167

[1] USDA poverty guideline.

"Income" as the term is used in the notice is as defined in paragraph (c) of § 271.3 of the Food Stamp Program Regulations.

Pursuant to section 7 (a) and (b) of the Food Stamp Act, as amended, (7 U.S.C. 2016, Public Law 91-671), the face value of the monthly coupon allotment which the State agency is authorized to issue to any household certified as eligible to participate in the Program and the amount charged for the monthly coupon allotment in Alaska are as follows:

Monthly coupon allotments and purchase requirements—Alaska

Monthly net income	For a household of— 1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons
	The monthly coupon allotment is— $68	$124	$176	$224	$266	$320	$352	$404
	And the monthly purchase requirement is—							
$0 to $19.99	0	0	0	0	0	0	0	0
$20 to $29.99	1	1	0	0	0	0	0	0
$30 to $39.99	4	4	4	4	5	5	5	5
$40 to $49.99	6	7	7	7	8	8	8	8
$50 to $59.99	8	10	10	10	11	11	12	12
$60 to $69.99	10	12	13	13	14	14	15	16
$70 to $79.99	12	15	16	16	17	17	18	19
$80 to $89.99	14	18	19	19	20	21	21	22
$90 to $99.99	16	21	21	22	23	24	25	26
$100 to $109.99	18	23	24	25	26	27	28	29
$110 to $119.99	21	26	27	28	29	31	32	33
$120 to $129.99	24	29	30	31	33	34	35	36
$130 to $139.99	27	32	33	34	36	37	38	39
$140 to $149.99	30	35	36	37	39	40	41	42
$150 to $169.99	33	38	40	41	42	43	44	45
$170 to $189.99	39	44	46	47	48	49	50	51
$190 to $209.99	45	50	52	53	54	55	56	57
$210 to $229.99	51	56	58	59	60	61	62	63
$230 to $249.99	54	62	64	65	66	67	68	69
$250 to $269.99	54	68	70	71	72	73	74	75
$270 to $289.99		74	76	77	78	79	80	81
$290 to $309.99		80	82	83	84	85	86	87
$310 to $329.99		86	88	89	90	91	92	93
$330 to $359.99		92	94	95	96	97	98	99
$360 to $389.99		98	103	104	105	106	107	108
$390 to $419.99		98	112	113	114	115	116	117
$420 to $449.99		121	122	122	123	125	125	126
$450 to $479.99			130	131	132	133	134	135
$480 to $509.99			139	140	141	142	143	144
$510 to $539.99			148	149	150	151	152	153
$540 to $569.99			154	158	159	160	161	162
$570 to $599.99			154	167	168	169	170	171
$600 to $629.99				176	177	178	179	180
$630 to $659.99				185	186	187	188	189
$660 to $689.99				194	195	196	197	198
$690 to $719.99				196	204	205	206	207
$720 to $749.99				196	213	214	215	216
$750 to $779.99					222	223	224	225
$780 to $809.99					231	232	233	234
$810 to $839.99					234	241	242	243
$840 to $869.99					234	250	251	252
$870 to $899.99					234	259	260	261
$900 to $929.99						268	269	270
$930 to $959.99						277	278	279
$960 to $989.99						284	287	288
$990 to $1,019.99						284	296	297
$1,020 to 1,049.99						284	305	306
$1,050 to $1,079.99						284	312	315
$1,080 to $1,109.99							312	324
$1,110 to $1,139.99							312	333
$1,140 to $1,169.99							312	343
$1,170 to $1,199.99							312	351
$1,200 to $1,229.99								360
$1,230 to $1,259.99								360
$1,260 to $1,289.99								360
$1,290 to $1,319.99								360
$1,320 to $1,349.99								

For issuance to households of more than eight persons use the following formula:

A. *Value of the Total Allotment*—For each person in excess of eight, add $50 to the monthly coupon allotment for an eight-person household.

B. *Purchase Requirement*—1. Use the purchase requirement shown for the eight-person household for households with incomes of $1,229.99 or less per month.

2. For households with monthly income of $1,230 or more, use the following formula:

For each $30 worth or monthly income (or portion thereof) over $1,229.99, add $9 to the monthly purchase requirement shown for the eight-person household with an income of $1,229.99.

3. To obtain maximum monthly purchase requirements for households of more than eight persons, add $28 for each person over eight to the maximum purchase requirement shown for an eight person household.

The total monthly coupon allotments for some households are not divisible by four. This results in total coupon allotments of uneven dollar amounts for those households which choose to purchase one-fourth or three-fourths of their total coupon allotment. For such households, the State agency shall round the face value of one-fourth or three-fourths of the total coupon allotments up to the next higher whole dollar amount and shall not change the purchase requirements for such allotments.

It is hereby certified that the economic and inflationary impacts of this proposed regulation have been carefully evaluated in accordance with Executive Order 11821.

Effective date. The provisions of this notice shall become effective on January 1, 1976.

(Catalog of Federal Domestic Assistance Programs No. 10,551, National Archives Reference Services)

Dated: December 4, 1975.

RICHARD L. FELTNER,
Assistant Secretary.

[FR Doc.75-33102 Filed 12-9-75;8:45 am]

PART 271—PARTICIPATION OF STATE AGENCIES AND ELIGIBLE HOUSEHOLDS

Food Stamp Program

Part 271 is amended by adding an appendix as follows:

APPENDIX C

[FSP No. 1976-3.1, Amdt. 73]

Maximum Monthly Allowable Income Standards and Basis of Coupon Issuance—Hawaii.

Notice FSP No. 1975-3.2 which was issued pursuant to a part of Subchapter C—Food Stamp Program under Title 7, Chapter II, Code of Federal Regulations, is superseded, effective January 1, 1976, by this Notice FSP No. 1976-3.1.

Section 7(a) of the Food Stamp Act, as amended, requires that the value of the coupon allotment be adjusted semi-annually by the nearest increment that is a multiple of two to reflect changes in the prices of food published by the Bureau of Labor Statistics.

Prior to the amendment to the Act requiring semi-annual adjustment of the value of the coupon allotment, the adjustments were made at the beginning of each fiscal year; i.e., in July based on the cost of the economy food plan in the preceding December. With the enactment of the semi-annual adjustment, the law specified that the first adjustment be made in January 1974 to reflect changes in food prices through August 1973. Similar procedures have been used for subsequent semi-annual adjustments; i.e., the July adjustment based on the cost of the food plan in the preceding February and the January adjustment based on the cost of the food plan in the preceding August, as required by the Act. The income standards and coupon allotments set forth below are based on the allotment table adopted for the continental United States, adjusted for the cost of food in Hawaii in August 1975.

Households in which all members are included in the federally-aided public assistance grant, general assistance grant, or supplemental security income benefit shall be determined to be eligible to participate in the program while receiving such grants without regard to the income and resources of the household members.

The maximum allowable income standards for determining eligibility of all other applicant households, including those in which some members are recipients of federally-aided public assistance, general assistance, or supplemental security income benefit, in Hawaii, shall be as follows:

Household Size:	*Maximum Allowable Monthly Income Standards—Hawaii*
1	[1] $240
2	400
3	573
4	727
5	860
6	1,033
7	1,147
8	1,307
Each additional member	+166

[1] USDA poverty guideline.

"Income" as the term is used in the notice is as defined in paragraph (c) of § 271.3 of the Food Stamp Program Regulations.

Pursuant to section 7 (a) and (b) of the Food Stamp Act, as amended, (7 U.S.C. 2016, Public Law 91-671), the face value of the monthly coupon allotment which the State agency is authorized to issue to any household certified as eligible to participate in the Program and the amount charged for the monthly coupon allotment in Hawaii are as follows:

Monthly coupon allotments and purchase requirements—Hawaii

Monthly net income	For a household of— 1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons
	The monthly coupon allotment is— $60	$120	$172	$218	$258	$310	$344	$392
	And the monthly purchase requirement is—							
$0 to $19.99	0	0	0	0	0	0	0	0
$20 to $29.99	1	1	0	0	0	0	0	0
$30 to $39.99	4	4	4	4	5	5	5	5
$40 to $49.99	6	7	7	7	8	8	8	8
$50 to $59.99	8	10	10	10	11	11	12	12
$60 to $69.99	10	12	13	13	14	14	15	16
$70 to $79.99	12	15	16	16	17	17	18	19
$80 to $89.99	14	18	19	19	20	21	21	22
$90 to $99.99	16	21	21	22	23	24	25	26
$100 to $109.99	18	23	24	25	26	27	28	29
$110 to $119.99	21	26	27	28	29	31	32	33
$120 to $129.99	24	29	30	31	33	34	35	36
$130 to $139.99	27	32	33	34	36	37	38	39
$140 to $149.99	30	35	36	37	39	40	41	42
$150 to $169.99	33	38	40	41	42	43	44	45
$170 to $189.99	39	44	46	47	48	49	50	51
$190 to $209.99	45	50	52	53	54	55	56	57
$210 to $229.99	51	56	58	59	60	61	62	63
$230 to $249.99	52	62	64	65	66	67	68	69
$250 to $269.99		68	70	71	72	73	74	75
$270 to $289.99		74	76	77	78	79	80	81
$290 to $309.99		80	82	83	84	85	86	87
$310 to $329.99		86	88	89	90	91	92	93
$330 to $359.99		92	94	95	96	97	98	99
$360 to $389.99		92	103	104	105	106	107	108
$390 to $419.99		92	112	113	114	115	116	117
$420 to $449.99			121	122	123	124	125	126
$450 to $479.99			130	131	132	133	134	135
$480 to $509.99			139	140	141	142	143	144
$510 to $539.99			148	149	150	151	152	153
$540 to $569.99			150	158	159	160	161	162
$570 to $599.99			150	167	168	169	170	171
$600 to $629.99				176	177	178	179	180
$630 to $659.99				185	186	187	188	189
$660 to $689.99				190	195	196	197	198
$690 to $719.99				190	204	205	206	207
$720 to $749.99				190	213	214	215	216
$750 to $779.99					222	223	224	225
$780 to $809.99					226	232	233	234
$810 to $839.99					226	241	242	243
$840 to $869.99					226	250	251	252
$870 to $899.99						259	260	261
$900 to $929.99						268	269	270
$930 to $959.99						274	278	279
$960 to $989.99						274	287	288
$990 to $1,019.99						274	296	297
$1,020 to $1,049.99						274	304	306
$1,050 to $1,079.99							304	315
$1,080 to $1,109.99							304	324
$1,110 to $1,139.99							304	333
$1,140 to $1,169.99							304	342
$1,170 to $1,199.99								348
$1,200 to $1,229.99								348
$1,230 to $1,259.99								348
$1,260 to $1,289.99								348
$1,290 to $1,319.99								348

For issuance to households of more than eight persons use the following formula:

A. *Value of the Total Allotment*—For each person in excess of eight, add $50 to the monthly coupon allotment for an eight-person household.

B. *Purchase Requirement*—1. Use the purchase requirement shown for the eight-person household for households with incomes of $1,169.99 or less per month.

2. For households with monthly income of $1,170 or more, use the following formula:

For each $30 worth of monthly income (or portion thereof) over $1,169.99, add $9 to the monthly purchase requirement shown for the eight-person household with an income of $1,169.99.

3. To obtain maximum monthly purchase requirements for households of more than eight persons, add $46 for each person over eight to the maximum purchase requirement shown for an eight-person household.

The total monthly coupon allotments for some households are not divisible by four. This results in total coupon allotments of uneven dollar amounts for those households which choose to purchase one-fourth or three-fourths of their total coupon allotment. For such households, the State agency shall round the face value of one-fourth or three-fourths of the total coupon allotments up to the next higher whole dollar amount and shall not change the purchase requirements for such allotments.

It is hereby certified that the economic and inflationary impacts of this proposed regulation have been carefully evaluated in accordance with Executive Order 11821.

Effective date. The provisions of this notice shall become effective on January 1, 1976.

(Catalog of Federal Domestic Assistance Programs No. 10.551, National Archives Reference Services)

Dated: DECEMBER 4, 1975.

RICHARD L. FELTNER,
Assistant Secretary.

[FR Doc.75-33103 Filed 12-9-75;8:45 am]

PART 271—PARTICIPATION OF STATE AGENCIES AND ELIGIBLE HOUSEHOLDS

Food Stamp Program

Part 271 is amended by adding an appendix as follows:

APPENDIX D

[FSP No. 1976-4.1, Amdt. 74]

Maximum Monthly Allowable Income Standards and Basis of Coupon Issuance—Puerto Rico.

Notice FSP No. 1975-4.2, issued pursuant to a part of Subchapter C—Food Stamp Program, under Title 7, Chapter II, Code of Federal Regulations, is superseded, effective January 1, 1976, by this Notice FSP No. 1976-4.1.

Section 5(b) of the Food Stamp Act requires the establishment of special standards of eligibility and coupon allotment schedules, not to exceed those in the fifty States, which reflect the average per capita income and cost of obtaining a nutritionally adequate diet in Puerto Rico.

Section 7(a) of the Food Stamp Act, as amended, requires that the value of the coupon allotment be adjusted semi-annually by the nearest increment that is a multiple of two to reflect changes in the prices of food published by the Bureau of Labor Statistics.

Prior to the amendment to the Act requiring semi-annual adjustment of the value of the coupon allotment, the adjustments were made at the beginning of each fiscal year; i.e., in July based on the cost of the economy food plan in the preceding December. With the enactment of the semi-annual adjustment, the law specified that the first adjustment be made in January 1974 to reflect changes in food prices through August 1973. Similar procedures have been used for subsequent semi-annual adjustments; i.e., the July adjustment based on the cost of the food plan in the preceding February and the January adjustment based on the cost of the food plan in the preceding August, as required by the Act. The income standards and coupon allotments set forth below are based on the allotment table adopted for the continental United States, adjusted for the cost of food in Puerto Rico in August 1975.

Households in which all members are included in the federally-aided public assistance or general assistance grant shall be determined to be eligible to participate in the program while receiving such grants without regard to the income and resources of the household members.

The maximum allowable income standards for determining eligibility of all other applicant households, including those in which some members are recipients of federally-aided public assistance or general assistance, in Puerto Rico, shall be as follows:

Household Size:	*Maximum Allowable Monthly Income Standards—Puerto Rico*
1	[1] $215
2	307
3	433
4	553
5	660
6	787
7	873
8	993
Each additional member	+127

[1] USDA poverty guideline.

"Income" as the term is used in the notice is as defined in paragraph (c) of § 271.3 of the Food Stamp Program Regulations.

Pursuant to section 7 (a) and (b) of the Food Stamp Act, as amended, (7 U.S.C. 2016, Public Law 91-671), the face value of the monthly coupon allotment which the State agency is authorized to issue to any household certified as eligible to participate in the Program and the amount charged for the monthly coupon allotment in Puerto Rico are as follows:

Monthly coupon allotments and purchase requirements—Puerto Rico

Monthly net income	For a household of— 1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons
	The monthly coupon allotment is—							
	$50	$92	$130	$166	$198	$236	$262	$298
	And the monthly purchase requirement is—							
$0 to $19.99	0	0	0	0	0	0	0	0
$20 to $29.99	1	1	0	0	0	0	0	0
$30 to $39.99	4	4	4	4	5	5	5	5
$40 to $49.99	6	7	7	7	8	8	8	8
$50 to $59.99	8	10	10	10	11	11	12	12
$60 to $69.99	10	12	13	13	14	14	15	16
$70 to $79.99	12	15	16	16	17	17	18	19
$80 to $89.99	14	18	19	19	20	21	21	22
$90 to $99.99	16	21	21	22	23	24	25	26
$100 to $109.99	18	23	24	25	26	27	28	29
$110 to $119.99	21	26	27	28	29	31	32	33
$120 to $129.99	24	29	30	31	33	34	35	36
$130 to $139.99	27	32	33	34	36	37	38	39
$140 to $149.99	30	35	36	37	39	40	41	42
$150 to $159.99	33	38	40	41	42	43	44	45
$160 to $169.99	36	44	46	47	48	49	50	51
$170 to $179.99	38	50	52	53	54	55	56	57
$180 to $189.99	38	56	58	59	60	61	62	63
$190 to $199.99	40	62	64	65	66	67	68	69
$200 to $209.99		68	70	71	72	73	74	75
$210 to $219.99		72	76	77	78	79	80	81
$220 to $229.99		72	82	83	84	85	86	87
$230 to $239.99			88	89	90	91	92	93
$240 to $249.99			94	95	96	97	98	99
$250 to $259.99			102	104	105	106	107	108
$260 to $269.99			111	113	114	115	116	117
$270 to $279.99			112	122	123	124	125	126
$280 to $289.99				131	132	133	134	135
$290 to $299.99				140	141	142	143	144
$300 to $309.99				142	150	151	152	153
$310 to $319.99				142	159	160	161	162
$320 to $329.99					168	169	170	171
$330 to $339.99					170	178	179	180
$340 to $349.99					170	187	188	189
$350 to $359.99					170	196	197	198
$360 to $369.99						204	206	207
$370 to $379.99						204	215	216
$380 to $389.99						204	224	225
$390 to $399.99						204	226	234
$400 to $409.99							226	243
$410 to $419.99							226	252
$420 to $429.99							226	258
$430 to $439.99								258
$440 to $449.99								258
$450 to $459.99								258
$460 to $469.99								258
$470 to $479.99								258
$480 to $489.99								258
$490 to $499.99								258
$500 to $509.99								258
$510 to $519.99								258
$520 to $529.99								258
$530 to $539.99								258
$540 to $549.99								258
$550 to $559.99								258
$560 to $569.99								258
$570 to $579.99								258
$580 to $589.99								258
$590 to $599.99								258
$600 to $609.99								258
$610 to $619.99								258
$620 to $629.99								258
$630 to $639.99								258
$640 to $649.99								258
$650 to $659.99								258
$660 to $669.99								258
$670 to $679.99								258
$680 to $689.99								258
$690 to $699.99								258
$700 to $709.99								258
$710 to $719.99								258
$720 to $729.99								258
$730 to $739.99								258
$740 to $749.99								258
$750 to $759.99								258
$760 to $769.99								258
$770 to $779.99								258
$780 to $789.99								258
$790 to $799.99								258
$800 to $809.99								258
$810 to $819.99								258
$820 to $829.99								258
$830 to $839.99								258
$840 to $849.99								258
$850 to $859.99								258
$860 to $869.99								258
$870 to $879.99								258
$880 to $889.99								258
$890 to $899.99								258
$900 to $909.99								258
$910 to $919.99								258
$920 to $929.99								258
$930 to $939.99								258
$940 to $949.99								258
$950 to $959.99								258
$960 to $969.99								258
$970 to $979.99								258
$980 to $989.99								258
$990 to $1,019.99								258

For issuance to households of more than eight persons use the following formula:

A. *Value of the Total Allotment*—For each person in excess of eight, add $38 to the monthly coupon allotment for an eight-person household.

B. *Purchase Requirement*—1. Use the purchase requirement shown for the eight-person household for households with incomes of $869.99 or less per month.

2. For households with monthly incomes of $870 or more, use the following formula:

For each $30 worth of monthly income (or portion thereof) over $869.99, add $9 to the monthly purchase requirement for an eight-person household with an income of $869.99.

3. To obtain maximum monthly purchase requirements for households of more than eight persons, add $34 for each person over eight to the maximum purchase requirement shown for an eight-person household.

The total monthly coupon allotments for some households are not divisible by four. This results in total coupon allotments of uneven dollar amounts for those households which choose to purchase one-fourth or three-fourths of their coupon allotment. For such households, the State agency shall round the face value of one-fourth or three-fourths of the total coupon allotment up to the next higher whole dollar amount and shall not change the purchase requirement for such allotment.

It is hereby certified that the economic and inflationary impacts of this proposed regulation have been carefully evaluated in accordance with Executive Order 11821.

Effective date. The provisions of this notice shall become effective on January 1, 1976.

(Catalog of Federal Domestic Assistance Programs, No. 10.551, National Archives Reference Services)

Dated: December 4, 1975.

RICHARD L. FELTNER,
Assistant Secretary.

[FR Doc.75-33104 Filed 12-9-75;8:45 am]

PART 271—PARTICIPATION OF STATE AGENCIES AND ELIGIBLE HOUSEHOLDS

Food Stamp Program

Part 271 is amended by adding an appendix as follows:

APPENDIX E

[FSP No. 1976-5.1, Amdt. 75]

Maximum Monthly Allowable Income Standards and Basis of Coupon Issuance—Virgin Islands.

Notice FSP No. 1975-5.2 which was issued pursuant to a part of Subchapter C—Food Stamp Program, under Title 7, Chapter II, Code of Federal Regulations, is superseded, effective January 1, 1976, by this Notice FSP No. 1976-5.1.

Section 5(b) of the Food Stamp Act requires the establishment of special standards of eligibility and coupon allotment schedules, not to exceed those in the fifty States, which reflect the average per capita income and cost of obtaining a nutritionally adequate diet in the Virgin Islands.

Section 7(a) of the Food Stamp Act, as amended, requires that the value of the coupon allotment be adjusted semi-annually by the nearest increment that is a multiple of two to reflect changes in the prices of food published by the Bureau of Labor Statistics. Under this provision, the prices of food did not increase enough for the basic 4-person household to require a change in the allotments for household sizes 1 through 5. Changes in economies of scale resulted in increases for the larger size households.

Prior to the amendment to the Act requiring semi-annual adjustment of the value of the coupon allotment, the adjustments were made at the beginning of each fiscal year; i.e., in July based on the cost of the economy food plan in the preceding December. With the enactment of the semi-annual adjustment, the law specified that the first adjustment be made in January 1974 to reflect changes in food prices through August 1973. Similar procedures have been used for subsequent semi-annual adjustments; i.e., the July adjustment based on the cost of the food plan in the preceding February and the January adjustment based on the cost of the food plan in the preceding August, as required by the Act. The income standards and coupon allotments set forth below are based on the allotment table adopted for the continental United States adjusted for the cost of food in the Virgin Islands in August 1975.

Households in which all members are included in the federally-aided public assistance grant or general assistance grant shall be determined to be eligible to participate in the program while receiving such grants without regard to the income and resources of the household members.

The maximum allowable income standards for determining eligibility of all other applicant households, including those in which some members are recipients of federally-aided public assistance or general assistance, in the Virgin Islands, shall be as follows:

Household Size:	*Maximum Allowable Monthly Income Standards—Virgin Islands*
1	[1] $215
2	373
3	533
4	680
5	807
6	967
7	1,073
8	1,227
Each additional member	+153

[1] USDA poverty guideline.

"Income" as the term is used in the notice is as defined in paragraph (c) of § 271.3 of the Food Stamp Program Regulations.

Pursuant to section 7 (a) and (b) of the Food Stamp Act, as amended, (7 U.S.C. 2016, Public Law 91-671), the face value of the monthly coupon allotment which the State agency is authorized to issue to any household certified as eligible to participate in the Program and the amount charged for the monthly coupon allotment in the Virgin Islands are as follows:

Monthly coupon allotments and purchase requirements—Virgin Islands

Monthly net income	For a household of— 1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons
	The monthly coupon allotment is—							
	$68	$124	$176	$224	$266	$320	$352	$404
	$62	$112	$160	$204	$242	$290	$322	$368
	And the monthly purchase requirement is—							
$0 to $19.99	0	0	0	0	0	0	0	0
$20 to $29.99	1	1	0	0	0	0	0	0
$30 to $39.99	4	4	4	4	5	5	5	5
$40 to $49.99	6	7	7	7	8	8	8	8
$50 to $59.99	8	10	10	10	11	11	12	12
$60 to $69.99	10	12	13	13	14	14	15	16
$70 to $79.99	12	15	16	16	17	17	18	19
$80 to $89.99	14	18	19	19	20	21	21	22
$90 to $99.99	16	21	21	22	23	24	25	26
$100 to $109.99	18	23	24	25	26	27	28	29
$110 to $119.99	21	26	27	28	29	31	32	33
$120 to $129.99	24	29	30	31	33	34	35	36
$130 to $139.99	27	32	33	34	36	37	38	39
$140 to $149.99	30	35	36	37	39	40	41	42
$150 to $159.99	33	38	40	41	42	43	44	45
$160 to $169.99	36	41	43	44	45	46	47	48
$170 to $189.99	39	44	46	47	48	49	50	51
$190 to $209.99	45	50	52	53	54	55	56	57
$210 to $229.99	48	56	58	59	60	61	62	63
$230 to $249.99		62	64	65	66	67	68	69
$250 to $269.99		68	70	71	72	73	74	75
$270 to $289.99		74	76	77	78	79	80	81
$290 to $309.99		80	82	83	84	85	86	87
$310 to $329.99		86	88	89	90	91	92	93
$330 to $359.99		86	94	95	96	97	98	99
$360 to $389.99		86	103	104	105	106	107	108
$390 to $419.99			112	113	114	115	116	117
$420 to $449.99			121	122	123	124	125	126
$450 to $479.99			130	131	132	133	134	135
$480 to $509.99			138	140	141	142	143	144
$510 to $539.99			138	149	150	151	152	153
$540 to $569.99				158	159	160	161	162
$570 to $599.99				167	168	169	170	171
$600 to $629.99				176	177	178	179	180
$630 to $659.99				176	186	187	188	189
$660 to $689.99				176	195	196	197	198
$690 to $719.99					204	205	206	207
$720 to $749.99					210	214	215	216
$750 to $779.99					210	223	224	225
$780 to $809.99					210	232	233	234
$810 to $839.99						241	242	243
$840 to $869.99						250	251	252
$870 to $899.99						254	260	261
$900 to $929.99						254	269	270
$930 to $959.99							278	279
$960 to $989.99							282	288
$990 to $1,019.99							282	297
$1,020 to $1,049.99							282	306
$1,050 to $1,079.99							282	315
$1,080 to $1,109.99								324
$1,110 to $1,139.99								324
$1,140 to $1,169.99								324
$1,170 to $1,199.99								324
$1,200 to $1,229.99								324

For issuance to households of more than eight persons use the following formula:

A. *Value of the Total Allotment*—For each person in excess of eight, add $46 to the monthly coupon allotment for an eight-person household.

B. *Purchase Requirement*—1. Use the purchase requirement shown for the eight-person household for households with incomes of $1,109.99 or less per month.

2. For households with monthly income of $1,110 or more, use the following formula:

For each $30 worth of monthly income (or portion thereof) over $1,109.99, add $9 to the monthly purchase requirement shown for the eight-person household with an income of $1,109.99.

3. To obtain maximum monthly purchase requirements for households of more than eight persons, add $42 for each person over eight to the maximum purchase requirement shown for an eight-person household.

The total monthly coupon allotments for some households are not divisible by four. This results in total coupon allotments of uneven dollar amounts for those households which choose to purchase one-fourth or three-fourths of their total coupon allotment. For such households, the State agency shall round the face value of one-fourth or three-fourths of the total coupon allotments up to the next higher whole dollar amount and shall not change the purchase requirements for such allotments.

It is hereby certified that the economic and inflationary impacts of this proposed regulation have been carefully evaluated in accordance with Executive Order 11821.

Effective date. The provisions of this notice shall become effective on January 1, 1976.

(Catalog of Federal Domestic Assistance Programs No. 10.551, National Archives Reference Services)

Dated: December 4, 1975.

RICHARD L. FELTNER,
Assistant Secretary.

[FR Doc.75-33105 Filed 12-9-75;8:45 am]

PART 271—PARTICIPATION OF STATE AGENCIES AND ELIGIBLE HOUSEHOLDS

Food Stamp Program

Part 271 is amended by adding an appendix as follows:

APPENDIX F

[FSP No. 1976-6.1, Amdt. 76]

Maximum Monthly Allowable Income Standards and Basis of Coupon Issuance—Guam.

Notice FSP No. 1975-6.2 which was issued pursuant to a part of Subchapter C—Food Stamp Program under Title 7, Chapter II, Code of Federal Regulations, is superseded, effective January 1, 1976, by this Notice FSP No. 1976-6.1.

Section 5(b) of the Food Stamp Act requires the establishment of special standards of eligibility and coupon allotment schedules, not to exceed those in the fifty States, which reflect the average per capita income and cost of obtaining a nutritionally adequate diet in Guam.

Section 7(a) of the Food Stamp Act, as amended, requires that the value of the coupon allotment be adjusted semi-annually by the nearest increment that is a multiple of two to reflect changes in the prices of food published by the Bureau of Labor Statistics.

Prior to the amendment to the Act requiring semi-annual adjustment of the value of the coupon allotment, the adjustments were made at the beginning of each fiscal year, i.e., in July based on the cost of the economy food plan in the preceding December. With the enactment of the semi-annual adjustment, the law specified that the first adjustment be made in January 1974 to reflect changes in food prices through August 1973. Similar procedures have been used for subsequent semi-annual adjustments; i.e., the July adjustment based on the cost of the food plan in the preceding February and the January adjustment based on the cost of the food plan in the preceding August, as required by the Act. Based on prices provided for Guam, the Agricultural Research Service estimated that the allotment table adopted for the continental United States, adjusted for the cost of food in Guam would be higher than in the fifty States. Thus, the income standards (except for the one-person household which is the same as Hawaii) and the coupon allotments set forth for Guam are the same as those which will become effective in Alaska on January 1, 1976.

Households in which all members are included in the federally-aided public assistance grant or general assistance grant shall be determined to be eligible to participate in the program while receiving such grants without regard to the income and resources of the household members.

The maximum allowable income standards for determining eligibility of all other applicant households, including those in which some members are recipients of federally-aided public assistance or general assistance, in Guam, shall be as follows:

Household Size:	*Maximum Allowable Monthly Income Standards—Guam*
1	[1] $240
2	413
3	587
4	747
5	887
6	1,067
7	1,173
8	1,513
Each additional member	+187

[1] USDA poverty guideline.

"Income" as the term is used in the notice is as defined in paragraph (c) of § 271.3 of the Food Stamp Program Regulations.

Pursuant to Section 7 (a) and (b) of the Food Stamp Act, as amended (7 U.S.C. 2016, Public Law 91-671), the face value of the monthly coupon allotment which the State agency is authorized to issue to any household certified as eligible to participate in the Program and the amount charged for the monthly coupon allotment in Guam are as follows:

Monthly coupon allotments and purchase requirements—Guam

Monthly net income	For a household of—							
	1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons
	The monthly coupon allotment is—							
	$68	$124	$176	$224	$266	$320	$352	$404
	And the monthly purchase requirement is—							
$0 to $19.99	0	0	0	0	0	0	0	0
$20 to $29.99	1	1	0	0	0	0	0	0
$30 to $39.99	4	4	4	4	5	5	5	5
$40 to $49.99	6	7	7	7	8	8	8	8
$50 to $59.99	8	10	10	10	11	11	12	12
$60 to $69.99	10	12	13	13	14	14	15	16
$70 to $79.99	12	15	16	16	17	17	18	19
$80 to $89.99	14	18	19	19	20	21	21	22
$90 to $99.99	16	21	21	22	23	24	25	26
$100 to $109.99	18	23	24	25	26	27	28	29
$110 to $119.99	21	26	27	28	29	31	32	33
$120 to $129.99	24	29	30	31	33	34	35	36
$130 to $139.99	27	32	33	34	36	37	38	39
$140 to $149.99	30	35	36	37	39	40	41	42
$150 to $159.99	33	38	40	41	42	43	44	45
$160 to $169.99	39	44	46	47	48	49	50	51
$170 to $179.99	45	50	52	53	54	55	56	57
$180 to $189.99	51	56	58	59	60	61	62	63
$190 to $199.99	54	62	64	65	66	67	68	69
$200 to $209.99		68	70	71	72	73	74	75
$210 to $219.99		74	76	77	78	79	80	81
$220 to $229.99		80	82	83	84	85	86	87
$230 to $239.99		86	88	89	90	91	92	93
$240 to $249.99		92	94	95	96	97	98	99
$250 to $259.99		98	103	104	105	106	107	108
$260 to $269.99		98	112	113	114	115	116	117
$270 to $279.99			121	122	123	124	125	126
$280 to $289.99			130	131	132	133	134	135
$290 to $299.99			139	140	141	142	143	144
$300 to $309.99			148	149	150	151	152	153
$310 to $319.99			154	158	159	160	161	162
$320 to $329.99			154	167	168	169	170	171
$330 to $339.99				176	177	178	179	180
$340 to $349.99				185	186	187	188	189
$350 to $359.99				194	195	196	197	198
$360 to $369.99				196	204	205	206	207
$370 to $379.99				196	213	214	215	216
$380 to $389.99					222	223	224	225
$390 to $399.99					231	232	233	234
$400 to $409.99					234	241	242	243
$410 to $419.99					234	250	251	252
$420 to $429.99					234	259	260	261
$430 to $439.99						268	269	270
$440 to $449.99						277	278	279
$450 to $459.99						284	287	288
$460 to $469.99						284	296	297
$470 to $479.99						284	305	306
$480 to $489.99						284	312	315
$490 to $499.99							312	324
$500 to $509.99							312	333
$510 to $519.99							312	342
$520 to $529.99							312	351
$530 to $539.99								360
$540 to $549.99								360
$550 to $559.99								360
$560 to $569.99								360
$570 to $579.99								360

For issuance to households of more than eight persons use the following formula:

A. *Value of the Total Allotment*—For each person in excess of eight, add $50 to the monthly coupon allotment for an eight-person household.

B. *Purchase Requirement*—1. Use the purchase requirement shown for the eight-person household for households with incomes of $1,229.99 or less per month.

2. For households with monthly income of $1,230 or more, use the following formula:

For each $30 worth of monthly income (or portion thereof) over $1,229.99 add $9 to the monthly purchase requirement shown for the eight-person household with an income of $1,229.99.

3. To obtain maximum monthly purchase requirements for households of more than eight persons, add $46 for each person over eight to the maximum purchase requirement shown for an eight-person household.

The total monthly coupon allotments for some households are not divisible by four. This results in total coupon allotments of uneven dollar amounts for those households which choose to purchase one-fourth or three-fourths of their total coupon allotment. For such households, the State agency shall round the face value of one-fourth or three-fourths of the total coupon allotments up to the next higher whole dollar amount and shall not change the purchase requirements for such allotments.

It is hereby certified that the economic and inflationary impacts of this proposed regulation have been carefully evaluated in accordance with Executive Order 11821.

Effective date. The provisions of this notice shall become effective on January 1, 1976.

(Catalog of Federal Domestic Assistance Program No. 10.551, National Archives Reference Services)

Dated: December 4, 1975.

Richard L. Feltner,
Assistant Secretary.

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Title 10—Energy

CHAPTER II—FEDERAL ENERGY ADMINISTRATION

PART 212—MANDATORY PETROLEUM PRICE REGULATIONS

Markup on Retail Sales of Aviation Fuels by Fixed Base Operators To Reflect Non-Product Cost Increases

A. Introduction

On September 30, 1975, the Federal Energy Administration issued a notice of proposed rulemaking and public hearing (40 FR 45447, October 2, 1975) in which the FEA proposed to review the adequacy of the standard maximum markup allowed in retail sales of aviation fuels by fixed base operators (FBOs) to reflect increased non-product costs. Twenty-three written comments were received in response to the notice of proposed rulemaking and oral presentations were made by five persons at the public hearings held on October 15, 1975. All of these comments and presentations were considered by the FEA, as well as other information available to FEA, in arriving at the amendment adopted today. This amendment affects the price of only about five percent of aviation fuels consumed. The remaining 95 percent—including retail sales by non-FBO marketers in bulk quantities to scheduled and supplemental airlines and to the military—are unaffected by today's amendment.

Under 10 CFR 212.93(a), a retailer of middle distillates, including aviation fuels, is permitted to charge a price which is its weighted average lawful price on May 15, 1973, for the product concerned to the particular class of purchaser, plus an amount which reflects a dollar-for-dollar pass-through of the increased cost of the product since May 15, 1973. In addition, under 10 CFR 212.93(b)(2), adopted effective April 1, 1974, any retailer of middle distillates (including aviation fuels), was permitted, prior to today's amendment, to add a maximum of one cent per gallon to the price otherwise permitted to be charged in retail sales of those products, to reflect increases in non-product costs (wages, rent, utilities, interest, insurance, etc.). Under the amendment adopted today, the maximum amount permitted to be charged in retail sales of aviation fuels by FBOs to reflect increases in non-product costs under § 212.93(b)(2) has been increased from one cent to four cents per gallon, effective December 1, 1975. With respect to all other sales of middle distillates at the retail level, including sales of aviation fuels by sellers other than FBOs, the maximum markup to reflect non-product cost increases remains unchanged at one cent/gallon.

Parallel provisions of the price regulations applicable to retail sales of middle distillates by refiners through company owned and operated marketing outlets also permitted, prior to today's amendment, subject to the profit margin limitation applicable to refiners, maximum price increases of one cent per gallon at the retail level to reflect increased non-product costs (10 CFR 212.87(c)(4)(iv)). In order to provide the same non-product markup ceiling with respect to sales of aviation fuels by any FBOs which are owned or controlled by refiners, the amendment adopted today increases from one cent to four cents the maximum markup permitted to be charged by refiners in sales of aviation fuels through FBO outlets to reflect increases in non-product costs under § 212.87(c)(4)(iv), effective December 1, 1975. The amendment leaves unchanged the one-cent maximum markup permitted for refiners under § 212.87(c)(4)(iv) with respect to all retail sales of middle distillates other than sales of aviation fuels by FBOs.

B. Increase in Standard Maximum Markup

In its notice of proposed rulemaking, the FEA indicated that the proposal to review the standard maximum markup in sales of aviation fuels by FBOs was prompted by two main considerations: (1) general industry representations that an increase from one cent per gallon to three or four cents may well be justified, in view of increases in non-product costs over the more than two year period since the May 15, 1973, base date, and (2) awareness that special factors were present which prevented FBOs from reducing non-product costs and cost increases by curtailing services or hours of operation, as other retailers of petroleum products are often able to do.

FEA explained in its notice of proposed rulemaking that FBOs generally operate under contract with municipal or other public aviation authority and typically provide vital airport services such as baggage and cargo handling and aircraft maintenance in addition to selling aviation fuel for use in small private and business aircraft. Under these circumstances, the FBO's facilities are usually required to remain open and services kept available on a 24-hour or other fixed-hour basis. It is normally not possible, as in the case of gasoline service stations, to cut operating costs by curtailment of services or hours of service. Consequently, FBOs have little or no practical means of avoiding non-product cost escalation in the face of the fixed one cent per gallon increment (in effect since April, 1974) which has been the maximum amount permitted to be charged to cover all increases in non-product costs.

In the rulemaking notice, the FEA also explained why it was not proposing at the same time to review the standard markup applicable to sales of aviation fuels by retailers other than FBOs and by wholesalers (i.e., by distributors or jobbers). An estimated 95 percent of all aviation fuel sold at the retail level is sold by refiners or resellers in bulk quantities to commercial airlines (scheduled and supplemental air carriers) and to the Department of Defense. No increase in the maximum margin to reflect non-product cost increases in connection with these sales was proposed by FEA because (1) non-product costs appear to be proportionately much smaller in that industry on a per-gallon base compared with those of FBOs, and (2) the necessity of providing ancillary services and the problem of inability to curtail them are not present. For the same or similar reasons, a review of the standard maximum markup at the wholesale level to cover non-product cost increases relating to sales of aviation fuels was not proposed in connection with the present rulemaking proceedings.

The most comprehensive survey of increases in operating costs of FBOs was commissioned by the National Air Transport Associations, Inc. (NATA), an organization which represents FBOs as well as air taxi/commuter air service organizations and air cargo/mailing operators. The survey was conducted by mail under the supervision of an independent accounting firm and completed in August, 1975. Seven hundred FBOs were asked to participate in the survey, a group of nation-wide geographic composition which included small, medium and large FBOs, multi-airport and single-airport FBOs, and NATA-member and non-member FBOs.

Rsponse from 132 FBOs were received. Where individual FBOs owned or controlled FBO businesses at more than one airport, each separate airport operation was treated as a separate FBO for purposes of the survey. Of the total number of responses, seven were rejected for

failure to respond satisfactorily to instructions and three were rejected because costs appeared abnormally high. Data received was checked in some instances by telephone and by on-site review of supporting cost documentation.

Fourteen operating cost categories were tabulated, comparing on a per-gallor basis the costs in each category in May, 1973, with those costs in May, 1975. All "joint cost" items were allocated so as to exclude costs which did not relate to the sale of aviation fuels. These cost data were also broken down according to three FBO size categories, with 50 small FBOs (under 500,000 gallons annual sales) reporting total net operating cost increases of 4.11 cents per gallon over the two-year period, 47 medium FBOs (500,000 to 1,500,000 gallons annual sales) reporting total net operating cost increases of 5.25 cents per gallon, and 25 large FBOs (over 1,500,000 gallons annual sales) reporting total net operating cost increases of 4.2 cents per gallon. The weighted average increase in non-product costs of all 122 FBOs reporting was 4.56 cents per gallon for the two-year period ending May, 1975.

Data supplied independently by individual FBOs in response to FEA's request for written comment tend to bear out the results of the NATA survey. For example, an FBO based in Seattle, Washington, provided allocated cost data indicating that its operating costs rose by 4.35 cents/gallon over the two-year period ending March 31, 1975. An East Coast FBO provided allocated cost data which combined operating results of its facilities at Teterboro (N.J.), North Philadelphia, Philadelphia and Wilmington, Del., and the non-product cost increases between May, 1973, and May, 1975, totaled 4.3 cents per gallon. Less well-documented submissions by other FBOs indicated that operating costs have increased from three to six cents per gallon since May, 1973.

Indirect support for the appropriateness of a revised operating cost markup within the range indicated is supplied by the experience of retailers of petroleum products other than aviation fuels. The FEA recently approved a three cent maximum markup for small propane retailers to reflect operating cost increases, which is the same amount currently authorized for gasoline service stations. In view of the special ancillary service required to be performed by FBOs by law or by contract terms, and in view of the consideration, noted above, that FBOs are usually not able to reduce operating costs by curtailing such services or reducing hours of operation, it seems likely that non-product costs have increased at a rate somewhat higher than that experienced by propane and gasoline retailers. In addition, FBO operating costs are believed to be somewhat higher in comparison to other petroleum retailers due to the cost of purchasing and operating the mobile equipment needed to fuel aircraft and to provide aircraft maintenance services. Finally, rental rates have not been frozen for FBOs as they have been for gasoline service stations at the May, 1973, level. The FBO survey indicated an increase of 0.38 cents/gallon in rents plus an increase of 0.31 cents/gallon in flowage fees (a charge imposed on FBOs by the local aviation authority) between May, 1973, and May, 1975.

While it might appear from the results of the FBO survey that an increase in the standard maximum markup from one cent per gallon to 4.5 cents or 4.6 cents per gallon might be justified, there are several considerations which lead FEA to conclude that a conservative approach in approving a new maximum markup is appropriate and that a markup of not more than 4.0 cents per gallon should be authorized at this time.

On October 7, 1975, the FEA issued a regulation amendment which increased the maximum markup on certain sales of propane at the retail level from one cent/gallon to three cents/gallon (40 FR 47755, October 10, 1975). This was the first time the FEA had increased the amount of any markup since the development of standard maximum reseller/retailer markups for various products was completed in March and April, 1974. Accordingly, the FEA took occasion upon the issuance of that amendment to explain the nature and purpose of standard markups in general, making reference to the following important considerations: (1) the statute from which FEA derives its pricing authority requires the agency to balance a number of conflicting objectives and, notably, does not require FEA to allow full pass-through of all non-product cost increases, as it does so require for product cost increases; (2) the use of standardized maximum markups (instead of simply allowing each firm to pass through its own actual operating cost increases, whatever they might be) was dictated largely by practical administrative considerations relating to the fact that there are thousands of small marketers who cannot realistically be expected to calculate net operating cost increases accurately on a per-gallon basis; (3) in view of the foregoing considerations, and in order to assure equitable prices to consumers by minimizing the inflationary impact of price increases to the greatest extent possible, FEA concludes that the level of the maximum markup should be conservatively determined so that the majority of firms affected will have operating cost increases which at least equal that level; (4) the standard maximum markup is therefore used as a guide as well as a ceiling for the majority of firms which have probably incurred operating cost increases at or in excess of the rate prescribed by the standard markup but are unable to calculate actual per-gallon operating cost increases with accuracy; and (5) larger firms, particularly refiners with marketing outlets, which are experienced in calculating net operating cost increases on a cents-per-gallon basis, may only pass through their actual non-product cost increases per gallon up to and including the rate permitted by the standard maximum markup but not in excess thereof. All these general considerations apply to and were taken into account in the determination of the amount of the markup in the present rulemaking proceedings.

FEA notes that, while the FBO survey concluded that operating cost increases of all firms included in the survey reached 4.56 cents/gallon, the increases for small FBOs and for large FBOs, considered independently, were just above four cents/gallon, or 4.11 cents and 4.20 cents/gallon, respectively. Accordingly, consistent with the general considerations noted above, an increase in the standard markup in this case from a maximum of one cent/gallon to four cents/gallon appears justified and appropriate.

The FEA wishes to note in this connection that in its notice of proposed rulemaking the FEA requested comment on the possibility or feasibility of permitting a different standard markup ceiling as between large and small FBOs or on the basis of some other method of subclassification. There was little response to this request and FEA does not have sufficient data at present to justify any approach other than application of a single maximum markup to all FBOs.

FEA believes that a conservative approach to revision of the standard maximum markup is also merited in this case because the number of firms which were able to provide detailed data was relatively small. Of an estimated 3,500 FBOs in the United States, only about five percent participated in the survey or submitted cost data to FEA. While FEA has no reason to doubt that the operating cost increases of other FBOs have been generally similar to those reported by in the 122-FBO survey, it is possible that firms with larger than average operating cost increases have more incentive to bring those cost increases to the attention of FEA than firms with smaller than average operating cost increases.

FEA received no comment directly opposing an increase in the maximum markup to reflect non-product cost increases of FBOs. Comment received from associations representing customers of FBOs (owners of private and business aircraft who purchase fuel from FBOs, and commercial airlines which depend to some degree on services provided by FBOs) generally indicated concern that (1) FBO business failures due to inability to recoup operating cost increases might have a disruptive effect on air transport and aviation, and (2) any increase in the amount of operating costs permitted to be passed through by FEA should be granted only if justified after careful review.

For all of the foregoing reasons, the FEA has concluded that an increase in the standard markup on retail sales of aviation fuels by FBOs from a maximum of one cent/gallon to a maximum of four cents/gallon is justified and appropriate.

C. Other Issues

1. *Retroactive Application of Increase.* Requests were made during the public

hearings to make any increase in the standard maximum markup approved by FEA retroactive to September 1, 1975. This request was premised on the grounds that since operating cost increases under the FBO survey were measured to May, 1975, and that since no basis exists for assuming that operating costs have decreased since that time, it would be justified to make the markup increase effective beginning any month following May, 1975. It was acknowledged by FBO representatives that many FBOs had raised prices on September 1, 1975, immediately after the termination of the Emergency Petroleum Allocation Act of 1973, to levels above the lawful price levels prevailing on August 31, 1975. After Congress extended the Emergency Petroleum Allocation Act of 1973 in late September, 1975, retroactive to September 1, 1975, FBOs which had raised prices realized that revenues derived from price increases above lawful levels would have to be refunded or remitted in the form of sales at prices below ceiling price levels (as explained in Ruling 1975–17, 40 FR 48341, October 15, 1975).

However, to make the effective date of the present amendment retroactive to September 1, 1975, would, under these circumstances, amount to a ratification of any unlawful pricing behavior which occurred during September, 1975, and thereby undermine the position taken by FEA in Ruling 1975–17 as well as provide a benefit to FBOs which has not been made available to other sectors of the petroleum industry. Moreover, eeven if ll Septembr eprice increeases above ceell-price levels were entirely supported by operating cost increases, those price increases were no less premature and contrary to orderly process for approval of regulation amendments permitting recoupment of increased costs. Furthermore, FEA's Office of Exceptions and Appeals is available to review any cases of hardship or inequity resulting from the one cent/gallon maximum markup previously authorized to reflect operating cost increases.

In addition, it has been the general practice of the FEA to make rules effective only prospectively, after all necessary data justifying a price change has been collected and fully evaluated. It has also been the usual practice of FEA in establishing or modifying standard maximum margins to reflect operating cost increases to make the regulation or amendment effective at the beginning of a month rather than in mid-month, to avoid disrupting the monthly billing practices which prevail in many sectors of the petroleum industry. For example, the recent amendment increasing the standard maximum markup applicable to certain retail sales of propane was issued on October 7, effective October 1, 1975. In accordance with this practice, this amendment is made effective December 1, 1975.

2. *Definition of Fixed Base Operators.* In its notice of proposed rulemaking, the FEA requested comment on the following proposed definition of "fixed base operator":

" 'Fixed base operator' means a firm which maintains an office and other facilities at an airport under contract with a public aviation authority or airport owner for the purpose of engaging in the retail sale of aviation fuels and in one or more of the following general aviation activities: aircraft maintenance, servicing, parking, tie-down, storage and other aircraft services; baggage and cargo handling and other passenger/freight services; operation of flight schools and/or aircraft maintenance schools; maintenance and/or sales of avionics equipment and systems; and rental and/or sales of aircraft."

Pursuant to comment received, FEA has deleted from this definition the words "an office or other" so as not to exclude a firm which, otherwise meeting the definition of FBO, may not maintain a business office at the airport at which its fueling and ancillary service facilities are located. In adidtion, FEA has deleted the words "under contract with a public aviation authority or airport owner" in view of comment stating that FBO activities are sometimes conducted by the public aviation authority itself (or other branch of the state, municipal or local government concerned) or by the owners of certain small airports, in which event the FBO might not be under contract. The words omitted are merely descriptive in any event and are not essential to the definition.

The essential distinction which must be made under this definition is between two types of sellers, both of which are retailers under FEA regulations: (1) FBOs, which sell aviation fuel essentially to non-commercial (private and/or business) aircraft owners and in some cases to small commercial carriers known as commuter and/or air taxi operators, and which provide ancillary services of the kind described in the definition; and (2) sellers of aviation fuels in bulk quantities to scheduled airlines and supplemental (charter) air carriers and the Defense Department. The sellers in the latter category, which account for an estimated 95 percent of all retail sales of aviation fuels, are not believed to have incurred operating cost increases in excess of the presently-authorized one cent per gallon because of their large volume of sales and the fact that they do not perform the ancillary services which characterize the operations of the FBO. The definition of FBO is intended to serve as the regulatory device which excludes non-FBO retailers of aviation fuels from coverage of the increased markup authorized today.

In order to make the foregoing distinction clearer under the definition of "fixed base operator," as abbreviated by the changes indicated above, the FEA has added, after the words, "for the purpose of engaging in the retail sales of aviation fuels," the words, "primarily to purchasers other than (a) scheduled or supplemental air carriers certificated by the Civil Aeronautics Board pursuant to 49 U.S.C. 1371, or (b) the Department of Defense".

In this connection, the FEA reviewed the question whether FBOs occasionally make large-volume sales to supplemental air carriers, in view of comment submitted by the Air Transport Association that "at a few small airports the FBO is the only seller of aviation fuel whether the customer be the owner of a private two-engine propeller plane or a commercial airliner."

Sales of aviation fuels to scheduled and supplemental air carriers are in nearly all cases made under contract with refiners or large-volume distributors, with no FBO involvement. When an FBO does become involved in fueling such carriers, it is usually only to provide "into plane" services—i.e., primarily the pumping of fuel owned by a refiner or branded distributor and not by the FBO. The FBO's compensation in such cases is a pumping fee or a service fee which covers pumping and any other "into plane" services which may be provided.

In rare instances it appears that an FBO may be called upon to sell its own fuel for use in a large commercial airliner or a military aircraft, as when a flight is diverted to another airport due to adverse weather conditions. However, even in these atypical cases it appears to be well-established practice that the purchaser pays only the standard contract rate for such sales, making payment to the refiner or branded distributor which holds the supply contract, while the latter, in turn, replenishes the FBO's stocks and compensates the FBO by payment of the fee for pumping and any ancillary services which may also have been provided. FBO representatives stated they knew of no circumstances under which a scheduled or supplemental air carrier would purchase aviation fuel "at retail"—i.e., at the higher prices charged by FBOs to their regular purchasers.

For the foregoing reasons, the FEA concludes that marketing conditions and practices effectively preclude the application of the increased markup authorized today in sales to which the increased markup is not intended to apply. The FEA has not, therefore, attempted by regulation specifically to exclude use of the increased markup in sales to scheduled or supplemental air carriers or to military users. To define "fixed base operators" in § 212.31 as only those firms which sell aviation fuels *exclusively* to purchasers other than scheduled and supplemental air carriers and the military would be to unfairly bar any use of the increased markup whatsoever by retailers which otherwise meet the definition of "fixed base operator" but which may occasionally make a sale to such purchasers at contract prices under the circumstances described above. Incorporation of a limitation in this respect in the standard markup rule in §§ 212.93 (b) and 212.87(c)(4) would only burden these provisions with undue complexity and unnecessary detail.

In its proposed definition of FBO, the FEA provided, in effect, that any firm which maintained facilities at an airport for the purpose of (1) selling aviation fuel to small purchasers and (2) engaging in one or more listed categories of

general aviation activities, would qualify as an FBO. The reason for requiring both sales of aviation fuels and performance of general aviation activities to qualify as an FBO is, of course, that the justification for the higher maximum markup authorized to FBOs today rests, in part, on the fact that FBOs do perform essential ancillary services and that FBOs are generally unable to cut operating costs by curtailing them. Included among the categories of general aviation activities were (1) "rental and/or sales of aircraft," (2) "sales of avionics equipment," and (3) "operation of flight schools and/or aircraft maintenance schools."

There three categories, although consisting of recognized FBO activities, are or appear to be largely self-sustaining, revenue-producing categories which are not significantly supported (if at all) by revenues from sales of aviation fuels. A firm which sells aviation fuel at the retail level and which is otherwise engaged in general aviation activities only in one of these three categories would not appear to be incurring operating cost increases of four cents/gallon or more. Therefore, since qualification to use the four cents/gallon maximum markup rests on performance of "one or more" categories of aviation services, and since a firm which performs no aviation services other than fuel sales and the services in one of the three categories in question might nevertheless qualify to use the four cent/gallon maximum markup, the definition of FBO adopted today omits these three categories. The FEA believes that the great majority of FBOs, whether or not they are engaged in any of the activities under these three headings, are engaged in one or more of the remaining service categories which are more closely associated with fuel sales—i.e., aircraft handling/maintenance services, passenger/freight services, and maintenance of avionics equipment and systems.

3. *Ancillary Services.* The FEA requested comment in the notice of proposed rulemaking on whether there has been any change in the level of ancillary services being provided today compared with May, 1973, and whether fees charged for ancillary services could be increased to help defray increased non-product costs.

Comments received indicate that there has been little change in the level of ancillary services provided since most of these are essential services such as aircraft maintenance, cabin grooming, cargo/baggage handling, and certain services relating to the safe operation of aircraft. In areas such as safety and environmental control, service requirements appear to be increasing. While there may have been some degree of reduction in quality of services (other than in the area of safety) in response to reduced margins resulting from the inadequacy of the one cent/gallon markup to reflect operating cost increases, FEA believes that there is little room for avoidance of operating cost increases in this industry through curtailment of services.

Comments received on fees for ancillary services indicate that these fees have been increased as much as possible, to the extent permitted by FBO leases and within the limits of competition in those cases where increases are permissible, to help defray the substantial operating cost increases which have been incurred since May, 1973. Moreover, many services have traditionally been performed without charge or have been required to be performed without charge, it being understood that the price charged for fuel also covers the performance of certain aircraft and passenger services. It would serve no useful purpose to ask FBOs to begin charging fees for some of these services in order to achieve a corresponding reduction in the amont by which aviation fuel prices will be increased to reflecting increased operating costs.

(Emergency Petroleum Allocation Act of 1973, as amended, Pub. L. 93-159, as amended by Pub. L. 93-511, Pub. L. 94-99 and Pub. L. 94-133; Federal Energy Administration Act of 1974, Pub. L. 93-275; E.O. 11790, 39 FR 23185.)

In consideration of the foregoing, Part 212, Chapter II of Title 10 Code of Federal Regulations, is amended as set forth below, effective December 1, 1975.

Issued in Washington, D.C., December 5, 1975.

MICHAEL F. BUTLER,
General Counsel,
Federal Energy Administration.

1. Section 212.31 is revised to add, in appropriate alphabetical order, a definition of "fixed base operator" to read as follows:

§ 212.31 Definitions.

* * * * *

"Fixed base operator" means a firm which maintains facilities at an airport for the purpose of (1) engaging in the retail sale of aviation fuels primarily to purchasers other than (a) scheduled or supplemental air carriers certificated by the Civil Aeronautics Board pursuant to 49 U.S.C. 1371 or (b) the Department of Defense; and (2) performing one or more of the following general aviation activities: (a) aircraft maintenance, servicing, parking, tie-down, storage and other aircraft services; (b) baggage and cargo handling and other passenger/freight services; and (c) maintenance of avionics equipment and systems.

* * * * *

2. Section 212. 87 is amended to revise paragraph (c) (4) (iv) to read as follows:

§ 212.87 Increased non-product costs.

* * * * *

(c) * * *

(4) * * *

(iv) Allow an increase in the prices of middle distillates above the prices otherwise permitted to be charged for middle distillates pursuant to the provisions of this part (including the foregoing paragraph (b) (4) (i) of this section) by an amount not in excess of one cent per gallon with respect to retail sales and not in excess of one-quarter cent per gallon with respect to all other sales, except that, with respect to retail sales of aviation fuels by fixed base operators after November 30, 1975, allow an increase in the amount otherwise permitted to be charged for that item pursuant to the provisions of this part by an amount not to exceed four cents per gallon; and

* * * * *

3. Section 212.93 is amended to revise paragraph (b) (2) to read as follows:

§ 212.93 Price rule.

* * * * *

(b) * * *

(2) With respect to middle distillates:

(i) In all retail sales, (A) beginning with April, 1974, a seller may charge one cent per gallon in excess of the amount otherwise permitted to be charged for the item concerned pursuant to the provisions of this section, including paragraph (b) (1) (i) of this section, to reflect non-product increases which the seller incurred after May 15, 1973; and

(B) In sales of aviation fuels by fixed base operators, beginning with December, 1975, a seller may charge three cents per gallon in excess of the amount otherwise permitted to be charged for that item pursuant to the provisions of this section, including paragraph (b) (2) (i) (A) of this section, to reflect non-product cost increases which the seller incurred after May 15, 1973;

(ii) In all sales other than retail sales, (A) a seller that had a total sales volume of covered products in calendar year 1973 of less than 100 million gallons may charge one-half cent per gallon in excess of the amount otherwise permitted to be charged for that item pursuant to the provisions of this section, including paragraph (b) (1) (i) of this section, to reflect non-product cost increases which the seller incurred after May 15, 1973; and

(B) A seller that had a total sales volume of covered products in calendar year 1973 of 100 million gallons or more may charge one-quarter cent per gallon in excess of the amount otherwise permitted to be charged for that item pursuant to the provisions of this section, including paragraph (b) (1) (i) of this section, to reflect non-product cost increases which the seller incurred after May 15, 1973.

* * * * *

[FR Doc.75-33221 Filed 12-5-75;1:28 pm]

Title 12—Banks and Banking

CHAPTER V—FEDERAL HOME LOAN BANK BOARD

SUBCHAPTER B—FEDERAL HOME LOAN BANK SYSTEM

[No. 75-1088]

PART 522—ORGANIZATION OF THE BANKS

Creation of the Office of Neighborhood Reinvestment

SUMMARY

DECEMBER 4, 1975.

The following summary of the amendment adopted by this resolution is provided for the reader's convenience and is subject to the full explanation in the following preamble and to specific provisions of the regulations.

A. *Existing Regulation.* None.

B. *New Regulation.* Authorizes the Banks to create the Office of Neighborhood Reinvestment, and specifies:

1. That the Director and Deputy Director shall be chosen, and their compensation shall be fixed, by the Board;

2. That the duties and functions of the Office shall include the support of the Urban Reinvestment Task Force, assisting the Banks, the Board and financial institutions in urban preservation programs, and conducting evaluations of, and disseminating information regarding, urban preservation programs;

3. That the Office may, subject to certain controls, accept and administer funds from governmental or private sources for the support or furtherance of its programs;

4. That the budget and activities of the Office must be approved by the Board, and that the Office of Finance shall perform certain fiscal operations for the Office; and

5. That funds of the Banks, made available through the "Imprest Fund" of the Office of Finance, may be utilized for certain expenses of the Office.

C. *Reason for the Amendment.* To provide better and more efficient assistance to savings and loan associations in neighborhood reinvestment efforts.

By Resolutions dated January 30, 1974 (unnumbered) and May 1, 1974 (No. 74-367), the Board authorized and approved, among other things, the participation of the Board, the Federal Home Loan Banks and their Office of Finance, in conjunction with the Department of Housing and Urban Development in an effort to foster the development of "Neighborhood Housing Service" and other neighborhood reinvestment and preservation programs through the Urban Reinvestment Task Force. Since that time the programs of the Task Force have met with great success and the Board and HUD have been joined in these efforts by the heads of three other Federal financial regulatory agencies.

Initially, the Task Force effort was viewed as one that would be of perhaps a year or two years in duration. The success and growth of the program has made clear the necessity of placing this program on a more formal organizational basis. This is to be accomplished by having the new Office of Neighborhood Reinvestment, which is to be an Office of the Banks, subsume the entire operation of the Task Force and its staff. The Task Force will, however, remain to provide overall policy guidance in these operations. By virtue of its status as an independent Office within the FHLBank System, the programmatic and budgetary administration of the program will be clarified and streamlined. The result should be better and more efficient services to the Banks, savings and loan associations, and other financial institutions in the development of neighborhood reinvestment efforts. The Office will be required to submit its budget for approval to the Board, as is currently true for the Office of Finance, prior to December 1 of the preceding year, however, for the first year of operation the Office must submit its budget within 30 days of the effective date of this Resolution. Accordingly, the Federal Home Loan Bank Board hereby amends Part 522 by adding thereto § 522.85–§ 522.87, to read as set forth below, effective December 10, 1975:

Since affording notice and public procedure on the above amendments would delay such amendments from becoming effective for a period of time and since it is in the public interest that such amendments become effective without such delay, and since the amendments relate to the Board's organization or procedures, the Board hereby finds that notice and public procedure as to such amendments are contrary to the public interest and unnecessary under the provisions of 12 CFR 508.11 and 5 U.S.C. 553 (b); and since publication of such amendments for the period specified in 12 CFR 508.14 and 5 U.S.C. 553(d) prior to the effective date of such amendments would in the opinion of the Board likewise be unnecessary for the same reasons, the Board hereby provides that such amendments shall become effective as hereinbefore set forth.

OFFICE OF NEIGHBORHOOD REINVESTMENT

§ 522.85 General.

(a) The Federal Home Loan Banks are hereby authorized to establish an Office of Neighborhood Reinvestment which shall be located in Washington, D.C., and which shall perform the duties and functions set forth in § 522.86.

(b) The Office of Neighborhood Reinvestment shall be headed by a Director, who shall have responsibility for the performance of the functions of such Office. The Director shall be appointed, and his compensation shall be fixed, by the Federal Home Loan Bank Board. There may also be one or more Deputy Directors who shall be appointed and whose compensation shall be fixed in the same manner.

(c) Any function of the Office of Neighborhood Reinvestment now or hereafter exercisable by the Director may also be exercised by a Deputy Director, in accordance with such limitations, if any, as may be prescribed in writing by the Director.

§ 522.86 Functions and duties of Office of Neighborhood Reinvestment.

(a) The Office of Neighborhood Reinvestment shall (1) Provide all necessary staff support services to the Urban Reinvestment Task Force composed of the Chairman of the Federal Home Loan Bank Board, the Secretary of the Department of Housing and Urban Development, and the operating heads, or their representatives, of various other Federal agencies; (2) assist the Board, the Banks, the members of the Federal Home Loan Bank System and other financial institutions in the development of programs and strategies to increase and stabilize urban residential lending; (3) provide assistance in the organization, development, and continued operations of "Neighborhood Housing Service" programs; (4) provide assistance to other public or private urban preservation or improvement programs; (5) conduct evaluations of selected urban preservation or improvement programs; and (6) collect and disseminate information regarding urban preservation or improvement programs.

(b) The Office of Neighborhood Reinvestment may accept and administer such funds from any Federal, State or local government or governmental agency, or any private body, as may be offered in support of the programs of the Office; provided, however, that all such receipts, whether by contract, grant or otherwise, in excess of $50,000 per year from any one source, or for an activity not authorized in the current budget for the Office, shall first be approved by the Board.

(c) The Office of Neighborhood Reinvestment shall perform other duties or functions which are related to those specified in paragraphs (a) and (b), of this section, as may be requested of such Office by a Federal Home Loan Bank or Banks or the Board.

§ 522.87 Budget and expenses.

(a) The Office of Neighborhood Reinvestment shall annually submit a budget for the following calendar year to the Board so as to reach it on or before the first day of December which shall contain proposed allotments for the expenses of maintaining and operating such Office. The budget shall differentiate between receipts and expenditures provided for in § 522.86(b) and those provided for hereunder. After such budget has been approved by the Board, the Director may authorize disbursements thereunder from the funds provided for in § 522.81(b). Following approval by the Board, the Director shall transmit a copy of the budget to each of the Bank Presidents. The Director may, without further authority, make a transfer from an excess allotment, in the budget referred to, to an insufficient allotment. However, transfer to allotments for compensation or rent of office quarters, as well as any proposed changes which would increase the total of the approved budget, shall be submitted for approval in the same manner as the original budget was submitted.

(b) The Office of Finance of the Federal Home Loan Banks is hereby authorized to act as fiscal agent for, and to provide, on a reimbursable basis, all budgetary, accounting and fiscal management services required by the Office of Neighborhood Reinvestment. All receipts and disbursements made by the Office of Finance for such Office shall first be authorized by the Director of such Office of Neighborhood Reinvestment.

(Sec. 5B, 47 Stat. 727, as added by sec. 4, 80 Stat. 824, as amended by P.L. 91-151, sec. 2(b), 83 Stat. 371; sec. 17, 47 Stat. 736, as amended; 12 U.S.C. 1425b, 1437. Reorg. Plan No. 3 of 1947, 12 F.R. 4981, 3 CFR 1943-48 Comp., p. 1071).

By the Federal Home Loan Bank Board.

[SEAL] J. J. FINN,
Secretary.

[FR Doc.75-33225 Filed 12-9-75;8:45 am]

Title 14—Aeronautics and Space

CHAPTER I—FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Docket No. 75-EA-63; Amdt. 39-2452]

PART 39—AIRWORTHINESS DIRECTIVE

Grumman Aircraft

The Federal Aviation Administration is amending § 39.13 of Part 39 of the Federal Aviation Regulations so as to amend AD 66-27-6 applicable to Grumman G-164 type aircraft.

Since the promulgation of the airworthiness directive, it has been determined that a similar inspection is required on the left elevator torque tube, since there have been reports of similar cracks.

In view of the foregoing and because the deficiency is one which affects air safety, notice and public procedure hereon are impractical and good cause exists for making the amendment effective in less than 30 days.

In consideration of the foregoing and pursuant to the authority delegated to me by the Administrator, 14 CFR 11.89 [31 FR 13697] § 39.13 of Part 39 of the Federal Aviation Regulations is amended by amending AD 66-27-6 as follows:

Amend AD 66-27-6 as follows:

1. Reletter paragraph (e) as paragraph (f).

2. Substitute letter (f) where it appears in paragraphs (a), (b), (c) and (d) for letter (e).

3. Add new paragraph (e) to read as follows:

(e) Within the next 25 hours in service after the effective date of the amendment, unless already accomplished within the last 75 hours in service, visually inspect the left-hand elevator torque tube for cracks where the inboard rib is welded to the torque tube. This inspection must be repeated at intervals of 100 hours until the aircraft is altered in accordance with paragraph (f).

4. Delete part numbers from AD.

This amendment is effective December 16, 1975.

This amendment is made under the authority of sections 313(a), 601 and 603 of the Federal Aviation Act of 1958 [49 U.S.C. 1354(a), 1421 and 1423], and section 6(c) of the Department of Transportation Act [49 U.S.C. 1655(c)].

Issued in Jamaica, N.Y., on December 2, 1975.

DUANE W. FREER,
Director, Eastern Region.

[FR Doc.75-33174 Filed 12-9-75;8:45 am]

[Airspace Docket No. 75-SO-156]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CONTROLLED AIRSPACE, AND REPORTING POINTS

Alteration of Transition Area

The purpose of this amendment to Part 71 of the Federal Aviation Regulations is to alter the Burlington, N.C., transition area.

The Burlington transition area is described in § 71.181 (40 FR 441). A new NDB RWY 6 instrument approach procedure, utilizing the Burlington (private) RBN has been developed for the airport. An additional five square miles of controlled airspace is required to provide adequate protection for the approach procedure. Since this amendment is minor in nature, notice and public procedure hereon are unnecessary.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0901 G.m.t., January 29, 1976, as hereinafter set forth.

In § 71.181 (40 FR 441), the Burlington, N.C., transition area is amended as follows:

"* * * of the VORTAC." is deleted and "* * * of the VORTAC; within 3 miles each side of the 218° bearing from Burlington RBN (latitude 36°02'59" N., longitude 79°28'49" W.), extending from the 6.5-mile radius area to 8.5 miles southwest of the RBN; excluding that portion within the Liberty, N.C., transition area." is substituted therefor.

This amendment is made under the authority of sec. 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348(a)) and of sec. 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in East Point, Ga., on November 28, 1975.

LONNIE D. PARRISH,
Acting Director,
Southern Region.

[FR Doc. 75-33175 Filed 12-9-75; 8:45 a.m.]

[Docket No. 12762; Special Federal Aviation Regulation No. 30]

PART 121—CERTIFICATION AND OPERATIONS: DOMESTIC, FLAG, AND SUPPLEMENTAL AIR CARRIERS AND COMMERCIAL OPERATORS OF LARGE AIRCRAFT

PART 123—CERTIFICATION AND OPERATIONS: AIR TRAVEL CLUBS

PART 135—AIR TAXI OPERATORS AND COMMERCIAL OPERATORS OF SMALL AIRCRAFT

Ground Proximity Warning System

The purpose of the Special Federal Aviation Regulation is to permit airplanes having a maximum passenger capacity of 30 seats or less, a maximum payload capacity of 7,500 pounds or less, and a maximum zero fuel weight of 35,000 pounds or less to be operated under Parts 121, 123 and 135 of the Federal Aviation Regulations without a ground proximity warning system or a ground proximity warning-glide slope deviation alerting system.

Section 121.360(a) of the Federal Aviation Regulations requires that no person may operate under Part 121 a large turbine-powered airplane unless it is equipped with a ground proximity warning system after December 1, 1975, and a ground proximity warning-glide slope deviation system after June 1, 1976. The requirements of § 121.360 apply to Part 123 and 135 certificate holders by virtue of §§ 123.27(g) and 135.2, respectively.

By Amendment No. 121-125 (40 FR 50707; October 31, 1975), § 121.360 was amended to permit an extension of the compliance date to June 1, 1976, for those certificate holders who show they cannot meet the December 1, 1975, compliance date because of equipment availability problems and delays in their certification programs. Subsequent to the issuance of Amendment 121-125 the FAA determined that additional time was also needed to identify and remedy operational problems in this newly-installed equipment. Accordingly, by Amendment 121-126 issued November 24, 1975, §§ 121.303 and 121.360 were amended to provide a reasonable time period but not later than September 1, 1976, to establish system reliability prior to requiring it to be in an operable condition.

As noted above, § 135.2(a) requires air taxi operators to comply with the certification and operations requirements of Part 121 applicable to supplemental air carriers for operations conducted with large aircraft. At the same time, § 121.9 permits Part 121 certificate holders to comply with the requirements of Part 135 applicable to air taxi operators for operations conducted in small aircraft. A large aircraft is defined in § 1.1 as an aircraft of more than 12,500 pounds maximum certificated takeoff weight and a small aircraft is one of 12,500 pounds or less maximum certificated takeoff weight. The use of this "12,500 pound" aircraft standard for purposes of operations under Parts 121 and 135 has been questioned. Based on a preliminary review of the matter, the FAA believes that requiring an aircraft to be operated under the rules of Part 121 or 135 based on whether its maximum certificated takeoff weight is more or less than 12,500 pounds may no longer be appropriate or necessary in the interest of safety. Accordingly, the FAA has under consideration the development of new standards for operations conducted with large aircraft having a maximum passenger capacity of 30 seats or less, a maximum payload capacity of 7,500 pounds or less, and a maximum zero fuel weight of 35,000 pounds or less.

It should be noted that the National Air Transportation Association (NATA) submitted a proposal (No. 717) to the First Biennial Operations Review proposing an amendment to § 135.2 to permit operators of aircraft seating up to 30 passengers with up to a 7,500 pound payload capacity to operate under Part 135 but with the addition of certain requirements to Part 135 as set forth in the NATA proposal. A Notice of Availability of the Compilation of Proposals and Invitation to Submit Comments was published in the Federal Register June 4, 1975 (40 FR 24041), and the matter will be discussed at the First Biennial Operations Review Conference, December 1 through 5, 1975, at the Sheraton National Hotel, Arlington, Virginia (40 FR 53299; November 17, 1975).

In view of the foregoing FAA believes that it is not in the public interest to require the installation of ground proximity warning systems in the airplanes specified herein pending the determination of whether or not new standards

should be developed for operations conducted with those airplanes. Accordingly, this SFAR is adopted to permit, during this period, airplanes having a maximum passenger capacity of 30 seats or less, a maximum payload capacity of 7,500 pounds or less, and a maximum zero fuel weight of 35,000 pounds or less to be operated under Parts 121, 123 and 135 of the Federal Aviation Regulations without complying with the requirements for a ground proximity warning system.

In view of the December 1, 1975, compliance date of § 121.360 and since this Special Federal Aviation Regulation extends the effective date of a new requirement and imposes no additional burden on any person, I find that notice and public procedure thereon are impracticable and unnecessary, and that good cause exists for making this SFAR effective on less than 30 days notice. However, interested persons are invited to submit such written data, views, or arguments as they may desire regarding this SFAR Communications should identify the docket number and be submitted in duplicate to the Federal Aviation Administration, Office of the Chief Council, Attention: Rules Docket, AGC-24, 800 Independence Avenue SW., Washington, D.C. 20591. All communications received on or before February 9, 1976, will be considered by the Administrator and this SFAR may be changed in the light of comments received. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

This Special Federal Aviation Regulation is issued under the authority of sections 313(a), 601, and 604 of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, and 1424), and section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

In consideration of the foregoing, the following Special Federal Aviation Regulation is adopted, effective December 4, 1975:

SPECIAL FEDERAL AVIATION REGULATION NO. 30

Contrary provisions of Parts 121, 123 and 135 of the Federal Aviation Regulations notwithstanding, airplanes having a maximum passenger capacity of 30 seats or less, a maximum payload capacity of 7,500 pounds or less, and a maximum zero fuel weight of 35,000 pounds or less may be operated under Parts 121, 123, and 135 of the Federal Aviation Regulations without a ground proximity warning system or a ground proximity warning-glide slope deviation system.

For purposes of this Special Federal Aviation Regulation, the following definitions apply:

1. (a) Except as provided in paragraph (b) of this section, the term "maximum payload capacity" means the maximum certificated takeoff weight of an airplane, less the empty weight, less all pustifiable airplane equipment, and less the operating load (consisting of minimum fuel load, oil, flight crew, steward's supplies, etc.). The allowance for the weight of the crew, oil, and fuel is as follows:

(1) Crew—200 pounds per crew member required under the Federal Aviation Regulations.

(2) Oil—350 pounds.

(3) Fuel—the minimum weight of fuel required by the Federal Aviation Regulations for a flight between domestic points 174 nautical miles apart under VFR weather conditions and not involving extended overwater operations.

(b) In the case of an airplane for which a maximum zero fuel weight is prescribed in FAA technical specifications, maximum payload capacity means the maximum zero fuel weight, less the empty weight, less all justifiable airplane equipment, and less the operating load (consisting of minimum flight crew, steward's supplies, etc., but not including disposable fuel or oil).

2. The term "empty weight" means the weight of the airframe, engines, propellers, and fixed equipment. Empty weight excludes the weight of the crew and payload, but includes the weight of all fixed ballast, unusable fuel supply, undrainable oil, total quantity of engine coolant, and total quantity of hydraulic fluid.

3. The term "maximum zero fuel weight" means the maximum permissible weight of an airplane with no disposable fuel or oil. The zero fuel weight figure may be found in either the airplane type certificate data sheet or the approved airplane flight manual or both.

This Special Federal Aviation Regulation terminates December 31, 1976, unless sooner superseded or rescinded.

Issued in Washington, D.C., on December 4, 1975.

JOHN L. MCLUCAS,
Administrator.

[FR Doc. 75-33176 Filed 12-9-75;8:45 am]

Title 16—Commercial Practices

CHAPTER I—FEDERAL TRADE COMMISSION

[Docket C-2760]

PART 13—PROHIBITED TRADE PRACTICES, AND AFFIRMATIVE CORRECTIVE ACTIONS

Allied Stores Corporation t/a The Bon Marche, et al.

Subpart—Advertising falsely or misleadingly: § 13.10 Advertising falsely or misleadingly; § 13.135 Nature of product or service; § 13.170 Qualities or properties of product or service; 13.170-24 Cosmetic or beautifying; 13.170-70 Preventive or protective; 13.170-78 Renewing, restoring; § 13.195 Safety; 13.195-60 Product; § 13.205 Scientific or other relevant facts. Subpart—Corrective actions and/or requirements: § 13.533 Corrective actions and/or requirements; 13.533-20 disclosures; 13.533-45 Maintain records; 13.533-45(a) Advertising substantiation. Subpart—Misrepresenting oneself and goods—Goods: § 13.1685 Nature; § 13.1710 Qualities or properties; § 13.1740 Scientific or other relevant facts. Subpart—Offering unfair, improper and deceptive inducements to purchase or deal: § 13.2063 Scientific or other relevant facts.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45)

In the Matter of Allied Stores Corporation, a corporation, dba The Bon Marche; and C. C. Anderson Stores Company, a corporation.

Consent order requiring a New York City department store chain and its wholly-owned subsidiary in Boise, Idaho, among other things to cease making unsubstantiated effectiveness claims for cosmetic skin care preparations. Respondents are required to have in their possession a written certification from a reliable source that there is a reasonable scientific basis for claims made and a summary of the nature of the reasonable basis.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows: [1]

ORDER

I. *It is ordered*, That respondent Allied Stores Corporation, a corporation, doing business as The Bon Marche or under any name or style successor to The Bon Marche, and C. C. Anderson Stores Company, a corporation (hereinafter "respondents"), their successors and assigns, and respondents' officers, agents, representatives and employees, directly or through any corporation, subsidiary, division or other device engaged in the advertising, offering for sale, sale or distribution of any cosmetic skin care product, or skin care product which is both a drug and cosmetic product (hereinafter "products"), as "drug" and "cosmetic" are defined in Sections 15(c) and 15(e) of the Federal Trade Commission Act, marketed by respondent C. C. Anderson Stores Company or The Bon Marche Division of Allied Stores, or any successor divisions thereof, in or having an effect upon commerce, as "commerce" is defined in the Federal Trade Commission Act, for the purpose of inducing or which is likely to induce, directly or indirectly, the purchase of said products or for the purpose of inducing, or which is likely to induce, directly or indirectly, the purchase in or having an effect upon commerce in said products, do forthwith cease and desist from:

Disseminating any affirmative representation in any advertising or other written promotional material, including leaflets or other written promotional material prepared by respondents or others (but excluding labels or labeling as defined in 21 U.S.C. §§ 321(k) and (m)) (hereinafter "advertisement") which represent, directly or indirectly, that:

A. Such products will remove or prevent age wrinkles or age lines on the face, hands or other parts of the body;

[1] Copies of the Complaint, Decision and Order, filed with the original document.

B. Such products will remove or prevent discolorations, broken capillaries or other disorder of the skin;

C. Unlimited amount of use of such products is safe and beneficial;

D. Such products are drugs (unless such products are registered or labeled as drugs);

E. Such products will retard the aging process in humans;

F. Age is a disease; or

G. Women's faces age 50 percent faster than men's, or at any other differential rate; without having in their possession before the time an advertisement containing such representation is first disseminated to the public by respondents, a written certification from the manufacturer, proprietor or licensee of the brand name, or qualified testing laboratory, that there is a reasonable scientific basis, or reasonable scientific bases, for the making of such representation; *Provided*, That such certification shall include a summary of the nature of the reasonable scientific basis (or bases) for such representation; *Provided further*, That respondents neither know nor have reason to know that such scientific basis does not in fact substantiate such representation.

Provided further, That respondents shall maintain the certification described herein for a period of three years from the date an advertisement containing a representation described herein is first disseminated to the public and shall upon reasonable notice make such certification available to authorized representatives of the Federal Trade Commission at respondents' premises in Seattle, Washington.

II. *It is further ordered*, That respondents shall distribute a copy of this order to each of their affected operating divisions, subdivisions, and subsidiaries and to each of the affected officers, agents, representatives or employees of said respondents who are engaged in the preparation or placement of advertisements or distribution of advertisements prepared by others.

III. *It is further ordered*, That respondents notify the Commission at least thirty days prior to any proposed change in the corporate respondents such as dissolution, assignment or sale, resulting in the emergence of a successor corporation, or any other changes in said respondents which may materially affect compliance obligations arising out of the order.

IV. *It is further ordered*, That respondents shall, within sixty days after service upon them of this order, file with the Commission a written report setting forth in detail the manner and form of their compliance with this order.

The Decision and Order was issued by the Commission Nov. 3, 1975.

CHARLES A. TOBIN,
Secretary.

[FR Doc.75-33139 Filed 12-9-75;8:45 am]

[Docket C-2761]

PART 13—PROHIBITED TRADE PRACTICES, AND AFFIRMATIVE CORRECTIVE ACTIONS

Carson Products Company, et al.

Subpart—Advertising falsely or misleadingly: § 13.10 Advertising falsely or misleadingly; § 13.195 Safety; 13.195-60 Product; § 13.205 Scientific or other relevant facts. Subpart—Corrective actions and/or requirements: § 13.533 Corrective actions and/or requirements; 13.533-20 Disclosures; 13.-533-45 Maintain records; 13.533-45(k) Records, in general. Subpart—Misrepresenting oneself and goods—Goods: § 13.1740 Scientific or other relevant facts. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1890 Safety; § 13.1895 Scientific or other relevant facts. Subpart—Offering unfair, improper and deceptive inducements to purchase or deal: § 13.2063 Scientific or other relevant facts.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45, 52)

In the Matter of Carson Products Company, a corporation; and Parker A. Reische, Jr., individually and as an officer of said corporation.

Consent order requiring a Savannah, Ga., manufacturer of facial depilatory and beard removal products, among other things to cease failing to make material disclosures as to the safety and correct use of its products.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:[1]

ORDER

I. *It is ordered*, That respondents Carson Products Company, a corporation, its successors and assigns, and its officers, and Parker A. Reische, Jr., individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division or other device, in connection with the advertising, offering for sale, sale or distribution of Magic Shaving Powder, Magic Cream Shave, or any depilatory product, do forthwith cease and desist from:

A. Disseminating or causing to be disseminated by United States mails or by any means in or having an effect upon commerce, as "commerce" is defined in the Federal Trade Commission Act, any advertisement which fails to clearly and conspicuously disclose the following statement in boldface capital letters exactly as it appears below, with nothing in contradiction thereof:

CAUTION: THIS PRODUCT MAY CAUSE SKIN IRRITATIONS. DO NOT USE IF SKIN IS TENDER OR SEVERELY IRRITATED. FOLLOW DIRECTIONS CAREFULLY.

B. Disseminating or causing to be disseminated by any means, for the purpose of inducing, or which is likely to induce, directly or indirectly the purchase of any such product in or having an effect upon commerce, as "commerce" is defined in the Federal Trade Commission Act, any advertisement which fails to meet the requirement of Part IA of this order.

II. *It is further ordered*, That respondents Carson Products Company, a corporation, its successors and assigns, and its officers, and Parker A. Reische, Jr., individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division or other device, in connection with the offering for sale, sale or distribution of Magic Shaving Powder, Magic Cream Shave, or any depilatory product, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act do forthwith cease and desist from failing to clearly and conspicuously disclose on the outer package box, if such is used, and on the product label:

A. The following statement in boldface capital letters exactly as it appears below with nothing in contradiction thereof:

CAUTION: THIS PRODUCT MAY CAUSE SKIN IRRITATIONS. DO NOT USE IF SKIN IS TENDER OR SEVERELY IRRITATED. FOLLOW DIRECTIONS CAREFULLY.

The above statement shall appear as the first item on the information panel of the product label and package box, if such is used.

B. A statement that use of the product should be discontinued if irritation, burning or allergic reactions occur.

C. Complete directions for use of the product, including but not limited to the following:

1. The product should not be used in conjunction with an alcoholic shaving lotion;

2. The product should not be used if perspiring heavily;

3. One should not wash before using the product;

4. To avoid excessive irritation, the amount of time the product is left on the skin is crucial; and

5. If hairs remain after the first application, do not immediately reuse the product. The product should not be used in any event within 36 hours or longer after shaving with a razor or a depilatory.

III. *It is further ordered*, That respondents forthwith deliver a copy of this order to their present and future officers, directors and operating divisions and that respondents secure from each such person and division a signed statement acknowledging receipt of this order.

IV. *It is further ordered*, That respondents maintain complete business records relative to the manner and form of their continuing compliance with the terms and provisions of this order. Each record shall be retained by respondents for at least three years after such record is made.

V. *It is further ordered*, That the individual respondent promptly notify the

[1] Copies of the Complaint, Decision and Order, filed with the original document.

Commission of the discontinuance of his present business or employment and of his affiliation with a new business or employment. Such notice shall include respondent's current business address and a statement as to the nature of the business or employment in which he is engaged as well as a description of his duties and responsibilities.

VI. *It is further ordered*, That respondent Carson Products Company notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of this order.

VII. *It is further ordered*, That respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a written report setting forth in detail the manner and form of their compliance with this order.

The Decision and Order was issued by the Commission Nov. 3, 1975.

CHARLES A. TOBIN,
Secretary.

[FR Doc.75-33137 Filed 12-9-75;8:46 am]

[Docket C-2750]

PART 13—PROHIBITED TRADE PRACTICES, AND AFFIRMATIVE CORRECTIVE ACTIONS

Diesel Truck Drivers Training School, Inc., et al.

Subpart—Advertising falsely or misleadingly: § 13.10 Advertising falsely or misleadingly; § 13.15 Business status, advantages or connections; 13.15–30 Connections or arrangements with others; 13.15–195 Nature; § 13.55 Demand, business or other opportunities; § 13.60 Earnings and profits; § 13.135 Nature of product or service; § 13.143 Opportunities; § 13.190 Results; § 13.205 Scientific or other relevant facts. Subpart—Contracting for sale in any form binding on buyer prior to specified time period: § 13.527 Contracting for sale in any form binding on buyer prior to end of specified time period. Subpart—Corrective actions and/or requirements: § 13.533 Corrective actions and/or requirements; 13.533–20 Disclosures; 13.533–45 Maintain records; 13.533–45(c) Complaints; 13.533–55 Refunds, rebates and/or credits; 13.533–65 Renegotiation and/or amendment of contracts. Subpart—Delaying or withholding corrections, adjustments or action owed: § 13.675 Delaying or withholding corrections, adjustments or action owed. Subpart—Misrepresenting oneself and goods—Business status, advantages or connections: § 13.1395 Connections and arrangements with others; § 13.1490 Nature. — Goods: § 13.1610 Demand for or business opportunities; § 13.1615 Earnings and profits; § 13.1697 Opportunities in product or service; § 13.1740 Scientific or other relevant facts. Subpart—Neglecting, unfairly or deceptively, to make material disclosure; § 13.1870 Nature; § 13.1882 Prices; 13.1882–10 Additional prices unmentioned; § 13.1892 Sales contract, right-to-cancel provisions; § 13.1895 Scientific or other relevant facts. Subpart—Offering unfair, improper and deceptive inducements to purchase or deal: § 13.1935 Earnings and profits; § 13.2015 Opportunities in product or service; § 13.2063 Scientific or other relevant facts.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45)

In the Matter of Diesel Truck Drivers Training School, Inc., a corporation, and Robert L. Klabacka, individually and as an officer of said corporation.

Consent order requiring a Sun Prairie, Wis., seller and distributor of courses of instruction in truck driving, among other things to cease misrepresenting business affiliations, earnings, nature of business and opportunities in their services. Respondents are further required to make certain affirmative disclosures to prospective students and to give students a three-day cooling-off period during which they may cancel their contract with full refund of all monies paid.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows: [1]

ORDER

It is ordered, That respondents Diesel Truck Drivers Training School, Inc., a corporation, its successors and assigns, and officers and Robert L. Klabacka, individually and as an officer of said corporation, and respondents' officers, agents, franchisees, representatives and employees, directly or through any corporation, subsidiary, division or other device, in connection with the advertising, offering for sale, sale or distribution of courses of study and instruction in truck driving or in any other subject, trade or vocation, or any other product or service, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

I. 1. Representing, directly or by implication, orally or in writing, that:

A. They are, or represent, or are affiliated with, trucking companies or any industry for which enrollees of any courses offered by respondents are being trained; or misrepresenting, in any manner, the nature of their business.

B. Persons receiving training will, or may, earn any specified amounts, or misrepresenting in any manner the prospective earnings of such persons.

C. They have been requested by trucking companies or any other business or organization to train persons for specific jobs, or misrepresenting, in any manner, respondents' connection or affiliation with any industry or any member thereof.

D. Graduates of any courses will be qualified thereby for employment at jobs for which said graduates were purportedly trained, when additional training or experience is required.

E. There is a substantial demand, or a demand of any size or proportion, for persons completing any of the courses offered by the respondents in the field of truck driving or any other field, or otherwise representing, orally or in writing, that opportunities for employment, or opportunities of any type or number, are available to such persons, except as hereinafter provided in Paragraph 4 of this Order. *Provided, however*, That respondents shall cease and desist making such representations unless the respondents in each and every instance:

(1) Until the passage of a base period to be determined pursuant to Paragraph 4(b) of Part I of this Order, after the establishment of a new school location by respondents in any metropolitan area or county, whichever is larger, where they did not previously operate a school, and after the introduction by respondents of any new course of instruction at any school or location, shall:

(A) Have in good faith conducted a statistically valid survey which establishes the validity of any such representation at all times when the representation is made, and;

(B) Have disclosed in immediate and conspicuous conjunction with any such representation, that: "All representations for potential employment demand or opportunities for graduates of this school (course) are merely estimates. This school (course) has not been in operation long enough to indicate what, if any, actual employment may result upon graduation."

(2) After the passage of a base period to be determined pursuant to Paragraph 4(b) of Part I of this Order, and until two years after the establishment of a new school location by respondents in any metropolitan area or county, whichever is larger, where they did not previously operate a school, and after the introduction by respondents of any new course of instruction at any school or location, shall:

(A) Make any such representations in the form and manner provided in Paragraph 4(b) of Part I of this Order, and

(B) Disclose in immediate and conspicuous conjunction with any such representation, that: "This school (course) has not been in operation long enough to indicate what, if any, actual employment may result upon graduation."

2. Placing ads in "Help-Wanted" columns or representing by any means that employment is being offered when such offer is not a bona fide offer of employment.

3. Failing to disclose, in writing, clearly and conspicuously, prior to the signing of any contract, to any prospective enrollee of any course offered by respondents, the full cost of such course including the fee for any home study lessons and for any residential training.

4. Failing to deliver to each person who shall contract for the purchase of any course of training or instruction, at the

[1] Copies of the Complaint, Decision and Order, filed with the original document.

time such person so contracts, a notice, in a form approved by the Commission, which shall disclose the following information and none other:

(a) The title "IMPORTANT INFORMATION" printed in bold face type across the top of the form.

(b) A paragraph reciting the following affirmative disclosures which shall be based upon information compiled not more than one year prior to the delivery of such notice:

(1) The placement data for graduates determined in the following manner:

Respondents shall, following the graduation of each student graduating during each six-month period, commencing with the six-month period ending on the last day of the month in which this Order is finally accepted by the Commission, undertake to determine the following information with respect to each such graduate: (a) his employment status; (b) the name of his employer and position, if any; and (c) his salary. The disclosure shall indicate the total number of graduates of the course; the number of those who have indicated to Respondents a desire for employment; the number of those desiring employment known by Respondents to be employed; the number of those desiring employment known to be unemployed; and the number of those desiring employment whose employment status is not known.

Separate placement data shall be calculated for each course of instruction offered in each school location or facility during such six-month period;

(2) A list or types of employers as indicated in responses to questionnaires sent pursuant to Subparagraph (1) above or otherwise within the actual knowledge of respondents which have hired the graduates referred to in Subparagraph (1) above in the positions for which such graduates were trained, and the percentage of employed graduates working for each type of employer;

(3) The salary range of the graduates referred to in Subparagraph (1) above. The "salary range" shall be the highest and lowest salary for full time employment indicated in responses to questionnaires sent pursuant to Subparagraph (1) above or otherwise within the actual knowledge of respondents with respect to such graduates.

Provided however, That this Subparagraph (b) shall be inapplicable until the first day of the seventh month following the month in which this order is finally accepted by the Commission.

(c) An explanation of the cancellation procedure provided in this Order, namely that any contract or other agreement may be cancelled for any reason until midnight of the third business day after receipt by the customer, via the U.S. Mails, of this notice.

(d) A detachable form which the person may use as notice of cancellation, which indicates the proper address for accomplishing any such cancellation.

This notice shall be sent by respondents no sooner than the next day after the person shall have contracted for the sale of any course of instruction; respondents, during such period provided for in subparagraph (c) above, shall not initiate contact with such person other than that required by this Paragraph.

Provided, however, That subparagraph (b) above shall be inapplicable to any newly established school that respondents may establish in any metropolitan area or county, whichever is larger, where they did not previously operate a school, or to any course newly introduced by respondents, until such time as the new school or course has been in operation for the base period to be established pursuant to subparagraph (b) above. The following statement shall be included in such notice during such period:

All representations of potential employment or salaries are merely estimates. This school (course) has not been in operation long enough to indicate what, if any, actual employment or salary may result upon graduation from this school (course).

After such time as the new school or course has been in operation for the base period to be established pursuant to subparagraph (b) above, and until two years after the establishment of a new school location in any metropolitan area or county, whichever is larger, where they did not previously operate a school, or the introduction of any new course by respondents, the following statement shall be included in such notice:

This school (course) has not been in operation long enough to indicate what, if any, actual employment or salary may result upon graduation from this school (course).

5. Contracting for any sale of any course of instruction in the form of a sales contract or other agreement which shall become binding prior to midnight of the third business day after the date of receipt by the customer of the form of notice provided for in Paragraph 4 above. Upon cancellation of any said sales contract or other agreement as provided in Paragraph 4(c) above, respondents are obligated to refund within thirty business days to any person exercising the cancellation right, all monies paid or remitted up until the notice of cancellation.

6. Failing to disclose, clearly and conspicuously, in advertisements, in catalogs, brochures and on letterheads that respondents' business is solely and exclusively that of a private school, not affiliated with any members of the trucking industry or of any member of any other industry.

7. Failing to refund within thirty days to purchasers who have cancelled their contracts such monies as may be due and owing according to the terms of such contracts.

II. 1. *It is further ordered*, That: (a) Respondents herein deliver, by registered mail, a copy of this Decision and Order to each of their present and future franchisees, licensees, employees, sales representatives, agents, solicitors, brokers, independent contractors or to any other person who promotes, offers for sale, sells or distributes any course of instruction included within the scope of this Order;

(b) Respondents herein provide each person or entity so described in subparagraph (a) of this Paragraph with a form returnable to the respondents clearly stating his or her intention to be bound by and to conform his or her business practices to the requirements of this Order; retain said statement during the period said person or entity is so engaged; and make said statement available to the Commission's staff for inspection and copying upon request;

(c) Respondents herein inform each person or entity described in subparagraph (a) of this paragraph that the respondents will not use or engage or will terminate the use or engagement of any such party, unless such party agrees to and does file notice with the respondents that he or she will be bound by the provisions contained in this Order;

(d) If such party as described in subparagraph (a) of this paragraph will not agree to file the notice set forth in subparagraph (b) above with the respondents and be bound by the provisions of this Order, the respondents shall not use or engage or continue the use or engagement of such party to promote, offer for sale, sell or distribute any course of instruction included within the scope of this Order;

(e) Respondents herein inform the persons or entities described in subparagraph (a) above that the respondents are obligated by this Order to discontinue dealing with or to terminate the use or engagement of persons or entities who continue on their own the deceptive acts or practices prohibited by this Order;

(f) Respondents herein institute a program of continuing surveillance adequate to reveal whether the business practices of each said person or entity described in subparagraph (a) above conform to the requirements of this Order;

(g) Respondents herein discontinue dealing with or terminate the use or engagement of any person described in subparagraph (a) above, who continues on his or her own any act or practice prohibited by this Order as revealed by the aforesaid program of surveillance.

(h) Respondents herein maintain files containing all inquiries or complaints from any source relating to acts or practices prohibited by this Order, for a period of two years after their receipt, and that such files be made available for examination by a duly authorized agent of the Federal Trade Commission during the regular hours of the respondents' business for inspection and copying.

2. *It is further ordered*, That respondents herein present to each interested applicant or prospective student immediately prior to the commencement of any interview or sales presentation conducted at any location other than respondents' offices during which the purchase of or enrollment in any course of instruction offered by respondents herein is discussed or solicited, a 5" x 7" card containing only the following language:

YOU WILL BE TALKING TO A SALESPERSON

3. *It is further ordered*, That respondent corporation shall forthwith distribute a copy of this Order to each of its operating divisions.

4. *It is further ordered*, That the respondent Diesel Truck Drivers Training School, Inc., shall notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the respondent which may affect compliance obligations arising out of this Order.

5. *It is further ordered*, That the individual respondent named herein promptly notify the Commission of the discontinuance of his present business or employment and of his affiliation with a new business or employment. Such notice shall include respondent's current business or employment in which he is engaged as well as a description of his duties and responsibilities.

6. *It is further ordered*, That the respondents herein shall within sixty (60) days after service upon them of this Order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this Order.

The Decision and Order was issued by the Commission, Nov. 3, 1975.

CHARLES A. TOBIN,
Secretary.

[FR Doc.75-33138 Filed 12-9-75;8:45 am]

CHAPTER II—CONSUMER PRODUCT SAFETY COMMISSION

PART 1512—REQUIREMENTS FOR BICYCLES

Bicycle Safety Regulations

Correction

In FR Doc. 75-30480 appearing at page 52815 of the issue for Thursday, November 13, 1975, in § 1512.5, paragraph (c) (1) in the right column of page 52822 is corrected to read as follows:

§ 1512.5 Requirements for braking system.

* * * * *

(c) *Footbrakes.* * * *

(1) *Stopping distance.* Bicycles equipped with footbrakes (except sidewalk bicycles) shall be tested in accordance with the performance test, § 1512.18 (e) (3), by a rider of at least 68.1 kg (150 lb) weight and shall have a stopping distance of no greater than 4.57 m (15 ft) from an actual test speed of at least 16 km/h (10 mph). If the bicycle has a footbrake only and the equivalent ground speed of the bicycle is in excess of 24 km/h (15 mph) (in its highest gear ratio at a pedal crank rate of 60 revolutions per minute),[3] the stopping distance shall be 4.57 m (15 ft) from an actual test speed of 24 km/h (15 mph) or greater.

* * * * *

Title 17—Commodity and Securities Exchanges

CHAPTER II—SECURITIES AND EXCHANGE COMMISSION

[Rel. Nos. 33-56471, 34-11864, 35-19261, 39-419, IA-489, IC-9051, FI-39]

PART 200—ORGANIZATION; CONDUCT AND ETHICS; AND INFORMATION AND REQUESTS

Requests Made Under the Freedom of Information Act

The Commission today announced several changes to Subpart D of Part 200 of the Commission's rules, 17 CFR 200.80, dealing with the handling of requests for records under the Freedom of Information Act. These changes, which are effective immediately upon publication in the FEDERAL REGISTER are being made for the following reasons:

1. Paragraphs (d) (5) and (d) (6) (ii) of Section 200.80 are amended to reflect a recent internal reorganization by the Commission and a reassignment of responsibilities for implementing the provisions of both the Freedom of Information Act, 5 U.S.C. § 552, and the Privacy Act of 1974, 5 U.S.C. § 552a, to the newly-created Office of Reports and Information Services.

2. Paragraph (c) (1) of Section 200.80 is amended to reflect the new telephone number of the Los Angeles Regional Office public reference facility.

3. Paragraphs (d) (2) and (d) (6) (i) of Section 200.80 are amended to provide that Freedom of Information Act requests and appeals should be clearly and prominently identified as such by means of a legend, such as "Freedom of Information Act Request" or "Freedom of Information Act Appeal" on both the envelope containing the request and on the top of the first page of the request or appeal itself. The Commission hopes that observance of this rule will facilitate the prompt identification by its staff of Freedom of Information Act requests and appeals and will enable the staff to avoid inadvertent delay which may occur when Freedom of Information Act requests are not clearly identified as such.

These rules are issued under the authority of provisions of the Administrative Procedure Act, 5 U.S.C. §§ 552, 553; Section 19 of the Securities Act of 1933, 15 U.S.C. § 77s; Section 23 of the Securities Exchange Act of 1934, 15 U.S.C. § 78w; Section 20 of the Public Utility Holding Company Act of 1935, 15 U.S.C. § 79t; Section 319 of the Trust Indenture Act of 1939, 15 U.S.C. § 77sss; Section 38 of the Investment Company Act of 1940, 15 U.S.C. § 80a-37; and Section 211 of the Investment Advisers Act of 1940, 15 U.S.C. § 80b-11. These amendments will have no effect on competition and relate only to matters of agency procedure and practice. The Commission therefore deems that further public notice and the rulemaking procedures provided in Section 4 of the Administrative Procedure Act, as amended, 5 U.S.C. Section 553, are unnecessary.

17 CFR 200.80 is, therefore, amended in the manner set forth.

§ 200.80 [Amended]

1. Paragraph (c) (1) of § 200.80 is amended by deleting "(213-688-5879)" and inserting "(213-473-4511)" after the words "Los Angeles, California 90024."

Paragraph (d) (2) is amended by adding the following two sentences: "Each request for information under the Freedom of Information Act should be clearly and prominently identified by means of a legend on the first page, such as 'Freedom of Information Act Request.' In addition, if sent by mail or otherwise submitted in an envelope or other cover, the front of such envelope or cover should be clearly and prominently marked by a legend such as 'Freedom of Information Act Request.'"

Paragraphs (d) (5) and (d) (6) (ii) of § 200.80 are amended by deleting the words "Public Information Officer" wherever they appear and inserting in their place the words "Freedom of Information Act Officer."

Paragraph (d) (6) (i) of § 200.80 as amended by inserting a comma after the words "shall be in writing" and by then inserting the words "shall be clearly and prominently identified on the envelope or other cover and at the top of the first page by a legend such as 'Freedom of Information Act Appeal,' * * * "

By the Commission.

GEORGE A. FITZSIMMONS,
Secretary.

NOVEMBER 25, 1975.

[FR Doc.75-33170 Filed 12-9-75;8:45 am]

[Rel. No. 34-11872]

PART 240—GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE ACT OF 1934

Exemption From Fingerprinting Requirements

The Securities and Exchange Commission today announced the adoption of temporary Rule 17f-2(T) [17 CFR 240.17f-2(T)], effective immediately, providing an exemption from the fingerprinting requirements of section 17(f)(2) of the Securities Exchange Act of 1934 (the "Act") [15 U.S.C. 78a et seq., as amended by Pub. L. No. 94-29 (June 4, 1975)], for all persons subject to that section, until April 1, 1976.

The Commission finds, in accordance with the Administrative Procedure Act (5 U.S.C. 553(b)(3)(B)), that Rule 17f-2(T) [17 CFR 240.17f-2(T)] provides the Attorney General and those persons affected by the adoption of section 17(f)(2) with an essential transitional period during which appropriate programs may be developed, that notice and public procedure are therefore unnecessary as a prerequisite to the adoption of such rule, and that the rule should be adopted, effective immediately, in accordance with the Administrative Procedure Act (5 U.S.C. 553(d)(3)), in order to prevent technical violations of law and to afford the Commission an opportunity to solicit public comment on the adoption of Pro-

posed Rule 17f-2 [17 CFR 240.17f-21.[1] The Commission further finds that the adoption of Rule 17f-2(T) imposes no burden on competition not necessary or appropriate in furtherance of the purposes of this Act, and is not inconsistent with the public interest or the protection of investors.

Commission Action: Pursuant to sections 17(a), 17(f)(2), and 23(a) of the Act, the Securities and Exchange Commission adopts temporary Rule 17f-2(T) in Chapter II of Title 17 of the Code of Federal Regulations.

Section 240.17f-2(T) is added as follows:

§ 240.17f-2(T) Exemption from fingerprinting requirements.

Any person who is a partner, director, officer or employee of a member of a national securities exchange, broker, dealer, registered transfer agent, or registered clearing agency, and who is required to be fingerprinted pursuant to section 17(f)(2) of the Securities Exchange Act of 1934 is exempted from the provisions of said section until April 1, 1976.

By the Commission.

GEORGE A. FITZSIMMONS,
Secretary.

NOVEMBER 26, 1975.

[FR Doc.75-33236 Filed 12-9-75;8:45 am]

Title 18—Conservation of Power, Water Resources

CHAPTER I—FEDERAL POWER COMMISSION

[Docket No. RM 75-5; Order No. 542]

PART 141—STATEMENTS AND REPORTS (SCHEDULES)

Reporting Costs of Environmental Protection Facilities and Activities

DECEMBER 2, 1975.

On August 29, 1974, the Commission issued a Notice of Proposed Rulemaking in this Docket (39 FR 32153, September 5, 1974). This rulemaking proposed to add two new schedules to the FPC Annual Report Form No. 1 for the reporting of capital costs and annual expenses of operating environmental protection facilities and the attendant programs.

Comments were invited from interested parties on or before October 15, 1974. Comments were received from twenty-six respondents. The List of Respondents is designated as Attachment A hereto.

The majority of the respondents supported the proposed rulemaking, however, several of these respondents suggested modifications to the proposal. The suggested modifications proposed were essentially isolated and did not represent a consensus of the respondents.

The most numerous comments received expressed concern over the ability of the utilities to compile the data proposed for all existing environmental protection facilities, regardless of the date of installation and the reporting burden such a requirement would place on them. A number of the respondents were also concerned over the validity of the data reported without the establishment of more rigid standards and guidelines. They suggested that the Commission adopt standards for plant designs, costs and other factors.

As a result of the comments cited above and other comments received, we have amended our original proposals in this docket to incorporate certain of the suggestions received in order to facilitate compliance therewith. These amendments are mentioned below.

We have amended the original proposal to require the reporting of capital cost data on those facilities installed since January 1, 1969. Certain certified pollution control facilities placed in service after this date were eligible for accelerated tax amortization under the Internal Revenue Code and it would be necessary for utilities to maintain records for purposes of showing eligibility of facilities for such rapid tax write off. The Commission also caused certain pollution control data to be compiled since this date for purposes of compliance with FPC Report Form No. 67, Steam-Electric Air and Water Quality Control Data (Order No. 492, 38 F.R. 27606, October 15, 1973). We believe that, in view of the degree of detail available to the respondents since this date, this revision will provide the Commission and the public with reliable data on the majority of the total and all of the latest environmental protection facilities. A secondary benefit of this revision will be the purging of questionable data on historic expenditures on pre-1969 facilities.

Although a number of the respondents suggested that the Commission prescribe more rigid standards for certain designs and plant concepts, we do not believe that it is in the best interest of all the parties involved since each company must meet the various environmental standards required by local communities. We believe that the utilities are capable of determining the appropriate costs to be reported in the proposed schedules, under the broad guidelines proposed, inasmuch as they are intimately familiar with the various local regulations that influence plant design. It might, however, be possible, at some future date, through analysis of the explanations of methods and methodology employed in reporting the data, to develop revised guidelines for certain of the items therein.

Certain comments were received concerning the valuation of replacement power made necessary by the addition of environmental protection equipment or compliance with Federal or local legislation or guidelines. We have amended our original proposal to require that such power be valued at its purchase price when actually purchased and such price is known, otherwise at the system average cost of purchased power. In the case of generated replacement power, this power shall be priced at its cost of production if known, otherwise at the system average cost of production.

It was proposed that cost data on certain nuclear radiation control facilities be collected on schedule page 501. However, the item list was made up of items that are required by the Nuclear Regulatory Commission under authority of the Atomic Energy Act of 1954 and are either necessary in the operation of nuclear facilities or are required for safety purposes. Consequently, we have deleted the proposed item list entitled "Nuclear Radiation Control Facilities" from schedule page 501. Those facilities utilized in connection with nuclear power production that are environmental in nature are provided for elsewhere on schedule page 501 under other captions.

We have adopted, in page 501, the suggestions of certain of the respondents that the requirements therein be amended to require the reporting of expenditures for environmental facilities included in construction work in progress. This additional data enhances the disclosure of the full impact of environmental costs and makes the total data reported more meaningful.

As proposed, the various items in the classifications of expenses to be reported on page 502 are all operating in nature except for item 7, Interest Expense, which is normally a below-the line item. After consideration, we have decided to delete this requirement so that environmental expenses will include the same type costs as are incurred in operating other facilities.

Certain other comments that were of a minor or editorial nature have been incorporated into the schedules in order to clarify the schedules and the instructions thereto.

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

(2) The amendments to section 141 of Title 18, Chapter I of the Code of Federal Regulations, herein prescribed, are necessary and appropriate for the administration of the Federal Power Act.

(3) That it is necessary and expedient for the Commission and the public to have access to information which will lend insight into the kind and magnitude of costs being incurred for environmental protection facilities and programs and the related expenses.

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

(5) Good cause exists for making the amendments to the FPC Form No. 1 effective for the reporting year 1975.

The Commission, acting pursuant to the provisions of the Federal Power Act,

[1] See FR Doc. 75-33237 in the Proposed Rules section of this issue under Securities and Exchange Commission.

as amended, particularly Sections 301, 302, 303, 304 and 309 thereof (49 Stat. 854–856, 859; 16 U.S.C. 825, 825a, 825b, 825c, 825h), *orders:*

(A) Paragraph (d) of § 141.1, Part 141, Subchapter D, Chapter I, Title 18 of the Code of Federal Regulations, is amended by adding two schedules entitled "Environmental Protection Facilities" and "Environmental Protection Expenses," respectively, immediately following "Research and Development Activities." As so amended, the subparagraph reads:

§ 141.1 Form No. 1, Annual report for electric utilities, licensees and others (Class A and Class B).

* * * * *

(d) This annual report contains the following schedules:

* * * * *

Environmental Protection Facilities.
Environmental Protection Expenses.

* * * * *

(B) Effective the reporting year 1975, the FPC Annual Report Form No. 1, Annual Report for Electric Utilities, Licensees and Others (Class A and Class B), is amended by the addition of two new schedules paginated as 501 and 502 and entitled "Environmental Protection Facilities" and "Environmental Protection Expenses," respectively, and by repaginating the schedule entitled "Attestation" from 449 to 503, all as set forth in Attachments B, C and D hereto.[1]

(C) The Secretary shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

ATTACHMENT A

RESPONDENTS TO DOCKET NO. RM75–5

Electric utilities

Alabama Power Company
American Electric Power Company
Appalachian Power Company
Indiana & Michigan Electric Company
Kentucky Power Company
Kingsport Power Company
Michigan Power Company
Ohio Power Company
Wheeling Electric Company
Boston Edison Company
Central Hudson Gas & Electric Company
Cincinnati Gas & Electric Company
Cleveland Electric Illuminating Company
Commonwealth Edison Company
Consolidated Edison Company of New York, Inc.
Consumers Power Company
Detroit Edison
Florida Power & Light Company
Georgia Power Company
GPU Service Corporation
Jersey Central Power & Light Company
Metropolitan Edison Company
Pennsylvania Electric Company
Iowa-Illinois Gas & Electric Company
Mississippi Power Company
New England Power Service Company
Granite State Electric Company
Massachusetts Electric Company
The Narragansett Electric Company
New England Power Company
Niagara Mohawk Power Corporation
Otter Tail Power Company
Potomac Electric Power Company
Public Service Electric & Gas Company
Public Service Indiana
Southern California Edison Company
Wisconsin Public Service Corporation
Government agency
United States Environmental Protection Agency
Public power project
Salt River Project
Accounting firm
Price Waterhouse & Company

[1] Filed as part of the original document.

[FR Doc.75-33143 Filed 12-9-75;8:45 am]

Title 21—Food and Drugs

CHAPTER I—FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

[Docket No. 75P–0290]

PART 1—REGULATIONS FOR THE ENFORCEMENT OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT AND THE FAIR PACKAGING AND LABELING ACT

PART 3—STATEMENTS OF GENERAL POLICY OR INTERPRETATION

Multiunit and Multicomponent Food Packages; Exemptions From Required Label Statements

Effective December 10, 1975, the Commissioner of Food and Drugs is exempting, under certain specific circumstances, unit containers in a multiunit or multicomponent retail food package, including the wrappers on subdivisions of oleomargarine or margarine contained within packages sold at retail, from the requirements for label declaration of ingredients.

In a notice published in the FEDERAL REGISTER of June 14, 1974 (39 FR 20885), the Commissioner, in response to a petition by the National Association of Margarine Manufacturers, proposed to amend § 1.1c (21 CFR 1.1c) to exempt unit containers in a multiunit or multicomponent retail food package from the requirements for label declaration of ingredients, provided that the outside of the retail package is properly labeled and the unit containers do not constitute separate units for retail sale. The Commissioner also proposed to amend § 3.17(i) (21 CFR 3.17(i)) to conform with § 1.1c so that the wrappers on subdivisions of oleomargarine or margarine contained within packages sold at retail would be exempt from the requirements for label declaration of ingredients, provided the packages sold at retail are properly labeled and the subdivisions do not constitute separate units for retail sale.

Sixteen comments on the proposal were received: Four from consumers, one from a consumer organization, one from a university department of food science, one from a Federal agency, two from State departments of agriculture, four from trade organizations, and three from manufacturers.

The comments from the university department of food science, the two State departments of agriculture, and one of the consumers expressed approval of the regulation as proposed. The remaining comments and the Commissioner's responses are as follows:

1. Two comments stated that the requirement in proposed § 1.1c(a)(14) that unit containers be "securely enclosed" within the retail package is too vague: An alternative phrase, "* * * the unit containers do not constitute separate units for retail sale * * *", was suggested by these comments.

The Commissioner concludes that the language in proposed § 1.1c(a)(14) is sufficiently clear and precise in its meaning and that the suggested substitute language might be confusing. The manufacturer has a duty to package unit containers, labeled in accordance with this exemption, in a manner which will discourage the retail sale of unit containers. To this end, it is essential that unit containers be securely enclosed within the retail package, and accordingly the language of § 1.1c(a)(14), as proposed, has been retained.

2. Three consumer comments opposed the proposal, stating that retail food stores allow customers to remove unit containers from multiunit or multicomponent retail containers. One of these comments was supported by the statement "I have often seen margarine and butter cartons opened and only a quarter or half pound purchased." The consumer organization similarly opposed application of the proposed exemption to "butter and margarine products," stating that these are "often bought by the quarter-pound" (although the consumer organization supported the exemption for "subdivisions of products which are not separate units for retail sale"). However, one trade association submitted data, based on a survey of 1,000 retail food stores, to support its contention that margarine is seldom purchased in individual "sticks" taken from the customary 1-pound packages. A food manufacturer proposed that individual components or units bear an appropriate statement immediately below the product name, such as "not to be sold separately" or "not to be sold as a separate unit," when the ingredient listing does not appear.

The Commissioner advises that manufacturers wishing to utilize this exemption have an obligation to package unit containers in a manner that will discourage separate sale of the units therein and will result in a clear understanding that the unit containers do not constitute separate units for retail sale. Accordingly, the final regulation provides that to qualify for the exemption, component units must be enclosed securely in the retail package (as discussed in paragraph 1 above); in addition, the regulation has been revised to require that such unit containers be labeled with the statement "This Unit Not Labeled For Retail Sale" and that multiunit or multicomponent retail packages containing the unit containers be labeled with the statement "Inner Units Not Labeled For Retail Sale."

The Commissioner advises that this regulation exempts unit containers only when packaged and sold as part of a multiunit or multicomponent retail package. Unit containers removed from the multiunit or multicomponent package are not exempt. Consequently, unit containers which are sold separately or are separately held for retail sale will be deemed to be misbranded within the meaning of section 403 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 343). Thus, a manufacturer whose unit containers fail to comply properly with this exemption violates section 301(a) of the act (21 U.S.C. 331(a)) which prohibits "The introduction or delivery for introduction into interstate commerce of any food * * * that is * * * misbranded." Moreover, a retailer who allows the sale of individual unit containers, properly labeled under this exemption, separate from their multiunit or multicomponent food package will be considered in violation of section 301(k) of the act which prohibits "The * * * removal of the whole or any part of the labeling of, or the doing of any other act with respect to, a food, * * * if such act is done while such article is held for sale (whether or not the first sale) after shipment in interstate commerce and results in such article being * * * misbranded."

3. One comment suggested that § 1.1 c(a)(14) be revised "so as to permit the elimination of all labeling information."

The Commissioner advises that it is permissible for a unit container within a multiunit or multicomponent food package to bear no written, printed, or graphic matter, since such a unit container is not a "label" or "labeling" as defined in section 201(k) and (m) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(k) and (m)). Hence, there is no need for any "exemption" to authorize use of an interior unit container devoid of all written, printed, or graphic matter. (Wrappers on interior sticks of margarine are an exception. Such wrappers cannot be devoid of all written, printed, or graphic matter because section 407(b)(4) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 347(b)(4)) requires that such wrappers bear the word "oleomargarine" or "margarine." Consequently such wrappers are "labels" within the meaning of section 201(k) of the act and must bear all mandatory labeling under the act, subject to the exemption concerning ingredient declaration provided by the regulation promulgated below or any other applicable regulations.)

4. One comment concerning margarine stated that it "presume[d] the language of proposed 3.17(i), and/or that of proposed 1.1c(a)(14), apply to inner units that are other than wrappers (e.g., tubs for soft margarine)."

The Commissioner advises that the exemption of § 3.17(i) specifically applies only to margarine "wrappers." The Commissioner interprets the term "wrapper" to mean the usual paper or foil wrapper in use at the time section 407(b)(4) was enacted, and not a tub or other similar container. Inner units other than "wrappers" are entitled to the exemption of § 1.1c(a)(14).

Accordingly, an individual inner-unit tub of margarine, not sold individually, may be devoid of any written, printed, or graphic matter since it is not a "wrapper." However, written, printed, or graphic matter on such a tub would be a label within the meaning of section 201(k) of the act, and thus the presence of any written, printed or graphic matter would require the tub to bear all mandatory labeling under the act, subject to the exemption from ingredient labeling promulgated below or any other applicable regulations.

5. One comment suggested that section 407(b)(4) of the act, which requires that the name "oleomargarine" or "margarine" appear on each unit wrapper in not less than 20-point type, be deleted.

The Commissioner advises that he does not have the authority to alter the provisions of the act. Such legislative authority is vested exclusively in the Congress.

6. One comment suggested that inner-until labeling should be further simplified by permitting the use of a manufacturer's code number in lieu of stating in English the name and place of business.

The Commissioner does not agree with this suggestion. Information in code form on the unit container is likely to be either meaningless or misunderstood by the consumer. The Commissioner concludes that the most informative and appropriate manner of presenting this information is a complete declaration as presently required.

7. One manufacturer stated that "As a safeguard against removal of any of the components from within the retail or outer pack carton, we suggest that the carton (unit seen at point of purchase) be so designed that it would not have a resealable feature in its construction, which would further deter the sale of individual components."

The Commissioner is of the opinion that the provisions of the regulations, which require that the unit containers be "securely enclosed within and not intended to be separated from the retail package" and which furthermore require labeling on the unit containers and on the multiunit or multicomponent retail packages advising that the unit containers are not labeled for retail sale, are sufficient to prevent consumer deception in this matter. The Commissioner does not feel that he would be justified in mandating at this time a single type of construction design for multiunit or multicomponent packages.

8. One comment suggested that the unit containers in a multiunit or multicomponent retail food package be exempt from compliance with the net quantity of contents statement, on the basis that exemption of the net quantity of contents statement would enable the firm to reduce its necessary film labeling inventory and the consumer would benefit in not having to absorb the cost for the extra labeling involved.

The Commissioner advises that this exemption was not a part of the published proposal and, therefore, could not be made part of the final regulation without the opportunity for public comment. Furthermore, the Commissioner concludes that sufficient data have not been submitted to justify publishing such a proposed exemption.

9. One comment suggested that the outer multicomponent carton or package "list the inner components in the mandatory ingredient panel in a separate manner, and specify each component by name, net weight and specific ingredients for each respective component."

The Commissioner concludes that, although labeling in the proposed manner may be of some benefit to the consumer in making value comparisons, insufficient evidence was presented to require it as a mandatory labeling format.

10. One comment stated that proposed § 3.17(d) is "unnecessary and may be cause for confusion" since there is the implication "that unless specific provisions are provided in the regulations for specific products, the addition of nutrients may not make nutrition labeling mandatory." It was suggested that § 3.17 (d) be deleted.

The Commissioner agrees with this comment. The nutrition labeling regulation, 21 CFR 1.17(a), specifically provides that "inclusion of any added vitamin, mineral, or protein in a product" subjects the label to the requirements of that section. Accordingly, § 3.17(d) has been deleted from the final regulation.

11. The petitioner urged that there be "uniformity in margarine inner-unit labeling between the Food and Drug Administration rules and those of the Department of Agriculture" and contended that "the present dual regulatory system does not always produce such uniformity, despite the good intentions of each agency."

The Commissioner advises that the U.S. Department of Agriculture filed a comment in response to the notice of proposed rule making in this matter and that he has accepted the USDA's one suggestion for change in the regulations. Both the U.S. Department of Agriculture and the Food and Drug Administration appear to be in accord on this matter.

The Commissioner has carefully considered the environmental effects of this regulation and, because the action will not significantly affect the quality of the human environment, has concluded that an environmental impact statement is not required. Copies of the FDA environmental impact assessment are on file with the Hearing Clerk, Food and Drug Administration, Rm. 4-65, 5600 Fishers Lane, Rockville, MD 20852.

Therefore, under the Federal Food, Drug, and Cosmetic Act (secs. 403 (g)(2), (i)(2), (k), 407, 701(a), 52 Stat. 1047-1048, 1055, 64 Stat. 20 (21 U.S.C. 343 (g)(2), (i)(2), (k), 347, 371(a))) and under authority delegated to the Commissioner (21 CFR 2.120), Chapter I of Title 21 of

the Code of Federal Regulations is amended as follows:

1. In Part 1 by adding new paragraph (a)(14) to § 1.1c to read as follows:

§ 1.1c Exemptions from required label statements.

* * * * *

(a) * * *

(14) The unit containers in a multiunit or multicomponent retail food package shall be exempt from compliance with the requirements of section 403(g)(2), (i)(2), and (k) of the act with respect to the requirements for label declaration of ingredients when (i) the multiunit or multicomponent retail food package labeling meets all the requirements of this part; (ii) the unit containers are securely enclosed within and not intended to be separated from the retail package under conditions of retail sale; and (iii) each unit container is labeled with the statement "This Unit Not Labeled For Retail Sale" in type size not less than one-sixteenth inch in height, and each multiunit or multicomponent package principal display panel is labeled with the statement "Inner Units Not Labeled For Retail Sale" in type size not smaller than the minimum type size required for the declaration of net quantity of contents by § 1.8b.

* * * * *

2. In Part 3 by deleting and reserving paragraph (d) and by revising paragraph (i) of § 3.17 to read as follows:

§ 3.17 Labeling of oleomargarine or margarine.

* * * * *

(d) [Reserved]

* * * * *

(i) The wrappers on the subdivisions of oleomargarine or margarine contained within the package sold at retail are labels within the meaning of section 201(k) and shall contain all of the label information required by sections 403 and 407 of the Federal Food, Drug, and Cosmetic Act, just as in the case of 1-pound cartons, except that wrappers on the subdivisions contained within the retail package shall be exempt from the requirements for label declaration of ingredients of section 403 (g)(2), (i)(2), and (k) of the act when the subdivisions are securely enclosed within and are not intended to be separated from the retail package under conditions of retail sale, the wrappers on the subdivisions are labeled with the statement "This Unit Not Labeled For Retail Sale" in type size not less than one-sixteenth inch in height, and each multiunit package principal display panel is labeled with the statement "Inner Units Not Labeled for Retail Sale" in type size not smaller than the minimum size required for the declaration of net quantity of contents by § 1.8b of this chapter.

Effective date. This regulation shall become effective December 10, 1975.

(Secs. 403 (g)(2), (i)(2), (k), 407, 701(a), 52 Stat. 1047–1048, 1055, 64 Stat. 20 (21 U.S.C. 343 (g)(2), (i)(2), (k), 347, 371(a)).)

Dated: December 2, 1975.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.75-33156 Filed 12-9-75;8:45 am]

[Docket No. 75P-0272]

PART 1—REGULATIONS FOR THE ENFORCEMENT OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT AND THE FAIR PACKAGING AND LABELING ACT

Exemption From Declaration of Net Quantity of Contents

The Commissioner of Food and Drugs is adding new paragraph (t) to § 1.8b (21 CFR 1.8b) to provide for an exemption from the requirement of an accurate label declaration of the net quantity of contents of packaged food. The paragraph provides that food products whose actual weight, because of unintentional product variation, is less than the declaration of the net quantity of contents appearing on the label may be sold by the manufacturer or processor of the food directly to institutions operated by Federal, State, or local governments (schools, prisons, hospitals, etc.). The regulation becomes effective December 10, 1975.

In the FEDERAL REGISTER of September 18, 1974 (39 FR 33538), the Commissioner issued a proposal to amend § 1.8b by adding a new paragraph (t) to provide such an exemption. Mislabeling may occur, for example, because of equipment malfunctioning or because the packaging process has not been refined enough to eliminate all possibility of quantity variation.

Where it is not feasible to recycle or relabel such food, the exemption granted by this regulation would obviate the need to destroy such food to prevent its unlawful entry into interstate commerce.

Twenty-four comments were received in response to the proposal. Comments came from individual citizens, State and local officials, educational institutions, and industry. Five comments endorsed the proposal as it appeared in the FEDERAL REGISTER; seventeen comments endorsed the proposal but requested various modifications; two comments opposed the proposal.

The comments received and the Commissioner's response are summarized as follows:

1. One comment opposing the proposal stated that institutions are entitled to full information about the products they purchase.

The Commissioner agrees that all persons, including Federal, State and local institutions as specified in the regulation, are entitled to full information about the net quantity of contents of the packaged foods they purchase. He concludes that compliance with the requirements of § 1.8b(t) will ensure that public institutions that wish to purchase products that are inadvertently short-weight will be fully informed of the net quantity of contents; § 1.8b(t) requires a statement signed by the purchaser that he is aware that the product is mislabeled. It also requires that the outside of the product shipping container bear a conspicuous statement of the nature and extent of the mislabeling.

2. Two comments suggested that short-weight merchandise should be donated to charitable institutions so that corporations would not be tempted to weigh the profit against the penalty. It was stated that a lighter penalty would further tip the balance in favor of underweighting.

The Commissioner is of the opinion that donation to charitable institutions of short-weight food products suitable for consumption is a commendable practice, but he notes that any such donation is strictly on the initiative of the manufacturer or processor who owns the product. The Commissioner concludes that, although the exemption provided by § 1.8b(t) may increase profits somewhat by reducing waste, there is no reason to believe that the provisions of § 1.8b(t) will lead to an increased incidence of short-weight food products.

3. Several comments endorsing the proposal cited the food shortage and the rising cost of food as their primary concern.

The Commissioner is aware of the problems of food shortages and rising food costs and believes that § 1.8b(t) will help to alleviate these problems by reducing the amount of food waste that occurs because of the destruction of short-weight food products that are mislabeled due to equipment malfunction or other causes of unavoidable product variation.

4. Several comments suggested that one or more additional types of buyers—such as "thrift stores," "outlet stores," all user institutions, nonprofit institutions, procurement agencies controlled by government institutions, brokers, distributors, and wholesalers—should be included among the persons allowed to purchase the inadvertently mislabeled products.

The Commissioner concludes that the regulation will not be modified to permit the sale of inadvertently mislabeled foods to institutions other than those operated by Federal, State, or local governments. To expand the exemption beyond these institutions would unduly increase the risk that such products might be diverted for sale directly to retail consumers. A government-controlled procurement agency may of course help to arrange purchases by a government institution, as required by this regulation.

5. Two comments suggested that the proposal be amended to require that each package be stamped, overprinted, or otherwise marked to state conspicuously and clearly the true minimum contents of the individual package.

The Commissioner does not believe that this is necessary since the institutional purchaser is required to sign a statement at the time of sale stating that he is aware that the product is mislabeled regarding the quantity of contents and that any subsequent distribution of the product by him, except for his own institutional use, is unlawful. The retail consumer is protected: If any portion of the merchandise is diverted into retail channels, the food will be deemed to be misbranded and subject to appropriate regulatory action by the Food and Drug Administration.

6. Several comments requested that the exemption be extended to include minor discrepancies that occur unintentionally for reasons other than equipment malfunction.

The Commissioner advises that the regulation is not limited to situations where the mislabeling of net quantity of contents occurs because of equipment malfunction. The regulation also encompasses inaccurate net quantity of contents declarations resulting from "otherwise unintentional product variation." Accordingly, modification of the regulation in this respect is unnecessary.

7. One comment suggested that the exemption should be extended to include all industries bound by Federal labeling requirements for disclosure of weight, volume, or numerical count.

The Commissioner's proposal addressed itself to food labeling requirements, and it would improperly exceed the scope of the proposal for the final regulation to apply to articles other than foods. (And of course, the Commissioner's authority is limited in this proceeding to articles subject to the Federal Food, Drug, and Cosmetic Act.) However, the exemption has been expanded to encompass food label statements concerning volume as well as weight.

8. One comment suggested that the exemption be extended to standardized foods that have inadvertently been packaged below requirements for drained weight or for fill of container.

The Commissioner agrees, and the regulation is amended to incorporate appropriate provisions for this purpose.

9. One comment requested that the proposed disclaimer be reworded to read "actual net contents may be as low as ____% below labeled quantity."

The Commissioner has revised the disclaimer language so that it will be easier for the purchaser to understand.

The Commissioner has carefully considered the environmental effects of the proposed regulation and, because the proposed action will not significantly affect the quality of the human environment, has concluded that an environmental impact statement is not required. A copy of the FDA environmental impact assessment is on file with the Hearing Clerk, Food and Drug Administration.

Therefore, under the Federal Food, Drug, and Cosmetic Act (sec. 701, 52 Stat. 1055–1056, as amended by 68 Stat. 55, 70 Stat. 919, 72 Stat. 948, 74 Stat. 398 (21 U.S.C. 371)) and the Fair Packaging and Labeling Act (sec. 5(b), 80 Stat. 1298 (15 U.S.C. 1454(b))) and under authority delegated to the Commissioner (21 CFR 2.120), Part 1 is amended in § 1.8b by adding new paragraph (t), to read as follows:

§ 1.8b Food labeling; declaration of net quantity of contents; when exempt.

* * * * *

(t) Where the declaration of net quantity of contents is in terms of net weight and/or drained weight or volume and does not accurately reflect the actual quantity of the contents or the product falls below the applicable standard of fill of container because of equipment malfunction or otherwise unintentional product variation, and the label conforms in all other respects to the requirements of this chapter (except the requirement that food falling below the applicable standard of fill of container shall bear the general statement of substandard fill specified in § 10.7(b) of this chapter), the mislabeled food product, including any food product that fails to bear the general statement of substandard fill specified in § 10.7(b) of this chapter, may be sold by the manufacturer or processor directly to institutions operated by Federal, State or local governments (schools, prisons, hospitals, etc.): *Provided*, That:

(1) The purchaser shall sign a statement at the time of sale stating that he is aware that the product is mislabeled to include acknowledgement of the nature and extent of the mislabeling, e.g., "Actual net weight may be as low as ____% below labeled quantity") and that any subsequent distribution by him of said product except for his own institutional use is unlawful. This statement shall be kept on file at the principal place of business of the manufacturer or processor for 2 years subequent to the date of shipment of the product and shall be available to the Food and Drug Administration upon request.

(2) The product shall be labeled on the outside of its shipping container with the statement(s):

(i) When the variation concerns net weight and/or drained weight or volume —"Product Mislabeled. Actual net weight (drained weight or volume where appropriate) may be as low as ____% below labeled quantity. This Product Not for Retail Distribution", the blank to be filled in with the maximum percentage variance between the labeled and actual weight or volume of contents of the individual packages in the shipping container, and

(ii) When the variation is in regard to a fill of container standard—"Product Mislabeled. Actual fill may be as low as __% below standard of fill. This Product Not for Retail Distribution."

(3) The statements required by paragraphs (t)(2)(i) and (t)(2)(ii) of this section, which may be consolidated where appropriate, shall appear prominently and conspicuously as compared to other printed matter on the shipping container and in boldface print or type on a clear, contrasting background in order to render them likely to be read and understood by the purchaser under ordinary conditions of purchase.

Effective date. This regulation shall become effective December 10, 1975.

(Sec. 701, 52 Stat. 1055–1056 as amended by 68 Stat. 55, 70 Stat. 919, 72 Stat. 948, 74 Stat. 398 (21 U.S.C. 371); sec. 5(b), 80 Stat. 1298 (15 U.S.C. 1454(b)).)

Dated: December 2, 1975.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.75-33157 Filed 12-9-75;8:45 am]

[Docket No. 75P-0291]

PART 37—FISH

Canned Pacific Salmon; Confirmation of Effective Date of Order Amending Standards of Identity and Fill of Container

In the FEDERAL REGISTER of May 23, 1975 (40 FR 22540), the Commissioner of Food and Drugs amended the standards of identity (21 CFR 37.10) and fill of container (21 CFR 37.12) for canned Pacific salmon to adopt, insofar as practicable, the provisions of the Recommended International Standard for Canned Pacific Salmon.

The amendment provided that any person who would be adversely affected could at any time on or before June 23, 1975, file written objections to, and also request a hearing on, the amended regulation.

Pursuant to the Federal Food, Drug, and Cosmetic Act (sec. 701(e)(2), 70 Stat. 919 (21 U.S.C. 371(e)(2))) and under authority delegated to the Commissioner (21 CFR 2.120), notice is given that no objections were filed to the regulations published May 23, 1975, and that the effective date for full compliance with the regulations was Jul. 22, 1975.

Dated: December 3, 1975.

WILLIAM F. RANDOLPH,
Acting Associate Commissioner for Compliance.

[FR Doc.75-33153 Filed 12-9-75;8:45 am]

PART 529—CERTAIN OTHER DOSAGE FORM NEW ANIMAL DRUGS NOT SUBJECT TO CERTIFICATION

PART 556—TOLERANCES FOR RESIDUES OF NEW ANIMAL DRUGS IN FOOD

Cephapirin Sodium for Intramammary Infusion

The Commissioner of Food and Drugs has evaluated a new animal drug application (97-222V) filed by Bristol Laboratories, Division of Bristol-Myers Co., P.O. Box 657, Syracuse, NY 13201, proposing safe and effective use of cephapirin sodium for intramammary infusion for treating mastitis in lactating cows. The application is approved, effective December 10, 1975.

Based upon an evaluation of the data before him, the Commissioner concludes that a tolerance limitation is required to assure that edible tissues and milk of cattle treated with cephapirin sodium infusion under the approved conditions of use are safe for human use.

The Commissioner is amending Parts 529 and 556 (21 CFR Parts 529, 556) to reflect this approval.

In accordance with § 514.11(e)(2)(ii) (21 CFR 514.11(e)(2)(ii)) of the animal drug regulations, a summary of the safety and effectiveness of data and information submitted to support the approval of this application is released publicly. The summary is available for public examination at the office of the Hearing Clerk, Rm. 4–65, 5600 Fishers Lane, Rockville, MD 20852, Monday through Friday from 9 a.m. to 4 p.m., except on Federal legal holidays.

Therefore, under the Federal Food, Drug, and Cosmetic Act (sec. 512(i), 82 Stat. 347 (21 U.S.C. 360b(i))) and under authority delegated to the Commissioner (21 CFR 2.120) Parts 529 and 556 are amended as follows:

1. In Part 529, by adding new § 529.365 to read as follows:

§ 529.365 Cephapirin sodium for intramammary infusion.

(a) *Specifications.* Each 10-milliliter dose contains 200 milligrams of cephapirin sodium activity in a peanut-oil gel.

(b) *Sponsor.* See No. 000015 in § 510.600(c) of this chapter.

(c) *Related tolerances.* See § 556.115 of this chapter.

(d) *Conditions of use.* (1) The drug is used for the treatment of lactating cows having bovine mastitis caused by susceptible strains of *Streptococcus agalactiae* and *Staphylococcus aureus.*

(2) Administer one dose into each infected quarter immediately after the quarter has been completely milked out. Do not milk out for 12 hours. Repeat once only in 12 hours. If improvement is not noted within 48 hours after treatment, consult your veterinarian.

(3) Milk that has been taken from animals during treatment and for 96 hours (8 milkings) after the last treatment must not be used for food. Treated animals must not be slaughtered for food until 4 days after the last treatment.

2. In Part 556, by adding a new § 556.115 to read as follows:

§ 556.115 Cephapirin.

A tolerance of 0.02 parts per million (ppm) is established for residues of cephapirin in the milk and 0.1 ppm in the uncooked edible tissues of dairy cattle.

Effective date. This regulation shall be effective December 10, 1975.

(Sec. 512(i), 82 Stat. 347 (21 U.S.C. 360b(i)).)

Dated: December 2, 1975.

C. D. VAN HOUWELING,
Director, Bureau of Veterinary Medicine.

[FR Doc.75-33154 Filed 12-9-75;8:45 am]

PART 546—TETRACYCLINE ANTIBIOTIC DRUGS FOR ANIMAL USE

Chlortetracycline Boluses

The Commissioner of Food and Drugs has evaluated a supplemented new animal drug application (65-047V) filed by Philips Roxane, Inc., 2621 North Belt Highway, St. Joseph, MO 64502, proposing safe and effective use of chlortetracycline boluses for treatment of bacterial enteritis and pneumonia in calves. The supplemental application is approved, effective December 10, 1975.

The Commissioner is amending Part 546 to reflect this approval.

In accordance with § 514.11(e)(2)(ii) (21 CFR 514.11(e)(2)(ii)) of the animal drug regulations, a summary of the safety and effectiveness of data and information submitted to support the approval of this application is released publicly. The summary is available for public examination at the office of the Hearing Clerk, Rm. 4–65, 560 Fishers Lane, Rockville, MD 20852, Monday through Friday from 9 a.m. to 4 p.m., except on Federal legal holidays.

Therefore, under the Federal Food, Drug, and Cosmetic Act (sec. 512(i), 82 Stat. 347 (21 U.S.C. 360b(i))), and under authority delegated to the Commissioner (21 CFR 2.120), Part 546 is amended in Subpart A by adding new § 546.110h, to read as follows:

§ 546.110h Chlortetracycline boluses.

(a) *Requirements for certification.* The requirements for certification for chlortetracycline boluses are described under § 546.110d. Each bolus contains 250 milligrams of chlortetracycline hydrochloride. Its moisture content is not more than 6.0 percent.

(b) *Tests and methods of assay.* The tests and methods of assay are described in § 446.110a of this chapter. The moisture content is determined using the method described under § 436.201 of this chapter.

(c) *Conditions of marketing.* It is used in calves.

(1) *Sponsor.* See No. 000010 in § 510.600(c) of this chapter.

(2) *Related tolerances.* See § 556.150 of this chapter.

(3) *Indications for use.* It is used for treatment of bacterial enteritis (scours) caused by *E. coli* and bacterial pneumonia associated with *Pasteurella spp., Klebsiella spp.,* and *Hemophilus spp.*

(4) *Limitations.* Administer 1 bolus (250 milligrams) for each 50 pounds of body weight every 12 hours daily for 3 to 5 days; if no improvement is noted after 3 days of treatment, consult a veterinarian; administer by placing well back on the tongue by hand or with a balling gun, or crushed and dissolved in milk or water for drenching or bucket feeding; do not use for more than 5 days; do not slaughter animals for food within 24 hours of latest treatment.

Effective date. This regulation shall be effective on December 10, 1975.

(Sec. 512(i), 82 Stat. 347 (21 U.S.C. 360b(i)).)

Dated: December 4, 1975.

C. D. VAN HOUWELING,
Director, Bureau of Veterinary Medicine.

[FR Doc.75-33155 Filed 12-9-75;8:45 am]

Title 29—Labor

CHAPTER XVII—OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION, DEPARTMENT OF LABOR

PART 1952—APPROVED STATE PLANS FOR ENFORCEMENT OF STATE STANDARDS

Approval of the New Mexico Plan

1. *Background.* Part 1902 of Title 29, Code of Federal Regulations, prescribes procedures under section 18 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 667) (hereinafter called the Act) whereby States may submit for approval, under the requirements of that section, plans to assume responsibility for the development and enforcement of State occupational safety and health standards. New Mexico first submitted a plan under this section to the Assistant Secretary of Labor for Occupational Safety and Health (hereinafter called the Assistant Secretary) on July 25, 1973 (38 FR 36780). Initial review of the plan revealed numerous serious deficiencies which remained unresolved after discussions and meetings between State and Federal representatives. Therefore, the Assistant Secretary initiated proceedings to reject the plan under section 18(d) of the Act and notice to that effect was published in the FEDERAL REGISTER, enumerating the Assistant Secretary's findings with regard to the provisions of the New Mexico State plan dealing with sanctions and their application, employee rights and obligations, and regulation of hazards along with explanations of why these provisions were considered to be not at least as effective as comparable Federal provisions (39 FR 42726). Before hearing on the proposed rejection, the New Mexico legislature enacted new enabling legislation in its 1975 session substantially similar to the comparable Federal provisions.

The State formally submitted its revised plan, containing the new legislation, to the Assistant Secretary on June 4, 1975; and the Secretary of Labor and the State of New Mexico, by stipulation, dismissed the pending rejection proceeding. On August 21, 1975, a notice was published in the FEDERAL REGISTER (40 FR 36575) concerning the resubmission of the plan to the Assistant Secretary and the fact that the question of approval was in issue before him.

The plan designates the New Mexico Environmental Improvement Agency as the agency with the responsibility for the administration of the plan throughout the State. It defines the covered occupational safety and health issues as defined by the Secretary of Labor in

§ 1902.2(c)(1) of Title 29, Code of Federal Regulations, and includes legislation enacted in 1972 and amending legislation which was enacted on April 10, 1975. In addition, the State has adopted Federal occupational safety and health standards as of June 1975, the OSHA Field Operations Manual, and contains regulations adopted August 8, 1975, which are substantially identical to 29 CFR Parts 1903, 1904 and 1905. A further description of the plan and the schedule for its development are summarized in a new Subpart DD of 29 CFR Part 1952 appearing below.

2. *Issues.* The National Office review of the revised New Mexico plan revealed problems which were communicated to the State. The State responded to each of the National Office comments, as well as public comments submitted by the American Federation of Labor and Congress of Industrial Organizations, in a letter dated November 4, 1975, from Aaron Bond, Director of the Environmental Improvement Agency, to Barry J. White, Associate Assistant Secretary for Regional Programs. This letter clarified and expanded the plan and all outstanding problem areas of the plan were resolved. The major issues are discussed below:

(a) Section 59–14–16(D) of the amended legislation provides for employer or employee contests within 15 days after citation. However, a notice of contest results in an informal hearing, after which another notice of contest must be filed (again within 15 days) to request a formal hearing. This procedure was considered to be confusing and likely to lead to lengthy delays. In response to this criticism, the State submitted language for proposed amending legislation which will remove the requirement for a mandatory informal hearing completely, and substitute language identical to section 10 of the Federal Act. The State, in the November 1, 1975 letter gave assurances that until such amendment is enacted, an interim procedure whereby any delays would be minimized will be invoked. This will include prompt institution of informal hearings, usually within five days, and other procedures.

b. *Training.* The State Plan and proposed budget appeared to provide a minimal training program for employers and employees. In addition, more information was deemed necessary concerning the State's plans for the training of its compliance officers.

The State in its letter of assurances has offered adequate information and clarification about the program's goals for the employer-employee education program by pointing out the program's authorization under the State Plan, demonstrating its funding under the Technical Services section of the proposed grant, and noting the allocation of three full-time personnel to the Technical Services Program. Resources have also been programmed for the necessary visual and audio aid equipment, other supplies necessary for the presentation of the courses, and various associated expenses such as travel, rent, and utilities.

The State has offered adequate assurance that appropriate funding will be sought on a continuing basis "to make not only basic but also advanced and refresher training available to the State's program staff." Certain technical training will be obtained from various courses offered by the Occupational Safety and Health Administration's Training Institute and by the National Institute for Occupational Safety and Health. Adequate funding for the travel of the State's compliance officers to the various training sites is provided in the proposed grant.

c. *Recordkeeping and reporting.* The Bureau of Labor Statistics (BLS) in its comments objected to the lack of assurances that the State would seek prior approval for any additional employer recordkeeping and reporting required by the State, that the State would amend its recordkeeping and reporting requirements to reflect any change in 29 CFR Part 1904, and that the State would require public employers to meet the same recordkeeping and reporting requirements as the private sector.

The State of New Mexico, in its letter of November 4, 1975, provided all assurances as requested above.

3. *Decision.* After careful consideration of the New Mexico Plan, the plan is hereby approved under section 18 of the Act and 29 CFR Part 1902.

The decision incorporates requirements of the Act and implementing regulations applicable to State plans generally. It also incorporates our intentions as to continued Federal enforcement of Federal standards in areas covered by the plan and the State's developmental schedule as set out below.

Pursuant to § 1902.20(b)(1)(iii), the present level of Federal enforcement will not be diminished until the State has been determined to be operational under the meaning of 29 CFR 1954.3. Thereafter, Federal enforcement activity will continue to be exercised to the degree necessary to assure occupational safety and health protection to employees in the State of New Mexico.

The New Mexico plan is developmental. The following are the highlights of the schedule of developmental steps provided by the plan:

(a) Development of a complete and operating management information and control system by January 1, 1976.

(b) Submission of the State's occupational safety and health poster for approval by January 31, 1976.

(c) Promulgation of rules of procedures for administrative review by the New Mexico Occupational Health and Safety Review Commission by January 31, 1976.

(d) Enforcement program to achieve operational status by December 1, 1976.

(e) Amendments to basic legislation to become effective by July 1, 1977.

(f) Public employee program to become operational by July 1, 1977.

Pursuant to section 18 of the Occupational Safety and Health Act (29 U.S.C. 667), Part 1952 is hereby amended by adding a new Subpart DD as follows:

Subpart DD—New Mexico

Sec.
1952.360 Description of the plan.
1952.361 Where the plan may be inspected.
1952.362 Level of Federal enforcement.
1952.363 Developmental schedule.

AUTHORITY: Sec. 18, Pub. L. 91–596, 84 Stat. 1608 (29 U.S.C. 667).

Subpart DD—New Mexico

§ 1952.360 Description of the plan.

(a)(1) The plan identifies the New Mexico Environmental Improvement Agency, with its subordinate organization, the Occupational and Radiation Protection Division, as the State agency designated to administer the plan throughout the State. It adopts the definition of occupational safety and health issues expresed in § 1909.2(c)(1) of this chapter. The State has adopted the Federal Field Operations Manual and all the Federal standards except those found in 29 CFR Parts 1915, 1916, 1917, and 1918 (ship repairing, shipbuilding, shipbreaking, and longshoring). In addition, the Occupational and Radiation Protection Division will be enforcing State standards under the Radiation Protection Act (Chp. 284, Laws of 1971, 12–9–1 through 12–9–11, New Mexico Statutes Annotated). However, since this Act provides protection to the general public, in the event of conflict between Radiation Protection Act standards and occupational safety and health standards, employees will receive the protection provided under the more stringent regulation.

(2) The plan provides a description of personnel employed under a merit system; the coverage of employees of political subdivisions; procedures for the development and promulgation of standards, including standards for the protection of employees against new and unforeseen hazards; and procedures for the prompt restraint of imminent danger situations.

(b)(1) The plan includes legislation enacted by the New Mexico Legislature during its 1975 legislative session amending Chp. 63, Laws of 1972, 59–14–1 through 59–14–23 of the New Mexico Statutes Annotated to bring them into conformity with the requirements of Part 1902 of this chapter. Under the legislation, the Environmental Improvement Agency will have full authority to enforce and administer laws respecting the safety and health of employees in all workplaces of the State.

(2) The legislation is intended, among other things, to assure inspections in response to employee complaints; give employer and employee representatives an opportunity to accompany inspectors in order to aid inspections; notify employees of their protections and obligations; protect employees against discharge or discrimination in terms and conditions of employment; provide adequate safeguards to protect trade secrets; impose sanctions against employers for violations of standards and orders; insure employer right of review to an Occupational Health and Safety Review Com-

mission and then the courts, and employee participation in the review proceedings. The plan also proposes a program of voluntary compliance by employers and employees, including a provision for on-site consultation. The State's consultation program will not detract from its enforcement program and the State's consultation program will meet the conditions set forth in the Washington Decision (38 FR 2421, January 26, 1973).

(c) The New Mexico Plan includes the following documents as of the date of approval:

(1) The plan description documents, in one volume.

(2) A copy of the enabling legislation as amended by the State legislature in its 1975 session.

(3) A letter from Aaron Bond, Director of the New Mexico Environmental Improvement Agency, to Barry J. White, Associate Assistant Secretary for Regional Programs, dated November 4, 1975, submitting information, clarification, and revisions on several issues raised during the review process, including proposals to be submitted to the New Mexico Legislature prior to the close of its 1977 legislative session.

§ 1952.361 Where the plan may be inspected.

A copy of the plan may be inspected and copied during normal business hours at the following locations: Office of the Associate Assistant Secretary for Regional Programs, New Department of Labor Building, Room N3608, 200 Constitution Ave., N.W., Washington, D.C. 20210; The Technical Data Center, Occupational Safety and Health Administration, New Department of Labor Building, Room N3620, 200 Constitution Ave., N.W., Washington, D.C. 20210; Assistant Regional Director, Occupational Safety and Health Administration, 555 Griffin Square Building, Griffin and Young Streets, Dallas, Texas 75202; and the Director, Environmental Improvement Agency, State of New Mexico, P.O. Box 2348, PERA Building, Room 506, Santa Fe, New Mexico 87503.

§ 1954.362 Level of Federal enforcement.

Pursuant to §1902.20(b)(1)(iii) of this chapter, the present level of Federal enforcement in New Mexico will not be diminished until the State has been determined to be operational under the meaning of 29 CFR 1954.3. Thereafter, the level of Federal enforcement will continue to be exercised to the degree necessary to assure occupational safety and health protection to employees in the State of New Mexico.

§ 1952.363 Developmental schedule.

The New Mexico State Plan is developmental. The following is the developmental schedule as provided by the plan:

(a) Development of a complete and operating management information and control system by January 1, 1976.

(b) Submission of the State's occupational safety and health poster for approval by January 31, 1976.

(c) Promulgation of Rules of Procedures for administrative review by the New Mexico Occupational Health and Safety Review Commission by January 31, 1976.

(d) Enforcement program to achieve operational status by December 1, 1976.

(e) Amendments to basic legislation to become effective by July 1, 1977.

(f) Public employee program to become operational by July 1, 1977.

Signed at Washington, D.C., this 4th day of December, 1975.

MORTON CORN,
Assistant Secretary of Labor.

[FR Doc.75-33245 Filed 12-9-75;8:45 am]

CHAPTER XXVI—PENSION BENEFIT GUARANTY CORPORATION

PART 2602—DECLARATION AND PAYMENT OF PREMIUMS

Clarifications

On September 17, 1975, the Pension Benefit Guaranty Corporation (hereinafter "the PBGC") published in the FEDERAL REGISTER (40 FR 42876) a revision of Part 2602, Chapter XXVI, of Title 29, Code of Federal Regulations, which imposed the premiums to be paid for basic benefits guaranteed under § 4022(a) of the Employee Retirement Income Security Act of 1974 (hereinafter "the Act"), for plan years beginning on or after September 2, 1975, and which prescribed a new premium payment declaration form (Form PBGC-1 (Rev. Aug. 1975)). Subsequently, a number of comments and questions were received by the PBGC which indicated the need to adopt certain technical amendments to this regulation. It, therefore, has been revised, as set forth below, to clarify the obligations imposed thereunder.

This regulation has been modified in a number of respects. Section 2602.2 has been revised to clarify the definition of "participant" for premium payment purposes. This definition incorporates within the regulation itself the definition of participant previously contained in the preamble to the regulation adopted on September 17, 1975, as well as previously stated interpretations of the term.

Section 2602.3 has been modified so as to specify in one place the filing requirements previously imposed separately by the Act, the premium regulation adopted by the PBGC on September 17, 1974 (39 FR 33357) and the form of this regulation as adopted by the PBGC on September 17, 1975. Section 2602.3 also has been revised to specifically reserve to the PBGC the right to reject incomplete filings.

Section 2602.7 has been amended to take into account the recent decrease by the Internal Revenue Service (hereinafter "the IRS") of the interest rate generally imposed under the Internal Revenue Code (hereinafter "the Code"). Section 4007(b) of the Act provides that the interest imposed for a failure to pay premiums when due is that imposed by the IRS under section 6601(a) of the Code. Effective February 1, 1976, therefore, the interest imposed by § 2602.7 of this regulation will be at the rate of 7 percent per annum. Section 2602.7 also has been amended to provide that PBGC bills for interest will be deemed paid in full if paid no later than 30 days after the billing date.

Section 2602.9 of this regulation has been changed to permit the PBGC, on its own motion, to waive the imposition of late payment charges. Among other things, this change will permit the PBGC to treat late payment charges billed by the PBGC as paid in full if paid no later than 30 days after the billing date.

Finally, new §§ 2602.10 and 2602.11 have been added to clarify the date on which a premium filing will be considered to be due and the date on which a premium filing will be considered to be filed. The three day time period for determining the mailing date of mail not postmarked by the United States Postal Service will be applied by the PBGC only with respect to filings which are due and payments which are made after the date this regulation is published.

Because under the terms of this part, the premium declaration form and premium payments have been required to be submitted since October 2, 1975, the PBGC finds that there is a need to provide immediate, additional guidance to the public with respect to the requirements for filing the premium declaration form and the payment of premiums. Accordingly, the PBGC has determined that good cause exists for making this regulation effective less than 30 days after publication.

In consideration of the foregoing, Part 2602, Chapter XXVI of Title 29, Code of Federal Regulations, is revised (deletions are bracketed and additions are indicated by arrows) as set forth below, effective December 10, 1975.

Sec.
2602.1 Purpose and scope.
2602.2 Definitions.
2602.3 Filing requirement.
2602.4 Coverage for guaranteed basic benefits.
2602.5 Premium rate.
2602.6 Forms.
2602.7 Late payment interest charges.
2602.8 Late payment penalty charges.
2602.9 Waivers.
►2602.10 Date of filing.◄
►2602.11 Computation of time.◄
2602.1[0]►2◄ Mailing address.

[AUTHORITY: Sec. 4002, 4006, 4007; 88 Stat. 1004, 1010, 1013; (29 U.S.C. 1302, 1306, 1307)]

§ 2602.1 Purpose and scope.

(a) The purpose of this part is to impose the premiums applicable to plan years ►in progress on and◄ beginning on or after September 2, 197[5]►4◄.

(b) This part applies to all covered plans, as provided by section 4021 of the

§ 2602.2 Definitions.

As used in this part:

"Act" means the Employee Retirement Income Security Act of 1974.

"Participant" means [the individual defined as such under the terms of the

plan]: ►(a) an individual currently accruing benefits or earnings or retaining credited service under the terms of the plan; (b) a former employee with vested rights to immediate or deferred benefits; (c) a retiree who is receiving or is eligible to receive benefits from the plan; (d) a retiree or former employee for whom a fully paid-up immediate or deferred annuity has been purchased if such individual retains a legal claim against the plan for benefits or if the plan retains a participating interest in the annuity policy; (e) a deceased participant whose survivors are receiving or are eligible to receive benefits from the plan; and, (f) any other individual who is defined as a participant under the terms of the plan.◄

"PBGC" means the Pension Benefit Guaranty Corporation.

"Plan Year" means the calendar, policy or fiscal year on which the records of the plan are kept.

§ 2602.3 Filing requirement.

►(a) No later than October 2, 1974, the plan administrator of each covered plan shall file in accordance with the instructions contained therein the premium declaration form prescribed by this part and any estimated premium payments due for any plan year beginning before and in progress on September 2, 1974.◄

►(b) No later than 30 days after the beginning of any plan year beginning on or after September 2, 1974, the plan administrator of each covered plan shall file in accordance with the instructions contained therein the premium declaration form prescribed by this part and any estimated premium payments due for such plan year.◄

[(a) ►(c)◄ [Within] ►No later than 2 years and◄ 30 days after the beginning of any plan year ►in progress on or◄ beginning on or after September 2, 197[5]►4◄, the plan administrator of each covered plan shall file in accordance with the instructions contained therein [: (1)] the premium declaration for prescribed by this part [,] ►and◄ [as well as any estimated premium payments due for any plan year beginning on or after September 2, 1975; and, (2)] any premium payments necessary, or request for refunds due, as a result of reconciling the estimated premium payments paid, with the actual premium payment due, for [any] ►such◄ plan year [beginning before and in progress on September 2, 1974].

[(b)]►(d)◄ A premium declaration revision, revising a previous estimate of premium payments, may be filed on the form prescribed by this part at any time prior to the filing of the reconciliation of the estimated premium with the actual premium due.

[(c)]►(e)◄ [Notwithstanding the provisions of paragraph (a) of this section,] The date prescribed for payment of premiums for plans not previously covered by section 4021 of the Act is 30 days after the later of the date the plan documents are signed or the date of the plan's effectiveness.

►(f) Any premium declaration filing not filed in accordance with this part, not filed in accordance with the instructions contained in the form, not accompanied by the required premium payment or otherwise incomplete may, in the discretion of the PBGC, be returned in whole or in part to the plan administrator and treated as not having been filed.◄

§ 2602.4 Coverage for guaranteed basic benefits.

(a) The failure by a plan administrator to pay the premiums due under this part will not result in that plan's loss of coverage for basic benefits guaranteed under section 4022(a) of the Act.

(b) The payment of the premiums imposed by this part will not result in coverage for basic benefits guaranteed under section 4022(a) of the Act for plans not covered under section 4021 of the Act.

§ 2602.5 Premium rate.

For plan years ►in progress on or◄ beginning on or after September 2, 197[5]►4◄, the premium rate for basic benefits guaranteed under § 4022(a) of the Act shall be as follows:

(a) Plans which are not multiemployer plans shall pay a premium of one dollar for each individual who is a participant in such plan at any time during the plan year;

(b) Multiemployer plans shall pay a premium of fifty cents for each individual who is a participant in such plan at any time during the plan year.

§ 2602.6 Forms

(a) The form prescribed by this part for the declaration ►,◄ [and] payment ►and reconciliation◄ of premiums is Form PBGC–1 (Rev. Aug. 1975).

(b) The form prescribed by this part for the revision of a previous estimate of premium payments is Form PBGC–1R.

§ 2602.7 Late payment interest charges.

►(a)◄ If any premium payment due under this part is not paid by the last date prescribed for payment in § 2602.3, an interest charge shall be imposed on the unpaid amount at the rate of 6 percent per annum through June 30, 1975 ►,◄ [and] 9 percent per annum ►through January 31, 1976 and 7 percent per annum◄ thereafter, for the period from the date payment is due to the date the payment is made.

►(b) PBGC bills for interest assessed by § 2602.7 will be deemed paid in full if paid no later than 30 days after the date of such bills.◄

§ 2602.8 Late payment penalty charges.

(a) If any premium payment due under this part is not paid by the last date prescribed for payment in § 2602.3, a late payment charge shall be assessed on the unpaid amount at the rate provided in the following table:

►LATE PAYMENT PENALTY CHARGES◄

►PREMIUM DUE DATE PRIOR TO OCT. 2, 1975◄

Days late from due date:	*Late payment charge (percent)*
1 to 60	0
61 to 90	25
91 to 120	50
121 to 180	75
More than 180	100

►PREMIUM DUE DATE ON OR AFTER OCT. 2, 1975◄

Days late from due date:	*Late payment charge (percent)*
1 to 30	5
31 to 60	10
61 to 90	20
91 to 120	40
121 to 150	60
151 to 180	80
More than 180	100

(b) For the purpose of [this section,] ►§ 2602.8,◄ if the premium paid is less than 80 percent of the actual premium due, the underpayment will be presumptively treated as a nonpayment subject to the appropriate late payment charges. When a late payment charge based upon this presumption is assessed, a plan administrator may request the PBGC to [reconsider] ►review◄ the applicability of this presumption by submitting a statement to the PBGC setting forth the reasons for such request.

§ 2602.9 Waivers

The late payment charges imposed by § 2602.8 will not be assessed ►in whole or in part◄:

(a) With respect to any premium payment made within 60 days after the last date prescribed for payment in § 2602.3 if, before such date, the PBGC grants a waiver upon a showing of substantial hardship arising from the timely payment of the premium and a showing that the premiums will be paid within such 60 day period[:] ►;◄ [or]

(b) Upon any other timely request and demonstration of good cause[.] ►; or◄

►(c) If the PBGC, on its own motion, waives the application of § 2602.8.◄

►§ 2602.10 Date of filing.◄

►(a) Any form required to be filed under the provisions of this part and any payment required to be made under the provisions of this part shall be deemed to have been filed or made on the date on which it is mailed.

►(b) A form or payment shall be presumed to have been mailed on the date on which it is postmarked by the United States Postal Service or three days prior to the date on which it is received by the PBGC if not postmarked by the United States Postal Service.◄

►§ 2602.11 Computation of time.◄

►In computing any period of time prescribed by this part, the first day shall not be included and the last day shall be included.◄

§ 2602.1[1]►2◄ Mailing address.

The mailing address of the Pension Benefit Guaranty Corporation is P.O. Box 7119, Washington, D.C. 20044.

Signed at Washington, D.C. this 5th day of December, 1975.

JOHN T. DUNLOP,
Chairman,
Board of Directors,
Pension Benefit Guaranty Corporation.

Issued on the date set forth above, pursuant to a resolution of the Board of Directors approving these regulations and authorizing its Chairman to issue same.

HENRY ROSE,
Secretary,
Pension Benefit Guaranty Corporation.

[FR Doc.75-33278 Filed 12-9-75;8:45 am]

Title 38—Pensions, Bonuses, and Veterans' Relief

CHAPTER I—VETERANS ADMINISTRATION

PART 3—ADJUDICATION

Pension, Compensation, and Dependency and Indemnity Compensation

DOMESTIC VOLUNTEER SERVICE PROGRAMS

At 40 FR 48143 and 48144 of the FEDERAL REGISTER of October 14, 1975, there was published a notice of proposed regulatory development to change provisions in Part 3 of Title 38, Code of Federal Regulations, relating to annual income. Interested persons were given 30 days in which to submit comments, suggestions, or objections regarding the proposed regulation.

One written comment on the proposed change was received. This comment was directed to § 3.261(a)(34), Title 38, Code of Federal Regulations. It was a notification of another program funded by ACTION, income from which is to be excluded in the computation of income for VA purposes. The primary purpose of the proposed regulatory change was to clarify and publicize the status of the programs transferred to the Small Business Administration, and therefore, it was not deemed appropriate to delay promulgation pending an additional change to reflect the Senior Companion Program as an ACTION program since this can be accomplished in a later change.

For this reason the proposed amendment is hereby adopted without change and is set forth below.

Effective date. The amendments to VA Regulation 1261 are effective July 15, 1975, the effective date of Executive Order 11871.

Approved: December 4, 1975.

[SEAL] R. L. ROUDEBUSH,
Administrator.

In § 3.261, paragraph (a)(33) is revised and (a)(34) is added so that the revised and added material reads as follows:

§ 3.261 Character of income; exclusions and estates.

* * * * *

	Dependency (parents)	Dependency and indemnity compensation (parents)	Pension; protected (veterans, widows (widowers), and children)	Pension; Public Law 86-211 (veterans, widows (widowers), and children)	See
(a) Income:					
* * *					
(33) The following programs administered by the ACTION Agency:					
Foster grandparent program and older Americans community service programs payments (Pub. L. 93-29; 87 Stat. 55).	Excluded...	Excluded...	Excluded...	Excluded...	§ 3.262(q)(1)
Volunteers in Service to America (VISTA), University Year for ACTION (UYA), Program for Local Services (PLS), ACTION Cooperative Volunteers (ACV), Foster Grandparent Program (FGP) and Older American Community Service Programs, Retired Senior Volunteer Program (RSVP). (Pub. L. 93-113; 87 Stat. 394).	do	do	do	do	§ 3.262(q)(2)
(34) The Service Corps of Retired Executives (SCORE) and Active Corps of Executives (ACE) administered by the Small Business Administration. (Pub. L. 93-113; 87 Stat. 394).	do	do	do	do	§ 3.262(q)(2)
* * *					

[FR Doc.75-33223 Filed 12-9-75;8:45 am]

PART 3—ADJUDICATION

Pension, Compensation, and Dependency and Indemnity Compensation

RATINGS AND EVALUATIONS

At 40 FR 50111 of the FEDERAL REGISTER of October 28, 1975, there was published a notice of proposed regulatory development to amend § 3.321(b)(3) to provide that the effective dates of extra-schedular evaluations in claims for increased benefits will be in accordance with § 3.400(o). This amendment reflects that extra-schedular evaluations are subject to the same effective date provisions as apply to schedular evaluations.

Interested persons were given 30 days in which to submit comments, suggestions, or objections regarding the proposed regulation.

No written comments have been received and the proposed regulation is hereby adopted without change and is set forth below.

Effective date. This VA Regulation is effective August 1, 1975, the effective date of Pub. L. 94-71 (89 Stat. 395).

Approved: December 4, 1975.

[SEAL] R. L. ROUDEBUSH,
Administrator.

In § 3.321, paragraph (b)(3) is revised to read as follows:

§ 3.321 General rating considerations.

* * * * *

(b) * * *

(3) *Effective dates.* The effective date of these extra-schedular evaluations granting or increasing benefits will be in accordance with § 3.400(b)(1) and (2) as to original and reopened claims and in accordance with § 3.400(o) in claims for increased benefits.

* * * * *

[FR Doc.75-33224 Filed 12-9-75;8:45 am]

Title 50—Wildlife and Fisheries

CHAPTER I—U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR

PART 28—PUBLIC ACCESS, USE, AND RECREATION

Pond Island National Wildlife Refuge

The following special regulations are issued and are effective during the period January 1, 1976 through December 31, 1976.

§ 28.28 Special regulations, public access, use, and recreation; for individual wildlife refuge areas.

MAINE

POND ISLAND NATIONAL WILDLIFE REFUGE

Pond Island National Wildlife Refuge is closed to the general public during the nesting season from March 1 through July 31, 1976; however, it is open for environmental education, nature study, and photography from August 1 through February 28 during daylight hours. Camping is prohibited. Pets are permitted if on a leash not over 10 feet in length.

Information about the refuge is available from the Refuge Manager, Parker River National Wildlife Refuge, Newburyport, Massachusetts 01905 or from the Regional Director, U.S. Fish and Wildlife Service, Post Office and Courthouse Building, Boston, Massachusetts 02109.

The provisions of this special regulation supplement the regulations govern-

ing recreation on wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 28, and are effective through December 31, 1976.

WM. C. ASHE,
Acting Regional Director,
U.S. Fish and Wildlife Service.

DECEMBER 3, 1975.

[FR Doc.75-33132 Filed 12-9-75;8:45 am]

PART 28—PUBLIC ACCESS, USE, AND RECREATION

Parker River National Wildlife Refuge

The following special regulations are issued and are effective during the period January 1, 1976 through December 31, 1976.

§ 28.28 Special regulations, public access, use, and recreation; for individual wildlife refuge areas.

MASSACHUSETTS

PARKER RIVER NATIONAL WILDLIFE REFUGE

Entrance into those portions of the refuge not posted as closed is permitted for certain uses specified herein. Visitor hours are designated at the entrance gate at the north refuge boundary on Sunset Blvd. This gate is the only legal point of access on the island portion of the refuge. Visitor hours are generally dawn to dusk but, at times of high public use, the entrance gate may be closed and access denied by refuge officials to protect the wildlife habitat from overuse. Sightseeing, nature study, photography, hiking, snowshoeing, and cross-country skiing are permitted.

Vehicle parking is permitted only in designated lots. Parking may be restricted to certain purposes and conditions designated by special signs.

Boating is permitted on navigable tidal waters which lie within the refuge.

Public boat launching and landing is not permitted on the refuge except during the waterfowl hunting season (see Part 32.12—Hunting).

The entire refuge beach has no lifeguards. Swimming will be at the visitor's own risk.

A limit of 3 quarts of plums and cranberries per person per year may be picked from September 7 through October 31. Cranberry rakes or scoops are not permitted.

Access to clam flats for clamming is permitted across refuge marshes. Permits are required and may be obtained at the refuge.

Small cooking fires are permitted only on the ocean beach. No other fires are permitted at other locations on the refuge.

Alcoholic beverages, camping, tents, camping trailers, floating devices (including surfboards), and nudity in any form, are not permitted on the refuge. Nudity is defined as intentional failure by persons over 10 years of age to cover with fully opaque covering their own genitals, public areas, rectal area or female breasts below a point immediately above the top of the areola when in a public place.

Pets under full control on a leash not exceeding 10 feet in length are permitted on the refuge on week days only (excluding holidays) from January 1 through May 23 and from September 3 through December 31. Pets are not permitted on the refuge at any other time.

Organized group activities may be confined to the northern one-quarter mile of beach east of Lot. 1. Advance reservations and permits are required and there must be at least one adult supervisor for every 10 children.

The possession of any drugs or substances, or immediate precursors, identified in Schedules I, II, III, IV, or V of Part B of the Controlled Substances Act, 21 U.S.C. 812, or any drugs or substances added to these schedules pursuant to the terms of the Act is prohibited on the refuge, unless such drugs or substances were obtained in accordance with the law. Presence in the refuge when under the influence of a controlled substance to a degree that may endanger oneself, or another person, or property, or may cause interference with another person's enjoyment of the refuge is prohibited.

The possession of any device (clubs, knives, metal knuckles, etc.) prohibited by State law and/or deemed a dangerous weapon by refuge officials is prohibited.

Bicycles and registered motor vehicles are permitted only on the main refuge road and in numbered parking areas except when being used under the terms of a special permit for over-the-sand surf fishing vehicles (see Part 33—Sport Fishing).

Snowmobiles, air-cushion, all-terrain, hang-gliders or other similar vehicles deemed improper by refuge agents are not permitted on the refuge.

A map of the refuge is available from the Refuge Manager, Parker River National Wildlife Refuge, Northern Boulevard, Plum Island, Newburyport, Massachusetts 01950, or from the Regional Director, U.S. Fish and Wildlife Service, Post Office and Courthouse Building, Boston, Massachusetts 02109.

The provisions of this special regulation supplement the regulations governing recreation on wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 28, and are effective through December 31, 1976.

WM. C. ASHE,
Acting Regional Director,
U.S. Fish and Wildlife Service.

DECEMBER 3, 1975.

[FR Doc.75-33135 Filed 12-9-75;8:45 am]

PART 28—PUBLIC ACCESS, USE, AND RECREATION

Block Island National Wildlife Refuge

The following special regulations are issued and are effective during the period January 1, 1976 through December 31, 1976.

§ 28.28 Special regulations, public access, use, and recreation; for individual wildlife refuge areas.

RHODE ISLAND

BLOCK ISLAND NATIONAL WILDLIFE REFUGE

Entry by foot or motor vehicle on designated roads and trails is permitted during daylight hours for the purpose of nature study, photography, hiking, shell collecting, shell fishing, and surf fishing.

The refuge area, comprising 28 acres, is delineated on maps available from the Refuge Manager, Ninigret National Wildlife Refuge, P.O. Box 307, Charlestown, Rhode Island 02813, and from the Regional Director, U.S. Fish and Wildlife Service, Post Office and Courthouse Building, Boston, Massachusetts 02109.

The provisions of this special regulation supplement the regulations which govern recreation on wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 28, and are effective through December 31, 1976.

WM. C. ASHE,
Acting Regional Director,
U.S. Fish and Wildlife Service.

DECEMBER 3, 1975.

[FR Doc.75-33133 Filed 12-9-75;8:45 am]

PART 28—PUBLIC ACCESS, USE, AND RECREATION

Trustom Pond National Wildlife Refuge

The following special regulations are issued and are effective during the period January 1, 1976 through December 31, 1976.

§ 28.28 Special regulations, public access, use, and recreation; for individual wildlife refuge areas.

RHODE ISLAND

TRUSTOM POND NATIONAL WILDLIFE REFUGE

Entry on foot is permitted from sunrise to sunset on designated routes unless prohibited by posting for the purpose of nature study, photography, and sightseeing. Pets are permitted if on a leash not over 10 feet in length.

The entire refuge beach has no lifeguards. Swimming will be at the visitor's own risk. Access along designated routes on the refuge for surf fishing and shell fishing is permitted.

Fires are permitted only on the ocean beach. No other fires are permitted at other locations on the refuge. Camping, tents, floating devices and nudity are not permitted on the refuge. Nudity is defined as intentional failure by persons over 10 years of age to cover with fully opaque covering their own genitals, pubic areas, rectal area or female breasts below a point immediately above the top of the areola when in a public place.

Over-the-sand vehicles, snowmobiles, air cushion, all terrain, or other similar vehicles are not permitted on the refuge except for emergency and law enforcement purposes.

A map of the refuge is available from the Refuge Manager, Ninigret National Wildlife Refuge, Box 307, Charlestown, Rhode Island 02813 or from the Regional Director, U.S. Fish and Wildlife Service, Post Office and Courthouse Building, Boston, Massachusetts 02109.

The provisions of this special regulation supplement the regulations governing recreation on wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 28

and are effective through December 31, 1976.

WILLIAM C. ASHE,
Acting Regional Director,
U.S. Fish and Wildlife Service.

DECEMBER 3, 1975.

[FR Doc.75-33134 Filed 12-9-75;8:45 am]

PART 28—PUBLIC ACCESS, USE, AND RECREATION

Ninigret National Wildlife Refuge

The following special regulations are issued and are effective during the period January 1, 1976 through December 31, 1976.

§ 28.28 Special regulations, public access, use, and recreation; for individual wildlife refuge areas.

RHODE ISLAND

NINIGRET NATIONAL WILDLIFE REFUGE

Entry on foot is permitted from sunrise to sunset on designated routes unless prohibited by posting for the purpose of nature study, photography, and sightseeing. Pets are permitted if on a leash not over 10 feet in length.

The entire refuge beach has no lifeguards. Swimming will be at the visitor's own risk. Access along designated routes on the refuge for surf fishing and shell fishing is permitted.

Fires are permitted only on the ocean beach. No other fires are permitted at other locations on the refuge. Camping, tents, floating devices, and nudity are not permitted on the refuge. Nudity is defined as intentional failure by persons over 10 years of age to cover with fully opaque covering their own genitals, pubic areas, rectal area or female breasts below a point immediately above the top of the areola when in a public place

Over-the-sand vehicles, snowmobiles, air cushion, all terrain or other similar vehicles are not permitted on the refuge except for emergency and law enforcement purposes.

A map of the refuge is available from the Refuge Manager, Ninigret National Wildlife Refuge, Box 307, Charlestown, Rhode Island 02813 or from the Regional Director, U.S. Fish and Wildlife Service, Post Office and Courthouse Building, Boston, Massachusetts 02109.

The provisions of this special regulation supplement the regulations governing recreation on wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 28, and are effective through December 31, 1976.

WM. C. ASHE,
Acting Regional Director,
U.S. Fish and Wildlife Service.

DECEMBER 3, 1975.

[FR Doc.75-33136 Filed 12-9-75;8:45 am]

CHAPTER II—NATIONAL MARINE FISHERIES SERVICE, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, DEPARTMENT OF COMMERCE

PART 280—YELLOWFIN TUNA

Revision of Incidental Catch Rate

Notice of revision of the incidental catch rate of yellowfin tuna for bait and jig boats is hereby given pursuant to § 280.7(b)(5), Title 50, Code of Federal Regulations, as follows:

At 0001 hours, local time, at port of departure on December 10, 1975, the incidental catch rate of yellowfin tuna for bait and jig boats will be increased to 50 percent (50%) of established carrying capacity. Since the catch and the present catch rate is falling short of the 2800 short tons allotted by § 280.7(b)(3), Title 50, Code of Federal Regulations, the incidental catch rate is increased to 50 percent (50%), to fully use this allotment.

Issued at Washington, D.C., and dated December 5, 1975.

JACK W. GEHRINGER,
Deputy Director.

[FR Doc.75-33219 Filed 12-9-75;8:45 am]

Title 5—Administrative Personnel

CHAPTER I—CIVIL SERVICE COMMISSION

PART 213—EXCEPTED SERVICE

Administrative Office of the United States Courts

Section 213.3272 is amended to show the position of Chief, Division of Clerks of Court is redesignated as Clerks Liaison Officer in the Division of Clerks of Court and to remove grade level limitations on Clerks Liaison Officer positions.

Effective December 10, 1975 §§ 213.3272 (b) and (c) are amended as set out below:

§ 213.3272 Administrative Office of the U.S. Courts.

* * * * *

(b) [Revoked]

(c) Three positions of Clerks Liaison Officer in the Division of Clerks of Court.

(5 U.S.C. secs. 3301, 3302; EO 10577, 3 CFR 1954–58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant
to the Commissioners.

[FR Doc.75-33248 Filed 12-9-75;8:45 am]

PART 213—EXCEPTED SERVICE

Administrative Office of the United States Courts

Section 213.3272 is amended to show that one additional position of Federal Probation System Administrator in the Division of Probation when filled by Federal Probation Officers on active service in the U.S. Courts is excepted under Schedule B.

Effective on December 10, 1975, §213.3272(a) is amended as set out below:

§ 213.3272 Administrative Office of the U.S. Courts.

(a) Not to exceed 12 positions of Federal Probation System Administrator in the Division of Probation, when filled by Federal Probation Officers on active service in the U.S. Courts.

(5 U.S.C. secs. 3301, 3302; EO 10577, 3 CFR 1954–58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant
to the Commissioners.

[FR Doc.75-33249 Filed 12-9-75;8:45 am]

PART 213—EXCEPTED SERVICE

Temporary Boards and Commissions

Section 213.3199 is amended to show that all positions at grades GS–15 and below on the staff of the National Study Commission on Records and Documents are excepted under Schedule A.

Effective upon December 10, 1975, § 213.3199(t)(1) is added as set out below:

§ 213.3199 Temporary Boards and Commissions.

* * * * *

(t) *National Study Commission on Records and Documents.*

(1) All positions at grades GS–15 and below.

(5 U.S.C. 3301, 3302; EO 10577, 3 CFR 1954–58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant
to the Commissioners.

[FR Doc.75-33247 Filed 12-9-75;8:45 am]

PART 213—EXCEPTED SERVICE

Department of Housing and Urban Development

Section 213.3384 is amended to show that one position of Deputy Assistant Secretary for Policy Development in the Office of the Assistant Secretary for Policy Development and Research, is excepted under Schedule C.

Effective on December 10, 1975, § 213.3384(i)(6) is added as set out below:

§ 213.3384 Department of Housing and Urban Development.

* * * * *

(i) *Office of the Assistant Secretary for Policy Development and Research.*

(6) One Deputy Assistant Secretary for Policy Development. (5 U.S.C. 3301, 3302; EO 10577, 3 CFR 1954–1958 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant
to the Commissioners.

[FR Doc.75-33389 Filed 12-9-75;8:45 am]

proposed rules

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR Part 1]

LIMITATIONS ON PERCENTAGE DEPLETION IN THE CASE OF OIL AND GAS WELLS

Public Hearing on Proposed Regulations Relating to limitations on Percentage Depletion in the Case of Oil and Gas Wells

Proposed regulations under sections 613 and 613A of the Internal Revenue Code of 1954, relating to limitations on percentage depletion in the case of oil and gas wells, appear in the FEDERAL REGISTER for October 17, 1975 (40 FR 48691). An extension of time to December 17, 1975, for submitting comments thereon appears in the FEDERAL REGISTER for November 17, 1975 (40 FR 53261).

A public hearing on the provisions of such proposed regulations will be held on January 22, 1976, beginning at 10 a.m. e.s.t. in the George S. Boutwell Auditorium, Seventh Floor, 7400 Corridor, Internal Revenue Building, 1111 Constitution Avenue, N.W., Washington, D.C. 20224.

The rules of § 601.601(a)(3) of the "Statement of Procedural Rules" (26 CFR Part 601) shall apply with respect to such public hearing. Copies of these rules may be obtained by a request directed to the Commissioner of Internal Revenue, Attention: CC:LR:T, Washington, D.C. 20224, or by telephoning (Washington, D.C.) 202-964-3935. Under such § 601.601(a)(3) persons who have submitted written comments or suggestions within the time prescribed in the notice of proposed rule making (or in the extension of time), and who desire to present oral comments at the hearing on such proposed regulations, should submit an outline of the comments to be presented at the hearing and the time they wish to devote to each subject by January 12, 1976. Such outlines should be submitted to the Commissioner of Internal Revenue, Attention: CC:LR:T, Washington, D.C. 20224. Under § 601.601 (a)(3) (26 CFR Part 601) each speaker will be limited to 10 minutes for an oral presentation exclusive of time consumed by questions from the panel for the Government and answers thereto.

Persons who desire a copy of such written comments or suggestions or outlines and who desire to be assured of their availability on or before the beginning of such hearing should notify the Commissioner, in writing, at the above address by January 16, 1976. In such a case, unless time and circumstances permit otherwise, the desired copies are deliverable only at the above address. The charge for copies is ten cents ($0.10) per page.

An agenda showing the scheduling of the speakers will be made after outlines are received from the speakers. Copies of this agenda will be available free of charge at the hearing, and information with respect to its contents may be obtained on January 21, 1976, by telephoning (Washington, D.C.) 202-964-3935.

JAMES F. DRING,
Director, Legislation and Regulations Division.

[FR Doc.75-33266 Filed 12-9-75;8:45 am]

CIVIL AERONAUTICS BOARD

[14 CFR Part 241]

[EDR-291; Docket No. 28517]

UNIFORM SYSTEM OF ACCOUNTS AND REPORTS FOR CERTIFICATED AIR CARRIERS

Updating the Accounting Provisions; Notice of Proposed Rulemaking

Correction

In FR Doc. 75-31822 appearing at page 54813 in the issue for Wednesday, November 26, 1975, the following corrections should be made:

(1) On page 54819 in Sec. 5-7 (a), in the 17th line, the word "aition" should read "addition", and the 19th line reading "deduction from or addition to the face" should be deleted.

(2) On page 54820, in subaccount 1601, the 4th line reading "together with the full of instruments, ap-" should read "together with the full complement of instruments, ap-".

[14 CFR Part 378]

[SPDR-36A; Docket No. 26712; Dated: December 5, 1975]

INCLUSIVE TOUR CHARTERS; ADVERTISING AND MARKETING RESTRICTIONS

Termination of Rulemaking Proceeding

By Notice of Proposed Rulemaking, SPDR-36,[1] the Board invited comment on a proposal to amend Part 378 of its Special Regulations (14 CFR Part 378) to provide various controls over the manner in which ITC's are advertised to the general public. These controls were designed to reduce the possibility that direct carriers' participation in such advertisements might: (1) falsely suggest to the public that ITC's are operated by the direct carrier itself, rather than by the ITC operator; and (2) enable a direct carrier to give rebates to ITC operators—and unlawful preferences to some of them—by conferring real economic benefits in the guise of shared advertising costs.

The first proposed amendment (Section 378.12(b)) would prohibit the tour operator from advertising in a manner which sets forth the direct air carrier's name and role more prominently than that of the tour operator, or otherwise creates the impression that the tour is being offered by the direct air carrier rather than the tour operator. The second proposed amendment (Section 378.12 (c)) would prohibit direct air carriers from furnishing money, labor, services, or other thing of value to a tour operator for the purpose of advertising or promoting inclusive tours, or from otherwise participating in the advertising or promotion of identifiable tour programs.

Pursuant to the Notice of Proposed Rulemaking, the Board received comments from AITS, the American Automobile Association, the American Society of Travel Agents, Inc. (ASTA), Anne Storch International-Asti Tours, Inc., (ASTI), a joint comment of certain trunkline carriers,[2] Golden Holiday Tours, Inc., the National Air Carrier Association (NACA), and Vacation Ventures, Inc.[3]

Generally speaking, the trunkline carriers objected to the proposed rules, the tour operators' comments favored their adoption, and the supplemental air carriers represented by NACA favored adoption of the proposed restrictions relating to ITC advertising so long as comparable restrictions would be imposed on the advertising of GIT's ("group inclusive tour" packages utilizing scheduled fares.)[4]

Subsequent to receipt of the comments in this proceding, the Board instituted a rulemaking proceeding to consider a new type of charter designed primarily for persons interested in purchasing an all-inclusive vacation package at a single destination.[5] That proposal culminated in our adoption of a new Part 378a of our Special Regulations, setting forth a

[1] May 14, 1974, 39 F.R. 17564, Docket 26712.

[2] Pan American World Airways, Inc., Trans World Airways, Inc., and Western Air Lines, Inc.

[3] Identical comments were filed on behalf of Golden Holiday Tours, Inc. and Vacation Ventures, Inc.

[4] Several petitions for rulemaking have been separately filed by several tour operators seeking adoption of rules on GIT advertising similar to those considered here for ITC's. In view of our termination of the instant proceedings, we are, by Order 75-12-30, issued contemporaneously herewith, denying those other petitions.

[5] EDR-281/SPDR-38/ODR-9, 39 F.R. 29572, November 8, 1974.

One-stop-inclusive Tour Charter (OTC) rule.[6] Like the ITC, the OTC is a form of charter intended to be sold to a tour operator for the ultimate resale of individual seats—albeit as part of a "package"—to members of the general public. The close similarity in underlying concept and basic design of these two "tour package" rules clearly require that both modes—despite their few technical differences—should be subject to the same regulatory approach with respect to the manner of their advertisement. Accordingly, we postponed our consideration of the instant rulemaking, which relates only to ITC's, until such time as the issues here involved could be examined in the context of their applicability to OTC's, since it "seem obvious that the advertising for these types of 'package' charters should be governed by the same requirements. . . ."[7]

Reflecting further on the issues involved in the instant proceeding, in light of the comments received and of the intervening introduction of OTC's into our charter regime, we have determined that there is not adequate justification at this time for adopting the types of regulations which have here been proposed.[8] In the absence of a demonstrated need, it appears to be neither necessary nor desirable to proscribe specific advertising practices with respect to charters designed for sale to members of the general public. Indeed, such regulatory proscriptions may do more harm than good. They would clearly inhibit the widest public dissemination of what would otherwise be regarded as lawful advertising of these charters. Yet, they may prove to be of only negligible efficacy in preventing violation of the statutory provisions whose objectives the proposed rules were intended to implement.

We have therefore determined to terminate this proceeding.

We wish to emphasize, however, that in abandoning at this time our attempt to formulate, by regulation, specific advertising practices whose proscription might facilitate enforcement of the general statutory prohibition against rebating, preferences and unfair competition, we are not in any way signaling an attitude of tolerance toward violations of those statutory prohibitions.

Similarly there is no doubt that section 411 of the Act forbids dissemination of advertising and promotional materials which create the impression that a charter tour is being offered by a direct carrier rather than the tour operator. Accordingly, it is our view that promotional and advertising materials which fail to display the tour operator's name prominently would violate this prohibition. Such materials included in a prospectus may properly be the subject of rejection by the staff on a case-by-case basis.

By way of further example, it should also be noted that, although we are not now adopting the proposed rule to specifically and categorically prohibit direct carriers from furnishing "money, labor, services or other thing of value" to a tour operator in connection with the advertising or promotion of identifiable charter tour programs, we do not thereby imply any doubt that the general prohibitions of section 403 and 404 of the Act forbid such payments and practices where they are used as vehicles for rebating to—or giving preferential treatment to—favored chartering tour operators.

In short, our termination of the instant rulemaking proceeding is intended to convey only our present view that: (1) any *truthful* advertisement of an ITC (or OTC) may be freely published, subject only to the statutory prohibition, in section 411 of the Act, against "unfair or deceptive practices or unfair methods of competition" in the sale of air transporation—whether by the direct carrier, the tour operator, or their agent; and (2) in placing—or sharing in the cost of—an advertisement or promotion naming one or more ITC (or OTC) operator,[9] the direct carrier must take heed of the statutory prohibitions, in sections 403 and 404 of the Act, against rebates or undue preferences and discrimination.

Finally, it should be emphasized that our termination of the instant proceedings is predicated on the absence of what we would consider persuasive reasons to adopt regulations restricting otherwise lawful advertising practices. Should our developing experience with these types of charters demonstrate that case-by-case enforcement of the underlying statutory prohibitions is not adequate, then we shall of course be free to exercise our responsibility to consider the adoption of such regulations as are needed to facilitate enforcement of these statutory proscriptions.

Accordingly, the Board hereby terminates the rulemaking proceeding in Docket 26712.

(Section 204(a), of the Federal Aviation Act, as amended, 72 Stat. 743; 49 U.S.C. 1324.)

By the Civil Aeronautics Board.

[SEAL] EDWIN Z. HOLLAND,
Secretary.

[FR Doc.75-33234 Filed 12-9-75;8:45 am]

[6] SPR-85, 40 F.R. 34089, August 14, 1975.

[7] SPR-85, note 48.

[8] We also note that NACA, which qualifiedly supported the proposed ITC advertising restrictions, has recently indicated that it might now reconsider its position, in light of its belief that OTC advertising should be liberalized. See NACA's letter to Chairman Robson, dated September 5, 1975, a copy of which has been filed in the correspondence section of the proceeding.

[9] Since we are here expressing our views on the advertising of OTC's as well as ITC's, we take this occasion to clarify the significance of the provision in § 378a.43, insofar as it prohibits the payment of "commissions, fees, or other compensation" by a direct carrier to the OTC operator. That prohibition is merely declaratory of the statutory prohibition against rebates, *i.e.*, payments by the direct carrier to the chartering tour operator are forbidden only to the extent that they constitute "compensation," as distinguished from "reimbursement." There is thus no inconsistency between § 378a.43 and what we say here: so long as there is no more than a *bona fide* sharing of advertising costs, then no rebate is involved.

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Part 240]

[Rel. No. 34-11872; File S7-605]

FINGERPRINTING OF SECURITIES INDUSTRY PERSONNEL

Exemptions

The Securities and Exhange Commission today announced that it has under consideration the adoption of Rule 17f-2[1] under section 17(f)(2) of the Securities Exchange Act of 1934 (the "Act") [15 U.S.C. 78a *et seq.*, as amended by Pub. L. No. 94-29 (June 4, 1975)], to provide certain exemptions from the requirement that every member of a national securities exchange, broker, dealer, registered transfer agent, and registered clearing agency require each of its partners, directors, officers, and employees to be fingerprinted and to submit, or cause to be submitted, such fingerprints to the Attorney General for identification and appropriate processing.

BACKGROUND

Losses due to missing, stolen, counterfeit and lost securities have become a substantial problem in recent years. Congressional inquiries and Commission analysis in the Study of Unsafe and Unsound Practices of Brokers and Dealers indicated that one of the factors contributing to the increase in securities thefts was the inability to identify security-risk employees.

Section 17(f)(2) of the Securities Acts Amendments of 1975 provides that every member of a national securities exchange, broker, dealer, registered transfer agent, and registered clearing agency, shall require that each of its partners, directors, officers, and employees be fingerprinted and shall submit such fingerprints, or cause the same to be submitted, to the Attorney General of the United States for identification and appropriate processing.

The statute further provides that the Commission, by rule, may exempt from the provisions of this section upon specified terms, conditions, and periods, any class of partners, directors, officers, or employees of any such member, broker, dealer, transfer agent, or clearing agency, if the Commissioin finds that such action is not inconsistent with the public interest or the protection of investors.

[1] Rule 17f-1 is reserved.

PROPOSED RULE 17f-2

Proposed Rule 17f-2 provides that every partner, director, officer, and employee of a member of a national securities exchange, broker, dealer, registered transfer agent and registered clearing agency shall be fingerprinted and shall submit, or have submitted, said fingerprints to the Attorney General of the United States for identification and appropriate processing, with certain stated exceptions. Subparagraph (a)(1) exempts persons who are not in any manner engaged in the sale of securities. Subparagraph (a)(2) exempts persons who do not have access to the handling or processing of securities or monies or original books and records relating thereto. Subparagraph (a)(3) exempts persons who have no direct supervisory responsibility over persons engaged in the activities enumerated above. Subparagraph (a)(4) exempts outside directors who do not participate in any of the enumerated activities. It bears emphasis that the exemptions provided for in Rule 17f-2 are permissive and not mandatory. An organization may, of course, require fingerprinting of any persons granted exemptions herein, as a matter of policy.

It should be noted that the words "do not have access to" in subparagraph (2) and "do not have direct supervisory responsibility over" in subparagraph (3) are given their ordinary meanings and are not used in a technical sense. For example, an officer of a large organization which acts as its own transfer agent might, by virtue of his position, have overall responsibility for, and potential access to, his company's transfer functions. Unless said officer regularly or routinely participates in some aspect of the processing of securities and, directly or indirectly, has actual, physical access to the securities themselves, he would ordinarily not fall within the purview of subparagraphs (a)(2) and (a)(3). A lack of adequate physical security may cause any exempted person in any entity to lose such status if he has access to monies, securities or records as set forth in paragraph (a).

In order to avoid unnecessary duplication and to reduce administrative burdens, paragraph (b) exempts persons who, pursuant to any other law, rule, or regulation, are fingerprinted and have their fingerprints processed by the Attorney General. Therefore, persons whose fingerprints are submitted to the Attorney General through state or Federal agencies, or otherwise, are not expected to be refingerprinted, in order to be in compliance with the rule. Included herein would be employees of banks whose fingerprints are submitted to the Attorney General for appropriate processing. Similarly, the rule provides an exemption in paragraph (c) for those persons who submit their fingerprints to a self-regulatory organization which forwards the prints to the Attorney General pursuant to a plan filed with and approved by the Commission.

Every member of a national securities exchange, broker, dealer, registered transfer agent, and registered clearing agency is required under paragraph (d) to make and keep records pertaining to fingerprinting of its partners, directors, officers and employees. Paragraph (e) of the rule provides for the submission of a statement to be entitled "Notice Pursuant to Rule 17f-2," containing information with respect to those classes of persons which, because of the nature of the duties performed, the organization feels would not be required to be fingerprinted under paragraph (a) of the rule. Classes of persons identified in the statement as falling within one of the exemptive categories listed in paragraph (a) shall be considered exempt unless the Commission indicates otherwise. It is the duty of the organization under paragraph (e) to inform the Commission, by means of an amendment to its submission, of any significant change in its internal structure which would alter the status of exempted personnel. A copy of the statement is required to be kept and made available for inspection by the Commission or other examining authority at the principal office of the organization.

Paragraph (g) provides exemptive power to the Commission when the Commission finds that the granting of an exemption is not inconsistent with the public interest or the protection of investors.

The Commission has determined that the rule and accompanying amendments impose no burden on competition not necessary or appropriate in furtherance of the purposes of the Act and are not inconsistent with the public interest or the protection of investors.

1. Commission Action: Pursuant to sections 17(a), 17(f)(2), and 23(a) of the Securities Exchange Act of 1934, the Securities and Exchange Commission proposes to adopt section 240.17f-2 and to amend sections 240.17a-3(a) and 240.17a-4(e) in Chapter II of Title 17 of The Code of Federal Regulations as follows:

Section 240.17f-2 is added to 17 CFR as follows:

§ 240.17f-2 Fingerprinting of securities industry personnel.

(a) Every person who is a partner, director, officer or employee of a member of a national securities exchange, broker, dealer, registered transfer agent, or registered clearing agency is required to be fingerprinted and to submit, or cause to be submitted, such fingerprints to the Attorney General of the United States for identification and appropriate processing *except:*

(1) Persons who are not engaged in the sale of securities;

(2) Persons who do not have access to the handling or processing of securities or monies or original books and records relating thereto;

(3) Persons who do not have direct supervisory responsibility over persons engaged in the above activities; and

(4) Persons who serve solely as directors and are not otherwise engaged in any of the above activities.

(b) Those persons not exempted under paragraph (a) of this section, who are fingerprinted pursuant to any other law, rule, or regulation of any state, the Federal government, or respective agencies thereof, and submit, or cause to be submitted, such fingerprints to the Attorney General of the United States for identification and appropriate processing, may satisfy the requirements of this section by compliance with such other law, rule, or regulation.

(c) Those persons not exempted under paragraphs (a) or (b) of this section may satisfy the requirements of this section by submitting their fingerprints to a registered national securities exchange or a registered national securities association which forwards said fingerprints to the Attorney General for identification and appropriate processing pursuant to a plan filed with the Commission by a registered national securities exchange or a registered national securities association. Such plan shall not become effective unless the Commission, having due regard for the public interest and the protection of investors, declares the plan to be effective. Furthermore, the Commission, in declaring any such plan effective, may impose such terms and conditions relating to the provisions of the plan and the period of its effectiveness as may be deemed necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

(d) Every member of a national securities exchange, broker, dealer, registered transfer agent, and registered clearing agency shall maintain, with regard to every person required to be fingerprinted under paragraph (a) of this section, the processed fingerprint card, or other record when the card it not returned after processing, with notations indicating who rolled the fingerprints, when the card was received by the Attorney General, and any information received from the Attorney General, as a result of this process, for a period of three years after termination of employment or association of such person. Such records shall be kept in an easily accessible place and shall be made available to the Commission or other examining authority upon request.

(e) Every member of a national securities exchange, broker, dealer, registered transfer agent, and registered clearing agency shall submit to the Commission's principal office in Washington, D.C. and to the regional office of the Commission for the region in which the organization has its principal place of business, not later than April 1, 1976, a statement, to be entitled "Notice Pursuant to Rule 17f-2," of those classes of persons who fall within the exemptions listed in paragraph (a) of this section, and hence are sought to be exempted from the fingerprinting requirements of section 17(f)(2) of the Act. Such statement shall indicate the nature of the duties performed by such classes of persons and shall describe the measures which the organization has employed to ensure that only persons

complying with the requirements of this section have access to the handling or processing of securities or monies or original books and records relating thereto. Classes of persons so identified shall be exempt from the requirements of section 17(f)(2) of the Act unless the Commission notifies the organization to the contrary. A copy of such statement shall be available for inspection by the Commission or other examining authority at the principal office of the member, broker, dealer, registered transfer agent, or registered clearing agency. The statement shall be amended whenever there is a substantial change in the organizational structure of the entity affecting the status of classes of persons who may be exempt under paragraph (a).

(f) Every person who is a partner, director, officer, or employee of a member of a national securities exchange, broker, dealer, registered transfer agent, or registered clearing agency, and who is required to be fingerprinted pursuant to paragraph (a) of this section, and who was employed by or associated with such organization prior to April 1, 1976, shall be exempt from the provisions of paragraph (a) until January 1, 1977.

(g) The Commission, upon specified terms, conditions, and periods, may grant exemptions to any class of partners, directors, officers, or employees of any member of a national securities exchange, broker, dealer, registered transfer agent, or registered clearing agency, if the Commission finds that such action is not inconsistent with the public interest or the protection of investors.

2. Rules 17a–3(a) and 17a–4(e) [17 CFR 240.17a–3(a) and 240.17a–4(e)] would also be amended to address the recordkeeping and retention requirements set forth in Proposed Rule 17f–2 (d) and (e).

Paragraph (a)(13) is added as follows:

§ 240.17a–3 Records to be made by certain exchange members, brokers and dealers.

(a) * * *

(13) Records required to be maintained pursuant to § 240.17f–2, paragraph (d).

* * * * *

Paragraph (e) is revised as follows:

§ 240.17a–4 Records to be preserved by certain exchange members, brokers, and dealers.

(e) Every such member, broker and dealer shall maintain and preserve in an easily accessible place:

(1) all records required under paragraph (a)(12) of § 240.17a–3 until at least three years after the "associated person" has terminated his employment and any other connection with the member, broker, or dealer.

(2) all records required under paragraph (a)(13) of § 240.17a–3 until at least three years after the termination of employment or association of those persons required by § 240.17f–2 to be fingerprinted; and all records required pursuant to § 240.17f–2(e) for three years.

EFFECTIVE DATES

Persons who would be required to be fingerprinted pursuant to Proposed Rule 17f–2 and who are employed by or associated with an organization prior to April 1, 1976 would be exempt from said requirements until January 1, 1977. All other persons would be fingerprinted commencing on April 1, 1976. The proposed amendments to Rules 17a–3 and 17a–4 would become effective on April 1, 1976.

SOLICITATION OF PUBLIC COMMENT

All interested persons are invited to submit written statements of views and comments on the adoption of Proposed Rule 17f–2 to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549 on or before February 1, 1976. They should refer to File No. S7–605. All comments will be available for public inspection.

By the Commission.

GEORGE A. FITZSIMMONS,
Secretary.

NOVEMBER 26, 1975.

[FR Doc.75-33237 Filed 12-9-75;8:45 am]

INTERSTATE COMMERCE COMMISSION

[49 CFR Part 1108]

[Ex Parte No. MC–82 (Sub-No. 1)]

PROCEDURES IN MOTOR CARRIER REVENUE PROCEEDINGS

Intercity Bus Industry

NOVEMBER 11, 1975.

The Interstate Commerce Commission, in the exercise of its power to prescribe just and reasonable fares for the transportation of passengers by common carriers by motor vehicle, gives due consideration to, among other factors, the need, in the public interest, of adequate and efficient transportation service by such carriers at the lowest cost consistent with the furnishing of such service; and, to the need for revenues sufficient to enable such carriers under economical and efficient management, to provide such service.

In Ex Parte No. MC–82, *New Procedures in Motor Carrier Rev. Proc.*, 339 I.C.C. 324, 341, the Commission, in noting the purpose of the proposed procedures therein, stated:

> They (the proposed procedures) are not intended to limit the type of evidence which motor carrier respondents might wish to introduce, but are designed to reduce the time required for ultimate disposition, achieve greater uniformity in data submitted, avoid the service of detailed orders in individual proceedings, and provide adequate notice to the carriers and to the public of the evidence required.

It now appears that the same objectives and purposes for which the Ex Parte No. MC–82 proceeding was instituted, relative to motor common carriers of general freight, may also be applicable to motor common carriers of passengers in the so called intercity bus industry. Accordingly, there are set forth hereto proposed procedures governing the type of evidence to be submitted in proposed general rate increases filed by the National Bus Traffic Association, Inc., for and on behalf of its members.

On or before January 26, 1976, any interested party may file with the Secretary of the Commission comments regarding the proposed procedures. A signed original and 15 copies should be submitted. After comments have been considered the Commission will determine whether to require compliance with these procedures, or with some variation thereof.

All written submissions will be available for public inspection during regular business hours in the Offices of the Interstate Commerce Commission, 12th Street and Constitution Avenue NW., Washington, D.C. 20423.

[SEAL] ROBERT L. OSWALD,
Secretary.

Accordingly, it is proposed to amend Chapter X of 49 CFR by adding Part 1108 to read as follows:

PART 1108—PROCEDURES TO BE FOLLOWED IN MOTOR CARRIER REVENUE PROCEEDINGS—INTERCITY BUS INDUSTRY

Sec.

1108.1 Application.
1108.2 Study carriers.
1108.3 Revenue data for study carriers.
1108.4 Revenue need.
1108.5 Official notice.
1108.6 Service.
1108.7 Availability of underlying data.
Schedule A
Schedule B
Schedule C
Schedule D
Schedule E
Schedule F
Schedule G
Appendix A

§ 1108.1 Application.

(a) Upon the filing by the National Bus Traffic Association, Inc., (NBTA) on behalf of its carrier members, or by such other agencies as the Commission may by order otherwise designate, of agency tariff schedules which contain proposed general increases in fares or charges where such proposal would result in an increase of $1 million or more in the annual operating revenues on the traffic affected by the proposal, the motor common carriers of passengers on whose behalf such schedules are filed shall, concurrently with the filing of those tariff schedules, file and serve, as provided hereinafter, a verified statement presenting and comprising the entire evidential case which is relied upon to support the proposed general increase. Carriers thus required to submit their evidence when they file their schedules are hereby notified that sepcial permission to file those schedules shall be conditioned upon the publishing of an effective date at least 45 days later than the date of filing, to enable proper evaluation of the evidence presented. Data to be submitted in accordance with §§ 1108.2–1108.4 of

this part represent the minimum data required to be filed and served, and in no way shall be considered as limiting the type of evidence that may be presented at the time of filing of the schedules. If a formal proceeding is instituted, the carriers are not precluded from updating the evidence submitted at the time of filing of the schedules to reflect the current situation.

(b) When filing tariff schedules other than those described hereinabove, the carriers or their tariff publishing agencies shall be required to comply with such procedures as the Commission may direct in the event an investigation is instituted. Nothing stated in this part shall relieve the carriers of their burden of proof imposed under the Interstate Commerce Act.

§ 1108.2 Study carriers.

(a) For the purposes of this proceeding the "study carriers" shall consist of those Class I motor common carriers of passengers which are members of NBTA and which, during the latest calendar year available preceding the filing date of the proposed increase in fares and/or charges, derived $500,000 or more in annual operating revenues from the issue traffic, or 1 percent or more of the total annual operating revenues received by all carriers from the issue traffic. Issue traffic is defined as that traffic (services) directly affected by the proposed increases in fares and/or charges.

(b) To corroborate the selection of the above study carriers, and to provide a data base for a continuing evaluation of the validity and usefulness of those carriers as a study group, respondents shall submit, as a part of their verified statement (justification), a list of all carriers participating in the issue traffic (services) and the amount of annual operating revenues received by each carrier from the total traffic at issued during the above specified calendar year. The dollar amounts of those revenues, for each carrier, shall be arrayed in descending order, and there shall be shown, among other things, the percentage distribution of those revenues in relationship to the total issue traffic revenues for all carriers. This list of carriers and the applicable carrier's revenues shall be referred to as Schedule A, Participating Carriers' Revenue Data, a sample of which is provided herein.

§ 1108.3 Revenue data for study carriers.

The study carriers, as identified above, shall submit the revenue data called for in Schedule B herein, the purpose of which is to determine the amount of increased revenues which might be expected under the proposed increase in fares and/or charges on the issue traffic, and to evaluate the revenue aspects of the non-issue traffic, including that traffic subject to Interstate Commerce Commission rate regulation but not here at issue, and that traffic which is intrastate in character and under the jurisdiction of state public utility commissions.

§ 1108.4 Revenue need.

The "study carriers" shall submit evidence of the sum of money, in addition to operating expenses, including that needed to attract debt and equity capital, which they require to insure financial stability and the capacity to render service. This evidence, shall include data required by Schedules C through G.

§ 1108.5 Official notice.

The Commission will take official notice of all of the proponent carriers' annual and quarterly reports on file with the Commission.

§ 1108.6 Service.

The detailed information called for herein shall be in writing and shall be verified by a person or persons having knowledge thereof. The original and 16 copies of each verified statement for the use of the Commission shall be filed with the secretary, Interstate Commerce Commission, Washington, D.C. 20423. One copy of each statement shall be sent by first-class mail to each of the regional offices of the Commission in the area affected by the proposed increase, where it will be open to public inspection. A copy of each statement shall be mailed by first-class mail to each party of record in the last formal proceeding concerning a general increase in bus passenger fares in the affected area or territory. Otherwise, the service requirements of Rule 22 of the Commission's General Rules of Practice shall be obesrved.

§ 1108.7 Availability of underlying data.

All underlying data used in preparation of the material outlined above shall be made available in the office of the party serving such verified matter during usual office hours for inspection by any party of record desiring to do so, and shall be made available to the Commission upon requests therefor. The underlying data shall be made available also at the hearing, but only if, and to the extent, specifically requested in writing and required by any party for the purpose of cross-examination.

SCHEDULE A

Participating Carriers' Revenue Data
Calendar Year:
(Dollars in thousands)

Line No.	Carrier Annual Report No. (a)	Carrier (b)	Class (c)	Study Code (d)	Total System Operating Revenues (e)	Total Issue Traffic Revenues (f)	Percent of Carrier's Issue Traffic Revenues to Total System Revenues, Col. (f) ÷ Col. (e) (2 Dec.) (g)	Percent of Carrier's Issue Traffic Revenues to Total Issue Traffic Revenues (% Dist. of Col. (f) (2 Dec.) (h)
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EXPLANATORY—SCHEDULE A

Purpose—The purpose of Schedule A is to corroborate the selection of the "study carriers", as defined in § 1108.2 of the prescribed procedures, and to provide a data base for the continuing evaluation of the validity and usefulness of the "study carrier" group.

Calendar Year—For the purpose of this schedule use the latest calendar year available preceding the filing date of the proposed increased fares and/or charges.

Column (a)—The annual report number is that number assigned to the carrier by the Bureau of Accounts, Interstate Commerce Commission, for identification purposes.

Column (b)—List carrier members of National Bus Traffic Association and other interested carriers participating in the tariffs of NBTA which will be affected by the proposal.

Column (c)—Use designation in Code of Federal Regulations, § 1240.4. For example, Class I carrier insert "I".

Column (d)—Use the following code for this column. For study carriers (as defined in § 1108.2) insert "S". For non-study carriers insert "NS".

Column (e)—Use amount shown in carrier's Annual Report, Schedule 2998, Line 9.

Column (f)—Issue traffic is defined as that traffic (services) directly affected by the proposed increase in fares and/or charges.

Columns (g) and (h)—These columns are self explanatory and obtained by calculations using columns (e) and (f).

Study Carriers' Revenue Data
Base Year Actual: 4-Quarter Period Ending _____
(Dollars in thousands)

Line No.	Study Carrier (a)	Total Operating Revenues (b)	Issue Traffic (Services) Revenues						Total Non-Issue Traffic Revenues (i)	Misc. Station and Other Operating Revenues (j)
			Intercity Passenger (c)	Express (d)	Charter (e)	Special (f)	Other (Specify) (g)	Total Issue Traffic Revenues (h)		
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	Total, All Study Carriers									

Study Carriers' Revenue Data
Pro Forma Year Based on Current Revenues
(Dollars in thousands)

Line No.	Study Carrier (a)	Total Operating Revenues (b)	Issue Traffic (Services) Revenues						Total Non-Issue Traffic Revenues (i)	Misc. Station and Other Operating Revenues (j)
			Intercity Passenger (c)	Express (d)	Charter (e)	Special (f)	Other (Specify) (g)	Total Issue Traffic Revenues (h)		
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24										
25										
	Total, All Study Carriers									

Study Carriers' Revenue Data
Pro Forma Year Based on Proposed Revenues
(Dollars in thousands)

Line No.	Study Carrier (a)	Total Operating Revenues (b)	Issue Traffic (Services) Revenues						Total Non-Issue Traffic Revenues (i)	Misc. Station and Other Operating Revenues (j)
			Intercity Passenger (c)	Express (d)	Charter (e)	Special (f)	Other (Specify) (g)	Total Issue Traffic Revenues (h)		
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	Total, All Study Carriers									

EXPLANATORY—SCHEDULE B

Purpose—The purpose of this schedule is to obtain—for each study carrier and by totals for all study carriers.—(1) total operating revenues, (2) revenues attributable to the various types of traffic at issue, (3) revenue attributable to the total non-issue traffic, and (4) miscellaneous station and other operating revenues. These data shall be provided for the specified study periods, namely: base year actual, pro forma year based on current revenues, and pro forma year based on proposed revenues.

The pro forma year based on proposed revenues for the traffic at issue will be compared to the issue traffic revenues for the pro forma year based on current revenues and for the base year actual to determine the amount of the proposed revenue increase being sought over these two periods. In addition, the revenue data for the total issue traffic (column (h)), will also be used in Schedule C, Part II as a basis for allocating increased costs, i.e., the increased operating expenses and the increased "sum of money" costs.

Base Year Actual—Data to be reported in this and other schedules herein for the base year actual shall be based on the 4-quarter calendar year periods identified below:

Filing month of verified statement	*4-quarter calendar year period ending—*
January	Sept. 30, preceding year.
February	Do.
March	Do.
April	Dec. 31, preceding year.
May	Do.
June	Do.
July	Mar. 31, filing-month year.
August	Do.
September	Do.
October	June 30, filing month year.
November	Do.
December	Do.

The 4-quarter calendar year periods identified above represent the minimum requirement. However, in event a proposed fare/charge increase is filed at a time when data for a more current quarter than that specified are obtainable then that more current quarter may be used in the base year actual. For example, if an increase is filed in late March and data for the 4th quarter of the preceding year is obtainable, then the base year actual ending December 31 may be used in lieu of the base year actual ending September 30.

Pro Forma Year Data—Revenue data for the pro forma year shall be reported in two ways, namely: based on current revenues and based on proposed revenues. Separate schedules are required for each pro forma year. These data do not represent a forecast but reflect the results of 12 months of operation at particular rate levels. Thus, data for the *pro forma year based on current revenues* should be based on a restatement of the revenue data for the *base year actual* to reflect fares and/or charges which are currently in effect. Similarly, data for the *pro forma year based on proposed revenues* should reflect a restatement of the base year actual data but at levels reflecting the proposed fares and/or charges.

Column (a)—Insert in this column the company name of each "study carrier" as defined in § 1108.2 of the prescribed procedures.

Column (b)—Use source comparable to that in the carrier's Annual Report, Schedule 2998, Line 9. The dollar amount in this column, for each study carrier, should equal the total of columns (h), (i) and (j).

Columns (c) through (h)—As defined in § 1108.2, "issue traffic" means that traffic (service) affected by the proposed increase in fares and/or charges, and is limited to the fares and/or charges published by NBTA in schedules and tariffs filed with the Interstate Commerce Commission. For the purpose of the proposed increases filed under the prescribed procedures of this proceeding, the services indicated in columns (c) through (g) shall be defined as follows:

Intercity Passenger (Column (c))—This passenger transportation service consists of a regular route, daily scheduled, intercity bus service performed under published time schedules, and irrespective of the number of passengers.

Express (Column (d))—This service consists of the transportation of baggage, express matter, newspapers, etc., in the same vehicle with passengers on a space-available basis conducted as an *incident* to the regular route daily scheduled passenger transportation service.

Charter (Column (e))—This passenger transportation service consists of chartering a bus by a bona-fide group, at a published rate for the exclusive use of the bus by the chartered party. This service includes service performed under tariffs which provide that, upon the purchase of a specified minimum number of individual tickets, the persons purchasing that number of tickets will be afforded exclusive occupancy of a particular bus.

Special (Column (f))—This passenger transportation service involves passengers to whom individual tickets have been sold for transportation to a specific destination or special event, or for a particular tour, or the like.

Other (specify) (Column (g))—In this column specify and explain the nature of the traffic (service) involved, which would be separate and distinct from that identified for columns (c) through (f).

Total Issue Traffic Revenues (Column (h))—The total issue traffic revenues in this column should equal the sum of columns (c) through (g).

Column (i)—The revenues to be reported in this column shall consist of those revenues other than "total issue traffic revenues" (Column (h)), and "miscellaneous station and other operating revenues" (column (j)). Thus, "nonissue traffic revenues" mean those revenues accruing from providing the types of services indicated in columns (c) through (g) but which may be "intrastate" in nature, "exempt" as provided under Section 22 of the Interstate Commerce Act, or which are otherwise not at issue in a proposed fare and/or charge increase. Such non-issue traffic may also include a commuter or mass transportation service, which is the transportation of passengers generally performed within a city or town and the suburban areas contiguous thereto. However, in some instances this service may also be intercity in character where the cities involved are within relatively short distances of each other and the primary purpose is the mass transportation of commuter passengers to and from these cities.

Column (j)—For the purpose of this schedule the revenues to be reported in this column shall consist of those in Account 3600, Miscellaneous Station Revenue, and in Account 3900, Other Operating Revenue. (See 49 CFR 1206).

Presentation of Statement on Revenue Sample Studies—Historically, in order to separate interstate from intra-state revenues, it has been necessary for annual report purposes for each carrier to conduct sample studies of its traffic operations. Hereafter, in order to expedite the evaluation of such samples, and of the evidence derived therefrom, each respondent shall submit, in connection with its sample or samples, a statement in conformance with the staff report entitled "Guidelines for the Presentation of the Results of Sample Studies," February 1, 1971, the pertinent portion of which is attached as Appendix A to these proposed procedures.

( ) Greyhound Lines, Inc.
( ) All study carriers combined (excluding Greyhound Lines, Inc.)
( ) All study carriers combined (including Greyhound Lines, Inc.)

SCHEDULE C (Part I)
Income Statement Data
(Dollars in Thousands)

Line No.	Item (a)	Source (b)	4-Quarter Period Preceding Base Year Actual (c)	Base Year Actual _/_/_ To _/_/_ (d)	Pro Forma Year Based on Current Revenues (e)	Pro Forma Year Based on Proposed Revenues (f)	Forecast Year (_/_/_ To _/_/_) Based on Current Revenues (g)	Forecast Year (_/_/_ To _/_/_) Based on Proposed Revenues (h)
1	Passenger Revenue	A.R. Sch. 2998, L. 1						
2	Special Bus Revenue	A.R. Sch. 2998, L. 2						
3	Baggage Revenue	A.R. Sch. 2998, L. 3						
4	Mail Revenue	A.R. Sch. 2998, L. 4						
5	Express Revenue	A.R. Sch. 2998, L. 5						
6	Newspaper Revenue	A.R. Sch. 2998, L. 6						
7	Miscellaneous Station Revenue	A.R. Sch. 2998, L. 7						
8	Other Operating Revenue	A.R. Sch. 2998, L. 8						
9	Total Revenues	A.R. Sch. 2998, L. 9						
10	Total Expenses	A.R. Sch. 2998, L.15						
11	Net Operating Revenue	A.R. Sch. 2998, L.16						
12	Rent for Lease of Carrier Property - debit	A.R. Sch. 2998, L.17						
13	Income from Lease of Carrier Property - credit	A.R. Sch. 2998, L.18						
14	Net Carrier Operating Income	A.R. Sch. 2998, L.19						
15	Total Other Income	A.R. Sch. 2998, L.29						
16	Total Income Deductions	A.R. Sch. 2998, L.37						
17	Ordinary Income Before Income Taxes	A.R. Sch. 2998, L.38						
18	Income Taxes on Ordinary Income	A.R. Sch. 2998, L.39						
19	Provision for Deferred Taxes	A.R. Sch. 2998, L.40						
20	Ordinary Income	A.R. Sch. 2998, L.41						
21	Total Extraordinary and Prior Period Items - credit/(debit)	A.R. Sch. 2998, L.46						
22	Net Income (Loss)	A.R. Sch. 2998, L.47						

Line No.	Item (a)	Source (b)	4-Quarter Period Preceding Base Year Actual (c)	Base Year Actual _/_/_ To _/_/_ (d)	Pro Forma Year Based on Current Revenues (e)	Pro Forma Year Based on Proposed Revenues (f)	Forecast Year (_/_/_ To _/_/_) Based on Current Revenues (g)	Forecast Year (_/_/_ To _/_/_) Based on Proposed Revenues (h)
23	Interest and Amortization of Debt Discount & Expense and Premium on Debt	A.R. Sch. 2998, net of Ln. 31, 34 & 35						
24	Percent, Carrier Operating Property to Total Tangible Property	A.R. Sch. 100, col. b, (L.19÷L.21) ÷ L.26						
25	Interest Charges Assigned to Transportation Service	L.23 x L.24						
26	Taxable Income Assigned to Transportation Service	L.14 - L.25						
27	Income Taxes Assigned to Transportation Service	(L.26 ÷ L.17) x L.18						
28	Income or Loss Assigned to Transportation Service	L.26 - L.27						
29	Sum of Money Above Operating Expenses Assigned to Transportation Service	L.12, 25, 27, 28, -L.13						
30	Operating Expenses Plus Sum of Money	L.29+L.10						

Allocation of Increased System Operating Expenses and Sum of Money to Traffic at Issue

II. A.- Revenue Distribution

Line No.	Item (a)	Source (b)	4-Quarter Period Preceding Base Year Actual (c)	Base Year Actual (d)	Pro Forma Year Based on Current Revenues (e)	Pro Forma Year Based on Proposed Revenues (f)	Forecast Year Based on Current Revenues (g)	Forecast Year Based on Proposed Revenues (h)
1.	Revenues applicable to traffic at issue	From revenue study		$	$	$	$	$
2.	System operating revenues, less Misc. station revenues (3600) and other operating revenues (3900)	Sch. C, Part I, L. 9 - Ls. 7 and 8		$	$	$	$	$
3.	Percent of total issue traffic revenue to L. 2 revenues	L.1 ÷ L.2 (Percent to 2 dec.)	xxx	%	%	%	%	%

II. B.- Allocation to Traffic at Issue

Line No.	Item (a)	Source (b)	4-Quarter Period Preceding Base Year Actual (c)	Base Year Actual Over Preceeding 4-Quarter Period (d)	Pro Forma Yr. Over Base Yr. Actual Based on Current Revenues (e)	Pro Forma Yr. Over Base Yr. Actual Based on Proposed Revenues (f)	Forecast Year Over Base Year Actual Based on Current Revenues (g)	Forecast Year Over Base Year Actual Based on Proposed Revenues (h)
4.	Increased system operating expenses	Part I, Line 10	xxx	$	$	$	$	$
5.	Increased system "sum of money"	Part I, Line 29	xxx					
6.	Total increased system operating expenses & "sum of money"	L.4 + L.5	xxx					
7.	Allocation of Line 6 to traffic at issue	L.3 x L.6	xxx					
8.	Increased revenues on traffic at issue	Line 1 above	xxx	$	$	$	$	$
9.	Ratio of increased revenues to increased costs on traffic at issue	L. 8 ÷ L. 7 (2 dec.)	xxx					

EXPLANATORY—SCHEDULE C (PART I)

Purpose—The purpose of Schedule C, Part I, is to develop income statement data, including system operating expenses, and the system sum of money above operating expenses assigned to transportation service, for the study carriers and for the study periods specified. These costs are used in Schedule C, Part II, to measure the cost increases over specified time periods, which are then allocated to the traffic at issue and compared to the increased revenues.

Study Carrier Groupings—A separate Schedule C, Part I, shall be prepared for each of the following:

1. Greyhound Lines, Inc.
2. All study carriers combined (excluding Greyhound Lines, Inc.).
3. All study carriers combined (including Greyhound Lines, Inc.).

Column (b)—The annual report sources in this column refer to the 1974 Annual Report Form MP-1. For years prior or subsequent to 1974, use comparable annual report sources.

Column (c)—Data reported in column (c) shall be based on that four-quarter period immediately preceding the base year actual. If, for example, the base year actual begins on July 1, 1975, the data reported in column (c) shall be based on the 12 months ended June 30, 1975.

Column (d)—Data to be reported in this column for the *base year actual* shall be based on the 4-quarter calendar year periods identified below:

Filing month of verified statement	*4-quarter calendar year period ending—*
January	Sept. 30, preceding year.
February	Do.
March	Do.
April	Dec. 31, preceding year.
May	Do.
June	Do.
July	Mar. 31, filing-month year.
August	Do.
September	Do.
October	June 30, filing-month year.
November	Do.
December	Do.

The 4-quarter calendar year periods identified above represent the minimum requirement. However, in the eventt a proposed fare/charge increase is filed at a time when data for a more current quarter than that specified are obtainable, the more current quarter may be used in the *base year actual*. For example, if an increase is filed in late March and data for the 4th quarter of the preceding year is obtainable then the *base year actual* ending December 31, may be used in lieu of the *base year actual* ending September 30.

Columns (e) and (f)—Columns (e) and (f) shall contain the pro forma year data. These data do not represent a forecast, but the results of 12 months of operations at cost and fare/charge levels existing at a specific time.

The data reported in column (e) shall be the base year actual (column (d)) restated to reflect conditions (wage, price, and productivity, etc.) prevailing on or near the effective date of the proposed increase. Revenues in column (e) shall be based on fares and charges which are currently in effect.

The data reported in column (f) shall also be the base year actual (column (d)) restated to reflect conditions (wage, price and productivity, etc.) prevailing on or near the effective date of the proposed increase. Unlike column (e), however, revenues in column (f) shall be based on the proposed fares and charges.

Columns (g) and (h)—Columns (g) and (h) shall contain the forecast year data. The data reported in column (g) shall be a forecast for that four-quarter period immediately following the base year actual. The forecast year will always begin on either Jan. 1, April 1, July 1 or Oct. 1. If, for example, the base year actual ends on June 30, 1975, the forecast year will begin on July 1, 1975. Revenues in column (g) shall be based on fares and charges currently in effect.

The data reported in column (h) shall, like column (g), be a forecast for the four-quarter period immediately following the base year actual. Unlike column (g), however, the revenues in column (h) shall be calculated on the basis of the proposed fares and charges.

Pro Forma and Forecast Year Data—Data for these time periods shall be appropriately explained and supported. Each of the dollar figures called for in these columns shall be accompanied by an explanation of the bases

or methods of restatement and explicit identification of all assumed or forecasted changes in income statement data, including changes in revenues, expenses, wage rates, price levels and productivity, as compared with the base year actual results. This evidence should be adequate to enable the Commission to find that the proposed fare/charge increase:

(a) Is cost justified and does not reflect future inflationary expectations;

(b) Takes into account expected and reasonable productivity gains;

(c) Is not excessive in that it does not exceed those operating expenses and "sum of money" costs needed to provide adequate and safe service or to provide for necessary expansion to meet future requirements for transportation services; and

(d) Is not excessive in that it does not exceed that rate of return needed by the carriers to attract debt and equity capital at reasonable costs.

EXPLANATORY—SCHEDULE C (PART II)

Purpose—The purpose of Schedule C, Part II, is threefold: *First*, to develop the percentage relationship between total issue traffic revenues and total system operating revenues (less miscellaneous station, and other operating revenues) (Line 3); *Second*, to allocate the increased system operating expenses and "sum of money" items to the traffic at issue (Line 7); and, *Third*, to make a comparison of the increased expenses and sum of money items on the issue traffic with the increased revenues on this traffic (Line 8). Four time periods are used to measure the increase in expenses, sum of money items, and revenues, namely: (a) 4-quarter period preceding base year actual, (b) base year actual, (c) pro forma year, and (d) forecast year. These time periods are identified in Schedule C, Part I.

The critical procedure in Part II is the allocation of increased system operating expenses and sum of money items to the traffic at issue based on *revenue* relationships, i.e., based on the percentage relationship of the total issue traffic revenues to the total system revenues with minor deletions. This procedure is necessary *at this time* because of the absence of regulatory or managerial accounting systems designed for "costing" purposes, or, in the alternative, a "cost formula" which, together with appropriate data from engineering and traffic studies, could be used to "cost out" the particular bus transportation services that may be at issue in a given general increase proceeding. The fallacy in using revenues as an allocation factor is the assumption that there is a direct relationship between revenues and costs, or, in other words, that revenues bear the same relationship to costs regardless of the type of transportation services provided. However, differential charging is an economic fact, and cost of service is not the sole factor to be considered in rate making.

Notwithstanding the deficiency in using revenues as an allocation factor, it is necessary to obtain some expression of how the increased system-wide operating expenses, and sum of money items may be impacting on the traffic at issue. An evaluation of this impact is essential to determine whether, in fact, the issue traffic is bearing "too much" or "too little" of the increased costs and the overall burden vis-a-vis the "non-issue" traffic which may include traffic which is interstate or intrastate in character—with the latter traffic being regulated by state utility commissions.

Study Carrier Groupings—The study carrier groups for Part II shall be the same as those designated for Part I.

Time Periods—The time periods shown in Part IIA, *Revenue Distribution*, are the same as those indicated for Part I. In Part IIB, *Allocation to Traffic at Issue*, although the time periods are the same as in Part IIA they serve a different purpose, i.e., they serve to measure the increases in operating expenses, sum of money, and revenues, as explained in the following:

Line 1, Revenues Applicable to Traffic at Issue—Data applicable to columns (c) through (h) on this line should be obtained from records or special studies of the individual carriers and appropriately combined into the study carrier groups required for Schedule C. Since there are no industry-wide studies or uniform procedures for obtaining revenue data applicable to the issue traffic, the study carriers should be careful to maintain proper records of the underlying data in the event the Commission should request their submission. (See proposed rules Section 1105.7).

Lines 2 and 3—These lines are self-explanatory.

Lines 4, 5 & 6—These lines represent the increased system operating expenses (Line 4), increased system sum of money (Line 5), and the total of these items (Line 6). For example, for Part II, Line 4, Column (d), base year actual over preceding 4-quarter period, the increased system operating expenses are obtained by subtracting the total expenses shown in Schedule C, Part I, Line 10, *Column (c)*, from the comparable total expenses shown in Schedule c, Part I, Line 10, *Column (d)*. The increased sum of money items to be shown on Line 5 are obtained in a similar matter but using Schedule C, Part I, Line 29. Part II, Line 6 then represents a total of Lines 4 and 5.

For Lines 4, 5 and 6, Columns (e) and (f), it should be noted that the amounts reported in Columns (e) and (f) should be the same. In other words, there should be no change in the increased expenses, sum of money, and total because the subheadings of Columns (e) and (f), (i.e., based on current revenues, and based on proposed revenues, respectively) apply only to the revenues to be shown on Line 8. The same situation also applies with respect to Columns (g) and (h).

Line 7—This line represents an allocation of the total increased system operating expenses and sum of money (Line 6) to the traffic at issue, and is obtained by multiplying the amounts on Line 6 by the respective column percentages shown on Line 3.

Line 8—The increases in revenues on the traffic at issue are obtained from Part II, Line 1, by using the time periods specified. For example, the increased revenues on the issue traffic for the base year actual over the preceding 4-quarter period (Line 8, Column (d)) is obtained by subtracting the revenues shown on Line 1, Column (c) from the revenues shown on Line 1, Column (d).

Line 9—This line represents the ratio of increased revenues to increased costs and is obtained by dividing Line 8 by Line 7.

Individual study carriers plus:
( ) All study carriers combined (excluding Greyhound Lines, Inc.)
( ) All study carriers combined (including Greyhound Lines, Inc.)

SCHEDULE D (Part I)

Selected Financial Data
(Dollars in Thousands)

Line No.	Item (a)	Source (b)	Calendar Yr. 19 (c)	Calendar Yr. 19 (d)	Base Year-Actual / / / To / / / (e)
1	Total Operating Revenues	A.R. Sch. 2998, L.9			
2	Total Operating Expenses	A.R. Sch. 2998, L.15			
3	Depreciation Expense and Amortization of Carrier Operating Property	A.R. Sch. 2998, L.11+L.12			
4	Lease of Carrier Property (net)	A.R. Sch. 2998, L.17+L.18			
5	Net Carrier Operating Income	A.R. Sch. 2998, L.19			
6	Interest on Long-Term Obligations	A.R. Sch. 2998, L.31			
7	Amortization of Debt Discount & Amortization of Premium on Debt (net)	A.R. Sch. 2998, L.34+L.35			
8	Ordinary Income	A.R. Sch. 2998, L.41			
9	Net Income	A.R. Sch. 2998, L.47			
10	Cash Dividend Appropriations	A.R. Sch. 2930			
11	Current Assets	A.R. Sch. 100, L.17, col. b			
12	Current Liabilities	A.R. Sch. 101, L.14, col. b			
13	Current Assets[1]	A.R. Sch. 100, L.17			
14	Current Liabilities[1]	A.R. Sch. 101, L.14			
15	Long-Term Debt Due Within One Year	A.R. Sch. 101, L.15, col. b			
16	Long-Term Debt Due After One Year	A.R. Sch. 101, L.24, col. b			
17	Long-Term Debt Due Within One Year[1]	A.R. Sch. 101, L.15			

Line No.	Item (a)	Source (b)	Calendar Yr. 19__ (c)	Calendar Yr. 19__ (d)	Base Year-Actual __/__/__ To __/__/__ (e)
18	Long-Term Debt Due After One Year 1/	A.R. Sch. 101, L.24			
19	Stockholders' Equity	A.R. Sch. 101, L.41+L.44+L.47, col. b			
20	Stockholders' Equity 1/	A.R. Sch. 101, L.41+L.44+L.47			
21	Intangibles 1/	A.R. Sch. 100, L.31			
22	Net Carrier Operating Property (owned plus leased to others) 1/	A.R. Sch. 100, L.19+L.21			
23	Total Net Tangible Property 1/	A.R. Sch. 100, L.26			
24	Investment in Owned & Leased Property plus Working Capital 1/	See footnote 2/			
25	Operating Ratio	L.2 ÷ L.1			
26	Current Ratio	L.11 ÷ L.12			
27	Dividend Pay-out Ratio	L.10 ÷ L.9			
28	Throw-off to Debt Ratio	(L.9+L.3)÷(L.15+L.16)			
29	Capital Structure Ratio	(L.15+L.16)÷(L.15+L.16+L.19)			
30	Working Capital	L.13 - L.14			
31	Rate of Return on Owned & Leased Operating Property plus Working Capital	L.5 ÷ L.24			
32	Rate of Return on Stockholders' Equity, less Intangibles	L.9 ÷ (L.20 - L.21)			
33	Rate of Return on Total Capitalization	(L.6+7+9) ÷ (L.17+18+20)			

SCHEDULE D (Part II)

Accounts Giving Effect to Interperiod Tax Allocation (Deferred Taxes)

(Dollars in Thousands)

Line No.	Item (a)	Source (b)	Calendar Yr. 19__ (c)	Calendar Yr. 19__ (d)	Base Year-Actual __/__/__ To __/__/__ (e)
	Balance Sheets Accounts:				
1	Deferred Income Tax Charges	A.R. Sch. 100, L.16			
2	Accumulated Deferred Income Tax Charges	A.R. Sch. 100, L.44			
3	Deferred Income Tax Credits	A.R. Sch. 101, L.13			
4	Accumulated Deferred Income Tax Credits	A.R. Sch. 101, L.27			
	Income Statement Accounts:				
5	Provision for Deferred Taxes	A.R. Sch. 2998, L.40			
6	Provision for Deferred Taxes - Extraordinary and Prior Period Items	A.R. Sch. 2998, L.45			

EXPLANATORY—SCHEDULE D (PART I)

Purpose—The purpose of Schedule D (Part I) is to ascertain the financial posture of the individual study carriers and study carrier groupings by an analysis of certain key financial data, with a view to determining revenue needs.

Study Carrier Groupings—A separate Schedule D (Part I) shall be prepared for each of the following:

(1) Individual study carriers.

(2) All study carriers combined (excluding Greyhound Lines, Inc.)

(3) All study carriers combined (including Greyhound Lines, Inc.)

Column (b)—The annual report sources in this column refer to the 1974 Annual Report Form MP-1. For years prior or subsequent to 1974, use comparable sources.

Column (c)—If the fare/charge increase is filed during the first six months of the calendar year, the data reported in column (c) shall be based on the 3rd calendar year preceding the filing year. For example, if the rate increase was filed on May 15, 1975, column (c) shall report data for calendar year 1972.

If the fare/charge increase is filed during the last six months of the calendar year, the data reported in column (c) shall be based on the 2nd calendar year preceding the filing year. If, for example, the rate increase is filed on Nov. 15, 1975, column (c) should report data for calendar year 1973.

Column (d)—If the fare/charge increase is filed during the first six months of the calendar year, the data reported in column (d) should be based on the 2nd calendar year preceding the filing year. For example, if the rate increase is filed on May 15, 1975, column (d) should report data for calendar year 1973.

If the rate increase is filed during the last six months of the calendar year, the data reported in column (d) shall be based on the 1st calendar year preceding the filing year. If, for example, the fare/charge increase is filed on Nov. 15, 1975, column (d) should report data for calendar year 1974.

Column (e)—Data to be reported in this column for the *base year actual* shall be based on the 4-quarter calendar year periods identified below:

Filing month of verified statement	*4-quarter calendar year period ending—*
January	Sept. 30, preceding year.
February	Do.
March	Do.
April	Dec. 31, preceding year.
May	Do.
June	Do.
July	Mar. 31, filing-month. year.
August	Do.
September	Do.
October	June 30, filing-month. year.
November	Do.
December	Do.

The 4-quarter calendar year periods identified above represent the minimum requirement. However, in event a proposed fare/charge increase is filed at a time when data for a more current quarter than that specified are obtainable, the more current quarter may be used in the *base year actual*. For example, if an increase is filed in late March and data for the 4th quarter of the preceding year is obtainable, the base year actual ending December 31, may be used in lieu of the base year actual ending September 30.

EXPLANATORY—SCHEDULE D (PART II)

Purpose—Schedule D (Part II) is designed to further facilitate an assessment of the carriers' financial posture by segregating the impact of the Commission's deferred tax accounting rule change on their financial statements.

If the financial data reported in either column (c), (d) or (e) of Schedule D (Part I) apply to periods subsequent to Jan. 1, 1974 (the effective date of the deferred tax rule change), it will be necessary to complete the corresponding column of Schedule D (Part II). For example, if the data reported in column (d) of Schedule D (Part I) is based on calendar year 1974, it will be necessary for the carriers to complete column (d) of Schedule D (Part II).

Study Carrier Groupings—The study carrier groups for Part II shall be the same as those designated for Part I.

Column (b)—The annual report sources in this column refer to the 1974 Annual Report Form MP-1. For years prior or subsequent to 1974, use comparable sources.

[1] Show average of beginning and end-of-year figures.

[2] Multiply the percent of net operating property to total net tangible property (Line 22÷Line 23) by the amount on Line 30. Add the resulting amount to Line 22.

( ) Greyhound Lines, Inc.
( ) All study carriers combined (excluding Greyhound Lines, Inc.)
( ) All study carriers combined (including Greyhound Lines, Inc.)

SCHEDULE E

Statement of Changes in Financial Position
(Dollars in Thousands)

Line No.	Item	Calendar Yr. 19__	Calendar Yr. 19__	Calendar Yr. 19__
	(a)	(b)	(c)	(d)
	Source of funds:			
1	Net income			
2	Add non-cash charges for depreciation and amortization			
	Add non-cash charges for additions (deduct for decreases) to estimated liabilities:			
3	Self insurance			
4	Personal injuries, property damage, workmen's compensation			
5	Cargo loss and damage claims			
6	Overcharge claims			
7	Other important items (specify)			
8	Total non-cash charges (Lines 2 thru 7)			
9	Funds provided by operations (Lines 1 and 8)			
10	Proceeds from sale of capital stock of own issue			
11	Proceeds from sale of funded debt and other obligations of own issue (except equipment obligations)			
12	Proceeds from sale of equipment obligations of own issue			
13	Book cost of depreciable transportation property retired during year			
14	Less accumulated depreciation			
15	Net book value of depreciable transportation property retired during year			
16	Net book value of miscellaneous physical property disposed of during year			
17	Net book value of investment securities disposed of during year			
18	Advances, notes and other debts repaid by affiliated companies			
19	Advances, notes and other debts repaid by other companies			
20	Net decrease in sinking and other special funds			
21	Net decrease in working capital (total current assets less total current liabilities)			
22	Other sources (specify)			
23				
24				
25				
26	Total sources of funds (should be same as line 44)			

Line No	Item (a)	Calendar Yr. 19__ (b)	Calendar Yr. 19__ (c)	Calendar Yr. 19__ (d)
	Application of funds:			
27	Investment in transportation property			
28	Investment in miscellaneous physical property			
29	Investments and advances, affiliated ICC regulated carriers			
30	Investments and advances, other affiliated companies			
31	Total investments and advances, affiliated companies			
32	Investments in nonaffiliated companies			
33	Advances, notes and other debts repaid to other companies			
34	Capital stock of own issue reacquired			
35	Funded debt and other obligations paid or reacquired (except equipment obligations)			
36	Equipment obligations paid or reacquired			
37	Net increase in sinking and other special funds			
38	Payment of dividends (other than stock dividends)			
39	Net increase in working capital			
40	Other applications (specify)			
41				
42				
43				
44	Total application of funds (should be same as line 26)			

EXPLANATORY—SCHEDULE E

Purpose: Schedule E is designed to provide the Commission with an indication of the carriers' sources and uses of funds over the recent past.

Study Carrier Groupings—A separate Schedule E shall be prepared for each of the following:

(1) Greyhound Lines, Inc.

(2) All study carriers combined (excluding Greyhound Lines, Inc.).

(3) All study carriers combined (including Greyhound Lines, Inc.).

"Funds"—The term "funds" for the purpose of this schedule shall include all assets or financial resources even though a transaction may not directly affect cash or working capital. For example, the purchase of property in exchange for bonds or shares of stock would be an application of funds for investment in property provided by the issue of securities.

Sources and uses of funds should be individually disclosed. For example, outlays for fixed assets should not be reported net of retirements.

Column (b)—Data reported in Column (b) should be based on the 3rd calendar year preceding the effective year of the proposed rate increase.

Column (c)—Data reported in Column (c) should be based on the 2nd calendar year preceding the effective year of the proposed rate increase.

Column (d)—Data reported in Column (d) should be based on the 1st calendar year preceding the effective year of the proposed rate increase.

The time frame requirements outlined above apply only if the proposed rate increase is effective during the last six months of the calendar year. If the proposed rate increase is effective during the first six months of the calendar year, the data in columns (b), (c), and (d) should be based on the fourth, third, and second calendar years, respectively, preceding the effective year of the proposed rate increase.

( ) Greyhound Lines, Inc.
( ) All study carriers combined (excluding Greyhound Lines, Inc.)
( ) All study carriers combined (including Greyhound Lines, Inc.)

SCHEDULE F

Affiliate Revenue Data for Services Rendered

Line No.	Item (a)	Calendar Year 19__ (b)	Calendar Year 19__ (c)	Base Year Actual _/_/_/ To _/_/_/ (d)
	Affiliate Revenues for Services Rendered to Respondents			
1	Engineering			
2	Management			
3	Legal			
4	Accounting			
5	Financial			
6	Furnishing of Materials and Supplies			
7	Leasing of Land, Structures and Vehicles			
8	Purchase of Equipment			
9	Construction			
10	All Other Services			
11	Total Affiliate Revenues for Services Rendered to Respondent (lines 1 through 10)			
12	Total Affiliate Revenues for Services Rendered to Other Than Respondents			
13	Total Affiliate Revenues (Lines 11 and 12)			
14	Total Affiliate Income From Operations Before Income Taxes			

EXPLANATORY—SCHEDULE F

Purpose—Schedule F is designed to facilitate an assessment of the effect on the carriers' profits of transactions with affiliates.

Instructions:

Schedule F should be prepared on a composite basis for all applicable study carriers (including Greyhound Lines, Inc. and Continental Trailways, Inc.).

Affiliate transactions aggregating less than $30,000 need not be reported in this Schedule.

Study Carrier Groupings—A separate Schedule F shall be prepared for each of the following:

1. Greyhound Lines, Inc.
2. All study carriers combined (excluding Greyhound Lines, Inc.).
3. All study carriers combined (including Greyhound Lines, Inc.).

Column (b)—If the fare/charge increase is filed during the first six months of the calendar year, the data reported in column (b) shall be based on the 3rd calendar year preceding the filing year. If the fare/charge increase is filed during the last six months of the calendar year the data reported in column (b) shall be based on the 2nd calendar year preceding the filing year.

Column (c)—If the fare/charge increase is filed during the first six months of the calendar year the data reported in column (c) shall be based on the 2nd calendar year preceding the filing year. If the fare/charge increase is filed during the last six months of the calendar year the data reported in column (c) shall be based on the 1st calendar year preceding the filing year.

Column (d)—Data to be reported in this column for the *base year actual* shall be based on the 4-quarter calendar year periods identified below:

Filing month of verified statement	*4-quarter calendar year period ending—*
January	Sept. 30, preceding year.
February	Do.
March	Do.
April	Dec. 31, preceding year.
May	Do.
June	Do.
July	Mar. 31, filing-month year.
August	Do.
September	Do.
October	June 30, filing-month year.
November	Do.
December	Do.

The 4-quarter calendar year periods identified above represent the minimum requirement. However, in event a proposed fare/charge increase is filed at a time when data for a more current quarter than that specified are obtainable, the more current quarter may be used in the *base year actual*. For example, if an increase is filed in late March and data for the 4th quarter of the preceding year is obtainable then the *base year actual* ending December 31, may be used in lieu of the *base year actual* ending September 30.

SCHEDULE A
Labor and Operating Statistics
(in thousands)

Sheet 1 of 5

( ) Greyhound Lines, Inc.
( ) All study carriers combined (excluding Greyhound Lines, Inc.)
( ) All study carriers combined (including Greyhound Lines, Inc.)

Line No.	Item (a)	Source (b)	2d. 4-quarter Period Preceding Base year Actual (c)	4-quarter Period Preceding Base year Actual (d)	Base Year Actual / / to / / (e)	Pro Forma Year / / to / / Based on Current Fares (f)	Pro Forma Year / / to / / Based on Proposed Fares (g)	Forecast Year / / to / / Based on Current Fares (h)	Forecast Year / / to / / Based on Proposed Fares (i)
	Labor:								
1	Equipment maintenance and garage employees	A.R. Sch. 9002, col. c, L. 2+3+4+"Other"							
2	Transportation, drivers	A.R. Sch. 9002, col. c, L. 7							
3	Transportation, supervisory and others	A.R. Sch. 9002, col. c, L. 6+"Other"							
4	Station employees	A.R. Sch. 9002, col. c, L. 9+10+"Other"							
5	Traffic, solicitation, and advertising	A.R. Sch. 9002, col. c, L. 12+13+"Other"							
6	Insurance and safety employees	A.R. Sch. 9002, col. c, L. 15+"Other"							
	Administrative and general:								
7	officers, owners, and partners	A.R. Sch. 9002, col. c, L.17							
8	supervisory	A.R. Sch. 9002, col. c, L.18							
9	clerical	A.R. Sch. 9002, col. c, L.19							
10	others	A.R. Sch. 9002, col. c, L.20							
11	Total	L.1 through 10							
	Bus-miles:								
12	intercity service (regular routes)	A.R. Sch. 9007, col. e, L.1							
13	local service	A.R. Sch. 9007, col. e, L.2							
14	charter, sightseeing, and other special service	A.R. Sch. 9007, col. e, L.3							
15	vehicle-miles operated exclusively in baggage, mail, express and/or newspaper service	A.R. Sch. 9007, col. e, L.4							
16	Total	L.12 through 15							
	Other Statistics:								
17	Number of intercity revenue passengers carried (regular route)	A.R. Sch. 9007, L.6							
18	Number of local revenue passengers (excluding transfers)	A.R. Sch. 9007, L.7							
19	Number of charter, sightseeing, and other special revenue passengers	A.R. Sch. 9007, L.8							

Labor and Operating Statistics
(in thousands)

Sheet 2 of 5

Line No.	Item (a)	Source (b)	2d. 4-quarter Period Preceding Base year Actual (c)	4-quarter Period Preceding Base year Actual (d)	Base Year Actual / / to / / (e)	Pro Forma Year / / to / / Based on Current Fares (f)	Pro Forma Year / / to / / Based on Proposed Fares (g)	Forecast Year / / to / / Based on Current Fares (h)	Forecast Year / / to / / Based on Proposed Fares (i)
20	Number of regular route intercity revenue passenger-miles	A.R. Sch. 9007, L. 12							
21	Passenger revenue from regular route intercity	A.R. Sch. 9007, L. 13							
22	Passenger revenue from local service	A.R. Sch. 9007, L. 14							
23	Passenger revenue from charter, sightseeing, and other special service	A.R. Sch. 9007, L. 15							
24	Total passenger revenue--Actual	A.R. Sch. 9007, L. 16							
25	Average fare per passenger--Intercity service	A.R. Sch. 9007, L. 17							
26	Average fare per passenger--Local service	A.R. Sch. 9007, L. 18							
27	Average fare per passenger--Charter, sightseeing, and other special service	A.R. Sch. 9007, L. 19							
28	Average revenue per intercity bus-mile	A.R. Sch. 9007, L. 20							
29	Average revenue per intercity passenger-mile	A.R. Sch. 9007, L. 21							
30	Passenger-mile per bus-mile (average load)	A.R. Sch. 9007, L. 22							
31	Passenger-mile per passenger carried--intercity service (average journey)	A.R. Sch. 9007, L. 23							

EXPLANATORY—SCHEDULE G

Purpose—The objectives of this schedule are to determine changes in labor expenses, and to evaluate past changes in productivity and estimate future changes.

Study Carrier Groupings—A separate Schedule G shall be prepared for each of the following:

1. Greyhound Lines, Inc.
2. All study carriers combined (excluding Greyhound Lines, Inc.)
3. All study carriers combined (including Greyhound Lines, Inc.)

Column (b)—The annual report sources in this column refer to the 1974 Annual Report Form MP–1. For years prior or subsequent to 1974 use comparable annual report sources.

Columns (c) and (d)—Data reported in columns (c) and (d) shall be based on the 2 four-quarter periods immediately preceding the base year actual. If, for example, the base year actual begins on July 1, 1975, the data reported in column (c) shall be based on the 12 months July 1, 1972 through June 30, 1973; and the data in column (d) shall be based on the 12 months July 1, 1973 through June 30, 1974.

Column (e)—Data to be reported in this column for the base year actual shall be based on the 4-quarter calendar year periods identified below:

Filing month of verified statement	*4-quarter calendar year period ending—*
January	Sept. 30, preceding year.
February	Do.
March	Do.
April	Dec. 31, preceding year.
May	Do.
June	Do.
July	Mar. 31, Filing-Month Year.
August	Do.
September	Do.
October	June 30, filing-month year.
November	Do.
December	Do.

The 4-quarter calendar year periods identified above represent the minimum requirement. However, in the event a proposed fare/charge increase is filed at a time when data for a more current quarter than that specified are obtainable, the more current quarter may be used in the *base year actual*. For example, if an increase is filed in late March and data for the 4th quarter of the preceding year are obtainable then the *base year actual* ending December 31, may be used in lieu of the *base year actual* ending September 30.

Columns (f) and (g)—Columns (f) and (g) shall contain the pro forma year data. These data do not represent a forecast, but the results of 12 months of operations at cost and fare/charge levels existing at a specific time.

The data reported in column (f) shall be the base year actual (column (e)) restated to reflect conditions (wage, price, and productivity, etc.) prevailing on or near the effective date of the proposed increase. Revenues in column (f) shall be based on fares and charges which are currently in effect.

The data reported in column (g) shall also be the base year actual (column (e)) restated to reflect conditions (wage, price and productivity, etc.) prevailing on or near the effective date of the proposed increase. Unlike column (f), however, revenues in column (g) shall be based on the proposed fares and charges.

Columns (h) and (i)—Columns (h) and (i) shall contain the forecast year data. The data reported in column (h) shall be a forecast for that four-quarter period immediately following the base year actual. The forecast year will always begin on either January 1, April 1, July 1 or October 1. If, for example, the base year actual ends on June 30, 1975, the forecast year will begin on July 1, 1975. Revenues in column (h) shall be based on fares and charges currently in effect.

The data reported in column (i) shall, like column (h), be a forecast for the four-quarter period immediately following the base year actual. Unlike column (h), however, the revenues in column (i) shall be calculated on the basis of the proposed fares and charges.

Pro Forma and Forecast Year Data—Data for these time periods shall be appropriately explained and supported. Each of the dollar figures called for in these columns shall be accompanied by an explanation of the bases or methods for restatement and explict identification of all assumed or forecasted changes in revenues, expenses, wage rates, price levels and productivity as compared with the base year actual results. This evidence should be adequate to enable the Commission to find that the proposed fare/charge increase: a) is cost justified and does not reflect future inflationary expectations; and, b) takes into account expected and reasonable productivity gains:

APPENDIX A—GUIDELINES FOR THE PRESENTATION OF THE RESULTS OF SAMPLE STUDIES

INTRODUCTION

These *Guidelines*, while adaptable to any application of probability sampling, are intended primarily to furnish a general method of presenting the basic information about a sample study or survey when used in connection with evidence submitted in proceedings before the Interstate Commerce Commission. They call for a full explanation of a sample including its purpose, design, procedures and management, estimates based thereon and interpretations and tests of the data.

An increasingly large volume of data collected through use of probability sampling techniques are being presented in rate, merger and other proceedings. Our experience in providing technical assistance to the Commission and its hearing examiners indicates that use of these *Guidelines*, when sample evidence is introduced, could save considerable time and money for all concerned. The specific and complete information about the sample plan in initial submissions should reduce significantly the time needed for cross-examination, for appraisal of the sample's technical soundness, and for evaluation of the evidence to which the sample data are related.

Preparation and submission of a statement as contemplated by the *Guidelines* should not impose an undue burden upon the witness since the information to be supplied would be known and readily available to those designing and managing the sample study.

Appended hereto is a list of reference books relating to the basic concepts, mathematical theory, methods, procedures and practical applications of statistics, probability sampling and quality control. No attempt has been made to list all available references. Omission of any specific reference does not imply disapproval.

SPECIFIC GUIDELINES

A. Purpose of the Sample Study

Every sample study or sample survey has a purpose or objective that can be stated simply and clearly in a layman's language. For example, the purpose may be to estimate how much traffic may be diverted from a railroad as a result of a proposed merger.

a. State what is intended to be proved by the sample study.

b. State specifically all major questions the sample data are expected to answer.

c. State the degree of precision desired from the sample study. In order to achieve the purpose of a sample study, a questionnaire or data sheet must be designed to collect necessary sample data.

d. Enclose a copy of the questionnaire or data sheet used to collect the sample data.

e. Describe how the data collected by the questionnaire contributes to the major purposes of the sample study.

f. Explain the need for including questions on the questionnaire that are not directly required by the major purposes of the sample study.

g. Keep the questionnaire brief. Irrelevant questions should be eliminated.

h. Avoid ambiguity. Questions should be phrased in such a way that the answers will be interpreted specifically.

B. Designing the Sampling Plan

After listing the objectives of a sample study and preparing a questionnaire to collect necessary sample data, the most important procedure to assure statistical validity in the sampling results is the "sampling plan". The sampling plan includes: (1) definitions of the population, frames, strata, sampling elements or units, and major characteristics to be derived from the sample elements; (2) a description of the source, age, gaps, and other factors concerning the data from which the sample is to be drawn; (3) the method of sample selection such as completely random from the entire population, stratified sampling by major groups and subgroups, or by diversified frames, and whether systematic or replicated sampling plans are to be used; (4) determining the sample size by frame, strata, group, or entire population in order to provide statistical validity for the sampling results with adequate confidence; (5) detailed instructions to the enumerators (*i.e.*, people who fill out the questionnaire); and (6) a pretest of the questionnaire to discover and correct weak faults in the basic questionnaire and instructions to the enumerators, before the major effort of collecting sample data begins.

Each of these steps is discussed in the following paragraphs.

1. *Population*. The population is the complete set of all data elements of one kind which are to be studied whether accessible or not. For example, the population may consist of railroad cars as of a certain date, or carload or truckload traffic, pickup and delivery trips, claims, revenues or expenses of a given kind within a period of time.

a. Define each population in terms of specific units, extent of boundaries, time, and any other factors that describe the elements comprising the population about which estimations are to be made on a sampling basis.

b. Distinguish between the total population and the study population when the latter does not include all of the former.

c. State the size (number of elements) of each population if it can be estimated.

d. Explain how the nature or size of the population influenced the design of the sampling plan.

2. *Frames*. The frame provides a way of getting at the population. It describes the items or materials in the form of maps, lists, directories, accounts, card files, computer tapes, etc., comprising the population, or an adequate portion of it, from which suitable sample units may be selected. Frames that are readily available usually require corrections. Sometimes the frame will have to be constructed from the beginning. For example, a frame might be a list of all class I railroads, all class II motor carriers, or all freight bills for one year for a particular motor carrier.

a. Define the frame in terms of the geographical and economic scope of the survey, the categories of material covered, and the number of elements in each frame.

b. State the date and source of the frame.

c. Describe the method used to correct available frames or to construct a new frame (see reference 15).

d. If the frame does not coincide with the study population, describe the cause and magnitude of the differences between them (see reference 13).

e. Explain how the size and scope of the frame influenced the design of the sampling plan.

3. *Stratification.* Whenever a population is divided into groups such that the elements in each group are more alike than are the elements in the population as a whole, and a random sample is drawn from each group, the sample is called a stratified sample, the groups are called strata, and the process of dividing the population into groups is called stratification. Stratified sampling provides a method for obtaining greater precision in the sample estimates (see reference 14). Key factors to consider in stratification are size, composition, location, type, source and classes of data.

a. If the frame was stratified before samples are drawn, state the number of strata and describe the distinguishing feature of each stratum.

b. State the frame size, the strata sizes, and the sample sizes for each stratum in terms of the number of sample units or elements.

c. If replication as well as stratification was used, explain the procedure used (see paragraph 7).

d. If the sample was stratified after sampling, describe the procedures and estimation methods that were used.

e. Briefly state why stratification was used, in terms of expected increases in statistical validity and reduced costs for conducting the sample study.

4. *Sampling Elements, Units and Clusters.* The elements of a population are the items for which information is sought. Elements of the study population are contained in the sampling units which are itemized in the frame. In element sampling, each sampling unit contains only one element; but in a cluster sampling, the sampling units contain two or more elements. For example, a sample *element* may be one employee at a freight station, and a cluster sample *unit* would be all employees at one station when stations are sampled in the survey.

a. Define the elements contained in the population, and state the number of elements in each sampling unit.

b. When using cluster sampling, describe the clusters and their sample elements. Indicate if all the sample elements are used in the clusters.

c. If multistage sampling is used, define the sampling units and the stages so that each element belongs uniquely to one sampling unit at each stage. For example, the sampling units of the first stage (primary sampling units) could be all class I railroads; the second-stage sampling units could be railroad freight stations of the selected railroads; and the third-stage sampling units could be the employees at the selected freight stations (see references 14 or 15).

5. *Source of Data.* It is very important to know the source, age and gaps in data for the population and the sample. This has a direct bearing on nonsampling errors and the total amount of uncertainty in the survey sampling results.

a. Describe the physical form and date of the data for the population from which the sample was drawn, the handling of documents over time periods or geographical areas, how the collection or filing of source data affected the sample selection, and other factors to validate the data sources.

b. Describe the actual physical source of data such as accounting numbers, geographic or chronological numbers, other kinds of control records, or reels of magnetic tapes by computer file number.

c. State whether the source data were readily available from current records, or whether a new data collection sheet was required.

d. State whether the source data were derived from judgments that might be subject to variation from one person to another. Give reasons why judgments were made rather than obtaining data by direct measurements. List the qualifications of persons making judgments. Describe the manner in which the judgments were made. State the criteria upon which judgments were made.

6. *Major Groups and Subgroups.* Sometimes important characteristics are estimated for major groups and subgroups. These groups and subgroups are usually quite different from the strata used. The size and nature of these groups and subgroups have considerable influence on stratification and sample size. For example, all railroads in the United States may be stratified into class I and class II in order to draw a sample for the purpose of determining the extent of boxcar shortages. After the shortage rates have been estimated from the sample study, they may be applied to a major group (U.S. total) and subgroups such as rate territories or States.

a. Describe the major groups and subgroups for which estimates of major characteristics are required.

b. Explain the relationships among major groups, subgroups, stratifications, and sample sizes.

c. Explain how the sample size or other aspects of the sampling plan were affected by considerations of evaluating the sampling results for major groups and subgroups.

7. *Replication.* A replicated sample design consists of two or more subsamples drawn and processed completely independent of each other from the same population. The main advantage of replication is ease in computing the estimated standard errors. Replication also makes it easier to evaluate the amount of bias in the estimating procedure (see reference 13).

a. If a replicated sample was used, state the number of replicates, zone width, number of zones, and sample size in each replicate. If thick zones are used, indicate how they were formed and state the number for each replicate.

b. Describe the method for making independent selections of sample units.

c. Explain how replicates were used to compute the estimated standard error, determine bias in a ratio estimate, discover large non-sampling errors, measure variability due to judgments or interviewers, or other applications.

8. *Determination of Sample Size.* The sample size should be sufficiently large for the sample results to be precise enough to make appreciable contributions to decisions about the population characteristics. Sample sizes are affected by the amount of desired precision (low variation) in the sampling results, and the economic factors of limited funds and time for conducting the sample study (see reference 15).

a. Explain how the sample size was determined. State formulas used for determining sample size, and explain all factors or values used in this determination.

b. Describe any relationships between the sample size and replication, stratification, major characteristics, major groups and subgroups, standard errors, or other factors.

9. *Instructions for Respondents or Enumerators.* After the data sheet or questionnaire has been designed to collect sample data on all major objectives of the survey, written instructions must be prepared to provide uniform guidance on how to fill out the questionnaire by the respondents or enumerators.

a. Submit a copy of the written instructions for the respondents or enumerators.

b. If any questions on the questionnaire were not covered in the instructions, explain why these questions did not require written instructions for the respondents or enumerators.

10. *Pretest of Questionnaire.* In all large scale sample surveys and in many sample studies of a smaller scale, a pretest of the questionnaire is desirable and usually necessary prior to ultimate implementation in order to insure the practicality and attainment of the survey objectives, as well as to improve the clarity and completeness of the questionnaire and instructions. This means the first draft of the questionnaire is given to a small number of respondents or enumerators who attempt to complete it in accordance wtih the first draft of the instructions. By this pretest procedure, weaknesses are usually found in both the questionnaire and the instructions. Corrections are then made to both documents before the major effort is begun for the sample survey.

a. If a pretest of the questionnaire was made, describe the pretest procedures and resulting improvements to the questionnaire and instructions for enumerators.

b. If no pretest was conducted, explain why not.

C. Data Collection

After designing the sampling plan which includes the questionnaire, instructions for enumerators, determining sample sizes for each frame, etc., the next phase is the actual collection of data by the enumerators who contact or interview the respondents. Although the sampling plan was properly designed, the final analysis of results might not be statistically valid if the collection of the sample data were not managed properly.

1. *Selecting Sample Units.* The manner in which the sample units are selected from the frame or population will have a definite effect on the validity of the study results. For example, probability sampling requires that the actual selection of units into the sample be made by a mechanical procedure that has predetermined the desired probabilities.

a. Describe how the sampling units in the frame were selected at random.

b. State the source of random numbers, and explain how the random numbers were used.

c. Indicate whether selection was from a two or more stage frame, and how selection was made at each stage.

d. Describe methods of random selection for each frame, and how sample selection sheets, computer tapes, or other similar devices were used.

e. If systematic or serial sampling was used, indicate the preliminary steps taken to avoid bias due to any periodicity in the data. Show evidence that the selected data are not significantly different from that which would be obtained by a simple random sample.

f. Attach copies illustrating sample selection sheets, computer printouts, and other significant materials relating to sample selection.

2. *Sample Management.* Management of the sample involves such things as pretesting the questionnaire or data sheet and the sampling plan; instituting various controls, checks and audits to minimize or eliminate nonsampling errors; using statistical quality

control procedures to measure and reduce error rates; preparing and using a sampling procedure manual; planning, programming and controlling the computer operations if a computer is used; resolving all questions and problems concerning the sampling plan; and giving special training or instructions as needed. Sample management means executing the sampling plan as designed.

a. State the amount of training given to all personnel, including supervisors, to implement the project according to the procedures required by the sampling plan.

b. Explain how technical sampling guidance was made available and was actually used to resolve sampling questions and problems during the collection of data.

c. Show evidence that properly trained personnel actually directed, managed and monitored the implementation of the sampling plan.

d. Explain the pretest or pilot run that was made to test sampling procedures and obtain estimates of variances if needed for the sampling plan design.

e. Describe the various controls that were used to minimize or eliminate nonsampling errors such as sample audits, statistical quality control charts, data reliability checks, and machine consistency checks.

3. *Data Tabulation.* One of the major sources of nonsampling errors occurs in the routine process of tabulating the sample data. Every precaution must be used to reduce or eliminate the errors in data tabulation. Specific and detailed written instructions must be given to those people who receive the completed questionnaire to review it for completeness and accuracy, to those people who code the sample data for card punching or other data processing, and to the data programmers for specific tabular printouts of the sample survey results. Copies of the written instructions to people who provide data tabulations should be submitted.

a. Describe how the sample data were edited, coded, reviewed and tabulated.

b. Explain the techniques of statistical quality control that were used to measure validity of the data tabulations.

c. State the kinds of errors that were discovered and the error rate for each step in processing the sample data.

D. Analysis of Sampling Results

A limited amount of preliminary analyses of the sampling results may be made while the data are being collected. However, a formal statistical analysis cannot be completed until after all the sampling data have been summarized in the form of tables or graphs.

1. *Major Characteristics Estimated from Sample.* The measurements of operational data, costs, revenues, etc., that are estimated from the sample study are called the major characteristics of the population. The number and complexity of these characteristics influence the statistical validity of the sample data and the methods of estimation. Examples are revenue ton-miles, average number of days for delivery delays, total amount or percent of rail traffic diverted, and revenue gains or losses due to merger.

a. Describe the major characteristics which were estimated from the sample.

b. Define each term or factor simply, precisely, and clearly in layman's language.

c. Explain how each characteristic is related to the objectives of the sample study.

2. *Types of Derived Estimates.* There are many types of estimates that can be derived from the sample data. They may include ratios, proportions or percentages, aggregates or totals, differences, means or averages, standard deviations, correlation coefficients, regression coefficients, and many others.

a. Explain the various types of estimates derived from the sample and state the estimating equations used for each, by replicate, by stratum, for the entire sample, or other groupings of data.

b. Relate the estimating equations to the sampling method used.

c. If ratio or regression estimates were used, state expressions for the estimates and how the sampling errors were derived.

3. *Standard Errors.* In the language of statisticians, the validity of sampling results is measured by the ability of the sample to describe the frame or population from which the sample was drawn (within the laws of probability). Based on the sample survey data, the statistician can claim the mean of the population (arithmetic average) is some number X, plus or minus a band of confidence based on the laws of probability. For example, the mean of the population (based on sample data) is computed to be $40, plus or minus $3 with a 67 percent confidence (one standard error each way). This is to say the true mean of the population is estimated to be between $37 and $43 with a 67 percent confidence. The band of confidence gets wider in dollars with higher levels of confidence. For the same survey sampling results, the statistician can state a 95 percent probability that the population mean is somewhere between $34 and $46; or a 99 percent probability that the population mean is between $31 and $49. The mean and standard error of the mean are only estimates, since they were derived from the sample results. The accuracy of these estimates can be increased by taking a larger sample size. Computation of the standard errors based on survey sample results is explained in most of the references in Appendix I.

a. State the standard errors of all population estimates (*e.g.*, mean, variance, etc.) derived from the sample survey data. Show how these standard errors were calculated for each sample size and for each sampling stratum.

b. State the size of sampling errors at one standard error. If confidence limits were computed for two or three standard errors to obtain 95 percent or 99 percent confidence limits (or another amount of confidence), indicate this and explain in detail.

4. *Nonsampling Errors.* Major sources of nonsampling errors in a sample include: incomplete frame or population from which the sample was drawn; errors of response, measurement or recording of data at the basic source where the data were collected or interviews performed; nonresponse or delinquent returns by some respondents; errors in data coding, card punching, etc., for electronic computer processing; errors in analyzing the computer printouts; errors of statistical analysis in the interpretation of the sample survey results.

a. List the major sources of nonsampling errors.

b. State what steps or procedures were taken to avoid, minimize, control or eliminate each type of nonsampling error.

5. *Statistical Analysis of Sample Data.* Various mathematical and statistical techniques can be used to analyze and interpret the sample data. These techniques may include the computation of standard errors, tests of significance, regression analysis, and analyses of variance or covariance. For example, statistical tests can be used to determine whether there is a significant difference between two sets of data.

a. Explain how the sample data were expanded to describe the population from which the sample was drawn.

b. Describe the techniques used when interpolations or extrapolations were made.

c. Describe the extent and nature of the statistical analyses. State to what extent conclusions, decisions or actions were based upon these analyses.

6. *Final Appraisal.* A brief statement should be made to summarize and appraise the results of the sample study.

a. Describe how the sample data achieved the objectives of the sample study.

b. Compare the derived estimates with their standard errors.

c. Compare the size of the sampling error with the nonsampling error, if known.

d. State how the total amount of uncertainty or error affected the derived estimates and inferences drawn therefrom.

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notices

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

ENVIRONMENTAL PROTECTION AGENCY

OPP—240001 (FRL 467-3)

NEW MEXICO, CALIFORNIA, AND WASHINGTON

Approval of Requests for Interim Certification To Register Pesticides To Meet "Special Local Needs"

On July 3, 1975, final regulations for the registration, reregistration, and classification of pesticides pursuant to section 3 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended (86 Stat. 973; 7 U.S.C. 136), were published in the FEDERAL REGISTER (40 FR 28241). These regulations became effective August 4, 1975. Since that date, States have been prohibited from issuing new registrations for pesticide products or uses of pesticide products which are not registered by the Environmental Protection Agency (EPA), except pursuant to certification from the Administrator in accordance with section 24(c) of FIFRA.

On September 3, 1975, proposed regulations for State Registration of Pesticides to Meet Special Local Needs under section 24(c), FIFRA, were published in the FEDERAL REGISTER (40 FR 40538). Since it did not prove possible to promulgate final section 24(c) regulations prior to the effective date of the FIFRA section 3 regulations, some interruption in the authority of States to register pesticides has occurred. In order to prevent further disruption of State registration programs (particularly in relation to minor uses), a procedure has been established by which States may request interim certification to register pesticides to meet special local needs until such time as the final section 24(c) regulations are promulgated. If such a request is granted, a State may register pesticides subject to the terms of the certification and other limitations set out in the Preamble to the proposed regulations. Interim certification will expire if the State has not submitted a plan pursuant to the final section 24(c) regulations within 60 days after the effective date of these regulations, or, if such a plan is submitted and it is disapproved by the Administrator, on the effective date of the Administrators' disapproval.

A state may request interim certification to register pesticides to meet special local needs at any time by having the Governor or Chief Executive Officer or their designee submit a request in writing to the Administrator. The request shall satisfy the requirements set out in the FEDERAL REGISTER announcement of the Interim Certification program (40 FR 40542), and the statutory standard set forth in Section 24(c) of FIFRA.

The FEDERAL REGISTER announcement of the Interim Certification program provides that the Administrator shall notify the State of his approval or denial of a request for Interim Certification and publish notice of approval or denial in the FEDERAL REGISTER. The announcement further states that since the Agency expects Interim Certification to be of limited duration, it will not solicit public comment with respect to requests for Interim Certification. Adequate opportunity for public comment on State plans submitted pursuant to final Section 24(c) regulations is provided for in proposed Section 162.158(c).

The Agency has received Requests for Interim Certification to register pesticides to meet special local needs (Request(s)) from the States of New Mexico, California, and Washington. After reviewing the Requests, the Agency found that they satisfy the requirements set forth in the FEDERAL REGISTER announcement, and that they demonstrate that each of the States are capable of exercising adequate controls to assure that special local needs registrations issued by them pursuant to Interim Certification will be in accord with the purposes of FIFRA.

Accordingly, notice is hereby given that the Administrator has approved Requests for Interim Certification from the States of New Mexico, California, and Washington. Approval was subject to the terms and conditions set forth in the FEDERAL REGISTER announcement of the Interim Certification program, and other terms and conditions described below.

NEW MEXICO

The New Mexico Request for Interim Certification sought authority to register amendments to EPA registrations of pesticide products which do not involve "changed use patterns", as that term is defined in Section 162.152(c) of the proposed Section 24(c) regulations. Since the authority requested by New Mexico did not involve either "new products", as that term is defined in proposed Section 162.152(g), or amendments involving changed use patterns, a procedure for product hazard review was not required.

The Agency has determined that the New Mexico Request satisfied the requirements for Interim Certification. Therefore, on October 10, 1975, the Administrator notified the New Mexico Department of Agriculture that its Request for Interim Certification had been approved.

CALIFORNIA

The California Request for Interim Certification sought authority to register new products, amendments to EPA registrations which involve changed use patterns, and amendments to EPA registrations which do not involve changed use patterns. In addition, the Request asked for Interim Certification to issue California "Use Variance Authorizations" as special local needs registrations under Section 24(c), FIFRA. A "Use Variance Authorization" is an order issued by the California Department of Food and Agriculture, which permits the temporary use of a pesticide in a manner which conflicts with the California registered label for the pesticide.

The Agency found that the requirements for Interim Certification were satisfied by that part of the Request which asked for Interim Certification to issue California pesticide registrations as special local needs registrations. Procedures for product hazard review and efficacy determination are part of the State registration program.

However, the Agency deferred action on that part of the Request which sought Interim Certification to issue California Use Variance Authorizations as special local needs registrations. This is to permit the development of additional information concerning such Authorizations. This information will permit the Agency to determine (1) whether the procedures utilized to issue these Authorizations satisfy the requirements of the Interim Program and the FIFRA, and (2) whether Use Variance Authorizations are sufficiently similar to FIFRA registrations to allow them to be accepted as FIFRA registrations under Setcion 24(c). To the extent there are significant differences, EPA and the State of California will consider whether appropriate conditions can be imposed to resolve compatibility problems which have been identified.

On October 10, 1975, the Administrator notifide the California Department of Food and Agriculture that its Request had been granted to the extent indicated in the discussion above.

WASHINGTON

The State of Washington Request for Interim Certification sought authority to register new products, amendments to EPA pesticide product registrations which involve changed use patterns, and amendments to EPA pesticide product registrations which do not involve changed use patterns.

The Agency reviewed the Request and determined that the requirements of the Interim Certification procedure had been satisfied. Procedures for product hazard review and efficacy determination are part of the State registration program. On October 22, 1975, the Administrator notified the State of Washington Department of Agriculture that its Request had been granted.

Copies of the Requests for Interim Certification from New Mexico, California,

and Washington, along with letters reflecting the Agency's decision to approve these Requests, are available for public inspection at the following locations:

Federal Register Section, Technical Services Division (WH-569), Office of Pesticide Programs, EPA, Room 401, East Tower, 401 M St., S.W., Washington, D.C. 20460.

Pesticide Branch, Hazardous Materials Control Division, EPA, 1600 Patterson Street, Suite 1100, Dallas, Texas 75201. (*New Mexico Request only*).

Pesticide Branch, Hazardous Materials Control Division, EPA, 100 California Street, Room 340, San Francisco, California 94111. (*California Request only*).

Pesticide Branch, Hazardous Materials Control Division, EPA, 1200 6th Avenue, Seattle, Washington 98101. (*Washington Request only*).

Dated December 3, 1975.

EDWIN L. JOHNSON,
Deputy Assistant Administrator for Pesticide Programs.

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FEDERAL MARITIME COMMISSION

[License No. 1601]

MARIA ESTELA ANDRADE

Order of Revocation

On December 1, 1975, the Federal Maritime Commission received notification that Maria Estela Andrade, 1861 Sherer Lane, Glendale, California 91208 wishes to voluntarily surrender her Independent Ocean Freight Forwarder License No. 1601 for revocation.

By virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders Commission Order No. 201.1 (Revised) Section 5.01(b) (dated 6/30/75);

It is ordered, That Independent Ocean Freight Forwarder License No. 1601 issued to Maria Estela Andrade be returned to the Commission for cancellation.

It is further ordered, That Independent Ocean Freight Forwarder License No. 1601 be and is hereby revoked effective December 1, 1975, without prejudice to reapply for a license in the future.

It is further ordered, That a copy of this Order be published in the FEDERAL REGISTER and served upon Maria Estela Andrade.

LEROY F. FULLER,
Director, Bureau of Certification and Licensing.

[FR Doc.75-33251 Filed 12-9-75;8:45]

FEDERAL POWER COMMISSION

[Docket No. RP76-40]

ALABAMA-TENNESSEE NATURAL GAS CO.

Notice of Proposed PGA Rate Adjustment

DECEMBER 1, 1975.

Take notice that on November 14, 1975, Alabama-Tennessee Natural Gas Company (Alabama-Tennessee) tendered for filing as part of its FPC Gas Tariff, Third Revised Volume No. 1, Substitute Thirteenth Revised Sheet No. 3-A. Alabama-Tennessee requests that this revised tariff sheet become effective as of January 1, 1976.

Alabama-Tennessee states that the sole purpose of such revised tariff sheet is to adjust Alabama-Tennessee's rates pursuant to the PGA provisions of Section 20 of the General Terms and Conditions of its tariff to reflect increased rates to become effectvie on January 1, 1976, to be charged by its sole supplier, Tennessee Gas Pipeline Company.

Alabama-Tennessee states that the revised tariff sheet provides for the following rates:

		Substitute 13th revised sheet No. 3-A
Rate schedule:		
G-1:		
Demand	dollars	3.38
Commodity	cents	63.06
SG-1: Commodity	do	87.75
I-1: Commodity	do	65.06

Alabama-Tennessee also tendered for filing First Revised Sheet No. 36-H to reduce the minimum notice period in Section 22(d) of the General Terms and Conditions of its tariff from 45 days to 30 days.

Alabama-Tennessee states that copies of the filing have been mailed to all of its juridictional customers and affected State regulatory Commissions.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on on before December 15, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of his filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33184 Filed 12-9-75;8:45 am]

[Docket No. RP74-99]

CASCADE NATURAL GAS CORP.

Order Approving Settlement

DECEMBER 2, 1975.

On June 17, 1974, Cascade Natural Gas Corporation, Colorado-Utah Division (Cascade) tendered for filing Fourth Revised Sheet No. 2 and First Revised Sheet Nos. 8 and 15 to its FPC Gas Rate Schedule Original Volume No. 1. Cascade also filed an Alternate Fourth Revised Sheet No. 2 and an Alternate First Revised Sheet No. 8. The filing proposed a $2.25 million increase in annual revenues, based on the twelve months ending April 30, 1974, from Cascade's sole customer under its Rate Schedule No. 1, Mountain Fuel Supply Company (Mountain Fuel).

The filing also proposed a modification of Cascade's present purchased gas adjustment clause to reflect a revision in the base period cost of gas and to provide for the combination of the Company's "old gas" and "incremental gas" rates into a single rate. Cascade proposed an effective date of August 2, 1974.

Notice of the filing was issued on June 26, 1974, with protests, and interventions due on or before July 8, 1974. On July 8, 1974, Mountain Fuel filed a timely petition to intervene, and on July 9, 1974, Rocky Mountain Natural Gas Company filed an untimely petition.

On August 1, 1974, we issued on order which accepted for filing the Fourth Revised Sheet No. 2 and First Revised Sheet Nos. 8 and 15. Accordingly, Cascade's Alternate Fourth Revised Sheet No. 2 and Alternate First Revised Sheet No. 8 were deemed withdrawn. We suspended the effectiveness of the filing for one day. Thus, Cascade's filed rates became effective on August 3, 1974, subject to refund. We set the matter for hearing, and accepted both petitions to intervene.

After settlement discussions and several extensions of procedural dates, a hearing was held on January 16, 1975. In order to allow for further settlement negotiations and exchange of data, the hearing was recessed to March 5, 1975. Following several subsequent postponements and recesses, on June 20, 1975, Cascade filed a proposed "Stipulation and Agreement of Settlement" and a corresponding motion for an order certifying the agreement, together with the record, to us for approval. On June 24, 1975, the Presiding Administrative Law Judge certified the agreement to us. The Staff filed a "Statement of Support for the Filed Settlement" on July 30, 1975.

The proposed settlement agreement provides as follows:

Article I, "Settlement Rates and Bases"—Within ten (10) days following issuance of the Commission's order approving the settlement agreement, Cascade will file revised tariff sheets which will recover for Cascade the settlement cost of service.[1] That cost of service reflects adoption of Cascade's claimed capitalization,[2] and a 13.8 percent rate of return on equity. The settlement cost of service includes $715,247 of depreciation and income taxes adjusted to accommodate other changes in the elements of cost of service as originally filed. Within ten (10) days of Commission approval of the settlement, Cascade will also file a modification of its minimum bill provision which is in accord with Article IV of the settlement.

Article II, "Refunds"—Within fifteen (15) days following effectiveness of the settlement agreement, Cascade will refund to Mountain Fuel the product of 2.40 cents per Mcf and the volume purchased by Mountain Fuel during the Refund Period. That Period shall be the period commencing on August 3, 1974, when Cascade's originally proposed increased rate became effective subject to refund, and ending on the date on which the settlement rates become effective, as determined by Article III. Refunds shall include simple interest at seven (7) percentum per annum.

Article III, "Effective Date and Term"—The settlement agreement shall become effective on the first day following the date on which the Commission's order approving the settlement becomes final and nonappealable. Tariff sheets reflecting the settlement rates

[1] The settlement cost of service is shown in Appendix A, attached hereto.

[2] The settlement capitalization is shown in Appendix B, attached hereto.

and reflecting the minimum bill provisions shall be filed by Cascade so as to become effective on the first day of the billing month following the date on which the Commission's order approving the settlement agreement becomes final and non-appealable.

The settlement rates shall remain in effect until lawfully changed pursuant to the Natural Gas Act. Docket No. RP74-99 shall terminate when refunds owned by Cascade have been paid and the Commission's order becomes final and non-appealable.

Article IV, "Resolution of Minimum Bill Issue"—In its original filing in Docket No. RP74-99, Cascade included a minimum monthly bill provision for service to Mountain Fuel. The provision required a minimum monthly payment equal to 40 percent of the average daily volume delivered to Mountain Fuel during the preceding twelve months times the currently effective unit rate times the number of days in the month for which deliveries are being billed. Mountain Fuel opposed the provision, fearing that the provision would lead to payments having to be made for gas which Cascade would be unable to deliver during any given month. Mountain Fuel has now agreed to the monthly bill provision on the condition that Cascade modify it by including express language stating that Mountain Fuel will not be required by the provision to pay for gas which Cascade is unable to deliver during any given month. All parties to the instant proceeding agree that the monthly bill provision, as thus modified, should be included in Cascade's Rate Schedule No. 1.

Article V, "Waiver of Rights"—The parties to the proceeding waive any and all rights to seek judicial review of the Commission's order in Docket No. RP74-99 which accepts the settlement agreement as to all its provisions.

Article VI, "Reservations"—The provisions of this agreement constitutes a dollar settlement of this proceeding and none of the parties shall be deemed to have consented to any rate of return, ratemaking principle, or any method of determining cost of service. The provisions of the agreement shall be deemed to apply to Cascade, and nothing shall apply to any successor except as the Commission may so order.

Cascade's concurrence in the settlement agreement particularly as regards rate of return and return on equity, is made in contemplation of purchase of the Colorado-Utah Division by Mountain Fuel during 1975. Accordingly, Cascade reserves the right to move for reopening of the rate of return issue and its decision on the merits in the event that the Colorado-Utah Division is not acquired by Mountain Fuel, with necessary approvals, on or before December 31, 1975.

This settlement agreement resolves all issues. It provides for a $137,992 decrease from the $2,263,286 in annual revenues which would have been allowed by the terms of Cascade's original filing. Thus, the presently effective rate of 63.81 cents per Mcf will be reduced by 2.4 cents effective August 3, 1974, and revenues in excess of the settlement rate will be refunded.

The rate reduction is attributable to the reduction in rate of return from 9.48 percent to 8.93 percent, a reduction in the depreciation rate from 6.96 percent to 6.6 percent, and related adjustments to income taxes.

Our review of the proposed settlement, Staff's comments and the related record indicates that the settlement is a reasonable and appropriate resolution of the issues raised in this proceeding and that the public interest would be served by our acceptance and approval of the settlement.

We conclude that the rate of return upon which the parties have agreed, as shown by Appendix B, is just and reasonable. If the proposed purchase of the Colorado-Utah Division by Mountain Fuel is not consummated with necessary regulatory approvals by December 31, 1975, Cascade may file pursuant to Section 4 of the Natural Gas Act and the Regulations, for such an increase in its rate of return as it may deem appropriate.

The Commission finds: (1) The proposed settlement of this proceeding as filed with the Commission by Cascade Natural Gas Corporation on June 20, 1975, is reasonable and proper and in the public interest in carrying out the provisions of the Federal Power Act. It accordingly should be approved as hereinafter ordered.

(2) If the proposed purchase of the Colorado-Utah Division by Mountain Fuel is not consummated with necessary regulatory approvals by December 31, 1975, Cascade may file, pursuant to Section 4 of the Natural Gas Act and the Regulations, for such an increase in its rate of return as it may deem appropriate.

The Commission orders: (A) The proposed settlement filed by Cascade Natural Gas Corporation on June 20, 1975, as a settlement of the issues involved in this proceeding is hereby approved and adopted.

(B) Cascade Natural Gas Corporation shall file within ten (10) days of the issuance of this order a rate schedule supplement which conforms with the settlement agreement approved herein.

(C) The proposed settlement agreement herein approved shall become effective on the first day following the date on which this order becomes final and non-appealable.

(D) Within fifteen (15) days following the effectiveness of the settlement agreement herein approved Cascade Natural Gas Corporation will refund to Mountain Fuel Supply Company the product of the Unit Refund of 2.40 cents per Mcf as shown in Appendix A to the settlement agreement and the volume purchased by Mountain Fuel Supply Company during the Refund Period. The Refund Period shall be the time commencing on August 3, 1974 and ending on the date on which the settlement agreement herein approved becomes effective. Refunds shall include simple interest at seven (7) percentum per annum.

(E) The Seventh Revised Sheet No. 2, reflecting the rates contained in the proposed settlement approved herein, and the Second Revised Sheet No. 8, reflecting the revised minimum bill language in the proposed settlement approved herein, shall be filed by Cascade Natural Gas Corporation so as to become effective on the first day of the billing month following the date on which this order becomes final and non-appealable.

(F) Docket No. RP74-99 shall terminate when refunds owed by Cascade Natural Gas Corporation by terms of this order have been paid and this order has become final and non-appealable.

(G) This order is without prejudice to any findings or orders which have been made or which may hereafter be made by the Commission, and is without prejudice to any claims or contentions which may be made by the Commission, its Staff, or any party or person affected by this order in any proceeding now pending or hereafter instituted by or against Cascade Natural Gas Corporation or any person or party.

(H) The Secretary shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

APPENDIX A.—*Cascade Natural Gas Corp., Colorado-Utah Division*

[Total cost of service by functions, 12 mos ended Apr. 30, 1974, as adjusted]

Line No.	Description	Total cost of service (1)	Production (2)	Transmission (3)
	Operation and maintenance expenses (excluding purchased gas costs):			
1	Natural gas production and gathering	$146,062	$146,062	
2	Products extraction	2,868	2,868	
3	Other gas supply expenses	(4,992)	(4,992)	
4	Total production expenses	143,938	143,938	
5	Transmission expenses	62,965		62,965
6	Administrative and general expenses	268,362	208,490	59,872
7	Total operation and maintenance expenses	475,265	352,428	122,837
8	Depreciation	715,247	243,022	472,225
9	Taxes other than income taxes	128,654	45,761	82,893
	Income taxes:			
10	Federal	560,929	152,694	408,235
11	State	27,754	7,555	20,199
12	Total income taxes	588,683	160,249	428,434
13	Return on rate base at 8.93 pct	828,953	283,559	545,394
14	Credits to cost of service	(58,845)	(58,845)	
15	Total cost of service, excluding purchased gas costs	2,677,957	1,026,174	1,651,783
16	Purchased gas costs [1]	1,241,160	1,241,160	
17	Total cost of service	3,919,117	2,267,334	1,651,783

[1] 6,147,400 Mcf at 20.19 cents (rate effective June 1, 1975).

APPENDIX B.—*Cascade Natural Gas Corp., Colorado-Utah division*

[Cost of capital and rate of return]

Line No.	Class of capital	Amount outstanding	Percent of total capital	Effective cost rate (in percent)	Weighted average cost of capital (in percent)
		(1)	(2)	(3)	(4)
	Long-term debt:				
1	First mortgage	$52,308,000		7.018	
2	Term bank notes	6,000,000		10.323	
3	Total	58,308,000	62.50	7.393	4.61
4	Preferred stock	11,670,180	12.53	7.125	.89
5	Common stock equity	23,177,944	24.88	13.80	3.43
6	Total	93,156,124	100.00		8.93

Source: Based on company data.

[FR Doc.75-33217 Filed 12-9-75;8:45 am]

[Docket No. RI75-112]

CERTAIN PRODUCER AND PIPELINE RESPONDENTS

Order Granting Interlocutory Appeal by Staff and Appeal of Associated Gas Distributors

DECEMBER 2, 1975.

The Commission Staff on October 7, 1975, submitted an appeal from the rulings of Presiding Administrative Law Judge Max L. Kane on the Staff's Economic Data Request in the above investigation of the status of nonproducing dedicated reserves. Specifically, the Staff objects (1) to the Judge's exclusion from its Economic Data Request of reference to January 1, 1978, as the target for accelerating development by drilling a new well, and rejection of the Staff's additional request for data on the availability of well-drilling equipment and (2) to the Judge's modification of the Staff's data request to provide that the data be required only from reservoirs that contain 8 Bcf or more gas rather than the Staff's cut-off figure of 4 Bcf.

The Staff also submits and requests that the Commission find that the Judge's rulings constitute extraordinary circumstances justifying its appeal. Answers were filed on October 15, 1975, by Mobil Oil Corporation on October 20, 1975, by Shell Oil Company, Amoco Production Company, Texaco Inc., and Placid Oil Company, on October 22, 1975 by The California Company, Tenneco Oil Company, and Union Oil Company of California, on October 23, 1975 by Kerr-McGee Corporation, and on October 24, 1975, by Continental Oil Company.

Associated Gas Distributors (AGD) on October 15, 1975, also appealed to the Commission requesting an order directing certain producer-respondents to file supplementary testimony. Briefly, as discussed below, AGD wants direct testimony from a witness qualified to discuss the economics of accelerated production for certain reservoirs which his company holds in nonproducing status including a determination of the price per Mcf. It also wants direct testimony from a witness authorized to speak for the policy-making management of the producer-respondent, which discusses factors that the company would consider in evaluating an acceleration recommendation. Answers to the AGD appeal were filed by Mobil on October 24, 1975, by Staff and Union Oil on October 30, 1975, by Kerr-McGee on October 31, 1975, and by Tenneco Oil Company on November 3, 1975.

These proceedings arose by the issuance of the Commission's order of February 20, 1975, instituting an investigation of all offshore dedicated nonproducing reserves in the Gulf of Mexico. The Judge was specifically instructed, among other things, to determine "(a) reasons why gas from nonproducing reservoirs is not being produced, (b) when, under current practices production from these reservoirs is anticipated, (c) the economic and engineering feasibility of accelerating the date for placing such nonproducing reserves on producing status, and (d) whether there is compliance with certificate obligations as to the rate of delivery of gas from the dedicated acreage of which these nonproducing reservoirs are a part."

Extensive hearings have been held. Rulings by the Judge on August 28, 1975 and a conference on September 10, 1975, are involved in the Staff appeal. When the Judge refused to clarify the questions raised by its objections, the Staff filed its appeal.

THE STAFF APPEAL

EXTRAORDINARY CIRCUMSTANCES

Under § 1.28(a) of the Commission's Rules, rulings of presiding officers may not be appealed from during the course of hearings or conferences except in extraordinary circumstances where prompt decision by the Commission is necessary to prevent detriment to the public interest. As developed below the issues involved here relate to the scope of and manner of responding to a data request of the Staff made as a part of this invetstigation of nonproducing gas reservoirs. This is an important matter and the issues should be settled promptly, so that the Commission can act decisively on a full record. While a number of the producer-respondents object, we think that the appeal was justified under our rules.

STAFF'S REQUEST FOR DATA IN RELATION TO THE SPECIFIC DATE JANUARY 1, 1978, AND ITS REQUEST FOR DATA ON THE AVAILABILITY OF WELL-DRILLING EQUIPMENT

At the hearing session on August 28, 1975, the Judge ruled that the assumption in the Staff's Economic Data Request that all equipment would be available as required would be stricken from the Staff's Economic Data Request (Tr. 4856). The Judge did not think such an assumption was justified on the basis of the record and refused to accept it. The Staff does not appear to have appealed from this ruling although it is discussed and supported by the respondents.

The Judge also ruled (Tr. 5482), in favor of Mobil's proposal to delete from the Data Request the reference to January 1, 1978, which the Staff had inserted as a limit on estimates for accelerating development by drilling a new well (Tr. 5475).[1] He did not accept (See Tr. 5482) Staff's further proposal with respect to Item 1 of its Data Request that the producers indicate the earliest date prior to January 1, 1978, that they anticipated that new investments could be made in order to initiate production from a nonproducing reservoir on or before January 1, 1978, or, if the respondent contends that the equipment required to allow production to commence on or before Janu ary 1, 1978, is not available, the respondent should provide information on the availability of equipment and efforts to secure it (Tr. 5456–57).

In its appeal the Staff argued that the purpose of its Economic Data Request was to elicit information needed to evaluate the economic feasibility of accelerating production of currently nonproducing reservoirs. The Staff repeated the above request that the respondents supply data on investments for production prior to January 1, 1978, and data on the availability of equipment. The Staff emphasized the importance of placing parameters on the economic analysis and criticized the producer respondents' "Mobil Proposal" as not being specific as to dates of production and as to when equipment would be available. Staff asserts that its proposed January 1, 1978 target date provides a reasonable reference point to use as a starting basis for

[1] The first sentence of the Economic Data Request read as follows: For each of the nonproducing reservoirs listed in attached Appendix B, please provide the following information regarding your company's *planned* development schedule *and* your best estimates for *accelerating* development by drilling a new well [from which production will commence on or before January 1, 1978]. Mobile proposed to strike the latter part of the sentence as indicated. The effect would the Sentence as indicated. The effect would be, Mobile says, that when the Respondents come down to Item I, where they are requested to give estimated date, month and year, under Column 2 ("Company Planned Development") they would insert whatever that might be, and under Column 3 they would insert the estimated date, months, and year under their then current assessment of the timing for investment to accelerate development by drilling a new well." (Tr. 5475–76).

the analysis of economic feasibility, and that the testing of economic feasibility on a near term basis should not be precluded by allowing producers to interject unsupported equipment availability assumptions.

Mobil argues that assumption in Staff's request as to availability of equipment is a self-defeating and hypothetical assumption and that it would have rendered the entire response meaningless. With the removal of this assumption and deletion of the reference to January 1, 1978, Mobil says that Respondents are required to prepare their responses on defensible, supportable bases, and not economic whimsy. Mobil adds that the Judge has approved a compromise on an issue that permits the submission of data that has a realistic, factual predicate and he has not barred further Staff inquiry.

The other producers likewise support the Judge's rulings and contend that the Staff's appeal should be denied. Amoco points out that the Staff never did appeal the deletion of its assumption as to the availability of equipment and objects to the staff proposal as to reporting the availability of equipment, and to a single arbitrary date. It further considers Staff's request as to documentation supporting availability of equipment as constituting an unreasonable burden that would unduly delay the proceeding. Shell supports the procedures presented by the Judge by which the initial response will not be constrained by the January 1, 1978 date, and Staff will have opportunity to request further information on any later date used. Texaco and Placid adopt Shell's discussion.

In like manner Tenneco argues that the Judge's modification of the data request permits meaningful data. It insures that the responses will bear some connection to reality. On the other hand, if the Staff's request is allowed, the Commission will have nothing but theoretical calculations. The California Company makes similar arguments. Union does not think it is possible to supply proof of equipment availability two years in advance. In general it finds the Staff's requests unduly burdensome. Kerr-McGee said that answering the data request based on best estimates as to when development of a particular reservoir can be accelerated will reflect a realistic date after taking into account availability of equipment.

In our opinion the Judge's view here would handicap the collection of meaningful data on the possibilities of obtaining near-term accelerated production from currently non-producing reserves and would prevent a comparable evaluation of the economic data submitted by the various producers for the reservoirs specified in the Staff's Economic Data Request. All of the producer-respondents should therefore comply with the Staff's "Economic Data Request" in its form with amended Item 1 as presented in the Staff's interlocutory appeal of October 7, 1975. Thus, Staff's reference point of January 1, 1978, production is upheld, and Item 1, which requests the estimated date, month, year and amount of investment required in thousands of dollars, should read as follows:

> Indicate the earliest date, month and year prior to January 1, 1978, you anticipate that new investments could be made in order to initiate production from a non-producing reservoir on or before January 1, 1978. Total new investment is defined as the sum of those estimated expenditures required for the initial production, gathering, and total depletion of natural gas and gas condensate from a non-producing reservoir, (if a single completion), or non-producing reservoirs (if a dual completion). If allocated sunk costs are considered to be part of total investment, then itemize those costs.
>
> *In addition,* if the respondent contends that the equipment required to allow production to commence on or before January 1, 1978, is not available, he should provide:
>
> (a) A listing of the specific equipment (rigs and platforms, et cetera), supplies, and materials that would not be available and which would prevent production on or before January 1, 1978. He should also describe that equipment.
>
> (b) The earliest date the producer contends the required equipment (rigs, platforms, et cetera), materials, and supplies could be obtained.
>
> (c) Responses to the Staff's economic data request related to the producer's projected equipment availability date.
>
> (d) A detailed account of the efforts the respondent has made to ascertain availability of the specific required equipment, supplies and materials. This includes documentation of companies contacted, the dates on which they were contacted, and responses received as to availability.

We are interested in determining what reservoirs could contribute to production in the comparatively near future. If no definite date limits the data presented, it will be difficult to determine what economic conditions are required to bring about production in the near future as well as showing the needed gas price as discussed below. For instance, for one reservoir, data may be submitted with respect to investment required and other details of a new well projected to go into production before January 1, 1978; for another reservoir the data might relate to January 1979, 1980 or a later year. We shall therefore grant the Staff's appeal and order the respondents to file their data in relation to the January 1, 1978, data with the option of filing supplemental data referring to a later date, as delineated in the modified Item 1 of the Staff Data Request.

SIZE OF RESERVOIR FOR REPORTING PURPOSES

The Judge rules in favor of the producer respondents that the gas reservoirs subject to the Economic Data Request should be those containing 8 Bcf or more rather than 4 Bcf or more as requested by the Staff (Tr. 5497). As the Staff says, there are 1,600 to 1,800 nonproducing reservoirs containing approximately 6.5 trillion cubic feet of natural gas covered by the investigation. Based on a 4 Bcf volumetric limitation Staff's Economic Data Request would gather information on only 167 of these reservoirs owned by twenty producer respondents. If the 8 Bcf volumetric limitation is upheld the number of reservoirs would be reduced to 58 and five of the producer respondents would be excused. The Judge's rationale was that there is a relationship between the amount of work required and the results to be achieved and that the work would be cut in half by adopting the 8 Bcf limitation.

The Staff disagrees that the computation and submission of the economic data for reservoirs with volumes of 4 Bcf and over would be unduly burdensome. Staff notes that it has been given a mandate to investigate and identify all possible natural gas supplies which are not being fully utilized.

Mobil argues that an 8 Bcf cut off would provide representative data and would avoid delay. Amoco points out that by including the smaller reservoirs the time when equipment will be available is necessarily extended. Shell contends that there is no record support for Staff's argument that a 4 Bcf reservoir produced to depletion over five years may yield a 15 percent rate of return on an assumed investment of $1,000,000 for drilling a new well and concludes that there is no public detriment in choosing an 8 Bcf cut-off. Texaco and Placid adopt Shell's argument. Similar arguments are made by Union, Tenneco, California Company, and Kerr-McGee.

In our opinion the Staff's contention for a 4 Bcf cut-off on nonproducing reservoirs should prevail. By our order of February 20, 1975, we instituted a proceeding to investigate the problem of nonproducing gas reservoirs including the reasons why the gas is not being produced and the means of accelerating the date for gas production from these reservoirs. It would be redundant here to dwell at length on the importance of this problem in this time of necessary gas curtailments. It is essential to take every possible step to ameliorate it. Our order recognized nonproducing reserves as a factor in this problem.

It is clear from the record that there is no mathematical way to determine the cut-off point, yet a choice must be made. The Staff would examine only 167 reservoirs out of 1,600 to 1,800 containing an estimated 23 percent of the gas. The producers would lower this to only 58 reservoirs containing about 14 percent of the gas. The Staff is asking for the material in order to obtain data it needs to provide evidence on the questions raised in the Commission order. We think it should have available almost a quarter of the possible data rather than only 14 percent.

AGD APPEAL

AGD contends that it needs additional testimony if the Commission's objectives are to be met. As noted above, it wants direct testimony from a witness qualified to discuss the economics of accelerated production including a specification of the earliest date on which the producer-respondents believe that accelerated production of a particular reservoir would be feasible and a determination of the price per Mcf at which accelerated production would be economically feasible.

It also wants a policymaking witness authorized to speak on other factors, if any, which the company would consider in evaluating an acceleration recommendation based on the price determination.

Arguing that the burden is on the producer-respondents AGD says that the record is sorely deficient. Most seriously, it contends that none of the producer-respondents has described for each of its nonproducing reservoirs the price or other conditions under which accelerated production would be feasible. Furthermore it contends: (1) two of the producer-respondents cross-examined by AGD have failed to present a witness qualified to discuss the economics of accelerating production, (2) where a qualified producer witness did appear, there has been no testimony as to the price or other conditions which would justify accelerated production, (3) the witness could not give key facts, (4) the witnesses have been unable to speak for management, and (5) rulings from the bench prevented discussion of costs and other input to a particular acceleration analysis as cumulative.

Further, AGD believes that Staff's Economic Data Request discussed earlier cannot lead to a record upon which the Commission can reliably determine either the economic feasibility of accelerating production or the measures the Commission might take because the producers will contend that they do not perform acceleration analyses as the Staff has preformed them. It adds that it is the producer-respondents themselves who know the input, assumptions, methodology, criteria and reasoning which they would employ in evaluating possible acceleration of a particular reservoir.

The Staff supports AGD. It contends that the information AGD seeks, particularly the price at which producers actually would accelerate production, is complementary and supplementary to the information sought by Staff in its Economic Data Request. Staff would compute the actual rate of return generated by an acceleration project and thereby determine economic feasibility by assessing a project on a stand alone basis and also by comparing the relative profitability of deferred versus accelerated projects. However, it believes that incentive price is important in determining economic feasibility from the standpoint of the producer-respondent. It also pointed out the importance of management witnesses responsible for making the decision. However, Staff believes that AGD's request should not be restricted to AGD members alone but should extend to all producer-respondents. Also AGD's 5 Bcf cut-off should be reduced to the 4 Bcf volumetric reserve limitation advocated by the Staff.

Mobil argues that AGD's appeal does not lie because of absence of extraordinary circumstances and because the questions AGD seeks to raise have not been presented to the Judge with adequate notice to respondents. On the other hand, we observe that the Judge in open hearing before counsel ruled against requiring the producer witness to make a price determination and refused to receive a motion or certify it to the Commission (Tr. 4226-28). Furthermore, we think that AGD's request went to the essentials of the investigation and that extraordinary circumstances therefore made its appeal permissible.

Mobil further argues that there is extensive evidence in the record on economic issues, and that AGD seeks to have all additional presentations and studies keyed to and based upon a pricing theory devised by AGD, which has not been clearly presented before the Judge. It complains that AGD would transform the present docket into a consolidated special relief proceeding. Mobil concludes that AGD seeks an unlawful order because the matter was not presented to the Judge in an orderly manner and required respondent to prepare extensive economic studies based upon amorphous unclear pricing theories. It points out that AGD admitted that it had presented a management representative. It asks that AGD's appeal be denied or remanded to the Judge.

Tenneco Oil makes similar arguments about the permissibility of an appeal. It adds that much of the data sought is proprietary and of a highly confidential nature, and the data request is unreasonably burdensome. It says the request would require Tenneco Oil to calculate hypothetical acceleration prices, a task which Tenneco Oil has no reason to undertake. Kerr-McGee uses a similar approach. It thinks that AGD should make its own presentations. As to price it notes its witness stated that whenever you assess feasibility, economically, of accelerating production of shut-in gas, the price plugged into the asessment is the currently allowed price under Commission regulations. Union Oil says a price that would trigger acceleration of production faster than a plan Union prepared does not exist. Union also thinks that the record is quite sufficient for the Commission's purposes and the AGD requests are very burdensome.

We have reviewed the record as noted by AGD and conclude that it does not in all respects comport with the requirements of the Commission's orders. Thus the order of February 20, 1975, calls for evidence on the economic and engineering feasibility of accelerating the date for placing non-producing reserves on a production status, and the order of March 28, 1975, clarifying, states that the operator of each reservoir shall be required to submit testimony and evidence on this matter. Yet it is clear that of the producer-respondents many have not presented or qualified witnesses able or willing to testify on economic matters. In some instances counsel for the company involved stated that such matters were beyond the scope of the company's witness.

In this connection we think that Staff as well as AGD were reasonable in inquiring as to the price which would encourage production from a given reservoir. In general, information on price was not available or not definite, or the producer merely assumed the price allowed by the Commission's regulations. We believe that more than this is required and that the price, or an estimate of the price, is a very important item in determining the economic feasibility of accelerated production. This does not mean that we are adopting any pricing theory of AGD, as certain producers contend, but for our own considerations we want to know what price the producers believe would be required to induce them to commence producing gas from these shut-in reservoirs. Thus, it is our opinion that the arguments of the producers objecting to use of AGD's pricing theories are not relevant. Regardless of what AGD believes as to the appropriate method of computing a price or the role of price in this investigation, we think that this is an item that the producer-respondents should be required to supply.

In our opinion AGD's appeal with certain modifications should be granted and will supplement and complement the data requested by the Staff. However, as suggested by the Staff, the request should not be restricted to AGD members alone, but all producer-respondents should be subject. Further, AGD's 5 Bcf cut-off should be reduced to the 4 Bcf volumetric reserve limitation which we are granting the Staff. This means that each producer-respondent, who has not already done so, shall supply testimony on the economics of accelerated production including date of acceleration, a determination of the price at which accelerated production would be economically feasible, together with evidence providing the assumptions and methodology utilized in determining the acceleration price.

Each producer-respondent, who has not already done so, shall also supply direct testimony from a witness who is authorized to speak for its policymaking management who can discuss the various factors, including price, which the company would consider in determining whether to accelerate production. In making this requirement we do not intend, as the Staff warns, to extend the inquiry into areas of general corporate decisions on the allocation of capital, company budgetary priorities and alternative investment opportunities. We would have the corporate witness assume these factors are favorable and would testify as to what factors he would employ, including price, in deciding that production from a given reserve be accelerated. It is our fear that otherwise this inquiry could extend indefinitely a situation that would be contrary to the public interest at a time when determination of means of accelerating production is essential.

The Commission further finds: (1) With respect to the Staff's Interlocutory Appear filed October 7, 1975, and the Appeal of AGD filed October 15, 1975, extraordinary circumstances exist where prompt decision by the Commission is necessary to prevent detriment to the public interest.

(2) The Interlocutory Appeal filed by the Staff should be granted with respect to its requirements as set forth herein, namely: a January 1, 1978, reference date for accelerated production data to be filed by producer-respondents; the option to file supplemental data that

refers to production by dates after January 1, 1978, as required by modified Item 1 of Staff's Data Request; and a 4 Bcf cut-off volume for the size of gas reservoirs to be examined.

(3) The Appeal of AGD is granted to the extent set forth herein.

The Commission orders: (A) The motion of the Staff filed October 7, 1975, is hereby granted in all its respects. This means that the Staff Data Request shall be understood to include the following requirements:

(i) A January 1, 1978, reference date for accelerated production data to be filed by producer-respondents is specified, with amplification of this point appearing in the modified Item 1 of Staff's Data Request presented at pp. 5 and 6 of this order.

(ii) In form delineated by modified Item 1 of the Staff Data Request, producer-respondents may file additional and supplemental data that refers to production on dates after January 1, 1978.

(iii) A cut-off size of 4 Bcf is specified for the size of gas reservoirs on which producer-respondents are to submit data.

(B) Each producer-respondent who is an operator listed in Appendix B of the Commission's order of February 20, 1975, shall if it has not done so, provide:

(1) Direct testimony from a witness qualified to discuss the economics of accelerated production for the reservoirs which his company currently holds in non-producing status which contain 4 Bcf or more of natural gas which is not planned to come on production before January 1, 1978. Such testimony shall include a specification of the earliest date on which the producer-respondent believes that accelerated production of a particular reservoir would be feasible considering all factors, a determination of the price per Mcf at which accelerated production would be economically feasible, together with evidence providing the assumptions and methodology utilized in determining the acceleration price.

(2) Direct testimony from a witness who is authorized to speak for the policymaking management of the producer-respondent who can discuss the various factors, including price, which the company will consider in determining whether to accelerate production subject to the limitations set forth in the text above.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-33214 Filed 12-9-75;8:45 am]

[Docket No. ER76-267]

CONNECTICUT LIGHT AND POWER CO., HARTFORD ELECTRIC LIGHT CO.

Notice of Termination

DECEMBER 4, 1975.

Take notice that on November 19, 1975, The Connecticut Light and Power Company (CL&P) and The Hartford Electric Light Company (HELCO) tendered for filing a notice of termination of Rate Schedule FPC Nos. CL&P 114 and HELCO 93. CL&P and HELCO state that this rate schedule was effective May 1, 1975. CL&P and HELCO state that this rate schedule was terminated in accordance with its terms effective October 31, 1975. CL&P and HELCO state that notice of the proposed termination has been served upon Vermont Electric Power Company, Inc.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E. Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 16, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-33181 Filed 12-9-75;8:45 am]

[Docket No. ER76-274]

CONNECTICUT LIGHT AND POWER CO., ET AL.

Notice of Termination

DECEMBER 3, 1975.

Take notice that on November 21, 1975, The Connecticut Light and Power Company (CL&P), The Hartford Electric Light Company (HELCO), and Western Massachusetts Electric Company (WMECO) tendered for filing a notice of termination of an agreement in Docket No. 8105 that was effective March 1, 1973, and was amended by agreement dated February 28, 1974, according to CL&P, HELCO, and WMECO. CL&P, HELCO, and WMECO state that this agreement was terminated in accordance with its terms effective April 30, 1974. CL&P, HELCO, and WMECO state that notice of the proposed termination has been served upon New Bedford Gas and Edison Light Company.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 16, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a patry must file a petition to intervene. Copies of this filing are on file with the Commission and available for public inspection.

KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-33193 Filed 12-9-75;8:45 am]

[Docket No. ER76-280]

CONSUMERS POWER CO.

Notice of Tariff Change

DECEMBER 3, 1975.

Take notice that Consumers Power Company (Consumers) on November 24, 1975 tendered for filing Supplemental Agreement No. 3 and Supplemental Agreement No. 4 to the Interconnection Agreement dated September 1, 1973, between Consumers Power Company and Northern Michigan Electric Cooperative, Inc., Wolverine Electric Cooperative, Inc., City of Grand Haven, Michigan, and City of Traverse City, Michigan, collectively denoted the "MMCPP members." Consumers states that the Interconnection Agreement is designated Consumers Power Company Rate Schedule FPC No. 34.

Consumers states that Supplemental Agreement No. 3, effective December 1, 1974, changes the status of the Redwood Interconnection Point (established by Supplemental Agreement No. 1 dated November 27, 1973) from temporary to permanent. Consumers states that Supplemental Agreement No. 3 also provides that Wolverine Electric Cooperative, Inc., shall no longer be required to pay to Consumers Power Company the annual carrying charges established by Supplemental Agreement No. 1, on the capital cost of certain 138 kV instrument transformers, billing meters and metering equipment located at Redwood Substation. Consumers states that these charges were approximately $3,100 annually.

Consumers states that Supplemental Agreement No. 4 modifies the rates to be charged by Consumers Power Company for transmission services rendered in transmitting 20 megawatts of capacity, provided by The Detroit Edison Company, to the MMCPP members. Consumers states that the effective date of Supplemental Agreement No. 4 is November 3, 1975. Consumers states that the effect of the rate changes would be to reduce revenues collected from the MMCPP members by $211,000, based on operations for the 12 months ending October 1975. Consumers states that this represents a 48% revenue reduction. Consumers states that this reduction is the net of a substantial increase ($68,000, or 52%) in the transmission service capacity charge, and a substantial decrease ($279,000, or 89%) in the transmission service energy charge.

Consumers states that copies of the filing were mailed to the MMCPP members and to the Michigan Public Service Commission.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 16, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any per-

son wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33195 Filed 12-9-75;8:45 am]

[Docket No. RP71-15 and RP75-28 (PGA76-1)]

EAST TENNESSEE NATURAL GAS CO.

Notice of Proposed Rate Filing Pursuant to Tariff Rate Adjustment Provisions

DECEMBER 2, 1975.

Take notice that on November 14, 1975, East Tennessee Natural Gas Compnay (East Tennessee) tendered for filing proposed changes to Sixth Revised Volume No. 1 of its FPC Gas Tariff to be effective on January 1, 1976, consisting of the following revised tariff sheets:

Second Substitute Thirteenth Revised Sheet No. 4 and Substitute Thirteenth Revised Sheet No. 4.

East Tennessee states that the sole purpose of these revised tariff sheets is (1) to adjust East Tennessee's rates pursuant to the PGA provision in Section 22 of the General Terms and Conditions to reflect increased purchased gas costs resulting from a rate increase filed November 14, 1975, by its sole supplier, Tennessee Gas Pipeline Company, a Division of Tenneco Inc. (Tennessee), and (2) to adjust East Tennessee's rates pursuant to § 24.8 of the General Terms and Conditions so as to reflect curtailment credits. East Tennessee further states that Second Substitute Thirteenth Revised Sheet No. 4 reflects Tennessee's filing of November 14, 1975, and that Substitute Thirteenth Revised Sheet No. 4 reflects Tennessee's alternate filing of November 14, 1975.

East Tennessee states that copies of the filing have been mailed to all of its jurisdictional customers and affected state regulatory commissions.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 15, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene; provided, however, that any person who has previously filed a petition to intervene in this proceeding is not required to file a further petition. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33211 Filed 12-9-75;8:45 am]

[Docket Nos. RP72-151 and RP72-154]

EL PASO NATURAL GAS CO.

Notice of Tariff Filing and Proposed Refunds

DECEMBER 1, 1975.

Take notice that on November 14, 1975, El Paso Natural Gas Company (El Paso) filed, pursuant to Part 154 of the Commission's Regulations Under the Natural Gas Act, First Substitute Eleventh Revised Sheet No. 10 and Second Substitute Eleventh Revised Sheet No. 10 to its former FPC Gas Tariff, First Revised Volume No. 3.[1] Such substitute tariff sheets were submitted to correct the average purchased gas cost relating to El Paso's Purchased Gas Cost Adjustment Provision previously applicable to its Northwest Division System operations.[2]

El Paso states that as a result of an erroneous computation in the "current gas cost adjustment portion" of the overall adjustment to jurisdictional sales rates required to reflect changes in the cost of purchased gas, it was necessary to correct the average purchased gas cost reflected on the tendered tariff sheets, which average cost is reflected as an item of information on such sheets.

El Paso further states that the correction proposed is necessary in that, through error, an overaccrual in Account 191, applicable to El Paso's former Northwest Division, occurred, for the period April 1, 1973, through November 24, 1973, in the amount of $640,020. Accordingly, El Paso proposes to refund the said amount of $640,020 to its former Northwest Division System customers within 15 days of Commission approval of the instant tender.

El Paso has requested that waiver be granted of all applicable rules and regulations of the Commission in order to effectuate the instant filing and that the Commission accept the tendered substitute tariff sheets, to be effective as of the dates indicated on such sheets, in lieu of their respective counterparts currently on file with the Commission in Docket Nos. RP72-151 and RP72-154.

El Paso states that copies of the filing were served upon all of the affected former Northwest Division System customers of El Paso, interested state regulatory commissions and Northwest Pipeline Corporation.

Any person desiring to be heard or to make any protest with reference to this filing should, on or before December 8, 1975, file with the Federal Power Commission, 825 North Capitol Street, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33205 Filed 12-9-75;8:45 am]

[1] First Revised Volume No. 3 contains the tariff provisions previously applicable to general natural gas service rendered by El Paso's Northwest Division System. Effective as of January 31, 1974, El Paso's Northwest Division System properties were divested to Northwest Pipeline Corporation pursuant to the Commission's order issued September 21, 1973, at Docket Nos. CP74-14, *et al.*

[2] By order issued February 6, 1975, at Docket Nos. RP72-155, RP73-104 and RP74-57, the Commission accepted and approved El Paso's filing of revised tariff sheets of January 6, 1975, which, similarly, were submitted to correct the average purchased gas cost relative to El Paso's Purchased Gas Cost Adjustment Provision applicable to its Southern Division System operations.

[Project No. 176]

ESCONDIDO MUTUAL WATER CO.

Notice of Application To Amend License

DECEMBER 3, 1975.

Public Notice is hereby given that the Escondido Mutual Water Company filed on February 8, 1967, an application with the Federal Power Commission to amend its license for Project No. 176 (Correspondence to: R. S. Harper; Secretary, Escondido Mutual Water Company; 620 North Ash Street, Escondido, California 92025). The project is located near the City of Escondido in Northern San Diego County, California.

Escondido Mutual would amend the license by removing from the license all steel towers, conductions, crossarms, and fixtures on its 12 kV transmission line which runs between its Rincon and Bear Valley powerplants. Mutual states that this proposed amendment is necessary and desirable because this transmission system is no longer required for the project. All energy generated at each power plant is now delivered directly to the San Diego Gas and Electric Company's transmission system rather than being transmitted over the 12 kV line running between the plants.

Any person desiring to be heard or to make protest with reference to the application filed by the Escondido Mutual Water Company, should on or before January 14, 1976, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 C.F.R. 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Persons wishing to become parties to the proceedings or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's

Rules. Escondido Mutual Water Company's application is on file with this Commission and available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33186 Filed 12-9-75;8:45 am]

[Project No. 176 etc]

ESCONDIDO MUTUAL WATER CO. ET AL.

Notice of Application

DECEMBER 3, 1975.

In the matter of Escondido Mutual Water Co., City of Escondido, California (Project No. 176); Secretary of the Interior acting in his capacity as trustee for the Rincon, La Jolla, and San Pasqual Bands of Mission Indians v. Escondido Mutual Water Co. and City Of Escondido, California (Docket No. E-7562); Vista Irrigation District (Docket No. E-7655); San Diego Gas & Electric Co. (Project No. 559).

Public Notice is hereby given that the City of Escondido, California on November 25, 1975, filed with the Federal Power Commission an application to become a Joint Applicant with the Escondido Mutual Water Company for a new license sought by Escondido Mutual for Project No. 176 (Correspondence to: Lorraine H. Boyce; Mayor; City of Escondido; Escondido, California). The project is located near the City of Escondido in Northern San Diego County, California.

The original 50-year license has expired and the Licensee, Escondido Mutual Water Company, is operating the project under a statutory annual license until a decision is reached in the proceeding. Escondido Mutual is seeking a new 50-year license. The United States Department of the Interior seeks take over of the project by the Federal Government, while the La Jolla, San Pasqual, Rincon, Pauma, and Pala Bands of Mission Indians have applied for a non-power license from the Commission to operate the project in lieu of take over of the issuance of a new license to Escondido Mutual. The City's application would result in Escondido Mutual and the City of Escondido becoming joint licensees for Project No. 176 should the final decision in the proceedings be favorable to these parties.

The Project No. 176 proceedings have been the subject of extensive hearings. The City of Escondido has been a party in these hearings since their outset. Renewed hearings are scheduled to begin on December 15, 1975, in Escondido and Pala, recessing for the holidays and continuing in Washington, D.C. on January 19, 1976.

Any person desiring to be heard or to make protests with reference to the City of Escondido's application, should on or before February 4, 1976, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 C.R.F. § 1.8 or § 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Persons wishing to become parties to the proceedings or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules. The City of Escondido's application is on file with this Commission and available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33187 Filed 12-9-75;8:45 am]

[Docket No. RP72-136 (PGA76-1)]

FLORIDA GAS TRANSMISSION CO.

Notice of Proposed Changes in Rates and Charges Under Purchased Gas Adjustment Provision

DECEMBER 2, 1975.

Take notice that on November 14, 1975, Florida Gas Transmission Company (Florida Gas) tendered for filing First Substitute Eighth Revised Sheet No. 3-A to its FPC Gas Tariff, Original Volume No. 1, containing changes in rates to its Rate Schedules G and I for effectiveness on January 1, 1976. The changes in rates result from the application of the purchased gas cost adjustment provision in Section 15, General Terms and Conditions of the Tariff, which was approved by the Commission in Docket No. RP72-136. First Substitute Eighth Revised Sheet No. 3-A is proposed to supersede Substitute Eighth Revised Sheet No. 3-A which became effective on July 10, 1975.

A comparison between the currently effective rates and those to be made effective on January 1, 1976 under this filing is as follows:

	Cents per therm	
	Currently effective	Effective Jan. 1, 1976
Rate schedule G	7.632	8.185
Rate schedule I	6.091	6.644

The annual effect of the proposed changes is an increase of $4,062,000 based on sales for the twelve months ended September 30, 1975.

Florida Gas states that a copy of its filing has been served on all customers purchasing gas under its FPC Gas Tariff, Original Volume No. 1 and the Florida Public Service Commission.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 15, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33206 Filed 12-9-75;8:45 am]

[Docket No. E-9521]

GEORGIA POWER CO.

Notice of Filing of Revised Rates and Charges Pursuant to Commission Order

DECEMBER 2, 1975.

Take notice that Georgia Power Company (Georgia Power) on November 12, 1975, tendered for filing First Revised Sheet No. 6 to its FPC Electric Tariff, Original Volume No. 2, pursuant to Commission Order on September 11, 1975, in Docket No. E-9521. Georgia Power avers that the rates and charges contained in the tendered tariff sheet reflect the exclusion of construction work in progress from rate base as ordered by the Commission. Georgia Power states that the revised rates and charges would be made effective as of November 12, 1975.

Georgia Power states that it served copies of the filing on its jurisdictional customers and on all parties appearing on the official service list compiled in the captioned docket. Georgia Power claims that the revised tariff sheet is filed under protest and without prejudice to any rights it may have, upon judicial review of the September 11, 1975 Order, to continue collecting revenues pursuant to Original Sheet No. 6.

Any person desiring to be heard or to protest said filing should file a petition to intervene (if not previously filed herein) or to protest with the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 30426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 C.F.R. 1.8, 1.10). All such petitions or protests should be filed on or before December 15, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 75-33210 Filed 12-9-75;8:45 am]

[Docket No. E-9446]

GREEN MOUNTAIN POWER CORP.

Notice of Further Extension of Procedural Dates

NOVEMBER 26, 1975.

On November 21, 1975, Staff Counsel filed a motion to extend the procedural dates fixed by order issued June 13, 1975, as most recently modified by notice issued September 10, 1975, in the above-designated proceeding.

Upon consideration, notice is hereby given that the procedural dates in the above proceeding are modified as follows:

Service of Staff Testimony, January 20, 1976.
Service of Intervenor Testimony, February 3, 1976.
Service of Company Rebuttal, February 17, 1976.
Hearing, March 2, 1976 (10:00 a.m., e.s.t.)

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33144 Filed 12-9-75;8:45 am]

[Docket No. ER76-275]

HARTFORD ELECTRIC LIGHT CO.

Notice of Purchase Agreement

DECEMBER 3, 1975.

Take notice that on November 21, 1975, The Hartford Electric Light Company (HELCO) tendered for filing a Purchase Agreement dated October 1, 1975, which provides for the sale of a specified percentage of capacity and energy from HELCO's Middletown Unit No. 4 to Green Mountain Power Corporation (Green Mountain) during the period October 1, 1975, through the earlier of (1) April 30, 1976, or (2) the day that the fossil Unit #2 of Canal Electric Company is declared in commercial operation by its owners. HELCO states that due to unforeseen delay in the commercial operation date of said Canal unit, Green Mountain needed additional capacity to meet its capability responsibility obligation pursuant to Section 9.1 of the New England Power Pool Agreement.

HELCO requests waiver of the thirty-day notice period to permit an effective date of October 1, 1975, stating that HELCO was not notified of Green Mountain's desire to purchase capacity until a date which prevented HELCO from filing the Purchase Agreement earlier.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 16, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secreary.

[FR Doc.75-33194 Filed 12-9-75;8:45 am]

[Docket No. E-9485]

KANSAS GAS AND ELECTRIC CO.

Notice of Further Extension of Procedural Dates

DECEMBER 4, 1975.

On November 28, 1975, Staff Counsel filed a motion to extend the procedural dates fixed by order issued August 6, 1975, as most recently modified by notice issued October 8, 1975, in the above-designated proceeding.

Upon consideration, notice is hereby given that the procedural dates in the above proceeding are modified as follows:

Service of Staff Testimony, January 22, 1976.
Service of Company Rebuttal, February 17, 1976.
Service of Company Rebuttal, February 17, 1976.
Hearing, February 24, 1976 (10:00 a.m. E.S.T.).

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33183 Filed 12-9-75;8:45 am]

[Docket No. ER76-281]

MONTANA POWER CO.

Notice of Agreement for Short-Term Sale of Non-Farm Energy

DECEMBER 2, 1975.

Take notice that on November 24, 1975, the Montana Power Company (Montana) tendered for filing with the Commission an agreement between Montana and Southern California Edison Company (Edison) for the short-term sale of non-firm energy.

Montana states that under the terms of this agreement it will make available to Edison upon request such non-firm energy that Montana may in its sole judgment deem to be available from time to time. Montana states further that deliveries will be made into the Bonneville Power Administration's system for transfer to Edison or for credit to Edison's account with BPA, will be as scheduled by the schedulers and power dispatchers of the parties, and will be contingent upon the availability of non-firm energy and transmission capacity.

According to Montana the rate set forth in the agreement is the same as the rate in Service Schedule A-3 between Montana and Utah Power & Light Company dated February 14, 1975, (Supplement No. 16 to Rate Schedule FPC No. 3).

Montana has requested that the agreement be accepted for filing effective as of October 17, 1975, the date of the agreement and that prior notice be waived.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 15, 1975. Protests will be considered by the Commission in determining the approriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33213 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY CURTAILMENT STRATEGIES-TECHNICAL ADVISORY COMMITTEE

Order Designating Members

DECEMBER 3, 1975.

The Federal Power Commission by Order issued September 15, 1975, established the Curtailment Strategies-Technical Advisory Committee of the National Gas Survey.

1. Membership. A new member to the Curtailment Strategies-Technical Advisory Committee as selected by the Chairman of the Commission with the approval of the Commission, is as follows:

Lynn Alan Brooks, Connecticut Department of Planning & Energy Policy, Hartford, Connecticut.

By the Commission.

[SEAL] KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33180 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY CONSERVATION-TECHNICAL ADVISORY TASK FORCE-CONSERVATION WITHIN THE GAS INDUSTRY

Order Designating Members

DECEMBER 3, 1975.

The Federal Power Commission by Order issued September 15, 1975, established the Conservation-Technical Advisory Task Force-Conservation Within the Gas Industry of the National Gas Survey.

1. Membership. A new member to the Conservation-Technical Advisory Task Force-Conservation Within the Gas Industry as selected by the Chairman of the Commission with the approval of the Commission, is as follows:

David A. Peavy, Atlantic Richfield Company, Dallas, Texas.

Mr. Peavy replaces Mr. Phillip Forbes of Atlantic Richfield Company, from this Committee.

By the Commission.

[SEAL] KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33198 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY CONSERVATION-TECHNICAL ADVISORY TASK FORCE-NET ENERGY COST OF COMPETITIVE ENERGY SYSTEMS

Order Designating Members

DECEMBER 3, 1975.

The Federal Power Commission by Order issued September 15, 1975, established the Conservation-Technical Advisory Task Force-Net Energy Cost of Competitive Energy Systems of the National Gas Survey.

1. Membership. A new member to the Conservation-Technical Advisory Task Force-Net Energy Systems as selected by

the Chairman of the Commission with the approval of the Commission, is as follows:

John Utley, Haskins & Sells, Washington, D.C.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-33197 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY FINANCE-TECHNICAL ADVISORY COMMITTEE

Order Designating Members

DECEMBER 3, 1975.

The Federal Power Commission by Order issued September 15, 1975, established the Finance-Technical Advisory Committee of the National Gas Survey.

1. Membership. New members to the Finance-Technical Advisory Committee as selected by the Chairman of the Commission with the approval of the Commission, are as follows:

Donald B. Craven, Miller & Chevalier, Washington, D.C.
W. R. Craig, Union Oil of California, Los Angeles, California.
J. Lawrence Muir, Securities and Exchange Commission, Washington, D.C.
S. L. Robertson, Jr., Panhandle Eastern Pipe Line Company, Houston, Texas.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-33203 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY SUPPLY-TECHNICAL ADVISORY COMMITTEE

Order Designating a FPC Representative

DECEMBER 3, 1975.

The Federal Power Commission by Order issued September 15, 1975, established the Supply-Technical Advisory Committee of the National Gas Survey.

1. FPC Representative. A new FPC Representative to the Supply-Technical Advisory Committee as selected by the Chairman of the Commission with the approval of the Commission, is as follows:

Edward A. Albares, Assistant to Deputy Chief—BNG.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-33199 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY SUPPLY-TECHNICAL ADVISORY TASK FORCE-NONCONVENTIONAL NATURAL GAS RESOURCES

Order Designating Change in FPC Representative

DECEMBER 3, 1975.

The Federal Power Commission by Order issued September 15, 1975, established the Supply-Technical Advisory Task Force-Nonconventional Natural Gas Resources of the National Gas Survey.

1. FPC Representative. A new FPC Representative to the Supply-Technical Advisory Task Force-Nonconventional Natural Gas Resources as selected by the Chairman of the Commission with the approval of the Commission, is as follows:

Thomas J. Brownfield, Jr., Energy Systems Analyst—OES.

Mr. Brownfield replaces Robert L. Kane as a FPC Representative.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-33179 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY SUPPLY-TECHNICAL ADVISORY TASK FORCE-DOMESTIC NATURAL GAS POTENTIAL RESOURCE BASE

Order Designating Members

DECEMBER 3, 1975.

The Federal Power Commission by Order issued September 15, 1975, established the Supply-Technical Advisory Task Force-Domestic Natural Gas Potential Resource Base of the National Gas Survey.

1. Membership. A new member of the Supply-Technical Advisory Task Force-Domestic Natural Gas Potential Resource Base as selected by the Chairman of the Commission with the approval of the Commission is as follows:

Ann Roosevelt, Friends of the Earth Cambridge, Massachusetts.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-33202 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY SUPPLY-TECHNICAL ADVISORY TASK FORCE-SYNTHESIZED GASEOUS HYDROCARBON FUELS

Order Designating Change in FPC Representative

DECEMBER 3, 1975.

The Federal Power Commission by Order issued September 15, 1975, established the Supply-Technical Advisory Task Force-Synthesized Gaseous Hydrocarbon Fuels of the National Gas Survey.

1. FPC Representative. A new FPC Representative to the Supply-Technical Advisory Task Force-Synthesized Gaseous Hydrocarbon Fuels as selected by the Chairman of the Commission with the approval of the Commission, is a follows:

Walter Lusby, Natural Gas Engineer—OES.

Mr. Lusby replaces Richard E. Rowberg as a FPC Representative.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-33200 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY TRANSMISSION, DISTRIBUTION & STORAGE-TECHNICAL ADVISORY TASK FORCE-IMPACT OF GAS SHORTAGE ON CONSUMERS

Order Designating Change in FPC Representative

DECEMBER 3, 1975.

The Federal Power Commission by Order issued September 15, 1975, established the Transmission, Distribution & Storage-Technical Advisory Task Force-Impact of Gas Shortage on Consumers of the National Gas Survey.

1. FPC Representative. A new FPC Representative to the Transmission, Distribution & Storage-Technical Advisory Task Force-Impact of Gas Shortage on Consumers as selected by the Chairman of the Commission with the approval of the Commission, is as follows:

Eileen Glassman, Economist—OES.

Ms. Glassman replaces David Arpi as a FPC Representative.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-33201 Filed 12-9-75;8:45 am]

[Docket Nos. CP74-160, CP74-207; CP75-83-3]

PACIFIC INDONESIA LNG CO. AND WESTERN LNG TERMINAL CO.

Order Setting Hearing Date

DECEMBER 3, 1975.

On September 30, 1975, Pacific Indonesia Company (Pac Indonesia) and Western LNG Terminal Company (Western Terminal) filed a motion requesting that the Commission set a date for the commencement of hearings in these consolidated proceedings.

Applications in Docket Nos. CP74-160 and CP74-207 were originally filed on November 30, 1973, and February 15, 1974, respectively. Applicants propose to import 546 Mcf/d of gas to be purchased from Pertamina, the state owned oil and gas company of the Republic of Indonesia. By order of April 8, 1974, we scheduled a conference for the purpose of enabling Staff to obtain further information necessary for Staff review of the applications. Shortly thereafer Pac Indonesia notified the Commission by letter of May 22, 1974, that the Minister of Mines, on behalf of the Government of the Republic of Indonesia did not approve of the gas supply contract. Pending the negotiation and submission of a new contract Pac Indonesia requested that the Commission proceed in the processing of the material previously filed. On March 31, 1975, Pac Indonesia filed amendments to Docket Nos. CP74-160 and CP74-207. On the same date, Western Terminal filed a supplement (Docket No. CP75-83-3)[1] to its applica-

[1] Docket No. CP75-83-3 is a supplement to Docket No. CP75-83, and therefore, any intervenor in Docket No. CP75-83 is automatically an intervenor in Docket No. CP75-83-3 consolidated in this proceeding.

tion in Docket No. CP75–83 for a certificate of public convenience and necessity authorizing the construction and operation of facilities at three locations in Southern California. The Western Terminal supplement proposed to construct a facility at Oxnard, California to receive the LNG from Pac Indonesia. This facility would be in place of a facility originally proposed by Pac Indonesia in Docket No. CP74–207.

On September 23, 1975, pursuant to an order of the Commission, a conference was convened to allow Staff to obtain the data necessary for evaluation of the project. Information regarding the nature of the transportation arrangement has still not been supplied to Staff. Proper evaluation of this project requires that this data be submitted before any hearings are held. In this motion applicant stated that the necessary data would be submitted by October 31, 1975. Staff's reply states that on the date a letter was filed with the Commission indicating that the material would be filed within two weeks. The information has not yet been filed.

The motion points out that under the gas purchase contract Pertamina has an option to terminate on January 6, 1976, if necessary U.S. government authorizations have not been received. The motion states that Pertaminas' counsel confirmed that their action on that date will be dependent upon the progress made to that point.

Staff's response indicated that it had no objection to holding hearings on this matter once the necessary material was submitted and evaluated. Accordingly, we will set a date for hearings to commence, however the convening of this hearing is expressly made subject to the submission of information regarding the transportation arrangement, including the charter arrangements, contracts, the number, cost and design of LNG tankers to be employed.

The hearings which are herein scheduled to commence are required to examine whether the proposed importation is in the public interest. The construction and operation of the proposed facilities, as well as the sale and use of the gas must be examined to determine whether such importation is in the public interest. Among the issues which we deem relevant for consideration at this hearing are reliability of service of the foreign supply, the dependence of the distributor on foreign LNG to meet residential and commercial markets, environmental impact of any proposed facilities, the proper method of pricing of the LNG supply, shipping costs, overall economic feasibility of the project, end-use allocation of the proposed LNG supply, availability of alternative fuels for the markets to be served by the project, engineering feasibility of the project, overall project safety, and any such other issues as may be pertinent and appropriate. We note that the Applicant has filed evidence and exhibits to be supported by sponsoring witnesses to some extent on the above issues except for the shipping issues. In that regard, the information which we herein order to be supplied, the Applicants shall likewise provide witnesses from the shipping concerns and their own staffs to sponsor testimony and exhibits. This is not, however, to limit any forthcoming data requests by our Staff or any party, or to cut off examination of any issues important in determining the public interest.

In regard to the environmental issues, we note that Commission Order No. 415–C requires that the Staff Environmental Impact Statement, together with any comments received thereon, be presented at any hearing in a proposal. In keeping with this requirement, while still assuring that the Staff is afforded adequate time to prepare a thorough and meaningful environmental statement, we shall direct that, should hearing of all issues other than environmental be completed prior to the finalization of Staff's statement or the receipt of all environmental comments, the record shall remain open for purposes of receiving such environmental testimony in evidence and further trial of the issues involved therein. No decision by the Presiding Administrative Law Judge assigned to the case shall be issued prior to the completion of such testimony and subsequent closing of the record. Because our Staff has not yet issued the statement on the facilities, we note that the procedures established in our December 23, 1974, order in Docket No. CP75–83 are now rendered moot, the Staff shall include the appropriate siting evaluation in the statement to be submitted, and no separate hearing on siting shall be held.

The Commission finds: (1) Good cause exists to set for formal hearing the applications filed in the above-captioned dockets.

(2) Proper evaluation of this project requires that further information be filed with the Commission before the commencement of hearings.

The Commission orders: (A) Pac Indonesia and Western Terminal shall file with the Commission all information relating to the nature of the transportation arrangement, including but not limited to the charter arrangements, contracts, the number, cost, and design of the LNG tankers to be employed. This data shall be filed with the Commission on or before December 10, 1975.

(B) Pursuant to the authority contained in the Natural Gas Act and in accord with the Commission's Rules and Regulations under that Act, a public hearing shall be held commencing December 16, 1975, at 10:00 A.M. (EST) at a hearing room of the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426, concerning the matters involved and the issues presented by these applications: *Provided, however,* That this hearing shall only commence if the requirements of Paragraph (A) have been complied with.

(C) The record in these dockets shall remain open until the submission of the Commission Staff's final environmental impact statement and any comments received on the draft statement. No initial decision shall be issued prior to the submission of such environmental testimony.

By the Commission. Commissioner Watt not participating.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-33190 Filed 12-9-75;8:45 am]

[Docket Nos. CP71-237 and CI74-714]

PANHANDLE EASTERN PIPELINE CO. AND PAN EASTERN EXPLORATION CO.

Order Reopening Proceedings and Scheduling Formal Hearing on Limited Issues

DECEMBER 2, 1975.

By Opinion No. 626 and 626–A, issued September 20, 1972, and November 17, 1972, respectively, in the above-docketed proceedings, we granted a certificate of public convenience and necessity which authorized Panhandle Eastern Pipeline Company (Panhandle) to abandon all of its gas production properties and related production facilities and to transfer the same by sale to Pan Eastern Exploration Company (Pan Eastern), a newly formed and wholly owned subsidiary of Panhandle. Concurrently, we authorized the sale of gas by Pan Eastern back to Panhandle at the applicable area rate from fields located in Kansas, Oklahoma and Texas, rather than on the basis of Panhandle's individual cost of service. The authorization issued by Opinion No. 626, as affirmed by Opinion No. 626–A,[1] for the increase in rates was expressly conditioned to require that Pan Eastern expend the differential on an extensive exploration and development effort, which at a minimum would necessitate an expenditure of 3.0 cents per Mcf of all recoverable gas reserves and 50.0 cents per barrel of all recoverable oil reserves found resulting from the exploration and development programs funded by the rate increment. We also provided that Pan Eastern must dedicate 400,000,000 Mcf of new gas reserves to Panhandle within 7 years or reimburse Panhandle at the rate of 11.0 cents per Mcf for each Mcf short of 400,000,000.

On January 30, 1975, the United States Court of Appeals for the District of Columbia Circuit affirmed Opinion Nos. 626 and 626–A in *Cities of Fulton, Missouri, et al.* v. F.P.C., No. 73–1293, however, in so doing the court retained jurisdiction to allow the Commission to seek a remand in view of the effect that the establishment of the new national ceiling rate in Opinion No. 699 might have upon the order.

On May 19, 1975, we issued an order directing the Solicitor for the Commission to seek remand of the record in this proceeding for a re-examination of certain issues contained in the case. A motion for remand of the record to adduce additional evidence filed by the

[1] Opinion No. 626, 48 F.P.C. 518 (1972), rehearing denied, Opinion No. 626–A, 48 F.P.C. 1102 (1972).

Solicitor was granted by the Court of Appeals on June 19, 1975.

The remand sought and obtained by the Commission does not involve a reopening of these proceedings to consider the propriety of the transactions underlying these certificates, rather, the purpose is to re-examine, through adducement of additional evidence, the condition imposed on Pan Eastern's certificates in light of the following issues:

(1) Whether $43,609,250 constitutes the "full difference" between Panhandle's cost of service and the applicable area rates or whether such figure should be increased to reflect certain rate increases in the applicable area rates;

(2) Whether Panhandle should be required to maintain a certain level of expenditures for exploration and development in addition to the monies expended by Pan Eastern, and, if so, what the level should be;

(3) Whether, in addition to the refunds required should Pan Eastern fail to find and dedicate 400,000,000 Mcf in new gas reserves to Panhandle's system, Panhandle should be required to repay some portion of the full difference between the cost of service and the applicable area rates; and

(4) Whether some adjustment should be made to the amounts which Pan Eastern must credit to the fund to reflect the rates established by Opinion No. 699-H and other pending national rate proceeding, *i.e.*, Docket Nos. R-478 and RM75-14.

In view of the foregoing, we shall thus direct that the proceeding herein be reopened for the limited purpose of developing a further evidentiary record on the issues set forth above, and that a hearing be commenced for that purpose. The reopening of this proceeding should not be construed as implying the necessity for modification of the conditions imposed upon the certificates issued by Opinion No. 626. Rather, such modification will be made, if at all, after the submission of additional and substantial evidence by *all* parties which indicates the impact of the proposed modification upon the effectivenes of the Pan Eastern program as certificated.[2]

The Commission finds: That good cause exists for, and the public interest in administering the Natural Gas Act demands, that the record in the above-captioned proceeding be reopened for the purpose of developing an evidentiary record pertaining to the conditions imposed on Pan Eastern's certificates.

The Commission orders: (A) The record in the above-captioned proceeding is reopened to permit re-examination of the conditions imposed on Pan Eastern's certificates in light of the issues set forth above, which were remanded to the Commission by the United States Court of Appeals for the District of Columbia Circuit.

(B) Pursuant to the authority of the Natural Gas Act, the Commission's Rules of Practice and Procedure and the Regulations under the Natural Gas Act [18 CFR, Chapter 1] a formal hearing concerning the matters involved and the issues presented in this proceeding as hereinbefore set forth will be held in a hearing room of the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C., on February 24, 1976, at 10:00 a.m. (EST). An Administrative Law Judge, to be designated by the Chief Administrative Law Judge for the purpose [See Delegation of Authority, 18 CFR 3.5(d)] shall preside at the hearing in this proceeding and shall prescribe relevant procedural matters not herein provided.

(C) Panhandle Eastern Pipeline Company and Pan Eastern Exploration Company shall file with the Secretary of the Commission, and serve on all parties including the Commission Staff, all testimony and exhibits addressing the specific issues set forth in this order, as well as any other testimony and exhibits which comprise their cases in chief, on or before January 8, 1976. The Commission Staff and all other parties shall file with the Secretary of the Commission and serve on all parties all testimony and exhibits addressing the specific issues set forth above in this order, any other testimony and exhibits which comprise their cases in chief and any answering testimony to that served on January 8, 1976, on or before February 11, 1976. After cross-examination of these direct cases, the Administrative Law Judge designated to preside in this proceeding may permit and set dates for the filing of answering cases to the direct cases previously filed.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-33216 Filed 12-9-75;8:45 am]

[2] The use of the term "all parties" means that we expect all parties proposing changes in the Pan Eastern program as certificated shall have the burden of submitting evidence and testimony which clearly demonstrates the impact of their proposed changes on the effectiveness of the program. If any party proposing changes in Pan Eastern's program should fail to submit evidence in support of those changes, that fact will be given considerable weight when the Commisison reviews this proceeding.

[Docket Nos. RP71-119 and RP76-32-1]

PANHANDLE EASTERN PIPE LINE CO.

Notice of Petition for a Declaratory Order or in the Alternative for Extraordinary Relief

DECEMBER 3, 1975.

Take notice that on October 30, 1975, the City of Roodhouse, Illinois filed a petition requesting that the Commission issue a declaratory order pursuant to § 1.7 of the Commission's Rules of Practice and Procedure that it be fully absolved from payment of a penalty assessed against it by Panhandle Eastern Pipe Line Company (Panhandle) in the amount of $51,130.00 for natural gas taken over and above its curtailment entitlement subject to its paying back the volumes taken in excess of its entitlement. The City of Roodhouse requests in the alternative that it be granted relief from such penalty.

The City of Roodhouse, Illinois, owns the municipal gas distribution system in that community and is provided with its full requirements of natural gas by Panhandle. It was advised by letters from Panhandle of its maximum daily volume for the months of April and May as well as the monthly cumulative volumes that it was entitled to take during those months.

In its petition the City of Roodhouse alleges that in the bills presented for each of the foregoing months, Panhandle specified the volumes taken over its maximum monthly cumulative entitlement. It also asserts that Panhandle indicated on its bill that such excess takes would have to be reduced from the subsequent months entitlement. It further states that Panhandle did not indicate that any overrun penalties were in fact assessed against it.

The City alleges that it attempted to communicate with Panhandle on this matter in June 1974 to determine whether or not the April overrun could be made up during a subsequent month and received no written response to its request.

Additionally, the Superintendent of Utilities for the City of Roodhouse was newly appointed and was of the belief that excess usages during curtailment could be deducted from future allocations. The City of Roodhouse urges that over-run volumes taken by it during April and May 1974 were the result of its not having telemetering equipment and the mistaken belief that any over-runs incurred could be worked off in future months in order to avert penalties.

It stresses that the penalty assessed by Panhandle is of such magnitude relative to the limited operating income of the City that it could force it to shut down its municipal gas distribution system to the hardship of all its residents. It further notes that the cost of a full blown evidentiary hearing to resolve this problem would be most oppressive to this small community.

The City of Roodhouse asserts that it has taken the necessary measures to avert taking gas in excess of its entitlement and requests that to the extent that it has not already paid back the overrun volume of 5,113 Mcf through the underruns that it has had since May 1974, that it be permitted to pay back the remaining excess volumes within a reasonable period of time and that the assessed penalty payment of $51,130.00 be thereby waived.

It would appear that interested persons may not desire to require that a full blown evidentiary hearing be conducted relative to the City of Roodhouse's petition but may desire to submit comments or protests to its proposed solution to its problem. In any event provision will be made for the receipt of comments, protests and requests for intervention relative to the aforementioned petition filed by the City of Roodhouse, Illinois.

Therefore, any person desiring to be heard or to protest said petition should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426 in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Prac-

tice and Procedure 18 CFR 1.8, 1.10 on or before December 19, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition toi ntervene in accordance with the Commission's Rules. This filing which was made with the Commission is available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33196 Filed 12-9-75;8:45 am]

[Docket No. E-9388]

PHILADELPHIA ELECTRIC CO.

Notice of Further Extension of Procedural Dates

DECEMBER 3, 1975.

On November 4, 1975, Staff Counsel filed a motion to extend the procedural dates fixed by order issued June 9, 1975, as most recently modified by notice issued October 8, 1975, in the above-designated proceeding.

Upon consideration, notice is hereby given that the procedural dates in the above matter are modified as follows:

Service of Staff Testimony, December 12, 1975.
Service of Intervenor Testimony, December 26, 1975.
Service of Company Rebuttal, January 9, 1976.
Hearing, January 20, 1976 (10:00 a.m., e.s.t.).

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33185 Filed 12-9-75;8:45 am]

[Docket No. ER76-284]

SOUTHWESTERN ELECTRIC POWER CO.

Notice of Filing

DECEMBER 2, 1975.

Take notice that on November 24, 1975, Southwestern Electric Power Company (SWEPCO or the Company) tendered for filing two (2) copies of a Letter Agreement dated November 10, 1975, amending § 4.1 of Service Schedule RE dated March 23, 1971, also identified as Supplement No. 7 to SWEPCO Rate Schedule FPC No. 59 and Supplement No. 5 to Central Louisiana Electric Company (CLECO) Rate Schedule FPC No. 4.

SWEPCO also filed a Certificate of Concurrence, dated November 13, 1975, signed by CLECO in support of the Letter Agreement dated November 10, 1975.

SWEPCO states that the revision in § 4.1 of Service Schedule RE is in the add-on portion of the rate when energy being supplied by the seller is purchased from another supplier and passes through the seller's system to the buyer. The Company further states that the maximum add-on rate is 10% of the purchase price, not to exceed two mills per KWH.

Additionally, SWEPCO states that transactions of energy purchased by seller for sale under Schedule RE have been infrequent, but as fuel availability becomes more acute, it is expected that use of this schedule will be more numerous provided the revised add-on feature is reasonable and compensatory to the parties.

The Company requests that the Letter Agreement amending Schedule RE become effective January 1, 1976.

Any person desiring to be heard or to protest with the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 15, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33208 Filed 12-9-75;8:45 am]

[Docket Nos. RP73-114, RP74-24 and RP74-73; (PGA 76-1), (DCA 76-1), (R&D 76-1)]

TENNESSEE GAS PIPELINE CO.

Notice of Proposed Rate Change Under Tariff Rate Adjustment Provisions

DECEMBER 2, 1975.

Take notice that on November 14, 1975, Tennessee Gas Pipeline Company, a Division of Tenneco Inc. (Tennessee), tendered for filing proposed changes to Ninth Revised Volume No. 1 of its FPC Gas Tariff to be effective on January 1, 1976, consisting of the following revised tariff sheets:

Second Substitute Ninth Revised Sheet Nos. 12A and 12B and Substitute Ninth Revised Sheet Nos. 12A and 12B.

Tennessee states that the purpose of Second Substitute Ninth Revised Sheet Nos. 12A and 12B is to adjust Tennessee's rates pursuant to Articles XXIII, XXIV and XXV of the General Terms and Conditions of its FPC Gas Tariff, consisting of a PGA rate adjustment, a rate adjustment to reflect curtailment demand charge credits and an R&D rate adjustment.

Tennessee also states that Second Substitute Ninth Revised Sheet Nos. 12A and 12B reflect rates which are based in part on small producer purchases at rates above the levels established by Opinion No. 742. In recognition of the Commission's past practice of suspending such rates, Tennessee states that it is also filing Substitute Ninth Revised Sheet Nos. 12A and 12B which reflect rates exclusive of increases due to small producer purchases above the levels set by Opinion No. 742. Substitute Ninth Revised Sheet Nos. 12A and 12B are to be effective on January 1, 1976, in the event the Commission suspends Second Substitute Ninth Revised Sheet Nos. 12A and 12B.

Tennessee states that copies of the filing have been mailed to all its jurisdictional customers and affected state regulatory commissions.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 15, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene; provided, however, that any person who has previously filed a petition to intervene in this proceeding is not required to file a further petition. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33207 Filed 12-9-75;8:45 am]

[Docket No. RP75-73]

TEXAS EASTERN TRANSMISSION CORP.

Notice of Further Extension of Procedural Dates

DECEMBER 3, 1975.

On November 4, 1975, Staff Counsel filed a motion to extend the procedural dates fixed by order issued April 30, 1975, as most recently modified by notice issued July 10, 1975, in the above-designated proceeding.

Upon consideration, notice is hereby given that the procedural dates in the above proceeding are modified as follows:

Service of Staff Testimony, January 5, 1976.
Service of Intervenor Testimony, January 19, 1976.
Service of Company Rebuttal, February 19, 1976.
Hearing, March 8, 1976 (10:00 a.m., e.s.t.).

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33192 Filed 12-9-75;8:45 am]

[Docket No. RP75-19]

TEXAS GAS TRANSMISSION CORP.

Notice of Report of Refunds

DECEMBER 2, 1975.

Take notice that on November 12, 1975, Texas Gas Transmission Corporation tendered for filing a report of refunds made to its jurisdictional customers for the period of April 1, 1975 through September 30, 1975, pursuant to the Stipulation and Agreement approved by the Commission on October 6, 1975, in the above docket number.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426, in

accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 15, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33212 Filed 12-8-75;8:45 am]

[Docket No. CP76-3]

TRANSCO GAS SUPPLY CORP.

Order Granting Rehearing for Purposes of Further Consideration

DECEMBER 3, 1975.

On November 7, 1975, Transco Gas Supply Corporation (Gasco or Applicant) filed an application for rehearing of our order issued in this docket on October 14, 1975.

The October 14, 1975, order denied Gasco's application for a certificate of public convenience and necessity to sell natural gas to Transcontinental Gas Pipe Line Company (Transco). The application was described in the Commission's October 14, 1975, order as follows:

Gasco states that it was formed for the primary purpose of contracting for supplies of natural gas from various suppliers pursuant to advance payment agreements and otherwise and then selling to Transco all gas purchased by Gasco under gas purchase contracts entered into by Gasco pursuant to advance payments agreements which Transco proposes to assign to Gasco or otherwise.

Under a cost of service tariff to be filed with the Commission, Gasco proposes to charge Transco a cost of service rate including: (a) the actual cost of gas purchased by Gasco; (b) return and income taxes on Gasco's rate base (including, among other things, outstanding advance payments) determined by multiplying such rate base by 13.99% (the same percentage as the return and income tax component currently provided in Transco's pending rate settlement in Docket Nos. RP74-48 and RP75-3) or such later percentage as may be reflected in any Transco rate filing; and (c) all other costs of Gasco on a cost of service basis. Transco would include the gas cost component of Gasco's charge in its PGA clause, and would file to amend its advance payment tracking provision in Docket Nos. RP74-48 and RP75-3 to permit tracking of advance payments assigned to or made by Gasco in the same manner as if made by Transco. All other components of Gasco's charge would be included in future Transco rate proceedings.

Gasco proposes to commence sales to Transco on October 1, 1975. Initially, Gasco would acquire gas for such sales from Shell Oil Company from Block 130, Ship Shoal Area, Offshore Louisiana.

The application explains that under the proposed arrangement Gasco would have greater ability to obtain funds for financing advance payment agreements than Transco because Gasco would not be subject to the restrictions in Transco's debt instruments. The application represents that at May 31, 1975, Transco had advance payments outstanding of some $103,300,000 and commitments to make additional advances amounting to several hundred million dollars but that the restrictions in Transco's long term debt instruments are expected to prevent it from borrowing the additional funds to make further advances in 1976 and beyond. The application states that implementation of the proposal would assure the continued availability to Transco's customers of vitally needed gas supplies.

The Commission denied Gasco's application based upon the finding that it would give Transco the right to permanently track advance payments contrary to well established Commission policy.

Gasco's application for rehearing alleges that the October 14, 1975, order was in error in that, *inter alia*, the Commission denied Gasco's application for a certificate of public convenience and necessity without a hearing contrary to Section 7 of the Natural Gas Act; that the denial was based upon an erroneous construction of Gasco's application; that the Commission "must" approve innovative proposals to assist in raising capital required to meet outstanding advance payment commitments. More specifically, Gasco argues that the certificate application itself did not establish tracking authority for advance payments, but rather would use the tracking authority which was included in Transco's proposed settlement agreement which was then pending in Docket No. RP74-48 and RP75-3.[1]

Our review of Gasco's application for rehearing indicates that certain of the issues raised therein are closely related to, and may be substantially affected by, the Commission's ultimate determination in the current investigation of the advance payments program in Docket Nos. R-411 and RM74-4. Accordingly, we shall grant rehearing of our October 14, 1975, order in this proceeding for purposes of further consideration and we shall defer final action on Gasco's application until after issuance of an order determining the appropriate disposition of our investigation of the advance payment program in Docket Nos. R-411 and RM74-4.

The Commission finds: Good cause exists to grant rehearing of our October 14, 1975, order in Docket No. CP76-3 for purposes of further consideration as hereinafter ordered and conditioned.

The Commission orders: (A) Rehearing of our October 14, 1975, order in Docket No. CP76-3 is hereby granted for purposes of further consideration and we shall defer final action on Gasco's November 7, 1975, application for rehearing pending issuance of an order determining the appropriate disposition of our investigation of the advance payment program in Docket Nos. R-411 and RM74-4.

(B) The Secretary shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission. Commissioner Watt not participating.

[SEAL] KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33191 Filed 12-9-75;8:45 am]

[1] By order issued November 13, 1975, in Docket Nos. RP74-48 and RP75-3, the Commission approved Transco's proposed settlement subject to the condition, *inter alia*, that its tracking authority for advance payments end as of October 1, 1975, the date the suspended rates in Docket No. RP75-75 became effective, subject to refund.

[Docket No. RP75-74]

TRANSWESTERN PIPE LINE CO.

Notice of Further Extension of Procedural Dates

DECEMBER 2, 1975.

One November 11, 1975, Staff Counsel filed a motion to extend the procedural dates fixed by order issued April 30, 1975, as most recently modified by notice issued September 17, 1975, in the above-designated proceeding.

Upon consideration, notice is hereby given that the procedural dates in the above proceeding are modified as follows:

Service of Staff Testimony, November 28, 1975.
Service of Intervenor Testimony, December 19, 1975.
Service of Company Rebuttal, December 31, 1975.
Hearing, February 3, 1976 (10:00 a.m., e.s.t.)

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33215 Filed 12-9-75;8:45 am]

[Docket No. RP74-89 (AP 76-1)]

TRUNKLINE GAS CO.

Notice of Extension of Procedural Dates

DECEMBER 4, 1975.

On November 28, 1975, Staff Counsel filed a motion to extend the procedural dates fixed by order issued August 29, 1975, in the above-designated proceeding.

Upon consideration, notice is hereby given that the procedural dates in the above proceeding are modified as follows:

Service of Staff Testimony, February 3, 1976.
Service of Company Rebuttal, March 4, 1976.
Hearing, March 19, 1976 (10:00 a.m., e.s.t.)

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33182 Filed 12-8-75;8:45 am]

[Docket No. ER76-150]

WISCONSIN PUBLIC SERVICE CORP.

Notice of Curing of Deficiency

DECEMBER 2, 1975.

Take notice that on November 21, 1975, Wisconsin Public Service Corporation (Public Service or The Company) tendered for filing Period I data to cure a deficiency.

On September 22, 1975, Wisconsin submitted for filing proposed rate schedules providing for increased rates applicable to the Company's eight wholesale cus-

tomers. The Commission, by letter order of October 20, 1975, declared the submittal of September 22, 1975 to be deficient because the Period I test data were out of date. Public Service was instructed to submit actual data for the period ending no earlier than four months prior to the date of filing of the proposed increase.

Pursuant to that October 20, 1975, order, Public Service now tenders for filing data for a new Period I, August 1, 1974 through July 31, 1975.

Public Service requests that the new rates which were submitted for filing on September 22, 1975, be permitted to become effective as originally proposed on November 25, 1975, or at the earliest possible date thereafter.

Public Service states that a copy of the transmittal letter filed November 21, 1975, the new Period I data, revised testimonies, and comparative billing data have been mailed to each purchaser under a rate schedule proposed to be changed, the legal counsel of said purchasers, and to each State Commission within whose jurisdiction such purchasers distribute and sell energy at retail.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 15, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33209 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY

Meeting

In the matter of a meeting of Supply-Technical Advisory Task Force-Prospective Exploration & Development & Additions to Reserves.

Conference Room 5200, Federal Power Commission, Union Plaza Building, 825 North Capitol Street, NE., Washington, D.C. 20426, January 13, 1976, 1:00 p.m.

Presiding: Mr. William J. McCabe, FPC Coordinating Representative and Secretary, National Gas Survey.

1. Call to Order and Introductory Remarks—Mr. William J. McCabe.

2. Introduction of Technical Advisory Task Force Chairman—

Prof. Edward Erickson, Department of Economics, North Carolina State University, Raleigh, North Carolina.

Introduction of Technical Advisory Task Force Vice Chairman—

Dr. Richard F. Meyer, U.S. Geological Survey, 12201 Sunrise Valley Drive, Reston, Virginia.

3. Discussion of Task Force Work Scope and Goals—Prof. Edward Erickson.

4. Assignment of Work to Task Force Members—Prof. Edward Erickson.

5. Establishment of Priorities and Completion for Work of the Task Force.—Prof. Edward Erickson.

6. Selection of Next Meeting Date.

7. Other Business.

8. Adjournment—Mr. William J. McCabe.

This meeting is open to the public. Any interested person may attend, appear before, or file statements with the committee—which statements, if in written form, may be filed before or after the meeting, or if oral, at the time and in the manner permitted by the committee.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33145 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY

Agenda

In the matter of a meeting of Supply-Technical Advisory Task Force—Domestic Natural Gas Potential Resource Base.

Conference Room 5200, Federal Power Commission, Union Plaza Building, 825 North Capitol Street, NE., Washington, D.C. 20426, January 8, 1976, 9:30 a.m.

Presiding: Dr. Edwin D. Goebel, Technical Director, National Gas Survey and Federal Power Commission Coordinating Representative and Secretary.

1. Call to Order and Introductory Remarks—

Dr. Edwin D. Goebel.

2. Introduction of Technical Advisory Task Force Chairman—

Dr. DeVerle P. Harris, Department of Mining & Geology, University of Arizona, Tucson, Arizona.

Introduction of Technical Advisory Task Force Vice Chairman—

Mr. Ralph W. Garrett, Exploration Analysis Manager, Exxon Company U.S.A., Houston, Texas.

3. Discussion of Task Force Work Scope and Goals—Dr. DeVerle P. Harris.

4. Assignment of Work to Task Force Members.

5. Establishment of Priorities and Completion Dates for Work of the Task Force.

6. Scheduling of Next Meeting Date.

7. Other Business.

8. Adjournment—Dr. Edwin D. Goebel.

This meeting is open to the public. Any interested person may attend, appear before, or file statements with the committee—which statements, if in written form, may be filed before or after the meeting, or if oral, at the time and in the manner permitted by the committee.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33146 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY

Meeting

In the matter of a meeting of Supply-Technical Advisory Task Force-Regulatory Aspects of Substitute Gas.

Conference Room 5200, Federal Power Commission, Union Plaza Building, 825 North Capitol Street, NE., Washington, D.C. 20426, January 6, 1976, 9:30 am.

Presiding: Mr. Michael C. Bachman, EPC Coordinating Representative and Secretary, National Gas Survey.

1. Call to Order and Introductory Remarks—Mr. Michael C. Bachman.

2. Introduction of the Technical Advisory Task Force Chairman—

Mr. Frank F. Jestrab, Bjella & Jestrab, Williston, North Dakota.

Introduction of Technical Advisory Task Force Vice Chairman—

Mr. Martin N. Erick, Senior Counsel, Exxon Company, U.S.A., Houston, Texas.

3. Discussion of Task Force Work Scope and Goals—Mr. Frank F. Jestrab.

4. Assignment of Work to Task Force Members—Mr. Frank F. Jestrab.

5. Establishment of Priorities and Completion Dates for Work of the Task Force—Mr. Frank F. Jestrab.

6. Selection of Next Meeting Date.

7. Discussion of Other Matters.

8. Adjournment—Mr. Michael C. Bachman.

This meeting is open to the public. Any interested person may attend, appear before, or file statements with the committee—which statements, if in written form, may be filed before or after the meeting, or if oral, at the time and in the manner permitted by the committee.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33147 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY

Meeting

In the matter of a meeting of Supply-Technical Advisory Task Force—Nonconventional Natural Gas Resources.

Conference Room 6200, Federal Power Commission, Union Plaza Building, 825 North Capitol Street, NE., Washington, D.C. 20426, January 13, 1976, 9:30 a.m.

Presiding: Dr. Edwin D. Goebel, Technical Director, National Gas Survey and Federal Power Commission, Coordinating Representative and Secretary.

1. Call to Order and Introductory Remarks—Dr. Edwin D. Goebel.

2. Introduction of Technical Advisory Task Force Chairman—

Dr. John W. Harbaugh, Department of Applied Earth Sciences, Stanford University, Stanford, California.

Introduction of Technical Advisory Committee Vice Chairman—

Mr. Lloyd E. Elkins, Amoco Production Company, Tulsa, Oklahoma.

3. Discussion of Task Force Work Scope and Goals—Dr. John W. Harbaugh.

4. Assignment of Work to Task Force Members.
5. Establishment of Priorities and Completion Dates for Work of the Task Force.
6. Scheduling of Next Meeting Date.
7. Other Business.
8. Adjournment—Dr. Edwin D. Goebel.

This meeting is open to the public. Any interested person may attend, appear before, or file statements with the Committee—which statements, if in written form, may be filed before or after the meeting, or if oral, at the time and in the manner permitted by the committee.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33148 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY

Meeting

In the matter of a Supply-Technical Advisory Task Force-Synthesized Gaseous Hydrocarbon Fuels.

Conference Room 5200, Federal Power Commission, Union Plaza Building, 825 North Capitol Street, NE., Washington, D.C. 20426, January 14, 1976, 9:30 a.m.

Presiding: Mr. William J. McCabe, FPC Coordinating Representative and Secretary, National Gas Survey.

1. Call to Order and Introductory Remarks—Mr. William J. McCabe.
2. Introduction of Technical Advisory Task Force Chairman—

Dr. Alan G. Fletcher, Dean, School of Engineering & Mines, University of North Dakota, Grand Forks, North Dakota.

Introduction of Technical Advisory Task Force Vice Chairman—

Mr. Charles W. Margolf, W. R. Grace & Company, 7935 East Prentice Avenue—Bldg. 40, Englewood, Colorado.

3. Discussion Task Force Work Scope and Goals—Dr. Alan G. Fletcher.
4. Assignment of Work to Task Force Members—Dr. Alan G. Fletcher.
5. Establishment of Priorities and Completion Dates for Work of the Task Force—Dr. Alan G. Fletcher.
6. Selection of Next Meeting Date.
7. Other Business.
8. Adjournment—Mr. William J. McCabe.

This meeting is open to the public. Any interested person may attend, appear before or file statements with Committee—which statements, if in written form, may be filed before or after the meeting, or in oral, at the time and in the manner permitted by the Committee.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33149 Filed 12-9-75;8:45 am]

NATIONAL GAS SURVEY

Meeting

In the matter of Supply-Technical Advisory Committee Study Subgroup on Gas Reserves and Resources Classifications.

Conference Room 6200, Federal Power Commission, Union Plaza Building, 825 North Capitol Street, NE., Washington, D.C. 20426, January 9, 1976, 9:30 a.m.

Presiding: Dr. Edwin D. Goebel, Technical Director, National Gas Survey and Federal Power Commission, Coordinating Representative and Secretary.

1. Call to Order—Dr. Edwin D. Goebel.
2. Discussion of Reserves—Resources Nomenclature and Classifications—Dr. Richard F. Meyer—Subgroup Leader.
3. Other Business.
4. Adjournment — Dr. Edwin D. Goebel.

This meeting is open to the public. Any interested person may attend, appear before, or file statements with the subgroup—which statements, if in written form, may be filed before or after the meeting, or if oral, at the time and in the manner permitted by the subgroup.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33150 Filed 12-9-75;8:45 am]

[Docket No. E-9379]

NIAGARA MOHAWK POWER CORP.

Extension of Procedural Dates; Correction

DECEMBER 2, 1975.

Please correct the procedural dates in the above-indicated notice (40 FR 56732, December 4, 1975) as follows:

Service of Intervenor Testimony, December 29, 1975.
Service of Staff Testimony, January 19, 1976.
Service of Company Rebuttal, February 9, 1976.
Hearing, March 1, 1976 (10 a.m., E.s.t.).

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-33204 Filed 12-9-75;8:45 am]

DEPARTMENT OF DEFENSE

Office of the Secretary

DEFENSE SCIENCE BOARD TASK FORCE ON "ELECTRONIC TEST EQUIPMENT"

Advisory Committee Meeting

Pursuant to the provisions of Pub. L. 92-463, notice is hereby given that the Defense Science Board Task Force on "Electronic Test Equipment" will meet in open session on 13 and 14 January 1976 in Room 9W67, National Center Building #1, 2511 Jefferson Davis Highway, Arlington, Virginia.

The sessions will commence at 9:00 a.m. each day.

The mission of the Defense Science Board is to advise the Secretary of Defense and Director of Defense Research and Engineering on overall research and engineering and to provide long-range guidance in these areas to the Department of Defense.

The primary responsibility of the Task Force is to examine the greater use of the Department of Defense of privately-developed, commercially-available, off-the-shelf electronic test equipment, including modifications thereof, with the goal of achieving economy and reliability benefits for the several Armed Services and to recommend policies and procedures which will maximize these benefits.

This will be the tenth meeting of the Task Force. The planned agenda will cover three general areas:

1. Procurement.
2. Logistics.
3. Applications, Requirements and Equipment.

The detailed discussions and investigations into these general areas will be conducted by working groups made up of designated Task Force members or their designated representatives and selected Task Force Observers. Each working group will formulate proposals related to its general area of responsibility corresponding to one of the three specified above. The working group proposals as approved by the Task Force will form the basis for the ultimate Task Force recommendations.

Persons wishing to attend are advised that a reasonable quantity of seating for observers will be available on a first-come, first-seated basis. No specific arrangements or notification of desire to attend is necessary.

The Executive Secretary for the Task Force is Mr. Rudolph J. Sgro, OASD (I&L) WS, Room 2A318, Pentagon, Washington, D.C. 20301.

MAURICE W. ROCHE,
Director, Correspondence and Directives, OASD (Comptroller).

DECEMBER 5, 1975.

[FR Doc.75-33244 Filed 12-9-75;8:45 am]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

OUTER CONTINENTAL SHELF OFFSHORE THE MID-ATLANTIC STATES

Availability of Draft Environmental Impact Statement and Holding of Public Hearing Regarding Proposed Oil and Gas Lease Sale

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, the Department of the Interior has prepared a draft environmental impact statement relating to a proposed Outer Continental Shelf (OCS) oil and gas lease sale of 154 tracts of submerged lands on the Outer Continental Shelf offshore New Jersey and Delaware (OCS Sale No. 40).

Single copies of the draft environmental statement can be obtained from the Office of the Manager, New York Outer Continental Shelf Office, Bureau of Land Management, Six World Trade Center, Suite 600D, New York, New York 10048 and from the Office of Public Affairs, Bureau of Land Management (130), Washington, D.C. 20240.

Copies of the draft environmental statement will also be available for re-

view in the main branches of the following public libraries: New York Public Library, 5th Avenue and 42nd Street, New York City; Nassau Library System, Garden City, Long Island, New York; Suffolk Cooperative Library System, Belport, Long Island, New York; Free Library of Philadelphia, Logan Square, Philadelphia, Pennsylvania; Wilmington Institute Free Library and New Castle Free Library, Wilmington, Delaware; Rehoboth Beach Public Library, Rehoboth Beach, Delaware; Enoch Pratt Free Library, Baltimore, Maryland; Eastern Shore Area Library, Salisbury, Maryland; Trenton Free Public Library, Trenton, New Jersey; Atlantic City Free Public Library, Atlantic City, New Jersey; and Norfolk Public Library System, Norfolk, Virginia.

In accordance with 43 CFR 3301.4, a public hearing will be held in Atlantic City, New Jersey, in January 1976 for the purpose of receiving comments and suggestions relating to the proposed lease sale. The exact location and dates of this hearing will be announced at a later date.

Review comments on the draft environmental statement will be accepted by the Department until February 12, 1976. These comments should be addressed to the Manager, New York Outer Continental Shelf Office, Bureau of Land Management, at the above listed address.

CURT BERKLUND,
Director, Bureau of Land Management.

Approved: December 4, 1975.

STANLEY D. DOREMUS,
Deputy Assistant Secretary of the Interior.

[FR Doc.75-33171 Filed 12-9-75;8:45 am]

Fish and Wildlife Service

LOS ANGELES ZOO, ET AL.

Endangered Species Permits; Notice of Official Action

Notice is hereby given that the U.S. Fish and Wildlife Service has taken the following action with regard to permit applications received under section 10 of the Endangered Species Act of 1973, 16 U.S.C. 1539. Each permit was issued only after it was determined that it was applied for in good faith; that by granting the permit it will not be to the disadvantage of the endangered species; and that it will be consistent with the purposes and policy set forth in the Endangered Species Act of 1973.

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 11, 1975 (40 FR 24927-28)

Applicant: Los Angeles Zoo, 5333 Zoo Drive, Los Angeles, California 90027, Warren D. Thomas, D.V.M., Director.

Official Action: Issued permit August 4, 1975: "May acquire and transport one male RUFFED LEMUR (*Lemur variegatus*), from the St. Louis Zoological Park to the Los Angeles Zoo, for propagation."

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 11, 1975 (40 FR 24928-29)

Applicant: Fort Worth Zoological Park, 2727 Zoological Park Drive, Fort Worth, Texas 76110, Elvie Turner, Jr., Director.

Official Action: Issued permit August 4, 1975, authorizing export of up to 34 ALLIGATORS (*Alligator mississippiensis*), hatched in captivity, as gifts to eight foreign zoos.

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" June 11, 1975 (40 FR 24923-24)

Applicant: Mr. William A. Barabino, 19 Sunset Avenue, North Reading, Massachusetts 01846.

Official Action: Issued permit August 4, 1975, to acquire, and transport, one pair of SWINHOE'S PHEASANTS (*Laphura swinhoii*), for propagation, from the L & L Pheasantry, Hegins, Pennsylvania, where they were hatched and raised in captivity.

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 27, 1975 (40 FR 27278-79)

Applicant: National Zoological Park, Smithsonian Institution, Washington, D.C. 20009, Dr. Theodore H. Reed, Director.

Offical Action: Issued permit August 11, 1975: "Authorized to transport 1/0 Golden Lion Marmoset (*Leontideus rosalia*)."

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 13, 1975 (40 FR 25239-40)

Applicant: Alaska Area Director, U.S. Fish and Wildlife Service, 813 D Street, Anchorage, Alaska 99501.

Official Action: Issued permit August 12, 1975: "Permittee may conduct scientific research including inventory of aeries and determination of the nesting success of PEREGRINE FALCONS (*Falco peregrinus anatum* and *tundrius*)."

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 11, 1975 (40 FR 24925-26)

Applicant: Office of Migratory Bird Management, U.S. Fish and Wildlife Service, Washington, D.C. 20240.

Official Action: Issued permit August 12, 1975: "May conduct aerial surveys of nests of the SOUTHERN BALD EAGLE (*Haliaeetus leucocephalus leucocephalus*)."

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 18, 1975 (40 FR 25732-33-34)

Applicant: Mr. Bob Dittrick, 8905 Weant Drive, Great Falls, Virginia 22066.

Official Action: Issued permit August 12, 1975: "Authorized to capture, band and release PEREGRINE FALCONS (*Falco peregrinus tundrius*)."

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 18, 1975 (40 FR 25737-38)

Applicant: Santa's Land, Route 1, Box 134-A, Cherokee, North Carolina 28719, Mr. Danny Lyons, Owner and Manager.

Official Action: Issued permit August 14, 1975: "Permittee may transport from Canyonland Park, Fort Payne, Alabama, to Santa's Land, Cherokee, North Carolina, the following animals:

One BENGAL TIGER (*Panthera tigris*)
Two LEOPARDS (*Panthera pardus*)
Four SPIDER MONKEYS (*Ateles geoffroyi frontatus*)
One WOOLLY SPIDER MONKEY (*Brachyteles arachnoides*)

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JULY 3, 1975 (40 FR 28109-10)

Applicant: San Diego Zoological Garden, Post Office Box 551, San Diego, California 92112, Clyde A. Hill, Curator of Mammals.

Official Action: Issued permit August 15, 1975: "Authorized to import one (1) male SIBERIAN TIGER (*Leo tigris altaica*), from Russia through Holland."

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 13, 1975 (40 FR 25236-37-38)

Applicant: Utah Cooperative Wildlife Research Unit, Utah State University UMC 52, Logan, Utah 84322, J. Juan Spillett, Acting Unit Leader.

Official Action: Issued permit August 19, 1975: "Authorized to trap, sex, weigh, tag, dye mark and release immediately not to exceed 400 PRAIRIE DOGS. Five prairie dogs (*Cynomys parvidens*) to be held for feeding studies."

NOTICE OF APPLICATION, PUBLISHED IN "FEDERAL REGISTER" JUNE 9, 1975 (40 FR 24544-45)

Applicant: Cape Romain National Wildlife Refuge, Route 1, Box 191, Awendaw, South Carolina 29429, Mr. George R. Garris.

Official Action: Issued permit August 19, 1975: "Authorized to study, band and attach auxiliary markings as authorized under Federal Bird Marking and Salvage Permit, collect not to exceed 50 eggs, and salvage BROWN PELICANS (*Pelecanus occidentalis*) and/or their parts. Eggs, parts and specimens may be transported to the Patuxent Research Center. All banded specimens must be released where taken."

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 3, 1975 (40 FR 23900-01)

Applicant: San Antonio Zoological Gardens and Aquarium, 3903 North St. Mary's Street, San Antonio, Texas 78212, Louis R. DiSabato, Director.

Official Action: Issued permit August 19, 1975: "Authorized to export one female JAGUAR to Venezuela."

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 18, 1975 (40 FR 25734-35-36)

Applicant: Oklahoma City Zoo, Rt. #1, Box 478, Oklahoma City, Oklahoma 73111, Lawrence Curtis, Director.

Official Action: Issued permit August 19, 1975: "Authorized to export two (2) female SIBERIAN TIGERS to Tel-Aviv, Israel."

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 27, 1975 (40 FR 27275-76)

Applicant: Joseph A. Harmer, 144 Limekiln Pike, Chalfont, Pennsylvania 18914.

Official Action: Issued permit August 22, 1975: "Authorized to capture, band and release immediately at the capture site PEREGRINE FALCONS (*Falco peregrinus tundrius* and *anatum*)."

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 27, 1975 (40 FR 27276-77-78)

Applicant: Jacksonville Zoological Society and Park, 8605 Zoo Road, Jacksonville, Florida 32218, Mr. John True, Curator of Birds.

Official Action: Issued permit August 22, 1975: "Authorized to receive, care for and

rehabilitate sick and injured endangered species of birds, and if possible to be returned to the wild."

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 2, 1975 (40 FR 23774–75)

Applicant: David C. Smith, International Bird Rescue Research Center, 2701 Eighth Street, Berkeley, California 94710, J. M. Harris, D.V.M., Chairman.

Official Action: Issued permit August 22, 1975: "Permittee may salvage and care for injured and incapacitated birds and band and release to the wild."

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 18, 1975 (40 FR 25738–39)

Applicant: Southwest Texas State University, Aquatic Station—Biology, San Marcos, Texas 78666, Glenn Longley, Ph.D., Assistant Professor.

Official Action: Issued permit August 22, 1975: "Authorized to trap TEXAS BLIND SALAMANDERS (*Typhlomolge rathbuni*) at locations listed in Item 10: Artesian wells at the SWTSU and 'Aquarena' at or near San Marcos, Texas."

NOTICE OF APPLICATION PUBLISHED IN "FEDERAL REGISTER" JUNE 11, 1975 (40 FR 24929–30)

Applicant: Mississippi State University, Department of Zoology, Mississippi State, Mississippi 39762, Dr. Jerome A. Jackson, Associate Professor of Zoology.

Official Action: Issued permit August 28, 1975: "Authorized to capture, band and apply auxiliary markings to RED-COCKADED WOODPECKERS as authorized under Federal Bird Marking and Salvage Permit."

NOTICE OF APPLICATION, PUBLISHED IN "FEDERAL REGISTER" JUNE 11, 1975 (40 FR 24924–25)

Applicant: Georgia Department of Natural Resources, Game and Fish Division, 270 Washington Street SW., Atlanta, Georgia 30334, Mr. Jack Crockford, Director.

Official Action: Issued permit August 28, 1975: "May capture, tag with radio telemetry equipment and relocate eight (8) ALLIGATORS (*Alligator mississipiensis*), from Blackbeard Island National Wildlife Refuge, for scientific research."

Each permit is available for public inspection during normal business hours at the U.S. Fish and Wildlife Service's office in Suite 600, 1612 K Street NW., Washington, D.C.

Dated: December 3, 1975.

C. R. BAVIN,
Chief, Division of Law Enforcement, U.S. Fish and Wildlife Service.

[FR Doc.75-33272 Filed 12-9-75;8:45 am]

NEW MEXICO DEPARTMENT OF GAME AND FISH

Endangered Species Permit; Notice of Receipt of Application

Notice is hereby given that the following application for a permit is deemed to have been received under section 10 of the Endangered Species Act of 1973 (Pub. L. 93–205).

Applicant: New Mexico Department of Game & Fish, State Capitol, Santa Fe, New Mexico 87503, Ladd S. Gordon, Director.

OMB NO. 42-R1570

DEPARTMENT OF THE INTERIOR
U.S. FISH AND WILDLIFE SERVICE

FEDERAL FISH AND WILDLIFE LICENSE/PERMIT APPLICATION

1. APPLICATION FOR (Indicate only one)
☐ IMPORT OR EXPORT LICENSE ☒ PERMIT

2. BRIEF DESCRIPTION OF ACTIVITY FOR WHICH REQUESTED LICENSE OR PERMIT IS NEEDED.
To carry out activities involved in the management and the protection of endangered species in New Mexico, including survey, banding and collecting (only as necessary and later specified), transplanting, propagation, laboratory research, and related work. Permit to be issued to Department to be used by its employees and designees.

3. APPLICANT. (Name, complete address and phone number of individual, business, agency, or institution for which permit is requested)
New Mexico Department of Game & Fish
State Capitol
Santa Fe, New Mexico 87503

Telephone: 505-827-2923

4. IF "APPLICANT" IS AN INDIVIDUAL, COMPLETE THE FOLLOWING: N/A
☐ MR. ☐ MRS. ☐ MISS ☐ MS.
HEIGHT | WEIGHT
DATE OF BIRTH | COLOR HAIR | COLOR EYES
PHONE NUMBER WHERE EMPLOYED | SOCIAL SECURITY NUMBER
OCCUPATION

5. IF "APPLICANT" IS A BUSINESS, CORPORATION, PUBLIC AGENCY, OR INSTITUTION, COMPLETE THE FOLLOWING:
EXPLAIN TYPE OR KIND OF BUSINESS, AGENCY, OR INSTITUTION
The Department is the state wildlife conservation agency, and as such it has the responsibility for management and protection of endangered species.

ANY BUSINESS, AGENCY, OR INSTITUTIONAL AFFILIATION HAVING TO DO WITH THE WILDLIFE TO BE COVERED BY THIS LICENSE/PERMIT
N/A

NAME, TITLE, AND PHONE NUMBER OF PRESIDENT, PRINCIPAL OFFICER, DIRECTOR, ETC.
Ladd S. Gordon

IF "APPLICANT" IS A CORPORATION, INDICATE STATE IN WHICH INCORPORATED
N/A

6. LOCATION WHERE PROPOSED ACTIVITY IS TO BE CONDUCTED
State of New Mexico

7. DO YOU HOLD ANY CURRENTLY VALID FEDERAL FISH AND WILDLIFE LICENSE OR PERMIT ☐ YES ☐ NO
(If yes, list license or permit number)
Bird Marking and Salvage, No. 6747

8. IF REQUIRED BY ANY STATE OR FOREIGN GOVERNMENT, DO YOU HAVE THEIR APPROVAL TO CONDUCT THE ACTIVITY YOU PROPOSE? ☐ YES ☐ NO
(If yes, list jurisdictions and type of documents)
Wildlife Conservation Act, 1973
(N.M.S. 53-2-50 to 53-2-59)

9. CERTIFIED CHECK OR MONEY ORDER (if applicable) PAYABLE TO THE U.S. FISH AND WILDLIFE SERVICE ENCLOSED IN AMOUNT OF
$N/A

10. DESIRED EFFECTIVE DATE
Sept. 1, 1975

11. DURATION NEEDED
Indefinite

12. ATTACHMENTS. THE SPECIFIC INFORMATION REQUIRED FOR THE TYPE OF LICENSE/PERMIT REQUESTED (See 50 CFR 13.12(b)) MUST BE ATTACHED. IT CONSTITUTES AN INTEGRAL PART OF THIS APPLICATION. LIST SECTIONS OF 50 CFR UNDER WHICH ATTACHMENTS ARE PROVIDED.
(see enclosures)

CERTIFICATION

I HEREBY CERTIFY THAT I HAVE READ AND AM FAMILIAR WITH THE REGULATIONS CONTAINED IN TITLE 50, PART 13, OF THE CODE OF FEDERAL REGULATIONS AND THE OTHER APPLICABLE PARTS IN SUBCHAPTER B OF CHAPTER I OF TITLE 50, AND I FURTHER CERTIFY THAT THE INFORMATION SUBMITTED IN THIS APPLICATION FOR A LICENSE/PERMIT IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I UNDERSTAND THAT ANY FALSE STATEMENT HEREIN MAY SUBJECT ME TO THE CRIMINAL PENALTIES OF 18 U.S.C. 1001.

SIGNATURE (In ink)
Ladd S. Gordon, Director

DATE
August 15, 1975

3-200
10-74

OCTOBER 20, 1975.

Mr. LYNN A. GREENWALT,
U.S. Fish and Wildlife Service,
Washington, D.C. 20240

DEAR LYNN:

Enclosed is our application for the permit to carry out activities involved in management and protection of endangered species in New Mexico. The permit covers all of the federally listed endangered species that we believe to occur regularly in New Mexico, or in the case of the whooping crane, which we expect to soon occur here. The species in our application are the blackfooted ferret, Mexican duck, southern bald eagle, American peregrine falcon, whooping crane, Pecos gambusia, Gila topminnow, Colorado River squawfish, and Gila trout. Species on the federal list that do not occur regularly in New Mexico or are unsubstantiated here, are not listed in our application; these are the brown pelican, eskimo curlew and jaguar.

I realize that the procedure for issuing this permit involves a thirty-day review in the Federal Register and that initial issuance of the permit may be delayed until next year. Inasmuch as some of our activities are already under way, I am requesting that we have interim authority to continue the work that we have begun under previous understanding that such work is legitimate, justified, and compelling if we are to benefit our endangered species in the best and most prompt manner.

A further point that I wish to make is that we wish the eventual permit to be issued to the Department to be used by our employees and our authorized designees, inasmuch as we will have from time to time people operating with us on endangered species that are not our direct employees, but are under our supervision.

Very truly yours,

LADD S. GORDON,
Director.

(By William S. Huey, Acting Director).

13. Species information relevant to processing this application to fulfill requirements of 50 CFR 17, § 17.23(a), follows:

(1) Common and scientific names of species to be covered, thus brief resumes of ongoing or anticipated research;

a. Black-footed ferret—*Mustela nigripes*. Survey of prairie dog colonies and areas where ferrets have been recorded will be initiated in September 1975.

b. Mexican duck—*Anas diazi*. Survey of range in New Mexico, breeding, numbers, ecology, interactions with mallards, and similar work undertaken in September 1974, will be continued and intensified in the near future. Banding and marking of some birds is contemplated.

c. Southern bald eagle—*Haliaeetus leucocephalus leucocephalus*. Survey of range in New Mexico, possible breeding, numbers, and ecology begun in September 1974, will continue. In addition, eagle carcasses will be sexed and measured to determine subspecies, and some banding and marking of trapped birds may be done.

d. American peregrine falcon—*Falco peregrinus anatum*. Survey of range in New Mexico, breeding, numbers, and ecology begun in September 1974, will continue. In addition, possible propagation and enhacement of reproduction of wild pairs is contemplated, in conjunction with Rocky Mountain peregrine recovery team. Young and adult peregrines may be banded and/or color-marked to study range and other aspects of the biology.

e. Whooping crane—*Grus americana*. Monitoring of young whoopers that may be produced by foster-parent sandhill cranes and that are expected to migrate to New Mexico will begin in October 1975, and continue through departure of these birds in spring 1976. Data to be gathered will involve range, numbers, ecology, behavior, and related information.

f. Pecos gambusia—*Gambusia nobilis*. Surveys of range, numbers, habitats, competitive relationships, and breeding began in June 1975, will continue. Also contemplated are capture for marking, specimens for taxonomic and food habits studies, aquarium research, transplantation, and propagation.

g. Gila topminnow—*Poeciliopsis occidentalis occidentalis*. Efforts will continue to locate populations for study in New Mexico, where last record in the 1950's; some specimen collection is also contemplated. Also contemplated is possibility of importation of live specimens from Arizona, for purposes of aquarium research, propagation, and possibly transplantation.

h. Colorado River squawfish—*Ptychocheilus lucius*. Survey will continue to locate populations in the state, where the only records to date are from the San Juan drainage in the northwest. Located populations would be subjected to studies of numbers, breeding, ecology and other facets of their biology, plus some specimen collection.

i. Gila trout—*Salmo gilae*. Surveys of range, numbers, breeding, habitats, taxonomy and relationships with other fish species, begun in May 1974, (and earlier) will continue, with some fish being collected as specimens and others marked and released. In addition, transplant and propagation work is contemplated, the former in connection with a detailed study of populational characteristics as part of work conducted by the Gila trout recovery team.

Other endangered species which are extirpated, unsubstantiated, or otherwise not considered residents of New Mexico could be met with by Department personnel and are listed here in case duties would involve some contact with these.

j. Brown pelican—*Pelecanus occidentalis*.

k. Eskimo curlew—*Numenius borealis*.

l. Jaguar—*Felis onca* sspp.

APPENDIX No. 1

By-species list of persons with special knowledge of endangered species in New Mexico and adjacent areas.

a. Black-footed ferret, Dr. James Findley, Department of Biology, University of New Mexico, Albuquerque, New Mexico 87106.

b. Mexican duck, Mr. William S. Huey, N.M. Dept. of Game and Fish, State Capitol, Santa Fe, New Mexico 87503. Dr. Charles Davis, Dept. of Wildlife, New Mexico State University, Las Cruces, New Mexico 88001. Mr. Richard Rigby, Bosque del Apache, N.W.R., San Antonio, New Mexico.

c. Southern bald eagle, Mr. James L. Sands, N.M. Dept. of Game and Fish, Albuquerque, New Mexico 87108.

d. American peregrine falcon, Mr. Frank Bond, 540 Camino Rancheros, Santa Fe, New Mexico 87501. Mr. Tom Smylie, U.S. Fish and Wildlife Service, Albuquerque, New Mexico.

e. Whooping crane, Mr. Huey, Mr. Sands, Mr. Rigby.

f. Pecos gambusia, Dr. James Sublette, Dept. of Biology, Eastern New Mexico University, Portales, New Mexico 88130. Dr. Robert R. Miller, Museum of Zoology, University of Michigan, Ann Arbor, Michigan. Dr. Clark Hubbs, Dept. of Zoology, Univ. of Texas, Austin, Texas 78712. Dr. William J. Koster, Dept. of Biology, Univ. of New Mexico, Albuquerque, New Mexico 87106.

g. Gila topminnow, Dr. Miller, Dr. Hubbs, Dr. W. L. Minckley, Dept. of Zoology, Arizona St. University, Tempe, Arizona. Dr. Koster.

h. Colorado River squawfish, Dr. Koster, Dr. Minckley.

i. Gila trout, Dr. Miller, Dr. Koster, Dr. Robert J. Behnke, Div. of Research, Colorado State University, Ft. Collins, Colorado 80521. Mr. Paul Turner, Dept. of Wildlife, New Mexico State University, Las Cruces, New Mexico 88001. Dr. Douglas Jester, Dept. of Wildlife, New Mexico State University, Las Cruces, New Mexico 88001.

APPENDIX No. 2

Permit Requirements and Research Plans.

Black-footed ferret. Permit requirements:

a. No collections or captures are contemplated, but occasional dead animals have been found in the past that were salvaged as specimens; this circumstance could be repeated in the future, and a salvage permit is needed for indeterminate numbers.

b. In addition, removal of nuisance, injured, or threatened individuals could be required, so that a permit to capture, maintain, and transplant such animals is needed for indeterminate numbers.

Research plans—A summary of specimen and reliable sight records shows this species to have occurred in New Mexico in all parts of the state except the extreme southwest. Counties of occurrence are as follows (* indicates specimen record): Sandoval, *McKinley, Colfax, *Valencia, *Santa Fe, *Guadalupe, Curry, DeBaca, *Catron, *Chaves, and *Lea. The most recent records are in the late 1960's and in 1970, and there is reason to believe that the species persists in New Mexico. The animals have been found from 3500 to over 9000 feet in grasslands or similar open habitats. Most have been in or near colonies of blacktailed (*Cynomys ludovicianus*) or white-tailed (*C. gunnisoni*) prairie dogs. Survey efforts will be increased in prairie dog and other areas of ferret reports, and a public-questionnaire approach may also be implemented. The handling of live or dead specimens is a possibility, and it should be anticipated in the event that it materializes.

Mexican duck. Permit requirements:

a. No collections are contemplated, but hunter-killed or wounded birds or other chances for speciment procurement may arise, including of deserted nests or eggs. Hence, a salvage permit is needed for indeterminate numbers.

b. In addition, birds may be caught in duck or goose-trapping operations that would be subject to marking and banding, and in the future a program specifically with Mexican ducks may be initiated. Numbers not to exceed 200 per year in 1975–1977.

Research plans—Mexican ducks occur regularly in New Mexico in the lower Rio Grande Valley and in the southwest, north at least sporadically on the Mogollan Plateau. Survey work has already begun on these populations to determine range, numbers, movements, habitats, and other such data. In addition, interactions with mallards plus hybridity are also being monitored, particularly with the view of determining how extensive the interface is between the two forms and to attempt to identify those populations that are the best goals for management. Trapping of Mexican ducks was done for several years by the Department in Dona Ana County, and much experience in this procedure resides among its personnel.

Southern bald eagle. Permit requirements:

a. Occasional injured, incapacitated, or dead specimens have been procured, and this trend is likely to continue. A permit to possess, maintain, and analyze these specimens is needed, with the aim of rehabilitating injured birds and of determining the causes of death or disability and the subspecies identity of all birds (numbers indeterminate).

b. Rehabilitated birds will need to be marked and banded before release, and for this a permit is required. In addition, in the future the Department may embark on a capture program, in which measuring, aging, marking, and banding would be objectives. Captures not to exceed 100 birds per year in 1975–1977.

Research plans—From time to time injured or dead bald eagles are found, turned over to, or otherwise come into the hands of personnel of the Department. In order to gather data on subspecies and the biology of the species in New Mexico, these specimens need to be examined by members of the Department's Endangered Species Program, particularly with reference to determining sex and age and making measurements on the specimens. In the event that a salvageable injured bird is obtained, such studies can still be done at some appropriate time. Dead birds will be subsequently turned over to the U.S. Fish and Wildlife Service or other designated agent. In regard to injured birds that can be salvaged, the Department would turn such birds over to the U.S.F.W.S. or, preferably, to qualified caretakers until recovery is achieved. Recovered birds can be released into the wild by such caretakers or the U.S.F.W.S. In addition, concentrations of eagles occur on larger reservoirs and streams in the state, and a program of live-trapping, marking, and banding at such sites should yield valuable data.

American peregrine falcon. Permit requirements:

a. To allow importation from Colorado, New York, or other U.S. states the eggs, young, and adults of *anatum* peregrines for propagation purposes or for release into the wild. Numbers not to exceed 10 eggs and 20 birds per year in 1976 and 1977.

b. To allow the maintenance of captive breeding stock for propagation and release purposes.

c. To allow capture, marking, and banding of young and adult peregrines in New Mexico; typically these would be *anatum*, but *tundrius* may also occur. Numbers not to exceed 50 per year through 1975–1977.

d. To salvage injured or dead peregrines for scientific purposes, including (1) treatment of live birds and release if possible, and (2) autopsy and preservation of dead birds (numbers indeterminate).

Research plans—The Rocky Mountain—Southwest Peregrine Recovery Team and the Department contemplate programs to enhance reproductive success in wild peregrines through such methods as adding additional eggs or young to eyries for the parents to raise. Such eggs or young can be from captive or wild sources, with double-clutching the probable device in the latter case. Such manipulations are to be extremely closely controlled and monitored, and at no time would the entire wild population be subject to manipulation. In addition, carefully selected captive stock will be maintained for breeding purposes, both in New Mexico and elsewhere in the Rocky Mountain Southwest or other U.S. region. Eggs and progeny of this stock, to be rejuvenated by birds taken from the wild from time to time, will be used in restoration efforts involving wild populations. All of these birds would be subject to marking and banding, and a program may be initiated to capture, mark, and band other peregrines in the state. Finally, occasionally incapacitated birds are found in the wild, and these need the immediate attention of the Department when found.

Pecos gambusia. Permit requirements:

a. To allow for taking of specimens for taxonomic, food habit, growth, age, and other studies in the Pecos Valley. Numbers not to exceed 500 per year in 1975–1977.

b. To allow for taking of live specimens for aquarium and propagation studies, in numbers not to exceed 1000 per year in 1975–1977.

c. To allow for taking of live specimens to be marked and replaced for gathering of data on the biology of wild populations. Numbers not to exceed 2000 per year in 1975–1977.

d. To allow for capture of live specimens for release in other suitable areas in the native range of the species in New Mexico. Stock for release could also come from propagation sources outlined in (b) above. Capture not to exceed 2000 per year and release not to exceed 50,000 per year in 1975–1977.

Research plans: Investigations are currently underway in the Pecos River drainage to determine the distribution and numbers of all fish species, including the endangered Pecos gambusia. Specimen verification of the range of this species is needed particularly as *Gambusia affinis* is widespread there and is a potential source of confusion without such collections. In addition, life history data are needed on the species, including the marking of fish in the wild and the maintenance of others in captivity. This phase has also begun and progress is being made. Finally, propagation studies are anticipated with this species, which has the potential of being used for mosquito control. Hence, a release program could be undertaken, restoring the species to much of its native range in the state.

Gila topminnow. Permit requirements:

a. Voucher specimens to determine areas of occurrence may be needed, not to exceed 100 for preservation each year and 1000 for maintenance in captivity per year in 1975-1977.

b. In view of the likelihood that this species is extirpated in New Mexico, we anticipate a need to import specimens from Arizona, where there are several thriving populations. These specimens would be maintained for aquarium and propagation studies and for release into the native range of the species in New Mexico. Numbers not to exceed 10,000 per year imported each year in 1975–1977, with other figures indeterminate due to reproduction that will probably occur.

Research plans: This species was last collected in New Mexico at Frisco Hot Springs, San Francisco River, Catron Co., in 1955. Subsequent surveys have failed to disclose the species in either that river or the overall Gila system; however, the possibility exists that one or more populations still exist in the state, and voucher specimens would be necessary to verify this. In addition, wild stock should be taken into captivity to gather life history data and to attempt propagation of the species, which should aid in its restoration perhaps including into selected areas for mosquito control. Importation of Arizona specimens is a definite possibility if the species no longer persists in New Mexico.

Colorado River Squawfish. Permit requirements:

a. To capture, salvage, or maintain voucher specimens substantiating the continued occurrence of the species in the state. Numbers not to exceed 10 specimens captured per year in 1975–1977; numbers of salvaged or maintained specimens indeterminate.

Research plans: This species was last verified as occuring in New Mexico in 1965, in the San Juan drainage. It has never been reported in the Gila drainage in New Mexico, although it occurred farther west in Arizona. Surveys of both the streams are a continuing operation, and voucher specimens would be necessary for verification of the occurrence of the species, which when young closely resembles chubs of the genus *Gila*. In the past, fisherman and game-fishery surveys have yielded most New Mexico specimens, and these incidental sources are probably the most likely to yield records in the future in the state.

Gila trout. Permit requirements:

a. Voucher specimens are a continuing requirement to determine range, taxonomy, growth rate, age, and other factors in the Gila-like trout of southwestern New Mexico. Numbers not to exceed 20 per stream per year, with the aggregate not to exceed 500 fish per year in 1975–1976.

b. Captures for propagation, marking for release, and transplantation are an integral part of the recovery plan, and the most likely sources for large-scale captures are Main Diamond and Spruce creeks. Numbers not to exceed 2000 fish per year in 1975–1977.

c. Biological studies in Little Creek, to begin when present exotic brown trout are eliminated, a stream barrier erected, and Gila trout are introduced, will require extensive handling of Gila trout, including measuring, marking, and other studies (numbers indeterminate).

d. To probe the suitability of Gila trout as a fishery species, a simulated angling study of a segment of the Main Diamond Creek population is contemplated. Captured fish would be marked and largely released in the same area or elsewhere, with some being kept for preservation or captive work. Numbers not to exceed 500 fish per year in 1976–1977.

Research plans: At present Gila trout are known from Main and South Diamond, McKenna, Iron, McKnight, Sheep Corral, and Spruce creeks in New Mexico, all streams in the Gila National Forest or Wilderness. A complete survey of all trout waters has been undertaken by this Department and New Mexico State University, in conjunction with the U.S. Forest Service and other agencies and individuals. It is felt that such survey is basic to management efforts for this species, with emphasis on identifying what kinds of trout, if any, are present now in the study area. Future work is planned to include controlled transplanting and detailed followup study of Gila trout in Little Creek, probably in 1976.

Propagation work is also a future goal and will probably be carried out at the Glenwood Hatchery, a Department facility devoted to trout-rearing. In addition, it is felt that the suitability of Gila trout for supporting a sport fishing needs to be probed, and this could be done by a study simulating angling on a segment of the large population in Main Diamond Creek. Fish would be largely marked and released, but some would be retained. A major aim would be to probe methods of arriving at population structures that avoid stunting and offer sustained yields, while at the same time maintaining a viable population of this endangered species.

All of these activities will be under the direct supervision and control of the Department's Endangered Species Program, which is represented along with the above named agencies on a functioning interim recovery team for the Gila trout.

Documents and other information submitted in connection with this application are available for public inspection during normal business hours at the Service's office in Suite 600, 1612 K Street, N.W., Washington, D.C.

Interested persons may comment on this application by submitting written data, views, or arguments, preferably in triplicate, to the Director (FWS/LE), U.S. Fish and Wildlife Service, Post Office Box 19183, Washington, D.C. 20036. All relevant comments received on or befort January 9, 1976 will be considered.

Dated: December 4, 1975.

C. R. BAVIN,
Chief, Division of Law Enforcement, U.S. Fish and Wildlife Service.

[FR Doc.75-33271 Filed 12-9-75;8:45 am]

Geological Survey

[Revision of OCS Order No. 8]

PLATFORMS, STRUCTURES, AND ASSOCIATED EQUIPMENT

Gulf of Mexico Area

A proposed revision to OCS Order No. 8, "Platforms, Structures, and Associated Equipment," was published in the FEDERAL REGISTER on June 3, 1974, with a solicitation for comments. In addition, a further revision of the Order was published on January 21, 1975, and a public meeting held on February 25, 1975, to discuss the technical aspects of the proposed revisions. All comments received from these solicitations have been considered and included in the proposed Order as appropriate.

Inasmuch as the latest proposed revision of Order No. 8 has been modified to some extent from the earlier versions, it is believed that an additional comment period should be offered. In particular, the Geological Survey is interested in receiving comments on the use of the Recommended Practice developed by a

committee of the American Petroleum Practice for Analysis, Design, Installation, and Testing of Basic Surface Safety Systems on Offshore Production Platforms." This document has been reviewed by a subpanel of the Marine Board of the Assembly of Engineering of the National Research Council which recommended its use. The Geological Survey has found the document to be applicable to the design of production facilities on off-shore platforms with certain modifications. The necessary modifications are included in OCS Order No. 8.

Interested persons may submit written comments and suggestions to the Director, U.S. Geological Survey, National Center, 12201 Sunrise Valley Drive, Reston, Virginia 22092, by January 5, 1976.

W. A. RADLINSKI,
Acting Director.

OCS ORDER NO. 8

Effective (Date) _____

PLATFORMS, STRUCTURES, AND ASSOCIATED EQUIPMENT

This order is established pursuant to the authority prescribed in 30 CFR 250.11 and in accordance with 30 CFR 250.19(a). Section 250.19(a) provides as follows:

(a) The supervisor is authorized to approve the design, other features, and plan of installation of all platforms, fixed structures, and artificial islands as a condition of the granting of a right of use or easement under Paragraphs (a) and (b) of § 250.18 or authorized under any lease issued or maintained under the Act.

The operator shall be responsible for compliance with the requirements of this Order in the installation and operation of all platforms and structures, including all facilities installed on a platform or structure, whether or not operated or owned by the operator. All departures from the requirements specified in this Order shall be subject to approval pursuant to 30 CFR 250.12(b). *All applications for approval under the provisions of this Order shall be submitted to the appropriate District Supervisor.* References in this Order to approvals, determinations, or requirements are to those given or made by the Area Oil and Gas Supervisor or his delegated representative.

Following approval of applications, installations and operations shall be performed as approved. If deemed advisable, changes to approved applications may be proposed; however, approval of such proposals shall be required prior to implementation.

The following requirements are applicable to all platforms and structures approved and installed subsequent to the effective date of the Order. When structural or equipment modifications to existing platforms and structures are proposed, only requirements relevant to the modifications shall be applicable.

I. *Platform Design.* A. *General Design.* A platform or structure shall be designed for safe installation and operation for its intended use and service life at a specific site. Steel structures shall be designed in accordance with those provisions of API RP 2A, "Planning, Designing and Constructing Fixed Offshore Platforms," January 1975. The design of structures other than steel shall be evaluated on an individual basis. Consideration shall be given to conditions which may contribute to structural damage such as:

(1) Wind, wave, and current forces and other environmental loading forces.

(2) Functional loading conditions including the weight of the structure and all permanently fixed equipment, and the effects of static and dynamic functional load conditions during installation and the design operational service period.

(3) Water depth, bottom topography, surface and subsurface soil conditions, slope stability, scour conditions, and other pertinent geologic conditions based on information from on-site investigations.

2. *Application.* Prior to installation of a fixed platform or structure, *the operator shall submit for approval,* in duplicate, an application showing essential features of the platform or structure and supporting design information as follows:

A. *General Information.* (1) Identification data, which shall include the platform or structure designation, lease number, area name, block number, and operator.

(2) Location data, including plat showing the distance from the nearest two block lines.

(3) Primary use and other intended functions, including planned drilling, production, and storage operations.

(4) Personnel facilities, personnel access to living quarters, boat landings, and heliports.

(5) A description of each planned phase of operation, including simultaneous operations for the service life of the platform or structure.

(6) Drawings and plats to clearly illustrate essential parts, including number and location of well slots, water depth, nominal size and thickness of jacket and deck column legs, nominal size, thickness, and design penetration of piling.

(7) A description of the method of corrosion protection.

B. *Environmental Information.* (1) List of pertinent environmental data which have a bearing on the installation, operation, or design of the platform or structure, including wave height, current, wind velocity, water depth, storm and astronomical tide data, and factors considered in subparagraph 1.A.(3).

(2) Listing of total design functional loads and wind, wave, and current forces for the following approaches: longitudinal, transverser, and diagonal.

C. *Foundation.* (1) A listing on on-site investigations and tests, including the results.

(2) A description of foundation loads for environmental and functional forces listed in subparagraphs 2.B(1) and (2).

(3) In areas susceptible to soil movement, an analysis of slope and soil stability in relation to the foundation design loads.

D. *Installation.* Procedures for installation of the platform or structure shall be submitted. The recommendations contained in API RP 2A, "Planning, Designing, and Constructing Fixed Offshore Platforms," January 1975, are acceptable.

E. *Exception to Supporting Design Information Submittal.* The following information shall be developed and utilized in platform design; however, *submittal with the construction application is not required.* This information shall be made available to the appropriate District Supervisor upon his request.

(1) A description of the critical design loading and design criteria, taking into consideration maximum environmental and operational loading conditions expected over the service life of the platform or structure. This shall include those conditions considered under subparagraphs 1.A (1), (2), and (3) above.

(2) For steel structures, a description of the materials, specifications, strength analyses, and allowable stresses over the service life.

The recommendations of API publications API RP 2A, "Planning, Designing, and Constructing Fixed Offshore Platforms," January 1975, are acceptable practice concerning subparagraphs (1) and (2) above.

(3) For concrete structures, a description of the materials, specification, and strength and serviceability requirements and analyses of the reinforcing systems.

3. *Certification.*

A. Detailed structural plans certified by a registered professional engineer shall be on file and maintained by the operator or his designee.

B. The following certifications, signed and dated by a company representative, shall accompany the application:

(1) "(Operator) certifies that this platform has been certified by a registered professional engineer and the structure will be constructed, operated, and maintained as described in the application and any approved modification thereto. Certified Plans are on file at _____."

(2) Certification that the mechanical and electrical systems of the facility will be designed and installed under the supervision of a registered professional engineer. Maintenance of these systems will be by qualified personnel.

4. *Design, Installation, and Operational Features of Production Facilities.* A. All production facilities, including separators, treaters, compressors, headers, and pipelines, shall be designed, installed, and maintained in a manner which will facilitate efficient, safe, and pollution-free operation.

B. As soon as practicable, but not later than three months after the effective date of this Order, new platform production facilities shall be protected with a basic and ancillary surface safety system designed, analyzed, installed, tested, and maintained in operating condition in accordance with the provisions of API RP 14C "Analysis, Design, Installation, and Testing of Basic Surface Safety Systems on Offshore Production Platforms," June 1974, as amended November 1975, and the additional requirements of this Order. For this application, the words "should" contained in API RP 14C shall be read "shall" except for those contained in explanatory statements, paragraphs 3.4(c), page 11 and 4.3(4)(a)–(f), pages 19–20. In the event that processing components are to be utilized other than those for which Safety Analysis Tables (SAT's) and Safety Analysis Checklists (SAC's) are included in API RP 14C, the analysis technique and documentation specified therein shall be utilized to determine the effects and requirements of such components upon the safety system.

Operators may utilize the options contained in API RP 14C during Safety Systems Design; however, options selected and depicted on the schematic flow diagram and Safety Analysis Function Evaluation (SAFE) Chart are subject to approval by the appropriate District Supervisor.

C. Prior to installation, *the operator shall submit for approval,* in duplicate, information relative to design and installation features, as indicated in subparagraphs (1) through (6) below. This information shall also be maintained at the operator's onshore field engineering office.

(1) A flow schematic showing size, capacity, and design working pressure of separators, treaters, storage tanks, compressors, pipeline pumps, and metering devices.

(2) A schematic flow diagram (Reference API RP 14C, Example Figure E1, page 79) and the related Safety Analysis Function Evaluation (SAFE) Chart (Reference API RP 14C, paragraph 4.3(C), page 20.) These shall be developed with consideration of the pro-

visions of API RP 14C and the additional requirements of this Order.

(3) A schematic piping diagram showing the size and design working pressure with reference to welding specification(s) or code(s) used.

(4) A diagram of the fire-fighting system.

(5) Electrical system information including the following:

(a) Plan view of each platform deck outlining any nonhazardous area; i.e., areas which are unclassified with respect to electrical equipment installations, and areas in which potential ignition sources, other than electrical, are to be installed. The area outline should include the following information:

(i) Any surrounding production or other hydrocarbon source and a description of deck, overhead, and firewall.

(ii) Location of generators, control rooms, panel boards, major cabling—conduit routes and identification of wiring method.

(b) Elementary electrical schematic of any platform safety-shutdown system with functional legend.

(6) An application for the installation and maintenance of all gas detection systems. The application shall include the following:

(a) Type, location, and number of detection heads.

(b) Type and kind of alarm, including emergency equipment to be activated.

(c) Method used for detection of combustible gases.

(d) Method and frequency of calibration.

(e) Name and qualifications of organization or personnel to be perform system inspection and calibration.

(f) A functional block diagram of the gas detection system, including the electric power supply.

(g) Other pertinent information.

D. *Additional Safety and Pollution Control Requirements.* The following requirements modify, or are in addition to, those contained in API RP 14C. For platforms *installed after the effective date of this Order* compliance is required as soon as practicable, but not later than three months after the effective date. Operators of platforms and structures *installed prior to the effective date of this Order* shall comply with these requirements at the earliest practicable date, but not later than one year from the effective date, unless otherwise specified herein.

(1) *Design and Installation.* (a) *Pressure Vessels.*

(i) In addition to the protection specified in API RP 14C, Section A.4.2.b(1)(a), (b) (part), and (c), page 34, hydrocarbon-handling pressure vessels other than separators and pressure or surge tanks shall be equipped with high- and low-liquid level shut-in controls.

(ii) Pressure relief valves shall be designed, installed, and maintained in accordance with applicable provisions of Sections I, IV, and VIII of the ASME Boiler and Pressure Vessel Code, July 1, 1974. All relief valves and vents shall be piped in such a way as to minimize the possibility of fluid striking personnel or ignition sources.

(iii) Steam generators shall be equipped with low-water-level controls in accordance with applicable provisions of Sections I and IV of the ASME Boiler and Pressure Vessel Code, July 1, 1974.

(iv) All relief valves shall be set to start relieving at the design working pressure of the vessel and shall be sized to prevent the pressure from rising more than 10 percent above the design working pressure of the vessel or as otherwise provided by Section VIII of the ASME Boiler and Pressure Vessel Code, July 1, 1974. The high-pressure shut-in sensor shall activate sufficiently below the design working pressure to positively insure operation before the relief valve starts relieving. The low-pressure shut-in sensor shall activate no lower than 15 percent or 5 psi, whichever is greater, below the lowest pressure in the operating range.

(v) Pressure sensors may be of the automatic or nonautomatic reset type, but where the automatic reset types are used, a nonautomatic reset relay shall be installed. All pressure sensors shall be equipped to permit testing with an external pressure source.

(vi) All pressure or fired vessels used in the production of oil or gas, installed after the effective date of this Order, shall conform to the requirements stipulated in the edition of the ASME Boiler and Pressure Vessel Code, Sections I, IV, and VIII, as appropriate, in effect at the time the vessel is installed. Uncoded vessels now in use shall have been hydrostatically tested to a pressure 1.5 times their normal working pressure. The test date, test pressure, and working pressure shall, within six months after the effective date of this Order, be marked on the vessel in a prominent place. A record of the test shall be maintained by the operator.

(b) *Flowlines.* (i) All flowlines from wells shall be equipped with high- and low-pressure shut-in sensors located downstream of the well choke. If there is more than 10 feet of line between the wellhead wing valve and the primary choke, an additional low-pressure shut-in sensor shall be installed in this section. The high-pressure shut-in sensor shall be set no higher than 10 percent above the highest operating pressure of the line, but in all cases, it shall be set sufficiently below the maximum shut-in pressure of the well or the gas-lift supply pressure to assure actuation of the surface safety valve. The low-pressure shut-in sensor shall be set no lower than 10 percent or 5 psi, whichever is greater, below the lowest operating pressure of the line in which it is installed.

(ii) In the event a well flows directly to the pipeline before separation, the flowline and valves from the well located upstream of, and including the header inlet valve(s), shall be able to withstand the maximum shut-in pressure of the well, unless 1: protected by a relief valve connected to either the platform flare scrubber or some other approved location other than into the departing pipeline, or 2: the flowline is equipped with an additional automatic shutdown valve controlled by an independent high-pressure sensor. The platform flare scrubber shall be designed to handle, without liquid hydrocarbon carryover to flare, the maximum anticipated flow of liquid hydrocarbons which may be relieved to the vessel.

(c) *Remote Shut-in Systems.* (i) Remote shut-in controls shall be quick-opening valves, except those on the boat landing(s), which may be a plastic loop.

(d) *Engine Exhausts.* (i) All engine exhausts with temperatures greater than 400°F. (205°C.) shall be insulated and piped away from fuel sources. Exhaust piping from diesel engines shall be equipped with spark arrestors.

(e) *Glycol Dehydration Units.* (i) A hydrocarbon separator shall be installed in the glycol return line on all glycol dehydration units.

(f) *Compressors.* (i) Each compressor installation existing as of the effective date of this Order shall be protected by high-liquid-level shut-in controls and a pressure relief valve installed on each interstage scrubber. High-temperature shutdown controls shall be installed on the compressor cylinders unless interstage scrubbers are protected by high- and low-pressure shut-in controls.

All compressor installations initiated as of the effective date of this Order shall be protected by high- and low-pressure and high-liquid-level shut-in controls and a pressure relief valve installed on each interstage scrubber.

All compressor interstage scrubbers shall be protected by low-liquid-level shut-in controls unless dump is through a choke restriction to another pressure vessel.

(ii) In addition to the provisions of API RP 14C, paragraphs A8.3a and A8.3d, high- and low-pressure shut-in sensors and low-liquid-level shut-in controls protecting compressors suction and discharge piping and associated suction and interstage scrubbers shall be designed to actuate automatic isolation valves located in each compressor suction and fuel gas line so that the compressor unit and associated vessels can be isolated from all input sources.

For compressors installed after the effective date of this Order, those compressor units installed in a building shall have the isolation valves located outside the building. Each suction and interstage high-liquid-level shut-in control shall, as a minimum, be designed to shut down the compressor prime mover.

As an alternative, low-liquid-level shut-in control(s) installed in suction and interstage scrubber(s) may be designed to actuate automatic shutoff valve(s) installed in the scrubber dump line(s).

(iii) Compressor installations of 1,000 horsepower or less are excluded from those requirements of API RP 14C, A8.3d, page 54, which provide for installation of a blowdown valve on the discharge line.

(iv) Compressor installations existing prior to the effective date of this Order, and which are installed in a building, are excluded from the requirement of API RP 14C, A8.3b, which prescribes that the check valve be located outside of the building.

(v) The automatic isolation valves installed in compressor suction and fuel gas piping shall also be actuated by shutdown of the prime mover.

(g) *Curbs, Gutters, and Drains.* (i) Curbs, gutters, and drains shall be installed in all deck areas in a manner necessary to collect all contaminants, unless drip pans or equivalent are placed under equipment and piped to a sump which will automatically maintain the oil at a level sufficient to prevent discharge of oil into Gulf waters. Sump piles or open-ended sumps shall be used to collect only produced water and liquids from drip pans and deck drains.

(h) *Fire-fighting Systems.* (i) A fire-fighting water system of rigid pipe with fire hose stations shall be installed and may include a fixed water spray system. Such a system shall be installed in a manner necessary to provide needed protection in areas where production-handling equipment is located. A fire-fighting system using chemicals may be used in lieu of a water system if determined to provide equivalent fire protection control.

An alternate fuel or power source shall be installed to provide continued pump operation for the system during platform shutdown, unless an alternate fire-fighting system is provided.

Portable fire extinguishers shall be located in the living quarters and other strategic areas.

A diagram of the fire-fighting system showing the location of all equipment shall be posted in a prominent place on the platform or structure.

(i) *Gas Detection System.* (i) A diagram of the gas detection system showing the location of all gas detection points shall be posted in a prominent place on the platform or structure.

(ii) All gas detection systems shall be capable of continuously monitoring for the presence of combustible gas in the areas in which the detection devices are located. The

gas detector power supply shall be from a continually energized power source.

(iii) The use of fuel gas odorant is an acceptable alternate to an automatic gas detection and alarm system in enclosed, continuously manned areas of the facility.

(j) *Electrical Equipment.* The following requirements shall be applicable to all electrical equipment and systems installed:

(i) All engines shall be equipped with a low-tension ignition system of a low-fire-hazard type and shall be designed and maintained to minimize release of sufficient electrical energy to cause ignition of an external combustible mixture.

(ii) All electrical generators, motors, and lighting systems shall be installed, protected, and maintained in accordance with the edition of the National Electrical Code and API RP 500 B in effect at the time of installation.

(iii) Wiring methods which conform to the National Electrical Code or to IEEE 45, "Recommended Practice for Electric Installations on Shipboard," in effect at the time of installation, are acceptable.

(iv) An auxiliary power supply shall be installed to provide emergency power capable of operating all electrical equipment required to maintain safety of operations in the event of a failure in the primary electrical power supply.

(k) *Erosion.* A program of erosion control shall be in effect for wells having a history of sand production. The erosion control program may include sand probes, X-ray, ultrasonic, or other satisfactory monitoring methods. An annual report, by lease, on the results of the program shall be submitted by the first of September to the appropriate District Supervisor.

(2) *Operations.* (a) Any device on wells, vessels, or flowlines temporarily out of service shall be flagged. Safety devices and systems on wells which are capable of producing shall not be bypassed or blocked out of service unless necessary during start-up or maintenance operations and then only with personnel on duty aboard the platform.

(b) When wells are disconnected from producing facilities and blind flanged or equipped with a tubing plug, compliance is not required with provisions of API RP 14C and of this Order concerning (a) installation of automatic fail-close surface safety valves on wellhead assemblies, (b) installation of high- and low-pressure shut-in sensors downstream of the well choke in flowlines from wells, and (c) installation of check valves in header individual flowlines. All open-ended lines connected to producing facilities shall be plugged or blind-flanged.

(c) *Simultaneous Operations.* Prior to conducting activities, simultaneously with production operations, which could increase the possibility of occurrence of undesirable events such as harm to personnel or to the environment, or damage to equipment, *an operator's Contingency Plan shall be filed for approval* by the appropriate District Supervisor. The plan shall be filed within 90 days after the effective date of this Order. Activities requiring the plan are drilling, workover, wireline, and major construction operations. The plan shall include:

(i) A narrative description of operations.

(ii) Schematic plans showing areas of activities.

(iii) Identification of critical areas of simultaneous activities.

(iv) Procedures for mitigation of potential undesirable events including:

(a) The guidelines the operator will follow to assure coordination and control of simultaneous activities.

(b) Indication as to the person having overall responsibility, as person in charge at the site, for safety of platform operations.

(c) An outline of any additional safety measures that are required for simultaneous operations.

(d) Specification of any added or special equipment or procedural conditions imposed when simultaneous activity is in progress.

(d) *Welding Practices and Procedures.* The following requirements shall apply to all platforms and structures, including mobile drilling and workover structures. These requirements shall apply to fixed structures after the drilling out of the drive or structural casing for the first well drilled on the structure, entry into a well to be tied back to the structure, or first flow of combustible fluids to the structure. The period of time during which these requirements are considered applicable to mobile drilling structures is the interval from the drilling out of the drive or structural casing until the blowout-preventer stack and riser are pulled in the final abandonment, suspension, or completion. These requirements shall apply to workover rigs when such rigs are performing remedial work on any wells open to hydrocarbon-bearing zones.

For the purpose of this Order, the term "welding and burning" is defined to include arc or acetylene cutting and arc or acetylene welding.

Each operator shall file for approval by the appropriate District Supervisor a Welding and Burning Safe Practices and Procedures Plan. The plan shall be filed within 90 days after the effective date of this Order and shall include company qualification standards or requirements for personnel and the methods by which the operator will assure that only personnel meeting such standards or requirements are utilized. A copy of this plan shall be available in the field. Any person designated as a welding supervisor shall be thoroughly familiar with this plan.

Prior to welding or burning operations, the operator shall establish approved safe welding areas. Such areas shall be constructed of noncombustible or fire-resistant materials free of combustible or flammable contents and be suitably segregated from adjacent areas. National Fire Protection Association Bulletin No. 51B, "Cutting and Welding Processes," 1971, shall be used as a guide to designate these areas. All welding which cannot be done in the approved safe welding area shal be performed in compliance with the procedures outlined below:

(i) Such welding and burning as are necessary on a structure shall adhere to the following practices:

(a) Prior to the commencement of any welding or burning operations on a structure, the operator's designated welding supervisor at the installation shall personally inspect the qualifications of the welder or welders to assure that they are properly qualified in accordance with the approved company qualification standards or requirements for welders. The designated welding supervisor and welders shall personally inspect the area in which the work is to be performed for potential fire and explosion hazards. After it has been determined that it is safe to proceed with the welding or burning operation, the welding supervisor shall issue a written authorization for the work.

(b) All welding equipment shall be inspected prior to beginning any welding or burning. Welding machines located on production or process platforms shall be equipped with spark arrestors and drip pans. Welding leads shall be completely insulated and in good condition; oxygen and acetylene bottles secured in a safe place; and hoses leak-free and equipped with proper fittings, gauges, and regulators.

(c) During all welding and burning operations, one or more persons as necessary shall be designated as a Fire Watch. Persons assigned as a Fire Watch shall have no other duties while actual welding or burning operations are in progress.

(d) Prior to any welding or burning, the Fire Watch shall have in his possession fire-fighting equipment in a condition ready to use.

(e) No welding shall be done on containers, tanks, or other vessels which have contained a flammable substance unless the contents of the vessels have been rendered inert and determined to be safe for welding or burning by the designated welder supervisor.

(f) In the event drilling, workover, or wireline operations are in progress on the platform, welding operations in other than approved safe welding areas may be conducted only if the well(s) on which work is being done contain noncombustible fluids, and entry of formation hydrocarbons into the wellbore is precluded by a positive overbalance toward the formation. Also, all other provisions of this section shall be applicable.

(g) All other producible wells shall be shut-in at the surface safety valves while welding or burning in the well-head or production area.

(3) *Testing.* The safety system devices required by this Order shall be tested by the operator at the interval specified below or more frequently if operating conditions warrant. Records shall be maintained at the field office for a period of one year, showing the present status and component history of each device, including dates and details of inspection, testing, repairing, adjustment, and reinstallation. Such records shall be available to any authorized representative of the Geological Survey. Records shall be analyzed, equipment or system problems areas identified, and action taken to preclude recurrence of problems.

Testing and reporting shall be accomplished in accordance with API RP 14C, Appendix D, and the following:

(a) All pressure relief valves shall be tested for operation annually. Pressure relief valves shall be either bench-tested or equipped to permit testing with an external pressure source.

(b) All pressure sensors shall be tested at least once each calendar month, but at no time shall more than six weeks elapse between tests.

(c) All automatic wellhead safety devices and check valves on all flowlines shall be checked for operation and holding pressure once each calendar month, but at no time shall more than six weeks elapse between tests. If any wellhead safety valve indicates leakage, it shall be reparied or replaced.

(d) All liquid-level shut-in controls shall be tested at least once within each calendar month, but at no time shall more than six weeks elapse between tests. These tests shall be conducted by raising or lowering the liquid level across the level-control detector.

(e) All automatic inlet shutoff vales actuated by a sensor on a vessel or a compressor shall be tested for operation at least once within each calendar month, but at no time shall more than six weeks elapse between tests.

(f) All automatic shutoff valves located in liquid discharge lines and actuated by vessel low-level sensors shall be tested for operation once within each calendar month, but at no time shall more than six weeks elapse between tests.

(g) The high-temperature shutdown controls installed in all compressors which are protected against abnormal pressures solely by such temperature safety devices shall be tested annually and repaired or replaced as necessary.

(h) All pumps for fire-fighting water systems shall be inspected and test-operated

weekly. A record of the tests shall be maintained at the field office for a period of one year.

(i) The Automatic Gas Detection System shall be tested for operation and recalibrated every six months.

(4) *Training.* Not later than two years after the effective date of this Order, the operator shall ensure that all personnel engaged in installing, inspecting, testing, and routinely maintaining these safety devices will have been qualified under a program as recommended by API RP T-2, September 1974, amended November 1975, or an equivalent program, *approved by the Geological Survey.* Documented evidence of qualification of individuals performing these functions shall be maintained at the work site and shall be available to any authorized representative of the Geological Survey.

Not later than one year after the effective date of this Order, *the operator shall submit for approval,* a description of the training to be conducted and the methods the operator will utilize to ensure that only persons qualified as above perform these functions. The description shall include:

(a) The operator organizational element responsible for training and to interface with the Geological Survey in training program matters.

(b) Categories of personnel to be qualified.

(c) Training organizations and courses to be utilized.

(d) Method for ensuring qualification of third-party personnel, if utilized.

(e) Method for determining when additional training or requalification is required and for obtaining same.

(f) Method of monitoring operations to ensure that only qualified personnel perform functions.

(g) Method of maintaining documented evidence of qualification at work site.

5. *Crane Operations.* Cranes shall be operated and maintained in a manner necessary to ensure the safety of facility operations in accordance with the provisions of API RP 2D, "Operation and Maintenance of Offshore Cranes," October 1972.

Records of inspection, testing, and maintenance shall be kept in the field office for a period of one year.

API Specification 2C, "Specification for Offshore Cranes," February 1972, shall be used as a guideline for the selection of cranes to be used offshore.

6. *Employee Orientation and Motivation Programs for Personnel Working Offshore.* The operator shall make a planned, continuing effort to eliminate accidents due to human error. This effort shall include the training of personnel in operational aspects of their functions and a program to instill in each individual working offshore a conscious desire to achieve safe and pollution-free operations. Minimum training of personnel going offshore for the first time shall include an orientation per API RP T-1, "Orientation Program for Personnel Going Offshore the First Time," January 1974, or equivalent. API Bulletin T-5, "Employee Motivation Programs for Safety and Prevention of Pollution in Offshore Operations," September 1974, shall be used as a guide in developing employee safety and pollution-prevention motivation programs.

7. *Requirements for Drilling Rigs.* The requirements of subparagraphs 4.D.(1)(g), 4.D.(1)(j), 4.D.(2)(d), and paragraphs 5. and 6. above shall apply to all drilling rigs used to conduct drilling or workover operations on Federal leases in the Gulf of Mexico.

D. W. SOLANAS,
Oil and Gas Supervisor,
Field Operations,
Gulf of Mexico Area.

APPROVED:

RUSSELL G. WAYLAND,
Chief, Conservation Division.

[FR Doc.75-33173 Filed 12-9-75;8:45 am]

[Revision of OCS Order No. 7]

POLLUTION AND WASTE DISPOSAL

Gulf of Mexico Area

By Notice in the FEDERAL REGISTER dated December 3, 1974, (39 FR 41877) comments were solicited on a proposed revision of OCS Order No. 7, Pollution and Waste Disposal, for the Gulf of Mexico Area. As a result of these comments and additional input from field office personnel of the Geological Survey, a modified revision of this Order is now proposed and included herein.

The proposed revision reflects developments in pollution control and is cross referenced with a revision of OCS Order No. 8, Platforms, Structures, and Associated Equipment. Waste disposal standards which were formerly included in OCS Order No. 8 are now appropriately included in OCS Order 7. Interested persons may submit written comments and suggestions to the Director, U.S. Geological Survey, National Center, 12201 Sunrise Valley Drive, Reston, Virginia 22092, on or before January 5, 1976. Comments will be considered and included in the final version of the Order as appropriate.

W. A. RADLINSKI,
Acting Director.

[OCS Order No. 7]

Effective

POLLUTION AND WASTE DISPOSAL

This Order is established pursuant to the authority prescribed in 30 CFR 250.11 and in accordance with 30 CFR 250.43. The operator shall comply with the following requirements. All departures from the requirements specified in this Order shall be subject to approval pursuant to 30 CFR 250.12(b).

1. *Pollution Prevention.* In the conduct of all oil and gas operations, the operator shall prevent pollution of the Gulf. Furthermore, the disposal of waste materials into the Gulf shall not create conditions which will adversely affect the public health, life or property, aquatic life or wildlife, recreation, navigation, or other uses of the Gulf.

A. *Liquid Disposal.* (1) Drilling mud containing oil shall not be disposed of into the Gulf.

(2) The operator shall submit with the Application for Permit to Drill (Form 9-331C) a detailed list of drilling mud constituents and their concentrations, including the chemical composition of trade name components, and a list of the drilling mud additives which might be used to meet special drilling requirements. Drilling mud containing toxic substances shall be neutralized prior to disposal.

(3) Curbs, gutters, and drains on platforms and structures shall be installed and maintained in accordance with the provisions of OCS Order No. 8.

(4) Produced waste water disposal systems shall be designed and maintained so that the oil content of the effluent shall meet applicable requirements promulgated by the Environmental Protection Agency pursuant to the Federal Water Pollution Control Act as amended.

(a) A copy of the results of all analyses submitted to the Environmental Protection Agency shall be similarly submitted to the Area Supervisor, and a copy of the most recent analysis shall be maintained at the discharge site or field production headquarters and be available for inspection by Geological Survey personnel.

(b) Should an analysis indicate that the effluent does not meet the above requirements, corrective action shall be taken immediately. Approval to continue operations to aid in the identification and remedy of the problem shall be obtained from the Area Supervisor. Such approval shall be contingent upon submittal of a follow-up report to the Area Supervisor within 10 days.

(5) The disposal of produced waste water other than into the Gulf shall have the method and location approved by the Area Supervisor.

B. *Solid Waste Disposal.* (1) Drill cuttings, sand, and other solids containing oil shall not be disposed of into the Gulf unless all of the free oil has been removed.

(2) Mud containers and other solid waste materials shall be incinerated or transported to shore for disposal in accordance with Federal, State, or local requirements.

(3) All sewage shall be treated so that effluent shall meet applicable requirements promulgated by the Environmental Protection Agency pursuant to the Federal Water Pollution Control Act as amended.

(a) A copy of the results of all analyses submitted to the Environmental Protection Agency shall be similarly submitted to the Area Supervisor, and a copy of the most recent analysis shall be maintained at the discharge site or field production headquarters and be available for inspection by Geological Survey personnel.

(b) Should an analysis indicate that the effluent does not meet the above requirements, corrective action shall be taken immediately. Approval to continue operations to aid in the identification and remedy of the problem shall be obtained from the Area Supervisor. Such approval shall be contingent upon submittal of a follow-up report to the Area Supervisor within 10 days.

2. *Personnel, Inspections, and Reports.* A. *Personnel.* The operator's personnel shall be thoroughly instructed in the techniques of equipment maintenance and operation for the prevention of pollution. Nonoperator personnel shall be informed in writing, prior to executing contracts, of the operator's obligations to prevent pollution.

B. *Pollution Inspections.* (1) Manned facilities shall be inspected daily.

(2) Unattended facilities, including those equipped with remote control and monitoring systems, shall be inspected at frequent intervals. The district supervisor may prescribe the frequency of inspections for these facilities.

(3) All production facilities, such as separators, tanks, treaters, and other equipment shall be such as are necessary to control the maximum anticipated pressures and production of oil and gas. Maintenance or repairs as are necessary to prevent pollution of the Gulf shall be undertaken immediately.

C. *Pollution Reports.* All pollution reports required shall be submitted on Form 9–1880, entitled, *Pollution Report.* (1) All spills of oil and liquid pollutants shall be recorded showing the cause, size of spill, and action taken, and the record shall be maintained and available for inspection by the District Supervisor. All spills of less than 2.4 cubic metres (15 barrels) shall be reported orally to the District Supervisor within 12 hours and shall be confirmed in writing.

(2) All spills of oil and liquid pollutants of 2.4 to 7.9 cubic metres (15 to 50 barrels) shall be reported orally to the District Supervisor immediately and shall be confirmed in writing.

(3) All spills of oil and liquid pollutants of a substantial size or quantity, which is defined as more than 7.9 cubic metres (50 barrels), and those of any size or quantity which cannot be immediately controlled, shall be reported orally without delay to the District Supervisor, the Coast Guard, and the Regional Administrator, Environmental Protection Agency. All oral reports shall be confirmed in writing.

(4) Operators shall notify each other upon observation of equipment malfunction or pollution resulting from another's operation.

3. *Pollution Control Equipment and Oil Spill Contingency Plan. A. Equipment.* Standby pollution control equipment and materials shall be maintained by, or shall be available to, each operator at an offshore or onshore location. This shall include containment booms, skimming apparatus, clean-up materials and chemical agents, and shall be available prior to the commencement of operations. No chemicals shall be used without prior approval of the Area Supervisor. The equipment and materials shall be inspected monthly and maintained in good condition for use. The results of the inspections shall be recorded and maintained at the site.

B. *Oil Spill Contingency Plan.* The operator shall submit an oil spill contingency plan for approval by the Area Supervisor before consideration can be given to approval of an application for permit to conduct operations. This plan shall contain the following:

(1) Provisions to assure that full resource capability is known and can be committed during an oil discharge situation including the identification and inventory of applicable equipment, materials, and supplies which are available locally and regionally, both committed and uncommitted, and the time required for deployment.

(2) Provisions for varying degrees of response effort depending on the severity of the oil discharge.

(3) Establishment of notification procedures for the purpose of early detection and timely notification of an oil discharge including a current list of names, telephone numbers, and addresses of the responsible persons and alternates on call to receive notification of an oil discharge, as well as the names, telephone numbers, and addresses of regulatory organizations and agencies to be notified when an oil discharge is discovered.

(4) Provisions for well defined and specific actions to be taken after discovery and notification of an oil discharge including:

(a) Specification of an oil discharge response operating team consisting of trained, prepared and available operating personnel.

(b) Predesignation of an oil discharge response coordinator who is charged with the responsibility and delegated commensurate authority for directing and coordinating response operations.

(c) A preplanned location for an oil discharge response operations center and a reliable communications system for directing the coordinated overall response operations.

4. *Spill Control and Removal.* Immediate corrective action shall be taken in all cases where pollution has occurred. Corrective action taken under the Oil Spill Contingency Plan shall be subject to modification when directed by the Area Supervisor. The primary jurisdiction to require corrective action to abate the source of pollution and to enforce the subsequent clean-up by the lessee or operator shall remain with the Area Supervisor pursuant to the provisions of this Order and the memorandum of understanding between the Department of Transportation (U.S. Coast Guard) and the Department of the Interior (U.S. Geological Survey) dated August 16, 1971.

5. *Annual Contingency Plan.* Annual contingency plan assessments will be conducted in conjunction with Plan of Development review. Upon request of the Area Supervisor, revised contingency plans reflecting changes in personnel, equipment, and methods shall be submitted.

D. W. SOLANAS,
Area Oil and Gas Supervisor.

Approved:

RUSSELL G. WAYLAND,
Chief, Conservation Division.

[FR Doc.75-33172 Filed 12-9-75;8:45 am]

DEPARTMENT OF AGRICULTURE

Forest Service

COOPERATIVE GYPSY MOTH SUPPRESSION AND REGULATORY PROGRAM 1976 ACTIVITIES

Draft Environmental Statement

Pursuant to Section 102(2)(C) of the National Environmental Policy Act of 1969, the Forest Service, and Animal and Plant Health Inspection Service, Department of Agriculture, have prepared a Draft Environmental Statement for 1976 Activities which is an addendum to the 1974 Final Environmental Statement on the Cooperative Gypsy Moth Suppression and Regulatory Program, USDA–FS–APHIS (Adm.) 76–04.

The Draft Environmental Statement concerns a cooperative suppression program with the States of Pennsylvania, New York, New Jersey and Rhode Island to treat approximately 416,200 acres of high-value forest land. Two insecticides will be used. Some areas will be treated with carbaryl and some with trichlorfon to protect forest resources from damage by the gypsy moth. The cooperative regulatory program is to prevent artificial, long-distance spread and to eradicate remote infestations in the United States.

This Draft Environmental Statement was filed with CEQ on December 4, 1975.

Copies are available for inspection during regular working hours at the following locations:

USDA Forest Service, South Agriculture Bldg., Room 3230, 12th St. & Independence Ave., SW., Washington, D.C. 20250.

USDA, Animal and Plant Health Inspection Service, Administration Bldg., Room 302–E, 12th St. & Independence Ave., SW., Washington, D.C. 20250.

USDA Forest Service, 6816 Market Street, Upper Darby, Pa. 19082.

A limited number of single copies are available upon request to John R. McGuire, Chief, U.S. Forest Service, South Agriculture Building, 12th Street and Independence Ave., SW., Washington, D.C. 20250.

Copies of the Draft Environmental Statement 1976 Gypsy Moth Suppression and Regulatory Program have been sent to various Federal, State and local agencies as outlined in the CEQ guidelines.

Comments are invited from the public, and from State and local agencies which are authorized to develop and enforce environmental standards, and from Federal agencies having jurisdiction by law or special expertise with respect to any environmental impact involved for which comments have not been requested specifically.

Comments concerning the proposed action and requests for additional information should be addressed to Mr. John R. McGuire, Forest Service, So. Agriculture Bldg., 12th St. and Independence Ave., SW., Washington, D.C. 20250. Telephone 703/235–1560. Comments must be received by February 4, 1976, in order to be considered in preparation of the final Environmental Statement.

Dated: November 24, 1975.

R. MAX PETERSON,
Deputy Chief, Forest Service.

[FR Doc.75-33267 Filed 12-9-75;8:45 am]

Office of the Secretary

SUPERIOR NATIONAL FOREST

Transfer of Certain Lands; Correction

In FR Document 75–26173 appearing at page 45211 in the FEDERAL REGISTER of October 1, 1975, the following corrections should be made in the land descriptions for St. Louis County:

1. On page 45212, column 1, on line 14 following subheading T. 69 N., R. 18 W., add "33," immediately after "Sec."

2. On the same page, column 3, line 8 following subheading T. 71 N., R. 21 W., add "inclusive," immediately after "lots 11 to 14,".

Dated: December 5, 1975.

EARL L. BUTZ,
Secretary.

[FR Doc.75-33268 Filed 12-9-75;8:45 am]

Soil Conservation Service

POLLARD CREEK WATERSHED PROJECT, TEXAS

Availability of Final Environmental Impact Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969; Part 1500 of the Council on Environmental Quality Guidelines (38 FR 20550, August 1, 1973); and Part 650 of the Soil Conservation Service Guidelines (39 FR 19650, June 3, 1974); the Soil Conservation Service, U.S. Department of Agriculture, has prepared a final

environmental impact statement (EIS) for the Pollard Creek Watershed Project, Palo Pinto County, Texas, USDA–SCS–EIS–WS–(ADM)–75–2 (F) TX.

The EIS concerns a plan for watershed protection and flood prevention. The planned works of improvement provide for conservation land treatment and 2 floodwater retarding structures.

The final EIS has been filed with the Council on Environmental Quality.

A limited supply is available at the following location to fill single copy requests:

Soil Conservation Service, USDA, First National Bank Building, Temple, Texas 76501.

(Catalog of Federal Domestic Assistance Program No. 10.904, National Archives Reference Services.)

JOSEPH W. HAAS,
Deputy Administrator for Water Resources, Soil Conservation Service.

DECEMBER 3, 1975.

[FR Doc.75-33178 Filed 12-9-75;8:45 am]

DEPARTMENT OF COMMERCE

Bureau of the Census

SURVEY OF RETAIL SALES, PURCHASES, AND INVENTORIES

Notice of Determination

In accordance with Title 13, United States Code, sections 181, 224, and 225, and due notice of consideration having been published October 24, 1975, (40 FR 49811) I have determined that certain 1975 annual data for retail trade are needed to provide a sound statistical basis for the formation of policy by various governmental agencies and that these data are also applicable to a variety of public and business needs. This annual survey is a continuation of similar surveys conducted each year since 1951. It provides, on a comparable classification basis, data covering 1975 year-end inventories, annual sales, and purchases. These data are not publicly available on a timely basis from nongovernmental or other governmental sources.

Reports will be required only from a selected sample of retail firms in the United States. The sample will provide, with measurable reliability, statistics on the subjects specified above. Reports will be requested from a sample of stores on the basis of their sales size, selection in existing census list (mail) sample panels, and location in census designated sample areas. Certain of the largest firms, in terms of number of retail stores, will be requested to report their sales and number of stores by county. Other firms which provide this type of information in the Bureau's monthly survey will be asked only to report figures for the entire United States.

Report forms will be furnished to the firms covered by the survey and will be due 20 days after receipt. Copies of the forms are available on written request to the Director, Bureau of the Census, Washington, D.C. 20233.

I have, therefore, directed that an annual survey be conducted for the purpose of collecting these data.

Dated: December 5, 1975.

VINCENT P. BARABBA,
Director,
Bureau of the Census.

[FR Doc.75-33243 Filed 12-9-75;8:45 am]

Domestic and International Business Administration

CORNELL UNIVERSITY, ET AL.

Notice of Applications For Duty-Free Entry of Scientific Articles

The following are notices of the receipt of applications for duty-free entry of scientific articles pursuant to Section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651; 80 Stat. 897). Interested persons may present their views with respect to the question of whether an instrument or apparatus of equivalent scientific value for the purposes for which the article is intended to be used is being manufactured in the United States. Such comments must be filed in triplicate with the Director, Special Import Programs Division, Office of Import Programs, Washington, D.C. 20230, on or before December 30, 1975.

Amended regulations issued under cited Act (40 FR 12253 et seq., 15 CFR 701, 1975), prescribe the requirements applicable to comments.

A copy of each application is on file, and may be examined during ordinary Commerce Department business hours at the Special Import Programs Division, Department of Commerce, Washington, D.C. 20230.

Docket Number 76-00205-33-46040. Applicant: Cornell University, Sect. Biochemistry, Mol., and Cell Biology, Wing Hall, Ithaca, N.Y. 14853. Article: Electron Microscope, Model EM 301 and accessories. Manufacturer: Philips Electronics Instruments NVD, The Netherlands. Intended use of article: The article is intended to be used in studies of the following:

i. Molecular structure of RNA-protein nucleocapsid of RNA tumor viruses particularly Rous Sarcoma Virus and Avian Myeloblastosis Virus.

ii. Atomic structure of pseudomonad cytochrome oxidase.

iii. Further investigations into molecular assembly, subunit assembly of rabbit muscle phosphofructokinase and acetylcholinesterase from housefly brain.

iv. Attachment of bovine heart muscle mitochondrial F_1 ATPase to the membrane of isolated submitochrondrial particles.

v. Structure of helical fibers and handedness of helix: Sickle Cell Hemoglobin fibers.

vi. Membrane studies of symmetry and assymmetry of bilayer membranes using artificial phospholipids in the presence and absence of proteins (enzymes).

In addition, the article will be used to provide individual instruction to graduates and faculty members wishing to learn how to use the instrument or how to prepare tissue samples used in their various research projects. Application received by Commissioner of Customs: November 11, 1975.

Docket Number: 76-00206-01-07500. Applicant: Southern Illinois University at Carbondale, Carbondale, Illinois 62901. Article: "Picker" Dynamic Flow Microcalorimeter, and acessories. Manufacturer: Sodev Inc., Canada. Intended use of article: The article is intended to be used to study biologically important reactions including interactions of small molecules with proteins, nucleic acids, membrane components and other biological macromolecules. (Ligand or small molecule binding to macromolecules will include both aqueous solutions as well as dissolved aqueous gaseous mixtures.) However, a primary use for the article will be for the study of denaturation of bimacromolecules by solutes and solvents. The primary aim of this work is to elucidate in as much detail as possible the free energy, enthalpy, and entropy profile for α-chymotrypsin catalysis of 3-(2-Furyl) Acryloylimidazole to imidazole and furylacrylic acid. Enthalpy and free energy values of some individual contributions will be sought which are exceedingly difficult to measure by noncalorimetric means and in most cases have never been evaluated. The article is intended to be used for educational purposes in the following courses: Chemistry 598, Graduate Research and Chemistry 600, Dissertation. Application received by Commissioner of Customs: November 11, 1975.

Docket Number: 76-00207-33-46040. Applicant: Amherst College, Amherst, MA 01002. Article: Electron Microscope, Model EM 9S2, and accessories. Manufacturer: Carl Zeiss, West Germany. Intended Use of Article: The article is intended to be used for research in embryology in which the development of the heart, the lateral line, and olfactory organs of frog and salamander embryos will be studied in order to gain an understanding of the cellular and subcellular mechanisms and structures involved in the formation of these organs. Another line of research will be in the field of neurobiology, specifically studies of the pattern of connections between and among nerve cells in the brain, particularly between the nerves from the eye and the brain cells with which they make contact. The article will also be used for educational purposes by enhancing student interest in biology, expanding the areas of biology in which undergraduate students can do research (thus enhancing students involvement with research and their sophistication about research), and by preparing students for further professional training. A summer program of training in techniques of electron microscopy is planned. Application received by Commissioner of Customs: November 12, 1975.

Docket Number: 76-00208-33-90000. Applicant: The Milton S. Hershey Medical Center of The Pennsylvania State

University, 500 University Drive, Hershey, Pennsylvania 17033. Article: EMI Scanner with Magnetic Tape System. Manufacturer: Emitronics Ltd., United Kingdom. Intended Use of Article: The article is intended to be used for educational purposes which include the training of resident physicians in Diagnostic Radiology which is a required rotation for residents in Neuro-Radiology to familiarize them with the modality of computerized axial tomography. Other educational purposes include the instruction of medical students rotating through Radiology to familiarize them with the applications of the new diagnostic modality. The article will also be used for investigations of fluid balance in the brain following trauma, or accompanying surgery for brain tumors. Application Received by Commissioner of Customs: November 13, 1975.

Docket Number: 76-00209-33-90000. Applicant: Scripps Clinic & Research Foundation, 476 Prospect Street, La Jolla, California 92037. Article: EMI Scanner with Magnetic Tape System. Manufacturer: Emitronics Ltd., United Kingdom. Intended use of Article: The article is intended to be used in the diagnosis and the response of trigenimal neurologia, demyelinating disease, specifically amyotrophic lateral sclerosis (ALS), multiple sclerosis (MS), and associated sclerosis in various new approaches of treatment currenting being researched. It is hoped this will aid in more effective medical mangement of patients suffering from these associated diseases. The article will also be used to expose residents and students to the computerized axial tomography system and the interpretation of the results. Application Received by Commissioner of Customs: November 13, 1975.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

RICHARD M. SEPPA,
Director,
Special Import Programs Division.

[FR Doc.75-33227 Filed 12-9-75;8:45 am]

NEW YORK STATE DEPARTMENT OF HEALTH

Notice of Applications, Duty Free Entry of Scientific Articles: Correction

In FR Doc. 75-21480 appearing at page 34437 in the FEDERAL REGISTER of August 15, 1975 Docket Number 75-00047-33-90000 appearing on page 34438 is corrected to read 76-00047-33-90000.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

RICHARD M. SEPPA,
Director,
Special Import Programs Division.

[FR Doc.75-33229 Filed 12-9-75;8:45 am]

ST. ALPHONSUS, ET AL.

Consolidated Decision on Applications for Duty Free Entry of EMI Scanner Systems: Correction

In FR Doc. 75-31378 appearing at page 54020 of the FEDERAL REGISTER of November 20, 1975, Docket Number 75-00047-33-90000 appearing on page 54021 is corrected to read 76-00047-33-90000.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

RICHARD M. SEPPA,
Director,
Special Import Programs Division.

[FR Doc.75-33228 Filed 12-9-75;8:45 am]

U.S.C. SCHOOL OF MEDICINE AND UNIVERSITY HOSPITALS OF CLEVELAND

Notice of Applications for Duty-Free Entry of Scientific Articles

The following are notices of the receipt of applications for duty-free entry of scientific articles pursuant to Section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651; 80 Stat. 897). Interested persons may present their views with respect to the question of whether an instrument or apparatus of equivalent scientific value for the purposes for which the article is intended to be used is being manufactured in the United States. Such comments must be filed in triplicate with the Director, Special Import Programs Division, Office of Import Programs, Washington, D.C. 20230, on or before December 30, 1975.

Amended regulations issued under cited Act (40 FR 12253 et seq., 15 CFR 701, 1975) prescribe the requirements applicable to comments.

A copy of each aplication is on file, and may be examined during ordinary Commerce Department business hours at the Special Import Programs Division, Department of Commerce, Washington, D.C. 20230.

Docket Number: 76-00210-33-46040. Applicant: U.S.C. School of Medicine, Veterans Administration Hospital, Columbia, S.C. 29201. Article: Electron Microscope, Model JEM-100B 7 and accessories. Manufacturer: JEOL Inc., Japan. Intended Use of Article: The article is intended to be used to morphologically and histologically examine neuroendocrine cells maintained *in vivo* and/or *in vitro*. Neurosecretory cells of the brain of *Manduca sexta* which has been reared under different photoperiodic conditions will also be examined to establish whether the neurohormones are synthesized on a circadian rhythm. In addition, the article is intended to be used in teaching medical and graduate students in the courses: Microanatomy and Techniques in Electron Microscopy. Application received by Commissioner of Customs: November 13, 1975.

Docket Number: 76-00211-33-46070. Applicant: U.S.C. School of Medicine, Veterans Administration Hospital, Columbia, S.C. 29201. Article: Scanning Electron Microscope, Model JSM 35U. Manufacturer: JEOL Inc., Japan. Intended Use of Article: The article is intended to be used to investigate normal and pathological conditions on the cell surface in studies which include:

(1) Diagnostic studies of viral transformed cells.

(2) Diagnostic studies of the renal, muscle and hepatic biopsies.

(3) Diagnostic studies of excised neurosecretory cells to determine changes in the surface during secretion of neurohormones.

(4) Studies to determine the effects of pharmaceutical substances before and after treatment to cell surface.

The article will also be used for education purposes in medical and graduate programs which include teaching of Cell Biology and graduate elective in techniques in electron microscopy. Application received by commissioner of customs: November 13, 1975.

Docket Number: 76-00212-33-46040. Applicant: University Hospitals of Cleveland, Institute of Pathology, 2085 Adelbert Road, Cleveland, Ohio 44106. Article: Electron Microscope, Model EM 201C. Manufacturer: Philips Electronics Instruments NVD, The Netherlands. Intended Use of Article: The article is intended to be used for research involving specimens obtained during operations and autopsies as well as for studies of material which may not be human but are connected with clinical situations which will include:

(1) Study of endometrioid and papillary serous cystadenocarcinoma of the ovary,

(2) Study of mixed carcinoma of the endometrium,

(3) Electron microscope evaluation of early invasive breast carcinoma,

(4) Study of erythrocyte changes induced by malaria infection. The article will also be used for educational purposes in the following courses open to physicians, resident physicians, postdoctoral fellows, graduate students, undergraduate medical students, and undergraduate science majors who are interested in electronic microscopy: Introduction to Electron Microscopy, Ultrastructural Aspects of Pathology, and Renal Pathology.

Application Received by Commissioner of Customs: November 17, 1975.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

RICHARD M. SEPPA,
Director,
Special Imports Programs Division.

[FR Doc.75-33226 Filed 12-9-75;8:45 am]

Maritime Administration

[Docket No. S-479]

SUN TRANSPORT, INC.

Notice of Application

Notice is hereby given that application has been filed under the Merchant Marine Act, 1936, as amended (the Act), for operating-differential subsidy with respect to bulk cargo carrying service in the U.S. foreign trade, principally between the United States and the Union of Soviet Socialist Republics, to expire on December 31, 1975, unless further extended, or until completion of voyages in progress on that date.

Inasmuch as the applicant, and/or related persons or firms, employ or may employ ships in the domestic intercoastal

or coastwise service, written permission of the Maritime Administration under section 805(a) of the Act will be required if its application for operating-differential subsidy is granted.

Applicant states that it has been operating seventeen vessels in the domestic intercoastal and coastwise trades of the United States and in its application for operating-differential subsidy has requested that the AMERICA SUN, PENNSYLVANIA SUN, and TEXAS SUN be permitted to enter the U.S./U.S.S.R. grain trade. Sun Transport, Inc. has also requested written permission to maintain its domestic intercoastal and coastwise operations. The following vessels are chartered to and operated by applicant:

Albany Sun	Newark Sun
America Sun	Pennsylvania Sun
Chesapeake Sun	Providence Sun
Corpus Christi Sun	Revere Sun
Delaware Sun	Seminole Sun
Eastern Sun	Texas Sun
Hartford Sun	Western Sun
New England Sun	Toledo Sun
New Jersey Sun	

Such written permission is now required under section 805(a) notwithstanding the fact that a voyage in the proposed service on which the vessel engaged in domestic intercoastal or coastwise trade would not be eligible for subsidy.

Any person, firm, or corporation having any interest (within the meaning of section 805(a)) in such application and desiring to be heard on issues pertinent to section 805(a) and desiring to submit comments or views concerning the applications must, by close of business on December 17, 1975, file same with the Secretary, Maritime Administration, in writing, in triplicate, together with petition for leave to intervene which shall state clearly and concisely the grounds of interest, and the alleged facts relied on for relief.

If no petitions for leave to intervene are received within the specified time or if it is determined that petitions filed do not demonstrate sufficient interest to warrant a hearing, the Maritime Administration will take such action as may be deemed appropriate.

In the event petitions regarding the relevant section 805(a) issues are received from parties with standing to be heard, a hearing will be held, the purpose of which will be to receive evidence under section 805(a) relative to whether the proposed operation (a) could result in unfair competition to any person, firm, or corporation operating exclusively in the coastwise or intercoastal service, or (b) would be prejudicial to the objects and policy of the Act relative to domestic trade operations.

(Catalog of Federal Domestic Assistance Program No. 11.504 Operating-Differential Subsidies (ODS))

By Order of the Assistant Secretary for Maritime Affairs.

Dated: December 5, 1975.

JAMES S. DAWSON, Jr.,
Secretary.

[FR Doc.75-33265 Filed 12-9-75;8:45 am]

[Docket No. S-478]

AMERICA SUN ET AL.

Notice of Application

Notice is hereby given that Sun Transport, Inc., 1200 Philadelphia Pike, Claymont, Delaware 19703, has filed an application dated November 14, 1975, with the Maritime Subsidy Board (the Board) pursuant to Title VI of the Merchant Marine Act, 1936, as amended (the Act), for an operating-differential subsidy contract, to expire December 31, 1975, unless further extended, to operate the S/Ts AMERICA SUN, 80,735 deadweight tons; PENNSYLVANIA SUN, 53,463 deadweight tons; and TEXAS SUN, 53,453 deadweight tons, in the carriage of export bulk raw and processed agricultural commodities in the foreign commerce of the United States (U.S.) from ports in the U.S. to ports in the Union of Soviet Socialist Republics (U.S.S.R.). Dry and liquid bulk cargoes may be carried from U.S.S.R. and other foreign ports inbound to U.S. ports during voyages subsidized for carriage of export bulk raw and processed agricultural commodities to the U.S.S.R.

Full details concerning the U.S.-U.S.S.R. export bulk raw and processed agricultural commodities subsidy program, including terms, conditions and restrictions upon both the subsidized operators and vessels, appear in Title 46 of the Code of Federal Regulations, Part 294.

For purposes of section 605(c) of the Act, it should be assumed that, should the Board grant the requested approval, the vessels named above will engaged in the described trade, on a full-time basis; during the indicated time period. Under such approval each voyage must be approved for subsidy assistance prior to its commencement and the Board will act on such request(s) as an administrative matter for which there is no requirement for further section 605(c) notice(s).

Any person having an interest in the granting of the application and who would contest a finding of the Board that the service is now provided by vessels of U.S. registry for the carriage of cargoes previously specified is inadequate, must on or before December 17, 1975, notify the Board's Secretary, in writing, of his interest and of his position, and file a petition for leave to intervene in accordance with the Board's Rules of Practice and Procedure (46 CFR Part 201). Each such statement of interest and petition to intervene shall state whether a hearing is requested under section 605(c) of the Act and, with as much specificity as possible, the facts that the intervenor would undertake to prove at such hearing.

In the event a hearing under section 605(c) of the Act is ordered to be held with respect to the subject application, the purpose of such hearing will be to receive evidence relevant to (1) whether the application herein described, with respect to the vessels to be operated in an essential service and served by citizens of the U.S., would be in addition to the existing service, or services, and if so, whether the service already provided by vessels of U.S. registry is inadequate, and (2) whether in the accomplishment of the purposes and policy of the Act additional vessels should be operated thereon.

If no request for hearing and petition for leave to intervene is received within the specified time, or if the Board determines that petitions for leave to intervene filed within the specified time do not demonstrate sufficient interest to warrant a hearing, the Board will take such action as may be deemed appropriate.

(Catalog of Federal Domestic Assistance Program No. 11.504 Operating-Differential Subsidies (ODS))

So ordered by the Maritime Subsidy Board/Maritime Administration.

Dated: December 5, 1975.

JAMES S. DAWSON, Jr.,
Secretary.

[FR Doc.75-33264 Filed 12-9-75;8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[NADA No. 12-287V]

BURNS-BIOTEC LABORATORIES

Kymar Ointment; Withdrawal of Approval of New Animal Drug Application

The Commissioner of Food and Drugs is withdrawing approval of a new animal drug application (NADA) for Kymar Ointment, effective December 10, 1975.

Under the Federal Food, Drug, and Cosmetic Act (sec. 512(e), 82 Stat. 345-347 (21 U.S.C. 360b(ee))) and under authority delegated to the Commissioner (21 CFR 2.120), the following notice is issued:

Burns-Biotec Laboratories, Div. of Chromalloy Pharmaceutical, Inc., 7711 Oakport St., Oakland, CA 94621, holder of approved NADA No. 12-287V for Kymar Ointment, which contains proteolytic enzymes, neomycin palmitate, and hydrocortamate hydrochloride, has requested by letter dated May 30, 1975, that approval of the NADA be withdrawn and has waived the opportunity for a hearing. The NADA, which was originally approved September 6, 1960, provides for use of the drug for aiding wound healing and superficial dermatosis in horses, cattle, dogs and cats. The firm has requested that the NADA be withdrawn in accordance with § 514.115(d) (21 CFR 514.115(d)) because the drug is no longer being marketed. Therefore, notice is given that approval of NADA 12-287V and all supplements and amendments thereto for Kymar Ointment is hereby withdrawn, effective December 10, 1975.

Dated: December 3, 1975.

WILLIAM F. RANDOLPH,
Acting Associate Commissioner for Compliance.

[FR Doc.75-33152 Filed 12-9-75;8:45 am]

Office of Education

NATIONAL ADVISORY COUNCIL ON EXTENSION AND CONTINUING EDUCATION

Public Meeting

Notice is hereby given, pursuant to the Federal Advisory Committee Act, Pub. L. 92-463 that a meeting of the Council will be held on January 8 and 9, 1976 in the Continental Room at the Statler Hilton Hotel, 16th and K Streets, NW., Washington, D.C. The meetings will begin at 9:00 a.m. on both days, and adjourn at 12:00 noon on January 9.

The National Advisory Council on Extension and Continuing Education is authorized under Public Law 89-329. The Council is directed to advise the Commissioner of Education in the preparation of general regulations and with respect to policy matters arising in the administration of Title I, and to report annually to the President on the administration and effectiveness of all federally supported extension and continuing education programs, including community service programs.

The meeting of the Council will be open to the public. The purpose of the meeting is to discuss and formulate updated operating procedures and guidelines governing the activities of the Council. All records of Council proceedings are available for public inspection at the Council's staff office, located in Suite 529, 425 13th Street NW., Washington, D.C.

RICHARD F. MCCARTHY,
Associate Director.

DECEMBER 3, 1975.

[FR Doc.75-33131 Filed 12-9-75;8:45 am]

Public Health Service

HEALTH RESOURCES ADMINISTRATION

Application Announcement for Traineeships for Advanced Training of Allied Health Professions Personnel (Long-Term) and Allied Health Professions Grants for Training Institutes (Short-Term)

Notice is hereby given that the Division of Associated Health Professions, Bureau of Health Manpower, Health Resources Administration, is now accepting applications for grants in fiscal year 1976 under authority of the Continuing Resolution (P.L. 94-41) for Traineeships for Advanced Training of Allied Health Profession Personal (Long-Term) and Grants for Training Institutes (Short-Term) authorized under section 793 of the Public Health Service Act. Section 793 provides for grants to public and nonprofit private agencies, organizations, and institutions to cover the cost of traineeships of allied health professions personnel to teach health services technicians or to teach in any of the allied health professions, to serve in any of these professions in administrative or supervisory capacities, or to serve in allied health professions specialties requiring advanced training.

Application materials are being mailed to current grantees. Other eligible applicants may request application materials by contacting immediately the Education Development Branch, Division of Associated Health Profesions, Bureau of Health Manpower, Health Resources Administration, Building 31, Rm. 3B-19, 9000 Rockville Pike, Bethesda, Maryland 20014, (301-496-5697).

To be considered for fiscal year 1976 funding: (1) Applications for grants for Traineeships for Advanced Training of Allied Health Professions Personnel (Long-Term) must be received in the Education Development Branch at the above address no later than January 12, 1976 and (2) Applications for Allied Health Professions Grants for Training Institutes (Short-Term) must be received in the Education Development Branch no later than March 2, 1976.

Dated: December 3, 1975.

KENNETH M. ENDICOTT,
Administrator, Health Resources Administration.

[FR Doc.75-33129 Filed 12-9-75;8:45 am]

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

COMMITTEE ON INFORMAL ACTION

Meeting

Pursuant to the Federal Advisory Committee Act (Pub. L. 92-463), notice is hereby given of a meeting of the Committee on Informal Action of the Administrative Conference of the United States, to be held at 10:00, January 6 in the offices of Shea & Gardner, 734 15th Street NW., Washington, D.C. 20005.

The Committee will meet to consider Professor Paul Verkuil's study no procedures for informal adjudicatory hearings.

Attendance is open to the interested public, but limited to the space available. Persons wishing to attend should notify this office at least one day in advance. The Committee Chairman may, if he deems it appropriate, permit members of the public to present oral statements at the meeting; any member of the public may file a written statement with the Committee before, during or after the meeting.

For further information concerning this Committee meeting contact June Katz (phone 202-254-7065). Minutes of the meeting will be aavilable on request.

RICHARD K. BERG,
Executive Secretary.

DECEMBER 4, 1975.

[FR Doc.75-33130 Filed 12-9-75;8:45 am]

CIVIL AERONAUTICS BOARD

[Docket Nos. 28462, etc.; Order No. 75-12-28]

CONTINENTAL AIR LINES, INC.

Order of Suspension Regarding Rates Investigation

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 5th day of December, 1975.

By tariff revisions [1] posted October 23 and marked to become effective December 7, 1975, Continental Air Lines, Inc., (Continental) Docket No. 28462, proposes, with limited exceptions, to increase bulk and container general and specific commodity rates and charges, and all priority reserved air freight rates and charges, typically by 7 percent. Bulk general commodity minimum charges per shipment are to be increased by $1.00 to $12.00 per shipment. In addition, certain daylight container charges will be increased by 10 percent in markets where such rates have purportedly been successful in generating traffic to the point where demand exceeds available supply, and rates on papaya from Hawaii to Los Angeles are being increased as much as 52 percent.

A joint complaint requesting rejection, or in the alternative, suspension, pending investigation, has been filed by the State of Hawaii and the County of Hawaii against the increases between Honolulu/Hilo and the Mainland. The complaint alleges, *inter alia*, that Hawaii is vitally dependent upon air freight service to and from the Mainland; that many producers in Hawaii look to the Mainland as the only export market of any size offering a hope of sales sufficient to support a sizable industry; that growers of papaya, pineapple, and cut flowers in particular rely upon air freight as the only means of transportation capable of getting their highly perishable fresh agricultural products to market; that certain of Continental's increases in Hawaiian markets are 48 percent greater than the proposed Mainland increase; and that, as to the increase in papaya rates, the Hawaiian papaya shippers have no surface transportation alternative for their highly perishable commodity. Furthermore, the complainant alleges that Continental has failed to supply specific data such as traffic, revenues, costs, or return on investment for the Hawaiian market.

In support of its proposal and in answer to the complaint, Continental asserts, *inter alia*, that the proposed rate increases are justified on a cost basis, in that they will do no more than enable the carrier to keep a reasonable pace with continuing increases in noncapacity costs; that noncapacity costs have been increasing on the average of 7 percent per year for bulk shipments and 12 percent per year for containers; that the proposed increase is less than the increase permitted by the Board last July for certain other carriers; that the last freight rate increase for Continental was in March 1974; and that it is anticipated that the proposal will produce $3.2 million in additional revenue in 1976, or about 8.1 percent of forecasted freight revenues.

Furthermore, in its answer to the complaint, Continental states that it has been a leader in maintaining reduced Mainland-Hawaii rates; that it has maintained the 6.5-pound cube rule for the floral industry, and, where capacity exists, in recent months it has established weekend rates 45 percent lower than prevailing rates; that papaya traffic will continue to move under the proposed

[1] Revisions to Airline Tariff Publishing Company, Agent, Tariffs C.A.B. Nos. 169 and 227.

rates; that the ratio of transport cost to wholesale value for papaya is still in line with that for comparable commodities; and that the proposed rates on papaya are far below the level of all-cargo costs plus a 12 percent profit since the proposed level will only cover noncapacity costs with a contribution to capacity costs.

The proposed rates and charges come within the scope of either the *Domestic Air Freight Rate Investigation* (DAFRI), Docket 22859, or the *Priority Reserved Air Freight Rates Investigation* (PRAFRI), Docket 26838, and their lawfulness will be determined in those proceedings. The issue now before the Board is whether to suspend the proposal or to permit it to become effective pending investigation.

The Board has reviewed these rates in the light of recent industry-average costs (including return on investment) of carrying air freight. Based on these and other criteria, we believe that a number of the proposed rates and charges, typically in the Hawaiian markets, should be suspended. The following is a summary of the rates and charges to be suspended:

GCR's—A limited number of bulk rates, particularly in the Hawaiian markets, are excessive in relation to costs.

SCR's—A limited number of specifics in various markets would exceed the general commodity rates in the same market.

Priority—A number of priority-reserved freight rates exceed 130 percent of the otherwise applicable regular service general or specific commodity rates or charges. Although the Board permitted Continental (as well as Western Air Lines, Inc.) to establish such priority general commodity rates including minimum charges reflecting the 100-pound weight-break priority rate, the Board subsequently found that a 30 percent premium over the applicable rates (whether GCR or SCR) was the highest that should be permitted, pending final decision in PRAFRI.[2]

Premium-rated priority—Proposed increases in exception-rated commodities where the carrier imposes a priority premium on top of an already premium-rated commodity.

In regard to premium-rated priority traffic, the Board most recently has suspended proposals by carriers to impose a priority premium on top of the rates for exception-rated commodities. For example, by Orders 75–11–8, 75–3–116, and 75–1–80, the Board suspended such proposals by United Air Lines, Inc. and Wien Air Alaska, Inc., criticizing the application of premium ratings on top of a priority rate that is at least 30 percent above the applicable general commodity rate. The Board also stated, "Thus, the rating for live animals would, in effect, be determined by applying the exception rating of 10 percent to the priority premium of 30 percent, arriving at a rate of almost 140 percent of the current general commodity rate. But to a certain extent, the current exception ratings reflect the cost of a prioriy handling." Consequently, Continental's increases in premium-rated priority traffic will also be suspended.

Upon consideration of all relevant factors, the Board finds that these increases, to the extent that they apply to rates and charges set forth in detail in Appendix A, should be suspended.[3] The remaining portions of the proposal, including the increased bulk general commodity minimum charges per shipment, the remaining increased bulk and container general and specific commodity rates and charges, and the remaining increased priority reserved rates and charges, appear sufficiently related to costs or other criteria that the Board will permit them to become effective.

With respect to the increases proposed for papayas, the new rates would remain significantly below general commodity rates and are in fact below fully allocated industry-average costs. Over the years, the Board has followed a policy of according the carriers considerable flexibility in adjusting discount rates,[4] and we have never viewed the shipper as having any vested interest in the maintenance of such rates. The Board has, however, given serious consideration to the allegations by the complainants herein that a rate increase would result in shipper hardship and sharp declines in traffic volume. However, the complaint does not make a persuasive showing in this respect. We note, for example, that the ratio of transportation costs to wholesale selling prices does not appear out of line with the relationship in prior periods or out of line with that for other fruits. Also, the Board, by Order 75–2–44, dated February 11, 1975, dismissed a complaint and permitted United to increase papaya rates to levels higher than herein proposed by Continental. Thus, United's bulk rate for 15,000-pound shipments was $11.75 per 100 pounds as compared with $9.95 in Continental's proposal. Finally, we note that the State of Hawaii has represented to the Board in the *Domestic Air Freight Rate Investigation*, that a rate of $10.22 per 100 pounds is acceptable. As indicated above, Continental's proposal at 15,000 pounds is less, $9.95 per 100 pounds. In these circumstances, we conclude that the proposed increases are justified and that the complaint should be dismissed.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly Sections 204(a), 403, 404, and 1002 thereof,

It Is Ordered That:

1. Pending hearing and decision by the Board, the increased rates, charges, and provisions described in Appendix A hereto are suspended and their use deferred to and including March 5, 1976, unless otherwise ordered by the Board, and that no change be made therein during the period of suspension, except by order or special permission of the Board;

2. Except to the extent granted herein, the joint complaint of the State of Hawaii and the County of Hawaii in Docket 28462 is hereby dismissed; and

3. Copies of this order shall be filed with the tariffs and served upon Continental Air Lines, Inc., the State of Hawaii, and the County of Hawaii.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] EDWIN Z. HOLLAND,
Secretary.

APPENDIX A

TARIFF C.A.B. NO. 169, ISSUED BY AIRLINE TARIFF PUBLISHING COMPANY, AGENT

1. The increased general commodity (GEN) rates *from* the point(s) in Column A *to* the point(s) in Column B, subject to the minimum weight(s) shown in Column C on the pages listed in Paragraph 7.

Column A	Column B	Column C
ABQ, AMA, AUS, COS	HNL	100, 250
CHI, DFW, ELP	HNL	100, 250, 500
DEN	HNL	100
HNL	ABQ, AMA, CHI, HOU, LBB, MIA, SFO, TUS.	100, 250
HNL	AUS, DFW, ELP, MKC, LAW, MAF, MSY, OKC, SAT, TUL, ICT, SPS	100, 250, 500
HNL	COS, DEN, LAX, PHX, PDX, SEA	100
HOU, MKC, LAW, MAF, MSY, OKC, SAT, TUL, ICT, SPS	HNL	100, 250, 500
LAX, PHX, SEA	HNL	100
LBB, MIA, PDX, SFO, TUS	HNL	100, 250

[2] Due to the technicalities of tariff publication, in the cases of increases in priority minimum charges resulting in premiums in excess of 30 percent over regular minimum charges, the Board will also suspend the proposed 100-pound weight-break rate. The Board believes that Continental should publish an under-100-pound rate applicable to its priority freight service to help eliminate what it believes to be inequities in the current minimum-charge structure.

Further, the Board believes that the existing premium over general commodity rates for priority service is too great when applied to traffic that would otherwise move on discounted specific commodity rates, inasmuch as such premium will be significantly greater than 30 percent. In short, where Continental maintains a specific commodity rate on a particular commodity, when moving in priority service the commodity takes 130 percent of the general commodity rate rather than the specific commodity rate.

[3] The Board has considered the request for rejection by the complainants but does not consider such action to be warranted.

[4] In its decision in *United Air Lines, Inc., Specific Commodity Rates on Periodicals, Floral Products, and Seafood*, the Board stated, "Because of their inherently preferential nature, the Board does not normally require carriers to publish SCR's, but leaves the offering and justification of SCR's to the carriers' initiative. Once a carrier institutes a particular SCR it is still afforded a fairly broad area of discretion in revising such rates between the parameters of fully allocated and incremental costs, subject to the Board's review" (Order 72–11–78, November 20, 1972).

2. The increased rates stated to apply *from* the point in Column A *to* the point in Column B on the "SCR" number shown in Column C subject to the minimum weight(s) shown in Column D on the pages in Paragraph 7.

Column A	Column B	Column C	Column D
HNL	LAX	0072	100
LAX	HNL	0072	100, 500
MIA	AUS	0065, 0070	3,000
MIA	LAX	0706, 0804	1,000
PDX	HNL	0072	11,500
SFO	COS	9210	100, 1,000
SEA	HNL	0413, 0719, 1711, 2191, 4211, 5911, 6300, 6202, 7311, 8202, 8400, 8500, 8601, 9004, 9701	1,000, 2,000, 3,000
SEA	HNL	0003	50, 1,000, 2,000, 3,000
SEA	HNL	0700, 0800	1,000
SEA	HNL	3713	25, 1,000, 2,000, 3,000
SEA	HNL	4903	1
SEA	HNL	4300	500, 1,000, 2,000, 3,000
SEA	HNL	0072	22,500, 1,000, 2,000, 3,000
SEA	SFO	0700, 0800	5,000

3. The increased priority reserved general commodity (PRF) rates, subject to a minimum weight of 100 pounds, and the increased minimum charge in connection therewith *from* the point in Column A *to* the point(s) in Column B on the pages listed in Paragraph 7.

Column A	*Column B*
ABQ	AUS, CHI, HOU, MKC, LAX, MIA, MSY, PDX, SAT, SFO, SEA, TUL.
AMA	CHI, HOU, LAX, MIA, MSY, PDX, SFO, SEA.
AUS	ABQ, CHI, COS, DEN, LAX, MIA, PHX, PDX, SFO, SEA, TUS, TUL.
CHI	ABQ, AMA, AUS, COS, HOU, LAW, LBB, MIA, MAF, MSY, OKC, PHX, SAT, TUS, SPS.
COS	AUS, PDX, SAT, SFO, SEA.
DFW	COS, DEN, MIA, PHX, PDX, SEA, TUS.
DEN	AUS.
ELP	MKC, TUL, ICT.
HOU	ABP, CHI, COS, ELP, MKC, SFO.
MKC	ABQ, ELP, HOU, MIA, MAF, MSY, PHX, PDX, SAT, SEA, TUS.
LAW	CHI, LAX, MIA, PHX, PDX, SFO, SEA, TUS.
LAX	ABQ, AMA, AUS, LAW, LBB, MIA, MAF, MSY, ICT, SPS.
LBB	CHI, LAX, MIA, MSY, PDX, SFO, SEA.
MIA	ABQ, AMA, CHI, DFW, ELP, HOU, MKC, LAW, MAF, MSY, TUS, TUL, SPS.
MAF	CHI, MKC, LAX, MIA, MSY, PDX, SFO, SEA.
MSY	ABQ, AMA, CHI, COS, DEN, ELP, MKC, LBB, MIA, MAF.
OKC	CHI, LAX, MIA, PHX, PDX, SFO, SEA, TUS.
PHX	AUS, DFW, HOU, MKC, LAW, MIA, MSY, OKC, PDX, SAT, SFO, SEA, TUL, ICT, SPS.
PDX	ABQ, AMA, AUS, COS, ELP, LAW, MIA, PHX, TUS, SPS.
SAT	ABQ, COS, MIA, PDX, TUS.
SFO	AMA, AUS, ELP, LAW, LBB, MAF, PHX, SAT, TUS, ICT, SPS.
SEA	ABQ, AUS, COS, ELP, PHX, TUS, SPS.
TUS	AUS, CHI, DFW, HOU, MKC, LAW, MIA, MSY, OKC, PDX, SAT, SFO, SEA, TUL, ICT, SPS.
TUL	ABQ, AUS, ELP, LAX, MIA, PHX, SFO, TUS.
ICT	ELP, LAX, MIA, MSY, PHX, PDX, SFO, TUS.
SPS	CHI, LAX, MIA, PHX, PDX, SFO, SEA, TUS.

4. All increased priority reserved general commodity (PRP) rates and the increased minimum charge in connection therewith *from* the point in Column A *to* the point(s) in Column B on the pages listed in Paragraph 7.

Column A	*Column B*
ABQ	HNL, SFO
AUS	HNL
CHI	DEN, ELP, HNL, MKC, LAX, PDX, SFO, SEA
COS	CHI, DFW, ELP, HNL, HOU, LAX
DFW	HNL, LAX, SFO
DEN	CHI, DFW, HNL, HOU, MKC, LAX, MIA MSY, PHX, PDX, SAT, SFO, SEA
ELP	CHI, COS, DFW, DEN, HNL, HOU, LAX, MIA, MSY, PDX, SFO, SEA
HNL	ABQ AMA, AUS, CHI, COS, DFW, DEN, ELP, HOU, MKC, LAW, LAX, LBB, MIA, MAP, MSY, OKC, PHX, PDX, SAT, SFO, SEA TUS, TUL, ICT, SPS
HOU	DEN, HNL, LAX, MIA, PHX, PDX, SEA, TUS
MKC	CHI, DEN, HNL, LAX, SFO
LAW	HNL
LAX	CHI, COS, DFW, DEN, ELP HNL, HOU, MKC, MIA, OKC, PHX, PDX, SAT, SEA, TUL
LBB	HNL
MIA	AMA, AUS, COS, DEN, HNL, HOU, LAX, LBB, OKC, PHX, PDX, SAT SFO, SEA, ICT
MAP	HNL
MSY	HNL, LAX, PHX, PDX, SFO, SEA, TUS
OKC	HNL
PHX	CHI, DEN, HNL
PDX	CHI, DFW, DEN, HNL, HOU MKC, LAX, LBB, MAP, MSY, OKC, SAT, TUL, ICT
SAT	CHI, DEN, ELP, HNL, HOU, MKC, LAX, MSY, PHX, SFO, SEA
SFO	ABQ, CHI, COS DFW, DEN, HNL, HOU, MKC, MIA, MSY, OKC, PDX, SEA, TUL
SEA	AMA, CHI, DFW, DEN, HNL, HOU, MKC LAX, LBB, MIA, MAP, MSY, OKC, SAT, SFO, TUL, ICT
TUS	HNL
TUL	DEN, HNL, HOU, PDX, SEA
ICT	HNL, SEA
SPS	HNL

5. The increased priority reserved general commodity (PRP) rates, subject to minimum weights of 100 to 250 pounds, and the increased minimum charge in connection therewith *from* AMA *to* HNL.

6. All increased priority reserved general commodity (PRF) rates minimum charges and provisions on the pages listed in Paragraph 7 insofar as they would be used in the determination of rates and minimum charges in conjunction with exception ratings of priority general commodity rates named in Item No. 30 on behalf of "CO."

7. Pages which contain rates, charges and provisions suspended in Paragraphs 1, 2, 3, 4, 5 and 6 above:

18th Revised Page 351
18th Revised Page 352
22nd Revised Page 353
22nd Revised Page 354
24th Revised Page 355
24th Revised Page 356
23rd Revised Page 357
23rd Revised Page 358
22nd Revised Page 359
22nd Revised Page 360
25th Revised Page 361
25th Revised Page 362
19th Revised Page 363
19th Revised Page 364
19th Revised Page 365
19th Revised Page 366
22nd Revised Page 367
22nd Revised Page 368
19th Revised Page 369
19th Revised Page 370
21st Revised Page 371
21st Revised Page 372
17th Revised Page 373
17th Revised Page 374
14th Revised Page 375
14th Revised Page 376
16th Revised Page 377
16th Revised Page 378
17th Revised Page 379
17th Revised Page 380
13th Revised Page 381
13th Revised Page 382
19th Revised Page 383
19th Revised Page 384
16th Revised Page 385
16th Revised Page 386
18th Revised Page 387
18th Revised Page 388
13th Revised Page 389
13th Revised Page 390
3rd Revised Page 390-A
3rd Revised Page 390-B

TARIFF C.A.B. NO. 227, ISSUED BY AIRLINE TARIFF PUBLISHING COMPANY, AGENT

1. All increased general commodity (GEN) rates and charges on container Type D *from* the point(s) in Column A *to* the point(s) in Column B on the pages listed in Paragraph 2.

Column A	*Column B*
CHI, COS, DFW, ELP HNL	HNL DFW, DEN, ELP, HOU, MKC, MSY, OKC, PHX, SAT, TUL, ICT
HOU, MSY, OKC, PHX, SAT, TUL, ICT	HNL

2. Pages which contain rates and charges suspended in Paragraph 1 above:

11th Revised Page 109
11th Revised Page 110
6th and 7th Revised Pages 110–A
6th and 7th Revised Pages 110–B
16th Revised Page 111
12th Revised Page 113
12th Revised Page 114
12th Revised Page 115
9th Revised Page 117

All rates and charges which are reissues of rates and charges suspended on the pages above:

8th Revised Page 110–A
8th Revised Page 110–B

EXPLANATION OF ABBREVIATIONS USED IN APPENDIX A

ABQ—Albuquerque
AMA—Amarillo
AUS—Austin
CHI—Chicago
COS—Colorado Springs
DFW—Dallas/Ft. Worth
DEN—Denver
ELP—El Paso
HNL—Honolulu/Hilo
HOU—Houston
MKC—Kansas City
LAW—Lawton
LAX—Los Angeles
SPS—Wichita Falls
LBB—Lubbock
MIA—Miami/Ft. Lauderdale
MAF—Midland
MSY—New Orleans
OKC—Oklahoma City
PHX—Phoenix
PDX—Portland, Oregon
SAT—San Antonio
SFO—San Francisco
SEA—Seattle
TUS—Tucson
TUL—Tulsa
ICT—Wichita

[FR Doc.75-33231 Filed 12-9-75;8:45 am]

[Docket Nos. 22859, 26838; Order No. 75-12-29]

UNITED AIR LINES, INC.

Order of Suspension Regarding Rates Investigation

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 5th day of December, 1975.

By tariff revisions[1] marked to become effective December 7, and 11, 1975, United Air Lines, Inc. (United) proposes, *inter alia*, to increase by 7 percent numerous regular service bulk and container general and specific commodity rates and charges, and priority general and specific commodity air freight rates in markets in which United competes with Continental Air Lines, Inc. (Continental). The proposed increases essentially match those filed by Continental for the same effective date. Bulk general commodity and priority air freight minimum charges per shipment are not increased.

In support of its proposal, United asserts, *inter alia*, that the proposed increases raise rates in markets in which it competes with Continental by lesser amounts than those which were fully justified in previous United filings; that the proposed rates are well below the level of the Bureau of Economic's fully allocated costs submitted in DAFRI; that United has been forced to exempt these markets from previous increases since Continental has not raised its rates since March 1974; that United's operating loss from all-cargo operations was $11.6 million for the year ended June 30, 1975; that it estimates that the proposed increases will raise its annual total freight revenues by $975,000, and freighter-only revenues by $340,000; and, should this increase be denied, the continued deficit will encourage the airline industry to continue to shift its resources away from unprofitable all-cargo operations, resulting in a loss of service much needed by the shipping public.

The proposed rates and charges come within the scope of either the *Domestic Air Freight Rate Investigation* (DAFRI), Docket 22859, or the *Priority Reserved Air Freight Rates Investigation* (PRA FRI), Docket 26838, and their lawfulness will be determined in those proceedings. The issue now before the Board is whether to suspend the proposed increases or to permit them to become effective pending investigation.

The Board has reviewed these rates in the light of recent industry-average costs (including return on investment) of carrying air freight.[2] Based on these criteria, we believe that a number of the proposed general commodity regular and priority rates, all in the Hawaiian markets, should be suspended.

Upon consideration of all relevant factors, the Board finds that the increased rates set forth in detail in the Appendix, should be suspended. The remaining portions of the proposal, including the remaining general and specific commodity standard and priority bulk and container rates and charges, appear sufficiently related to costs that the Board will permit them to become effective.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a), 403, 404, and 1002 thereof,

It is ordered that:

1. Pending hearing and decision by the Board, the increased rates, charges, and provisions described in Appendix A hereto are suspended and their use deferred to and including March 5, 1976, unless otherwise ordered by the Board, and that no change be made therein during the period of suspension except by order or special permission of the Board; and

2. Copies of this order will be filed with the tariffs and served upon United Air Lines, Inc.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] EDWIN Z. HOLLAND, *Secretary.*

APPENDIX A

TARIFF C.A.B. NO. 169, ISSUED BY AIRLINE TARIFF PUBLISHING COMPANY, AGENT

1. The increased general commodity (GEN) and priority general commodity (GCX) rates *from* the point in Column A *to* the point in Column B subject to the minimum weight(s) in pounds shown in Column C on the pages listed in paragraph 2:

Column A	Column B	Column C
Chicago	Honolulu/Hilo	100, 250
Denver	do	100
Honolulu/Hilo	Chicago	100, 250
Do	Denver, Los Angeles, Portland, Oreg., San Diego, San Francisco/Oakland/San Jose.	100
Do	Kansas City	100, 250
Los Angeles, Portland, Oreg., San Diego, San Francisco/Oakland/San Jose.	Honolulu/Hilo	100
Milwaukee	do	100, 250

2. Pages which contain rates suspended in Paragraph 1 above:

27th Revised Page 1153
25th Revised Page 1164
26th Revised Page 1197
26th Revised Page 1198
23rd Revised Page 1199
23rd Revised Page 1200
26th Revised Page 1201
25th Revised Page 1203
25th Revised Page 1204
27th Revised Page 1227
30th Revised Page 1243
22nd Revised Page 1283
23rd Revised Page 1326
15th Revised Page 1336

3. All rates on the following pages which are reissues of rates suspended on the pages above:

24th Revised Page 1199
24th Revised Page 1200
26th Revised Page 1203
26th Revised Page 1204

[FR Doc.75-33232 Filed 12-9-75;8:45 am]

[Docket No. 25474; Order No. 75-12-27]

WESTERN AIR LINES, INC.

Order of Investigation and Suspension Regarding Discount Fares

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 5th day of December, 1975.

By tariff revisions[1] marked to become effective December 7, 1975, Western Air Lines, Inc. (Western) proposes to extend

[1] Revisions to Airline Tariff Publishing Company, Agent, Tariffs C.A.B. Nos. 169 and 227.

[2] For present purposes the costs utilized are the same as those presented in the Bureau of Economics' brief to the Board which are essentially consistent in methodology with the Initial Decision in the *Domestic Air Freight Rate Investigation*, Docket 22859. Further, these calendar year 1974 costs have been updated to reflect the levels prevailing during the nine-month period ended September 30, 1975.

[1] Revisions to Airline Tariff Publishers Company, Agent, Tariff C.A.B. No. 247.

all of its mainland-Hawaii promotional fares for one year to December 31, 1976.

Northwest Airlines, Inc. (Northwest) has complained against the extension insofar as it includes the off-peak application of the group inclusive tour basing (GIT) fares for groups of 154 or more passengers on Sundays between Minneapolis/St. Paul and Honolulu.[2] Northwest alleges, *inter alia*, that data provided by Western when the above-described provision was first proposed, data the Board relied upon in dismissing a Northwest complaint,[3] was irrelevant and misleading. Among other things, Northwest claims that virtually all GIT passengers from Minneapolis/St. Paul use the assembly fare and are consolidated with passengers from other cities over a predesignated assembly point, and that, therefore, Western's supporting data was seriously deficient in that it did not include the passenger traffic distribution from the assembly cities in its GIT program. Northwest also alleges that the provision at issue discriminates against other GIT passengers who, despite originating at points intermediate to Minneapolis/St. Paul and departing the assembly point to Hawaii as members of the same group, must pay a higher fare because they would pay shoulder-level rather than off-peak fares. Northwest further alleges that the higher intermediate-point fares, coupled with free stopover provisions at those points, could lead to tariff abuse.

Western answered on December 4, 1975, alleging that the exception Northwest complains of expires on April 30, 1976, and that Northwest's complaint is therefore misplaced. No attempt is made to rebut any of the allegations made by Northwest. We construe the complaint as being directed at the extension of the off-peak *fare* beyond December 31, 1975 because of a separate tariff exception which provides that the fare will apply on Sundays in the Minneapolis/St. Paul-Honolulu market.

Upon consideration of all relevant matters the Board concludes that, in view of the tariff exception which provides that Sunday is an off-peak day, the proposal to extend the off-peak Minneapolis/St. Paul-Honolulu group inclusive tour basing fares for 154 or more passengers may be unjust, unreasonable, unjustly discriminatory, unduly prejudicial, unduly preferential, or otherwise unlawful, and should be suspended. These provisions are already under investigation in the *Hawaii Fares Investigation*. (Docket 25474).

The information provided by Northwest in its complaint, as well as further consideration of the matter, leads us to alter our finding in Order 75-11-52. Substantially all of Western's traffic from interior points is apparently funneled through the west coast gateway. Since application of the fares (peak, off-peak (or shoulder) depends not on the date the passenger departs his point of origin, but rather on the date he departs on the last leg of the trip, Western's showing of traffic distribution out of Minneapolis/St. Paul is inconclusive.[4] Fare differentials by day of the week were established in an effort to smooth out traffic demand on west coast-Hawaii flights. Interior flight segments to these gateway points may or may not have similar peaking problems—this has not been established one way or the other. However, in its proposed extension of mainland-Hawaii GIT fares Western proposes to retain Sunday as a shoulder day in all but this one market (including west coast-Hawaii) which tends to argue against the one exception at Minneapolis/St. Paul.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a), 403, 404, and 1002 thereof,

It is ordered that:

1. Pending hearings and decision by the Board, the fares and provisions described in Appendix A hereto are suspended and their use deferred to and including March 5, 1976, unless otherwise ordered by the Board, and that no changes be made therein during the period of suspension except by order or special permission of the Board;

2. Except to the extent granted herein, the complaint in Docket 28556 is dismissed; and

3. Copies of this order will be filed in the aforesaid tariff and served upon Northwest Airlines, Inc. and Western Air Lines, Inc.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] EDWIN Z. HOLLAND,
Secretary.

APPENDIX A

TARIFF C.A.B. NO. 247, ISSUED BY AIRLINE TARIFF PUBLISHING COMPANY, AGENT

On 9th and 10th Revised Pages 55 the explanation of reference mark "e" insofar as it applies to the YOV5, YOV11, YXV5 and YXV11 class fares between Honolulu/Hilo on the one hand and Minneapolis/St. Paul on the other.

[FR Doc.75-33233 Filed 12-9-75;8:45 am]

COMMISSION ON CIVIL RIGHTS

INDIANA ADVISORY COMMITTEE

Open Meeting and Agenda

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Indiana Advisory Committee (SAC) to this Commission will convene at 9:00 a.m. and end at 3:00 p.m. on January 10, 1976, Holiday Inn, 800 E 81st Street, Merriville, Indiana.

Persons wishing to attend this meeting should contact the Committee Chairperson, or the Midwestern Regional Office of the Commission, Room 1428, 230 South Dearborn Street, 32nd Floor, Chicago, Illinois 60604.

The purpose of this meeting is to discuss Lake County project and plan for hearing on February 13-14, 1976.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., December 5, 1975.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.75-33273 Filed 12-9-75;8:45 am]

LOUISIANA ADVISORY COMMITTEE

Rescheduled Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Louisiana Advisory Committee (SAC) originally scheduled for December 14, 1975, has been changed to December 12, 1975, at the same place and time.

Dated at Washington, D.C., December 5, 1975.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.75-33274 Filed 12-9-75;8:45 am]

MASSACHUSETTS ADVISORY COMMITTEE

Open Meeting and Agenda

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Massachusetts Advisory Committee (SAC) to this Commission will convene at 12 noon and end at 4:00 p. m. on January 8, 1976, at the Jewish Labor Committee, 27 School Street, Boston, Massachusetts 02108.

Persons wishing to attend this meeting should contact the Committee Chairperson or the Northeastern Regional Office of the Commission, Room 1639, 26 Federal Plaza, New York, New York 10007.

The purpose of this meeting is to discuss planning on conference for religious leaders.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., December 5, 1975.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.75-33275 Filed 12-9-75;8:45 am]

[2] The complaint, which was filed seven days late, was accompanied by a motion for leave to file an untimely document. We have concluded to grant the motion.

[3] Order 75-11-52.

[4] The fact that Western's traffic flows through a west coast gateway is of particular significance if, as alleged by Northwest, virtually all GIT passengers between Minneapolis/St. Paul and Hawaii use the assembly fare and are consolidated on the west coast with passengers from other cities. We see no reason for offering off-peak fares to passengers departing one point while passengers from intermediate points, consolidated into the same group must pay higher shoulder-level fares.

PENNSYLVANIA, DELAWARE ADVISORY COMMITTEES

Open Meeting and Agenda

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a hearing of the Pennsylvania, Delaware Advisory Committees (SAC) to this Commission will convene at 9 p.m. and will end at 6:00 p.m., each day on January 22–23, 1976, Court House, High Street, West Chester, Pennsylvania 19380.

Persons wishing to attend this meeting should contact the Committees Chairpersons, or the Mid-Atlantic Regional Office of the Commission, Room 510, 2120 L Street, N.W., Washington, D.C. 20037.

The purpose of this hearing is to gather information concerning the denial of equal protection for mushroom workers under Pennsylvania, Delaware and Federal laws.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., December 5, 1975.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.75-33276 Filed 12-9-75;8:45 am]

SOUTH CAROLINA ADVISORY COMMITTEE

Open Meeting and Agenda

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the South Carolina Advisory Committee (SAC) to this Commission will convene at 11:00 a.m. and end at 4:00 p.m. on January 15, 1976, in the Board Room, S.C. Human Affairs Commission, 1111 Belleviews, Columbia, South Carolina 29211.

Persons wishing to attend this meeting should contact the Committee Chairperson, or the Southern Regional Office of the Commission, Room 362, Citizens Trust Bank Building, 75 Piedmont Avenue NE., Atlanta, Georgia 30303.

The purpose of this meeting is to discuss the survey on desegregation, setting up teams and deadlines for projects; plans for releasing data on LEAA report.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., December 5, 1975.

ISAIAH T. CRESWELL, JR.,
Advisory Committee Management Officer.

[FR Doc. 75-33277 Filed 12-9-75;8:45 am]

INTERNATIONAL TRADE COMMISSION

[337-TA-5]

CHAIN DOOR LOCKS

Notice of Appointment of Presiding Officer

Notice is hereby given that on November 30, 1975, the United States International Trade Commission appointed Myron R. Renick, Administrative Law Judge, as Presiding Officer in United States International Trade Commission Investigation No. 337-TA-5, Chain Door Locks.

By Order of the Commission.

Issued: December 4, 1975.

[SEAL] KENNETH R. MASON,
Secretary.

[FR Doc.75-33121 Filed 12-9-75;8:45 am]

[337-TA-4]

EXPANDED, UNSINTERED POLYTETRAFLUOROETHYLENE IN TAPE FORM

Notice of Appointment of Presiding Officer

Notice is hereby given that on November 30, 1975, the United States International Trade Commission appointed Myron R. Renick, Administrative Law Judge, as Presiding Officer in United States International Trade Commission Investigation No. 337-TA-4, Expanded Unsintered Polytetrafluoroethylene in Tape Form.

By order of the Commission.

Issued: December 3, 1975.

KENNETH R. MASON,
Secretary.

[FR Doc.75-33118 Filed 12-9-75;8:45 am]

[Docket No. 337-TA-4]

EXPANDED, UNSINTERED POLYTETRAFLUOROETHYLENE IN TAPE FORM

Notice of Prehearing Conference

Notice is hereby given that the United States International Trade Commission will hold a prehearing conference in connection with investigation No. 337-TA-4, Expanded, Unsintered Polytetrafluoroethylene in Tape Form, on Friday, December 12, 1975, at 10 a.m., E.S.T., in Room 336 of the United States International Trade Commission Building, 701 E Street, NW., Washington, D.C. 20436.

The proposed agenda for the prehearing conference is:

1. Stipulation to proposed Commission Rules (40 FR 40173, September 2, 1975) for this investigation, and to evidence of record.
2. The scope of a proposed additional hearing.
3. A proposed protective order (to be furnished prior to the prehearing conference) and distribution of material submitted in confidence to the parties.
4. Collection of additional economic data.
5. Discussion as to proposed witnesses.
6. Discussion of dates relevant to the hearing.
7. Any other matters mentioned in documents served in accordance with the immediately following paragraph.

To include additional items on the prehearing conference agenda, each participant should serve written proposals on the presiding officer and all parties before December 5, 1975.

Parties with like interests will be grouped and a spokesman appointed for their common interests at the prehearing conference.

At the conference the participants should be prepared to discuss problems involved in the proceeding, procedural and substantive, and should be authorized to make commitments with respect thereto. Among the specific items to be discussed within the framework of the agenda listed above are: Stipulations as to facts, authentication of documents, future procedural dates, including dates for the service of direct and rebuttal evidence, dates for briefs and dates for the hearing.

Failure to attend the prehearing conference may result in waiver of your right to receive data or to object to rules, dates, or procedure ordered at such conference, or object to stpulations entered into by the parties.

Issued: December 3, 1975.

MYRON R. RENICK,
Administrative Law Judge.

[FR Doc.75-33119 Filed 12-9-75;8:45 am]

[337-TA-18]

MONOLITHIC CATALYTIC CONVERTERS

Stay of Hearing and Suspension of Investigation

Notice is hereby given that the United States International Trade Commission pursuant to the order of the United States Court of Customs and Patent Appeals dated December 3, 1975, has stayed the public hearing scheduled to begin December 8, 1975, under section 337(e) of the Tariff Act of 1930, as amended (88 Stat. 2053), in connection with investigation No. 337-TA-18, monolithic catalytic converters.

Also, under the authority of section 337(b)(1) of the statute, the investigation is suspended because of proceedings in the United States Court of Customs and Patent Appeals until further notice. Notice of institution of the investigation was published in the FEDERAL REGISTER on July 23, 1975 (40 F.R. 30879).

By order of the Commission.

Issued: December 4, 1975.

[SEAL] KENNETH R. MASON,
Secretary.

[FR Doc.75-33120 Filed 12-9-75;8:45 am]

[337-TA-18]

MONOLITHIC CATALYTIC CONVERTERS

Order

The United States International Trade Commission in a notice published in the FEDERAL REGISTER on October 31, 1975 (40 F.R. 50752) in the Monolithic Catalytic Converters Investigation No. 337-TA-18 ordered full Commission review of the order of Presiding Commissioner Ablondi dated October 17, 1975, which granted the application of Volkswagen Mid-America, Inc., to withdraw as a party, and discontinued Midvo, Inc., World-Wide Volkswagen Corp., Volkswagen Atlantic, Inc., Import Motors Limited, Inc., Riviera Motors, Inc., and Porsche Audi Northwest, Inc., as parties without

prejudice to their intervening at a later stage of this proceeding.

Volkswagen Mid-America, Inc., Midvo, Inc., World-Wide Volkswagen Corp., Volkswagen Atlantic, Inc., Import Motors Limited, Inc., Riviera Motors, Inc. and Porsche Audi Northwest, Inc., which are independent distributors of imported automobiles incorporating monolithic catalytic converters, purchase the units from the importer Volkswagen of America, Inc.

Upon consideration of written and oral submissions and the legal arguments of counsel at the public hearing on November, 6, 1975, the Commission concurred with the reasons set forth in Presiding Commissioner Ablondi's opinion dated October 21, 1975,[1] and, for the additional reasons that (1) the aforementioned distributors have made no showing that they can assist the Commission at this stage of the proceeding under section 337(a) and (2) the inclusion of the aforesaid distributors would only burden and delay this complicated proceeding, the Commission on November 18, 1975—

Ordered that the application of Volkswagen Mid-America, Inc., to withdraw as a party to this proceeding is granted; and

Further ordered that Midvo, Inc., World-Wide Volkswagen Corp., Volkswagen Atlantic, Inc., Import Motors Limited, Inc., Riviera Motors, Inc., and Porsche Audi Northwest, Inc., are discontinued as parties to this proceeding without prejudice to the right of the aforesaid independent distributors to intervene at a later stage of this proceeding.

By order of the Commission:

Issued: December 3, 1975.

KENNETH R. MASON,
Secretary.

[FR Doc.75-33122 Filed 12-9-75;8:45 am]

[337-TA-18]

MONOLITHIC CATALYTIC CONVERTERS

Order

The United States International Trade Commission in a notice published in the FEDERAL REGISTER on October 31, 1975 (40 FR 50752), in the Monolithic Catalytic Converters Investigation No. 337-TA-18 ordered full Commission review of the order of Presiding Commissioner Abondi dated October 20, 1975, which made Johnson, Matthey & Co., Ltd., of London, England, and Degussa of Frankfurt, Germany, both of which are manufacturers of monolithic catalytic elements, parties to this proceeding.

Johnson, Matthey & Co., Ltd., has moved for leave to intervene and participate in this proceeding and has consented to submit to the jurisdiction of the Commission. Degussa has declined to submit to the jurisdiction of the Commission.

Upon consideration of written and oral submissions and the legal arguments of counsel at the public hearing on November 6, 1975, the Commission on November 18, 1975:

Ordered that Johnson, Matthey & Co., Ltd., is made a party to this proceeding; and

Further ordered that Degussa is not made a party to this proceeding.

By order of the Commission:

Issued: December 3, 1975.

KENNETH R. MASON,
Secretary.

[FR Doc.75-33123 Filed 12-9-75;8:45 am]

[AA1921-149]

CERTAIN NONPOWERED HAND TOOLS FROM JAPAN

Determination of No Injury or Likelihood Thereof

DECEMBER 2, 1975.

On September 2, 1975, the United States International Trade Commission received advice from the Department of the Treasury that certain nonpowered hand tools from Japan, that is, chisels, punches, hammers and sledges (with or without handles), vices, c-clamps, and battery service tools, other than hammers from Imoto Hamono Co., Ltd., and Kyoto Tool Co., Ltd., sledges from Hirota Tekko K.K., and battery service tools from Tashiro Seisakusho and Japan Export Brush Co., Ltd., are being, or are likely to be, sold in the United States at less than fair value within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)). Accordingly, on September 10, 1975, the Commission instituted investigation No. AA1921-149 under section 201(a) of said act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such nonpowered hand tools into the United States. Subsequently, on October 15, 1975, the Department of the Treasury amended its determination so that the only battery service tools covered thereby are battery terminal lifters. The Commission, therefore, on October 23, 1975, amended the scope of its investigation to make it correspond with the advice received.

Notices of the institution of the investigation and of a public hearing, of the hearing rescheduling, and of amendment of the notice of investigation were published in the FEDERAL REGISTER (40 FR 42607, 43956, and 50320). The hearing was held on October 22 and 23, 1975.

In arriving at its determination, the Commission gave due consideration to written submissions from interested parties, evidence adduced at the hearing, and all factual information obtained by the Commission's staff from questionnaires, personal interviews, and other sources.

The United States International Trade Commission has unanimously determined that an industry in the United States is not being injured or is not likely to be injured, or is not prevented from being established, by reason of the importation of chisels, punches, hammers and sledges (with or without handles), vises, c-clamps, and battery terminal lifters from Japan that are being, or are likely to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended.

STATEMENT OF REASONS OF CHAIRMAN WILL E. LEONARD, VICE CHAIRMAN DANIEL MINCHEW, AND COMMISSIONERS GEORGE M. MOORE, CATHERINE BEDELL, JOSEPH O. PARKER, AND ITALIO H. ABLONDI

The Antidumping Act, 1921, as amended, requires that the U.S. International Trade Commission find two conditions satisfied before an affirmative determination shall be made. The first condition is that an industry in the United States is being or is likely to be injured, or is prevented from being established. Second, the requisite injury must be "by reason of" the importation into the United States of the merchandise which the Department of the Treasury (Treasury) has determined is being, or is likely to be, sold at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended.

On the basis of the subject investigation (investigation No. AA1921-149), we have determined that an industry in the United States is not being injured or is not likely to be injured, or is not prevented from being established, by reason of the importation of chisels, punches, hammers and sledges (with or without handles), vises, c-clamps, and battery terminal lifters from Japan being sold or likely to be sold at LTFV.[1]

U.S. industry—The U.S. industry most likely to be adversely affected by imports sold at LTFV consists of the facilities in the United States devoted to the production of chisels, punches, hammers and sledges (with or without handles), vises, c-clamps, and battery terminal lifters. These articles are produced at plants located throughout the United States, and are sold primarily to industrial-commercial distributors, hardware wholesalers and cooperatives, automotive-service-market wholesalers, and several mass-merchandise retail chains.

The imported articles—The tools imported from Japan are generally limited to the hardware wholesale and mass-merchandise retail markets. The evidence developed during the investigation indicates that imports, overall, are of somewhat lower quality and sell at commensurately lower prices, making such imports generally more suitable for sale in retail outlets primarily serving the occasional user. By contrast, the tools produced by domestic manufacturers are sold primarily for use in industry, by professional tradespeople, and by skilled craftsmen.

Import penetration and lost sales—Import market penetration remained at about 6 percent during 1972-74, a period which includes Treasury's investigation, April 1-September 30, 1974. Although

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[1] Filed as part of the original document.

[1] Prevention of the establishment of an industry is not an issue in the instant investigation, and will not be discussed further.

imports from Japan increased more rapidly in the first 8 months of 1975 than in the preceding 3 years, the increase can be largely attributed to imports of vises which were the result of orders placed in Japan because of the inability of the domestic producers to meet increased demand on time.

It was established during the investigation that some domestic distributors of the tools under consideration have either turned to Japanese imports or increased such imports because of the difficulties experienced by domestic producers in making shipments during recent raw materials shortages. Other alleged losses of sales by domestic producers to imports were not substantiated; the firms involved have, in fact, been importing or purchasing imported Japanese tools for more than a decade and have not significantly increased such purchases during the period of the investigation. Several distributors indicated that their reason for accepting imported tools was to widen the selection to their dealers in terms of range of quality and price. The Commission could not corroborate allegations that the domestic industry had lost sales of the subject articles because of LTFV sales of certain Japanese imports.

Shipments, exports, orders—Despite the LTFV import sales, domestic shipments of the tools under consideration rose in line with increased domestic demand during 1971–74, and exports of such tools by domestic producers increased during the same period. Further, the increased demand for domestic tools resulted in higher unfilled orders during 1972–74, reflecting the domestic producers' difficulty in meeting the increased demand.

The decline in U.S. shipments in the first 8 months of 1975 slightly exceeded the decline in apparent domestic consumption, reflecting the greater sensitivity of the generally higher quality, higher priced domestic tools to the reduced industrial activity in the United States. The decline in exports in the first 8 months of 1975 appears to reflect the economic recession in industrial countries abroad.

Prices—There is no evidence of price depression during the period of LTFV sales, nor is there evidence of suppression of intended price increases because of LTFV sales. The data obtained in the investigation show that prices for domestic and imported tools have increased consistently in recent years.

Profitability and employment—The financial data of the domestic industry, as reported to the Commission, indicate increased net sales of chisels, punches, hammers, sledges, vises, and c-clamps during 1972–74. The ratio of net operating profit to net sales of these tools remained at about 9 percent in 1972 and 1973. The rise in production costs during 1974 occurred faster than the domestic producers could raise their prices, creating a temporary deline in profits during that period. However, this situation reversed during 1975, when the profits were higher than in previous years.

Employment and man-hours in the domestic industry increased throughout the period 1971–74. Although employment declined slightly in the first 8 months of 1975, total man-hours worked continued to increase.

No likelihood of injury—The evidence obtained for the period of the investigation also indicates that there is no likelihood of injury to the domestic industry within the meaning of the Antidumping Act, 1921, as amended. In 1974, U.S. shipments increased at a greater rate than imports from Japan. With the exception of vises, imports of the tools under consideration declined in the first 8 months of 1975. It is reasonable to expect that U.S. shipments will increase with improvement in overall economic activity. The latest data on the profitability of the domestic industry show no evidence of future injury.

Conclusion—The Commission concludes that an industry is not being injured or is not likely to be injured by reason of the imports of chisels, punches, hammers and sledges (with or without handles), vises, c-clamps, and battery terminal lifters from Japan that are being, or are likely to be, sold at LTFV within the meaning of the Antidumping Act, 1921, as amended.

By order of the Commission.

Issued: DECEMBER 5, 1975.

[SEAL] KENNETH R. MASON,
Secretary.

[FR Doc.75-33230 Filed 12-9-75;8:45 am]

NUCLEAR REGULATORY COMMISSION

[DOCKET NO. P-636-A]

FLORIDA POWER & LIGHT CO.

Notice of Receipt of Partial Application for Construction Permits and Facility Licenses: Time for Submission of Views on Antitrust Matters

Florida Power & Light Company (the applicant), pursuant to Section 103 of the Atomic Energy Act of 1954, as amended, has filed one part of an application, dated July 14, 1975, in connection with its plans to construct and operate two nuclear power reactors. At this time, final decisions have not been reached with respect to site selection, and it is possible that more than one site will be utilized. The portion of the application filed contains the information requested by the Attorney General for the purpose of an antitrust review of the application as set forth in 10 CFR Part 50, Appendix L.

The remaining portion of the application, consisting of a Preliminary Safety Analysis Report accompanied by an Environmental Report, pursuant to § 2.101 of Part 2, is expected to be filed during 1976. Upon receipt of the remaining portions of the application dealing with radiological health and safety and environmental matters, separate notices of receipt will be published by the Commission including an appropriate notice of hearing.

A copy of the partial application is available for public inspection at the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C., 20555. As soon as a site is selected, a Local Public Document Room will be established where related documents will be made available for public inspection. Docket No. P-636-A has been assigned to the application and it should be referenced in any correspondence relating to it.

Any person who wishes to have his views on the antitrust matters of the application presented to the Attorney General for consideration should submit such views to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Chief, Office of Antitrust and Indemnity, Office of Nuclear Reactor Regulation on or before January 26, 1976.

Dated at Bethesda, Maryland this 20th day of November 1975.

For the Nuclear Regulatory Commission.

OLAN D. PARR,
Chief, Light Water Reactors, Project Branch 1-3, Division of Reactor Licensing.

[FR Doc.75-31859 Filed 11-25-75;8:45 am]

[Docket No. P-499-A]

LOS ANGELES DEPARTMENT OF WATER AND POWER, ET AL.

Notice of Receipt of Attorney General's Advice and Time for Filing of Petitions to Intervene on Antitrust Matters

The Commission has received, pursuant to section 105c. of the Atomic Energy Act of 1954, as amended, a letter of advice from the Attorney General of the United States, dated November 24, 1975, a copy of which is attached as Appendix A.

Any person whose interest may be affected by this proceeding may, pursuant to § 2.714 of the Commission's "Rules of Practice," 10 CFR Part 2, file a petition for leave to intervene and request a hearing on the antitrust aspects of the application. Petitions for leave to intervene and requests for hearing shall be filed by January 9, 1976, either (1) by delivery to the NRC Public Docketing and Service Section at 1717 H Street, N.W., Washington, D.C., or (2) by mail or telegram addressed to the Secretary, Nuclear Regulatory Commission, Washington, D.C. 20555, Attn: Docketing and Service Section.

For the Nuclear Regulatory Commission.

JEROME SALTZMAN,
Acting Chief, Office of Antitrust and Indemnity, Nuclear Reactor Regulation.

APPENDIX "A"

[NRC Docket No. P-499-A]

SAN JOAQUIN NUCLEAR PROJECT

LOS ANGELES DEPARTMENT OF WATER AND POWER, ET AL.

NOVEMBER 24, 1975.

You have requested our advice pursuant to the provisions of Section 105c of the Atomic

Energy Act of 1954, as amended, in connection with the above-captioned application.

San Joaquin Nuclear Project (SJNP) is a proposed four-unit nuclear power plant to be located in the southern San Joaquin Valley of California. Each unit will have the capacity to provide 1300 megawatts of electric power. The project will be jointly owned by a number of public and private California utilities. The Los Angeles Department of Water and Power (LADWP) will construct and operate the plant and will have a 35.5 percent share of the plant's output. The following is a list of the other utilities who are participants in the project and their respective shares of the project:

(1) Southern California Edison Company (22 percent);
(2) Pacific Gas and Electric Company (23 percent);
(3) State of California Department of Water Resources (10 percent);
(4) City of Anaheim (2 percent);
(5) City of Glendale (2 percent);
(6) City of Riverside (2 percent);
(7) Northern California Power Agency (2 percent);
(8) City of Pasadena (1.5 percent).

THE APPLICANTS

LOS ANGELES DEPARTMENT OF WATER AND POWER

LADWP is the largest municipally-owned electric system in the Nation with over one million retail customers and with a system peak in excess of 3,500 megawatts. LADWP has installed generating capacity in excess of 4,000 megawatts and operates an extensive transmission and subtransmission network. LADWP does not sell wholesale bulk power to any electric system.

SOUTHERN CALIFORNIA EDISON (EDISON)

Edison is a privately-owned electric utility which serves over 2.5 million customers in a 50,000 square-mile service area in southern California. Its most recent peak load was in excess of 10,000 megawatts which it meets with installed generating capacity in excess of 13,000 megawatts. Edison operates a 10,000 mile transmission and subtransmission network through which it is interconnected with Pacific Gas and Electric Company to the north, Arizona Public Service Company to the east, San Diego Electric and Gas Company to the south, and with LADWP which it surrounds.

PACIFIC GAS AND ELECTRIC COMPANY (PG&E)

PG&E is a privately-owned electric utility which serves 47 counties in northern and central California. Its most recent system peak load was in excess of 11,000 megawatts which it meets with a system capability in excess of 13,000 megawatts. PG&E operates a 17,000 mile tranamission network through which it is interconnected to Pacific Power & Light, the U.S. Bureau of Reclamation's Central Valley Project, Sierra Pacific Power Company, Sacramento Municipal Utility District and Edison. Through the Pacific Northwest-Southwest Intertie, it is interconnected to all the major utilities in the Pacific Northwest. PG&E sells power at wholesale to 11 municipally-owned electric distribution systems and one cooperatively-owned distribution system. PG&E also provides wheeling services for the Central Valley Project and several other public agencies.

THE STATE OF CALIFORNIA, DEPARTMENT OF WATER RESOURCES (DWR)

The Department of Water Resources operates the California State Water Project (CSWP) which provides reservoir storage, water transportation, pumping and power facilities by which water which is surplus in northern California is delivered to water deficient areas in other parts of California. The CSWP requires large amounts of electric energy to meet project pumping requirements. While the hydroelectric resources of the project will eventually produce 5.4 billion kwh annually, this will meet only 40 percent of CSWP's total electric needs. DWR is participating in SJNP as part of its plan to provide for that part of its electrical requirements which are not met by its own hydroelectric facilities.

CITY OF ANAHEIM

The City of Anaheim, with a population of almost 200,000, operates its own electric distribution system which has a peak load of over 300 megawatts. Anaheim currently purchases all of its power requirements from Southern California Edison. It has no generating capacity of its own. In addition to SJNP, the City is currently studying a number of other generation projects, including participating in the San Onofre Nuclear Units.

CITY OF RIVERSIDE

The City of Riverside, with a population of over 200,000, operates its own electric distribution system, however it owns no generating capacity. It meets its 200 megawatts peak load entirely through wholesale power purchases from Southern California Edison. In addition to its particiaption in SJNP, Riverside is studying participation in several other generating projects including the San Onofre Nuclear Units and the Intermountain Power Project, a large coal-fired plant to be located in southern Utah.

CITY OF GLENDALE

The City of Glendale, with a population of 130,000, operates its own electric generation and distribution system. Glendale meets its 175 megawatts system peak load through a mix of self-generation, power from federal hydroelectric projects and, in the future, power from participation in a number of joint venture power generation projects.

NORTHERN CALIFORNIA POWER AGENCY (NCPA)

NCPA is an organization of 12 public entities which operate electric distribution systems in northern California. The members of NCPA are the Cities of Healdsburg, Ukiah, Lodi, Lompoc, Alameda, Redding, Roseville, Biggs, Palo Alto, Santa Clara, Gridley, and the Plumas Sierra Rural Electrical Cooperative. None of these systems currently generate any electric power, nor do they own transmission outside of their service areas. These systems together have a peak load in excess of 500 megawatts which is currently met through purchases of wholesale power from PG&E or the USBR's Central Valley Project, or through purchase of part of their requirements from CVP and part from PG&E.

In addition to its participation in SJNP, NCPA is considering the construction of or participation in a variety of other generation facilities.

CITY OF PASADENA

The City of Pasadena, with a population of 110,000, operates its own electric generation and distribution system. Pasadena meets its 180 megawatt peak load through a mix of self-generation, power from federal hydroelectric projects and, in the future, power from participation in a number of joint venture power generation projects.

RESULTS OF ANTITRUST REVIEW

In our review of the activities of LADWP, State of California, Anaheim, Glendale, Riverside, NCPA and Pasadena, no evidence of anticompetitive conduct has come to our attention. No allegations have been made that a situation inconsistent with the antitrust laws exists in these utilities' service areas. Consequently, we believe no hearing need be held in connection with these systems' participation in SJNP.

In regard to Edison, the Department initially advised, in a July 12, 1971, letter to your predecessor Commission, that a hearing be held in connection with Edison's application to construct the San Onofre Nuclear Generating Units 2 and 3. Thereafter, following extended discussions, the Department and Edison reached agreement on a set of procompetitive license conditions. Consequently, on June 27, 1974, the Department advised the Commission that a hearing would no longer be necessary if these conditions were attached to the San Onofre license. In light of the license conditions agreed to by Edison, we recommend that no hearing be held in connection with its application to be an SJNP participant.

In regard to PG&E, the Department recommended to your predecessor Commission, in an August 2, 1972 letter, that a hearing be held in connection with PG&E's application to construct the then-proposed Mendocino Nuclear Units. Subsequent to the rendering of that advice, PG&E withdrew its application to construct the Mendocino facility because of environmental and safety problems. Thereafter, the Department commenced a comprehensive investigation under the antitrust laws to determine whether PG&E was monopolizing the relevant markets for electric power, natural gas, and geothermal steam, and whether it was a party to certain contractual restraints of trade. From this investigation, it appears that since our 1972 antitrust advice was rendered PG&E may have modified certain of the restrictive practices which were the basis for our earlier recommendation that a hearing be held. Whether these actions by PG&E have been such that a situation inconsistent with the antitrust laws no longer exists and/or whether an antitrust proceeding in United States District Court should be instituted are matters which are currently being considered and which will shortly be resolved.

In this context and in the course of our review of the SJNP application, PG&E indicated a desire to facilitate the licensing of SJNP and a willingness to provide certain antitrust safeguards as to its participation in SJNP. Thus, PG&E has offered to enter into a set of license conditions which make available SJNP access to competing electric systems in PG&E's service area. These policy commitments are contained in the attached letter from PG&E's President, S. L. Sibley, to the Department. In light of these commitments, as well as several other important factors, the Department believes it is appropriate to recommend that no antitrust hearing be held in connection with PG&E's participation in SJNP.

To begin with, on February 21, 1976, the Department will be required to render antitrust advice on PG&E's application to construct the Stanislaus Nuclear Project. By that time, the Department will have completed its analysis of PG&E's current activities and, therefore, will be in a better position to advise the Commission as to whether a situation inconsistent with the antitrust laws exists in central and northern California. It is to be noted that any additional relief which the Department might seek beyond that already agreed upon as to SJNP, in order to meet the requirements of Section 105c, would be of such a nature as to involve more than merely access to SJNP. Such additional relief could just as readily be imposed in connection with the pending Stanislaus application as in connection with the instant SJNP application.

Secondly, in contrast to the situation in SJNP, where PG&E is not project manager and is only one of nine participants in a unit located outside its service area, in the case of the Stanislaus application, PG&E is the

project manager of a unit located inside its service area and is currently the only participant in the facility. Thus, deferring consideration of the remaining antitrust questions as to PG&E for a short period until our advice on Stanislaus is formulated will permit the SJNP project, all of whose other participants present no antitrust problems, to proceed. Since PG&E is agreeable to the imposition of conditions on the SJNP license which insure others access and supporting services with respect to that facility, and since other possible antitrust problems raised by PG&E's activities will be dealt with in our advice on the Stanislaus application, we consider this to be an appropriate accommodation under Section 105c of antitrust policy and California's power needs.

We stress, however, that it is because of the particular circumstances involved here that we are able to reach the foregoing conclusion.

ENCLOSURE

NOVEMBER 24, 1975.

Pacific Gas and Electric Company (PG and E) is informed that the United States Department of Justice will soon render antitrust advice to the Nuclear Regulatory Commision (NRC) on the San Joaquin Nuclear Project (SJNP) pursuant to Section 105(c) of the Atomic Energy Act. The SJNP will be a nuclear electric generating project, to be constructed and operated under the management of the Los Angeles Department of Water and Power, in which PG and E will have a twenty-three percent ownership share.

PG and E desires to facilitate the licensing of SJNP. To that end, this will confirm that PG and E is agreeable to the grant of ownership access to SJNP to all electric distribution systems in PG and E's service area which have requested such an interest (Participating Systems). In addition, PG and E in agreeable to having the following conditions placed on the SJNP license if the Department recommends to NRC that there be no antitrust hearing on the SJNP application and if it will not seek to have any other conditions imposed on the SJNP license:

1. PG and E will wheel, on reasonable terms and conditions, to Participating Systems their shares of SJNP power. In the event that SJNP power of the Participating Systems is surplus to their needs, PG and E will wheel, on reasonable terms and conditions, such power over any portion of PG and E's transmission system where capacity exceeds PG and E's requirements and is not committed to other systems.

2. PG and E will provide reserve support, on reasonable terms and conditions, to firm Participating Systems' shares of SJNP power.

3. PG and E will purchase, on reasonable terms and conditions, SJNP energy which is surplus to the needs of Participating Systems if they desire to sell such energy to PG and E.

[FR Doc.75-33311 Filed 12-9-75;8:45 am]

[Docket No. STN 50-437]

OFFSHORE POWER SYSTEMS

Notice of Availability of NRC Draft Environmental Statement for the Siting and Operating of Floating Nuclear Power Plants

Pursuant to the National Environmental Policy Act of 1969 and the United States Nuclear Regulatory Commission's regulations in Appendix M of 10 CFR Part 50 and 10 CFR Part 51, notice is hereby given that a Draft Environmental Statement directed to the generic considerations of siting and operating Floating Nuclear Power Plants in the coastal waters of the Atlantic Ocean and the Gulf of Mexico and in certain riverine and estuarine locations has been prepared by the Commission's Office of Nuclear Reactor Regulation. This statement is Part II of the environmental review related to the issuance of a manufacturing license to Offshore Power Systems (an unincorporated joint venture of Westinghouse Electric Corporation and Westinghouse International Power Systems Company, Incorporated). The statement is available for inspection by the public in the Commission's Public Document Room at 1717 H Street, NW., Washington, D.C.; the Jacksonville Public Library, 122 North Ocean Street, Jacksonville, Florida 32204; the Stockton State College Library, Pomona, New Jersey 08240; and the New Orleans Public Library, Business and Science Division, 219 Loyola Avenue, New Orleans, Louisiana 70140. The Draft Statement is also being made available at the Bureau of Intergovernmental Relations, Division of State Planning, Department of Administration, 660 Apalachee Parkway, Tallahassee, Florida 32304 and at the Jacksonville Area Planning Board, 330 East Bay Street, Jacksonville, Florida 32202. Copies of the Commission's Draft Environmental Statement may be obtained by request addressed to the U.S. Nuclear Regulatory Commission, Office of Nuclear Reactor Regulation, Washington, D.C. 20555, Attention: Director, Division of Reactor Licensing.

Offshore Power System's Environmental Report, as supplemented, and the Commission's Final Environmental Statement (Part I) of October 1975 which pertained exclusively to the NEPA considerations associated with the manufacture of the eight floating nuclear plants in Jacksonville, Florida, are also available for public inspection at the above-designated locations. Notice of availability of the Applicant's Environmental Report was published in the FEDERAL REGISTER on December 10, 1973 (38 FR 34008) and the notice of availability of the Commission's Final Environmental Statement (Part I) was published in the FEDERAL REGISTER on October 7, 1975 (40 FR 46364).

Pursuant to 10 CFR Part 51, interested persons may submit comments on the Applicant's Environmental Report, as supplemented, and on the Draft Environmental Statement for the Commission's consideration. Federal and State agencies are being provided with copies of the Applicant's Environmental Report and the Draft Environmental Statement (local agencies may obtain these documents upon request). Comments are due by January 26, 1976. Comments by Federal, State, and local officials, or other persons received by the Commission will be made available for public inspection at the Commission's Public Document Room in Washington, D.C.; the Jacksonville Public Library, 122 North Ocean Street, Jacksonville, Florida; the Stockton State College Library, Pomona, New Jersey; and the New Orleans Public Library, Business and Science Division, 219 Loyola Avenue, New Orleans, Louisiana.

Upon consideration of comments submitted with respect to this Draft Environmental Statement, the Commission's staff will prepare a final environmental statement, the availability of which will be published in the FEDERAL REGISTER.

Comments on the Draft Environmental Statement from interested members of the public should be addressed to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Director, Division of Reactor Licensing.

Dated at Rockville, Maryland, this 24th day of November 1975.

For the Nuclear Regulatory Commission.

GORDON K. DICKER,
Chief, Environmental Projects Branch 2, Division of Reactor Licensing.

[FR Doc.75-33312 Filed 12-9-75;8:45 am]

ADVISORY COMMITTEE ON REACTOR SAFEGUARDS WORKING GROUP ON ANTICIPATED TRANSIENTS WITHOUT SCRAM

Relocation of Meeting

The meeting of the ACRS Working Group on Anticipated Transients Without Scram (ATWS), scheduled for December 11 and 12, 1975, and originally to be held at the Sheraton Inn, Denver Airport, Denver, CO (notice of which was published in Federal Register Vol. 40, page 54629, November 25, 1975) has been relocated as follows:

The meeting will be held in room 1046, 1717 H St., N.W., Wash., DC 20555 on the same dates, Dec. 11-12, 1975. All other matters pertaining to the meeting remain unchanged.

The relocation was necessitated by the current airline strike and is expected to permit the greatest number of participants to attend. In view of the fact that members of the public have not submitted written statements and have not requested an opportunity to make oral statements at the meeting, there is no indication that it will inconvenience members of the public.

Further information regarding this meeting can be obtained by a prepaid telephone call to the Office of the Executive Director of the Committee (telephone 202/634-1374, Attn: Mr. T. G. McCreless) between 8:15 a.m. and 5 p.m. EST.

Dated: December 9, 1975.

SAMUEL J. CHILK,
Secretary of the Commission.

[FR Doc.75-33451 Filed 12-9-75;8:45 am]

OFFICE OF MANAGEMENT AND BUDGET

CLEARANCE OF REPORTS

List of Requests

The following is a list of requests for clearance of reports intended for use in

collecting information from the public received by the Office of Management and Budget on December 5, 1975 (44 U.S.C. 3509). The purpose of publishing this list in the FEDERAL REGISTER is to inform the public.

The list includes the title of each request received; the name of the agency sponsoring the proposed collection of information; the agency form number(s), if applicable; the frequency with which the information is proposed to be collected; the name of the reviewer or reviewing division within OMB, and an indication of who will be the respondents to the proposed collection.

Requests for extension which appear to raise no significant issues are to be approved after brief notice through this release.

Further information about the items on this daily list may be obtained from the Clearance Office, Office of Management and Budget, Washington, D.C. 20503, (202-395-4529), or from the reviewer listed.

NEW FORMS

DEPARTMENT OF COMMERCE

Maritime Administration, Law Enforcement Communications Document Questionnaire, NBS-1053, single-time, State and local law enforcement agencies, Economics and General Government Division, Raynsford, R., 395-3451.

DEPARTMENT OF DEFENSE

Social and Rehabilitation Service, Evaluation of Military-Civilian Occupational Source, book, single-time, Vocational Counselors and Job Recruiters, Harry B. Sheftel.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Social and Rehabilitation Service, Key Program and Policy Factors Impacting Medical Assistance Forecasts, SRS-NCSS-203, semi-annually, staffs in 10 regional offices, Human Resources Division, Reese B. F., 395-3532.

Social Security Administration, Interview Guide and Questionnaire, SSA-4201, single-time, Recent Applicants for Social Security Payments, Human Resources Division, Reese B. F., 395-3532.

Social and Rehabilitation Service, EPSDT-Developmental Assessment Survey, single-time, State and Local Welfare and Health Agencies, Reese B. F., 395-3211.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Housing Management, cost of handling mortgages insured under section 235, annually, Mortgagees Servicing Sec. 235 Mortgages, Community and Veterans' Affairs Division, C. Louis Kincannon, 395-3532.

REVISIONS

GENERAL SERVICES ADMINISTRATION

Application Claim for Replacement Housing, (payment for homeowners), GSA 2686, on occasion, households, Harry B. Sheftel.

Application Claim for Replacement Housing (payment for tenants and certain others), GSA 2685, on occasion, households, Harry B. Sheftel.

Application Claim for Moving Costs and Related Expenses (families and individuals), GSA-2684, on occasion, Harry B. Sheftel.

DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

Public Health Service, analysis of group practice efficiency, physician questionnaire and screening questionnaire, single-time, Group Medical Practices in United States, Dick Eisinger, 395-6140.

EXTENSIONS

FEDERAL HOME LOAN BANK BOARD

Security Information and Protection Devices, Report P-1, FHLBB-93, on occasion, Savings & Loan Associations Insured by FSLIC, Harry B. Sheftel.

ACTION

Peace Corps Background Information Form for Volunteers, PC 5, on occasion, Peace Corps Volunteers, Marsha Traynham, 395-4529.

FEDERAL HOME LOAN BANK BOARD

Crimes Against Insured Institutions, Report P-2, FHLBB-94, on occasion, Savings and Loan Associations Insured by FSLIC, Marsha Traynham, 395-4529.

PHILLIP D. LARSEN,
Budget and Management Officer.

[FR Doc.75-33406 Filed 12-9-75;8:45 am]

CLEARANCE OF REPORTS

List of Requests

The following is a list of requests for clearance of reports intended for use in collecting information from the public received by the Office of Management and Budget on December 4, 1975 (44 U.S.C. 3509). The purpose of publishing this list in the FEDERAL REGISTER is to inform the public.

The list includes the title of each request received; the name of the agency sponsoring the proposed collection of information; the agency form number(s), if applicable; the frequency with which the information is proposed to be collected; the name of the reviewer or reviewing division within OMB, and an indication of who will be the respondents to the proposed collection.

Requests for extension which appear to raise no significant issues are to be approved after brief notice through this release.

Further information about the items on this daily list may be obtained from the Clearance Office, Office of Management and Budget, Washington, D.C. 20503 (202-395-4529), or from the reviewer listed.

NEW FORMS

DEPARTMENT OF AGRICULTURE

Statistical Reporting Service, Commercial Fruit Tree Survey (Ohio), single-time, Fruit Growers, Lowry, R. L., 395-3772.

Forest Service, Attitudes and Preferences of Pennsylvania Fishermen, single-time, individuals who bought Pa. fishing licenses, Lowry, R. L., 395-3772.

DEPARTMENT OF COMMERCE

Bureau of Census, Survey of Sheltered Workshops, S-363, single-time, Clients in Sheltered Workshops, Sunderhauf, M. B., 395-6140.

Department of Commerce: Bureau of Census, Inventory and Sales Expectations Survey, MQ-1, quarterly, manufacturing establishments, Marsha Traynham, 395-4529.

DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

Center for Disease Control: Circularization of Mailing List for List for Morbidity Weekly Report, CDC 0.347, single-time, recipients of MMWR, Lowry, R. L., 395-3772.

Office of the Secretary: A Study of Change—Agent Programs, Year II, OS-54-75, single-time, school superintendents, principals, teachers, Human Resources Division, Raynsford, R., 395-3532.

Public Health Service: Interview Schedule for Human Subjects of Bio-Medical Research, NCPHS 1110, single-time, subjects of biomedical or behavioral research at 60 INST., George Hall, Dick Eisinger, 395-6140.

DEPARTMENT OF LABOR

Manpower Administration: Win Reporting System (HEW Portion), SRS-NCSS-117 Parts A & B other (see CF-83), SAU & IM Offices, Lowry, R. L., 395-3772.

REVISIONS

AGENCY FOR INTERNATIONAL DEVELOPMENT

Reference Questionnaire: Aid 410-3, on occasion, supervisors, professors, friends of applicants, Harry B. Sheftel.

VETERANS ADMINISTRATION

Request for Information re Applicant for Dietetic Internship: VA FL10-282, on occasion, college/university faculty, Caywood, D. P., 395-3443.

Application for Total Disability Income Provision (Nonmedical): 29-1606A, on occasion, veterans, Caywood, D. P., 395-3443.

TENNESSEE VALLEY AUTHORITY

Salary Survey General Information and Supplementary Pay Benefits (White Collar Employees): TVA 5322, annually, cos. within the vicinity which have emply. doing comp. work, Strasser, A., 395-5867.

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service: Regulations—Special Supplemental Food Program for Women, Infants and Children (WIC): on occasion, Human Resources Division, Lowry, R. L., 395-3532.

DEPARTMENT OF COMMERCE

Bureau of Domestic Commerce: Aluminum Producers and Importers Receipts, Shipments and Stocks, DIB-978, monthly, aluminum producers and importers, Peterson, M. O., 395-5631.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Housing Production and Mortgage: Survey of Unsold Inventory of New Houses, FHA-2598, on occasion, home builders in 276 SMSA's, Sunderhauf, M. B., 395-6140.

Housing Production and Mortgage: Report on Current Home Mortgage Status, FHA-2068-S, monthly, holding and servicing mortgages, Community and Veterans Affairs Division, 395-3532.

EXTENSIONS

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

Background Statement and Confidential Statement of Employment and Financial Interests—Consultants, Advisers, Experts: AEC-443, on occasion, prospective and cur-

rent ERDA consultants, advisers, Marsha Traynham, 395–4529.

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service: Weekly Commercial Egg Movement Report, PY–88, weekly, firms, Marsha Traynham, 395–4529.

Statistical Reporting Service: Poultry and Hatching Egg Price Inquiries, monthly, Hatcheries, poultrymen, Marsha Traynham, 395–4529.

Animal and Plant Health Inspection Service: Qualifications of Supervisory Personnel, VS 14–7, on occasion, veterinary biological producers, Marsha Traynham, 395–4529.

DEPARTMENT OF DEFENSE

Department of the Air Force: Status Letter on Service Engineering Contracts (For Performance Control), on occasion, defense contractor, Marsha Traynham, 395–4529.

EXTENSIONS

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Alcohol, Drug Abuse and Mental Health Administration: Application for NIMH Continuation Staffing Grant, ER NIMH Staffing Grant, MH–115, annually, organization engaged in treatment services, Lowry, R. L., 395–3772.

PHILLIP D. LARSEN,
Budget and Management Officer.

[FR Doc.75–33407 Filed 12–9–75;8:45 am]

CLEARANCE OF REPORTS

List of Requests

The following is a list of requests for clearance of reports intended for use in collecting information from the public received by the Office of Management and Budget on December 3, 1975 (44 U.S.C. 3509). The purpose of publishing this list in the FEDERAL REGISTER is to inform the public.

The list includes the title of each request received; the name of the agency sponsoring the proposed collection of information; the agency form number(s), if applicable; the frequency with which the information is proposed to be collected; the name of the reviewer or reviewing division within OMB, and an indication of who will be the respondents to the proposed collection.

Requests for extension which appear to rasie no significant issues are to be approved after brief notice through this release.

Further information about the items on this daily list may be obtained from the Clearance Office, Office of Management and Budget, Washington, D.C. 20503, (202–395–4529), or from the reviewer listed.

NEW FORMS

DEPARTMENT OF AGRICULTURE

Farmer Cooperative Service, Inventory of Special Services, single-time, managers of farmer cooperatives, Lowry, R. L., 395–3772.

DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

Office of Human Development, Individual Client Form—Operational Program Objectives, other (see SF–83), clients of funded runaway projects; project staff, Lowry, R. L., 395–3772.

Social and Rehabilitation Service, Medicaid Provider Fraud and Abuse Control Survey, single-time, State medicaid provider fraud and abuse surveillance units, Sunderhauf, M. B., 395–6140.

Office of the Secretary, Project Developmental Continuity Monitoring and Implementation Forms, semiannually, staff and school personnel in 14 sites, Human Resources Division, Raynsford, R., 395–3532.

Social Security Administration, Modification of Cost Reporting Forms for Providers Using the Combination Method of Cost Apportionment With Simplified Cost Finding, SSA–2781B, annually, all hospitals and hospital-skilled nursing facilities, Caywood, D. P., 395–3443.

DEPARTMENT OF JUSTICE

Departmental and Other Evaluation of Accompliahments and Impact of LEAA, in Area of Statistics Services and Publications, 1430, on occasion, requestors of LEAA statistics publications, economics and general government division, Raynsford, R., 395–3451.

DEPARTMENT OF LABOR

Bureau of Labor Statistics, Labor and Material Requirements for Private Office Building Construction, BLS 2652.07, other (see SF–83), construction contractors and subcontractors in 48 states, Sunderhauf, M. B., 395–6140.

DEPARTMENT OF THE INTERIOR

Bureau of Land Management, Grazing Preference Statement and Application, 4115–25, annually, livestock operators, Caywood, D. P., 395–3443.

DEPARTMENT OF THE TREASURY

Departmental and Other:

United States Coinage Requirements, Survey of Commercial Banks, single-time, commercial banks, Caywood, D. P., 395–3443.

United States Coinage Requirements, Coinage Preference Survey, single-time, private individuals in Raleigh-Durham, N.C. and Washington, D.C., Caywood, D. P., 395–3443.

United States Coinage Requirements, Survey of Automated Merchandising Service Firms, single-time, automated merchandising service firms, Caywood, D. P., 395–3443.

United States Coinage Requirements, Survey of Retail Business Firms, single-time, retail merchandising firms and transit companies, Caywood, D. P., 395–3443.

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration, 1976 Estimate of Cost to Complete the Appalachian Development Highway System, tables A–E, on occasion, State highway agencies in 13 Appalachian States, Lowry, R. L., 395–3772.

REVISIONS

VETERANS ADMINISTRATION

Reference Form for Appraisal of Applicant, FL 10–341A, on occasion, physicians, dentists, and nurses, Caywood, D. P., 395–3443.

FEDERAL RESERVE SYSTEM

Survey of Time and Savings Deposits and Supplement, FR 296, FR 296A, quarterly, sample of commercial banks, Hulett, D. T., 395–4730.

VETERANS ADMINISTRATION

Request for Change of Program or Place of Training (Widow or Wife) (Under Provisions of Chapter 35, Title 38, U.S.C.) 22–5495W, on occasion, widow, widower, wife or husband of veteran, Caywood, D. P., 395–3443.

Financial Status Report, 4–5655, on occasion, debtors, Caywood, D. P., 395–3443.

Request for Change of Program or Place of Training (Son or Daughter), 22–5495, on occasion, son or daughter of veteran, Caywood, D. P., 395–3443.

DEPARTMENT OF COMMERCE

Bureau of Census, National Prisoner Statistics—Summary of Sentenced Population Movement, NPS 1, Annually, State correctional agencies or institutions, George Hall, 395–6140.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Health Resources Administration, 1975–76 Nursing Home Survey (Pretest Version), NCHS 0114, single-time, nursing homes, Dick Eisinger, 395–6140.

DEPARTMENT OF LABOR

Occupational Safety and Health Administration, Inspection Form, OSHA–1, on occasion, business firms, Ellett, C. A., 395–5867.

Departmental and Other Interdepartmental Workers' Compensation Task Force—Claim Survey, IWCTF–01, single-time, households, Strasser, A., 395–5867.

EXTENSIONS

DEPARTMENT OF COMMERCE

Bureau of Census, Construction Project Report, C–700R, monthly business firms, Marsha Traynham, 395–4529.

Bureau of Census, Local Building Permit Systems, C–411L, on occasion, Government Agencies, Marsha Traynham, 395–4529.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration, National Health Related Items Coding Form, FD–2419, on occasion, health items manufacturer and distributors, Marsha Traynham, 395–4529.

Social and Rehabilitation Service, statistical report on public assistance applications, cases approved, and cases discontinued, Parts I, II, III, SRSNCS2079, quarterly, State Public Assistance Agencies, Marsha Traynham, 395–4529.

DEPARTMENT OF LABOR

Occupational Safety and Health Administration, preliminary accident investigation, OSHA–36, on occasion, business firms, Marsha Traynham, 395–4529.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration, Part 47—Aircraft Registration (Regulations), on occasion, Marsha Traynham, 395–4529.

PHILLIP D. LARSEN,
Budget and Management Officer.

[FR Doc.75–33408 Filed 12–9–75;8:45 am]

SECURITIES AND EXCHANGE COMMISSION

[File No. 7–4475]

BOSTON STOCK EXCHANGE

Applications for Unlisted Trading Privileges and of Opportunity for Hearing

DECEMBER 3, 1975.

The above named national securities exchange has filed an application with the Securities and Exchange Commission pursuant to Section 12(f)(1)(B) of the Securities Exchange Act of 1934 and Rule 12f–1 thereunder, for unlisted trading privileges in the common stock of the following company, which security is

listed and registered on one or more other national securities exchanges:

American Science and Engineering, Inc.

Upon receipt of a request, on or before December 19, 1975 from any interested person, the Commission will determine whether the application shall be set down for hearing. Any such request should state briefly the nature of the interest of the person making the request and the position he proposes to take at the hearing, if ordered. In addition, any interested person may submit his views or any additional facts bearing on the said application by means of a letter addressed to the Secretary, Securities and Exchange Commission, Washington, D.C., 20549 not later than the date specified. If no one requests a hearing, this application will be determined by order of the Commission on the basis of the facts stated therein and other information contained in the official files of the Commission pertaining thereto.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-33158 Filed 12-9-75;8:45 am]

[(811-2437) Rel. No. 9062]

CHANNING SECURITIES, INC.

Notice of Filing of Application

DECEMBER 3, 1975.

Notice is hereby given that on October 6, 1975, Channing Securities, Inc., 2777 Allen Parkway, Houston, Texas 77019. ("Applicant"), registered under the Investment Company Act of 1940 (the "Act") as an open-end, diversified management investment company, filed an application pursuant to Section 8(f) of the Act for an order of the Commission declaring that it has ceased to be an investment company as defined in the Act. All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein which are summarized below.

Applicant was incorporated under the laws of the state of Maryland on October 25, 1946 and registered under the Act on December 3, 1946. On August 25, 1975, Applicant's shareholders approved a Plan and Articles of Merger merging Applicant into American General Shares, Inc. The merger became effective on September 2, 1975, and the separate existence and corporate organization of Applicant thereupon ceased.

Section 8(f) of the Act provides, in pertinent part, that when the Commission, upon application, finds that a registered investment company has ceased to be an investment company, it shall so declare by order, and, upon the effectiveness of such order, the registration of such company shall cease to be in effect.

Notice is further given that any interested person may, not later than December 29, 1975, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon Applicant at the address above. Proof of such service (by affidavit or in case of an attorney-at-law, by certificate) shall be filed contemporaneously with the request. As provided by Rule 0-5 of the Rules and Regulations promulgated under the Act, an order disposing of the application herein will be issued as of course following said date unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Investment Management Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-33159 Filed 12-9-75;8:45 am]

[(811-614) Rel. No. 9064]

CHANNING INCOME FUND, INC.

Notice of Filing of Application

DECEMBER 3, 1975.

Notice is hereby given that on October 6, 1975, Channing Income Fund, Inc., 2777 Allen Parkway, Houston, Texas 77019. ("Income"), registered under the Investment Company Act of 1940 (the "Act") as an open-end, diversified management investment company, filed an application pursuant to Section 8(f) of the Act for an order of the Commission declaring that it has ceased to be an investment company as defined in the Act. All interested persons are referred to the application on file with the Commission for a statement of the representations continued therein, which are summarized below.

Applicant was incorporated under the laws of Maryland on September 17, 1952 and registered under the Act on September 26, 1952. On August 25, 1975, Applicant's shareholders approved a Plan and Articles of Merger merging Applicant into American General Shares, Inc. The merger became effective on September 2, 1975 and the separate existence and corporate organization of Applicant thereupon ceased.

Section 8(f) of the Act provides, in pertinent part, that when the Commission, upon application, finds that a registered investment company has ceased to be an investment company, it shall so declare by order, and, upon the effectiveness of such order, the registration of such company shall cease to be in effect.

Notice is further given that any interested person may, not later than December 29, 1975, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon Applicant at the address above. Proof of such service (by affidavit or in case of an attorney-at-law, by certificate) shall be filed contemporaneously with the request. As provided by Rule 0-5 of the Rules and Regulations promulgated under the Act, an order disposing of the application herein will be issued as of course following said date unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Investment Management Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-33160 Filed 12-9-75;8:45 am]

[(811-1791) Rel. No. 9063]

DF FUND, INC.

Notice of Filing of Application

DECEMBER 3, 1975.

Notice is hereby given that on October 10, 1975, DF Fund, Inc., 30 Wall Street, New York, New York 10005, ("Applicant"), registered as an open-end, non-diversified management investment company under the Investment Company Act of 1940 ("Act") filed application pursuant to Section 8(f) of the Act for an order of the Commission declaring that it has ceased to be an investment company as defined in the Act. All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein, which is summarized below.

Applicant was incorporated under the laws of Delaware on December 23, 1968, and registered under the Act on December 27, 1968. On or about August 13, 1975, notice was given to Applicant's shareholders of a Special Meeting in Lieu of an Annual Meeting to consider and vote upon a proposal to transfer substantially all of the assets of Applicant to Tudor Hedge Fund ("Tudor"), an open-end, non-diversified management investment company, in exchange for shares of Tudor, at their respective net asset val-

ues, to distribute the shares of Tudor to Applicant's shareholders in liquidation and dissolution of Applicant, and to terminate Applicant as a registered investment company under the Act. The proposal was duly approved by Applicant's shareholders on September 24, 1975.

All of the assets of Applicant other than $40,451.30 in cash (the "retained sum"), representing a reserve to cover its accrued liabilities plus $10,000, have been transferred to Tudor and any part of the retained sum not utilized to pay liabilities and expenses of Applicant will be paid over to Tudor. The Transfer Agent of Tudor has credited an appropriate number of shares of Tudor on the books of Tudor to each shareholder of Applicant. Applicant states that it has filed a Certificate of Dissolution with the Secretary of State of Delaware and that it no longer has any shares issued or outstanding and will not issue additional shares in the future.

Section 8(f) of the Act provides, that whenever the Commission, on its own motion or upon application, finds that a registered investment company has ceased to be an investment company, it shall so declare by order, and, upon the taking effect of such order, the registration of such company shall cease to be in effect.

Notice is further given that any interested person may, not later than December 29, 1975, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request, and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon Applicant at the address stated above. Proof of such service (by affidavit or in case of an attorney-at-law, by certificate) shall be filed contemporaneously with the request as provided by Rule O-5 of the Rules and Regulations promulgated under the Act. An order disposing of the application herein will be issued as of course following December 29, 1975, unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Investment Management Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-33161 Filed 12-9-75;8:45 am]

[(70-5765) Rel. No. 19279]

EASTERN UTILITIES ASSOCIATES, ET AL.

Holding Company and Subsidiary Companies To Issue and Sell Notes to Banks and Proposed Open Account Advances by Holding Company to One Subsidiary Company

DECEMBER 2, 1975.

In the matter of EASTERN UTILITIES ASSOCIATES, P.O. Box 2333, Boston, Massachusetts 02107. BLACKSTONE VALLEY ELECTRIC COMPANY, P.O. Box 1111, Lincoln, Rhode Island 02865. BROCKTON EDISON COMPANY, 36 Main Street, Brockton, Massachusetts 02403. FALL RIVER ELECTRIC LIGHT COMPANY, 85 North Main Street, Fall River, Massachusetts 02722. MONTAUP ELECTRIC COMPANY, P.O. Box 391, Fall River, Massachusetts 02722.

Notice is hereby given that Eastern Utilities Associates ("EUA"), a registered holding company, and its four electric utility subsidiary companies, Blackstone Valley Electric Company ("Blackstone"), Brockton Edison Company ("Brockton"), Fall River Electric Light Company ("Fall River") and Montaup Electric Company ("Montaup") have filed an amendment to their declaration previously filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating Sections 6(a), 7, 12(b), 12(c) and 12(f) of the Act and Rule 45(a) promulgated thereunder as applicable to the proposed transactions. All interested persons are referred to the declaration, as amended, which is summarized below, for a complete statement of the proposed transactions.

During the period ending December 28, 1976, EUA, Blackstone, Brockton, Fall River, and Montaup propose to issue and sell short-term, unsecured promissory notes to banks, and in the case of Fall River to also receive open account advances from EUA, in the maximum aggregate amounts to be outstanding at any one time as shown below:

[In thousands]

Company	From banks	From EUA	Aggregate from banks and EUA
EUA	$23,400	----	$23,400
Blackstone	3,300	----	3,300
Brockton	9,700	----	9,700
Fall River	5,600	$1,700	7,300
Montaup	27,800	----	27,800

The notes to banks will be dated as of the date of issuance, will mature no later than December 28, 1976, and will be prepayable in whole or in part without penalty. It is represented that some of the lending banks will require compensating balances and that others will not. With respect to notes for which a 20% compensating balance is required, the notes will bear interest at not in excess of the prime or base rate in effect on the date of issuance plus ¼ of 1% multiplied by 101.2%; if the compensating balance is 15%, the notes will bear interest at up to the prime or base rate plus ¼ of 1% multiplied by 107.5%; if the compensating balance is 10%, the notes bear interest at up to the prime or base rate plus ¼ of 1% multiplied by 113.8%. With respect to such notes for which no compensating balance is required, the notes will bear interest at varying rates up to a maximum effective rate derived from the prime or base rate plus ¼ of 1% multiplied by 101.2% together with an assumed compensating balance of 20%. Assuming a prime or base rate of 7¼%, the maximum effective rate of interest would be 9.3%.

With respect to open account advances by EUA to Fall River, the advances will be made at not in excess of the prime or base rate at The First National Bank of Boston in effect on the date of the advance. A compensating balance of not in excess of 20% of such advance will be maintained at the bank by Fall River. Assuming a prime or base rate of 7¼%, the maximum effective rate of interest on the advances to Fall River would be approximately 9.06%.

It is stated that the proceeds from the proposed notes and advances will be used to meet cash requirements for construction, to provide funds for investment in subsidiaries and for compensating balances with lending banks through December 28, 1976, and to pay outstanding short-term loans. On December 30, 1975, Blackstone, Brockton, Fall River and Montaup expect to have outstanding short-term loans of $2,200,000, $6,300,000, $7,200,000 and $20,000,000, respectively. EUA expects to have outstanding short-term notes of $20,000,000 on December 30, 1975.

It is proposed that Fall River may prepay an advance from EUA with the proceeds of notes issued to banks. If the interest rate on a note issued to a bank for the purpose of obtaining funds to repay an advance from EUA shall exceed the rate on the advance being repaid, EUA shall reimburse or credit Fall River for the added interest required for the term of the note so issued.

It is stated that no state commission and no federal commission, other than this Commission, has jurisdiction over the proposed transactions. The fees and expenses to be incurred in connection with the proposed transactions are to be supplied by amendment.

Notice is further given that any interested person may, not later than December 26, 1975, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail (air mail if the person being served is located more than 500

miles from the point of mailing) upon the declarants at the above-stated addresses, and proof of service (by affidavit or, in case of an attorney-at-law, by certificate) should be filed with the request. At any time after said date, the declaration, as amended, or as it may be further amended, may be granted as provided in Rule 23 of the General Rules and Regulations promulgated under the Act or the Commission may grant exemption from rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. Persons who request a hearing or advice as to whether a hearing is ordered will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Corporate Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-33162 Filed 12-9-75;8:45 am]

[70-5729; Rel No. 19280]

MIDDLE SOUTH UTILITIES INC. ET AL.

Sale-Leaseback of Oil Storage Facilities; Guaranty by Holding Company of Lease Obligations; and Ground Lease by Electric Utility Subsidiary

DECEMBER 3, 1975.

In the Matter of MIDDLE SOUTH UTILITIES, INC., 225 Baronne Street, New Orleans, Louisiana 70112, SYSTEM FUELS, INC., P.O. Box 61532, New Orleans, Louisiana 70161, MISSISSIPPI POWER & LIGHT COMPANY, P.O. Box 1640, Jackson, Mississippi 39205.

Notice is hereby given that Middle South Utilities, Inc. ("Middle South"), a registered holding company, System Fuels, Inc. ("SFI"), its fuel procurement subsidiary, and Mississippi Power & Light Company ("MP&L"), an electric utility subsidiary, have filed a post-effective amendment to a previously amended application-declaration with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating Section 12(b) and 12(f) of the Act as applicable thereto. All interested persons are referred to the post-effective amendment, which is summarized below, for a complete description of the proposed transactions.

SFI is currently completing construction on storage tanks and related facilities ("Equipment") located at MP&L's Baxter Wilson Steam Electric Station near Vicksburg, Mississippi. SFI is financing the construction of the Equipment by borrowings from banks, with the obligations of SFI guaranteed by Middle South. (See HCAR No. 19188, September 24, 1975). Borrowings to date under that loan arrangement are in the aggregate amount of $19.5 million.

SFI now proposes to retire the bank borrowings and permanently finance the Equipment by means of a sale and lease-back arrangement to be entered into with General Electric Credit Corporation ("Owner"). SFI will sell its interest in the Equipment to a trustee ("Owner Trustee"), designated as such by the Owner in a trust agreement between the Owner and the Owner Trustee, for an amount equal to SFI's book cost on the closing date. Assuming a closing date on or about December 31, 1975, SFI's book cost (including interest during construction) would equal approximately $20.2 million. The Owner Trustee will provide for the completion of construction of the Equipment through SFI, as its agent, at a presently estimated cost of $2.9 million.

Simultaneously with the sale of the Equipment, SFI will enter into a lease ("Lease") with the Owner Trustee, which will provide for an interim term to end not later than December 31, 1976, and a basic term of 25 years thereafter, with two optional renewal periods of five years each. Under the Lease, SFI will operate and maintain the Equipment and bear the cost for other related expenses. The Lease will be non-cancellable and the rent thereunder shall not abate, except upon specified occurrences, in which case there will be a partial termination and proportionate abatement. The rent during the interim period will equal 9% of the sum of the lessor's cost ("Lessor's Cost"), which includes all direct and indirect costs of the Equipment capitalizable by the SFI, plus amounts to be borrowed from institutional lenders ("Lenders") and not expended on the cost of constructing the Equipment. In addition, SFI will pay as supplemental rent during the interim term a fee at the rate of ½ of 1% on the average unfunded balance of the Owner's maximum equity commitment of $8,250,000. The rent during the basic term will be payable semi-annually at a rate of 4.138% of the Lessor's Cost, but that rate may be adjusted at the end of the interim term of the Lease to account for economic and tax circumstances then existing.

SFI will also enter into a sublease ("Sublease") with the Owner Trustee to acquire the land upon which portions of the Equipment are located together. The land constitutes a part of a larger tract of land now owned by MP&L and leased to SFI. Accordingly, as a preliminary step to the Sublease between SFI and the Owner Trustee, MP&L will transfer its interest in the land rights to the Owner Trustee under the terms of a ground lease, and SFI will subordinate and release its existing leasehold interest in the land rights for a term equal to the term of the ground lease. Semi-annual rent under the Sublease payable by SFI to the Owner Trustee will not exceed $1,500.

In connection with the foregoing transactions, Middle South proposes to execute and deliver an agreement ("Guaranty Agreement") whereby it will guarantee to the Owner and Owner Trustee all of SFI's obligations under the Lease and certain related documents.

The Owner Trustee will finance the acquisition of the Equipment under construction and, through SFI, arrange for its completion with funds (representing 30% of Lessor's Cost) to be advanced to the Owner Trustee by the Owner and with funds (representing the remaining 70%) to be obtained from the sale of non-recourse secured notes ("Notes") by the Owner Trustee to the Lenders. It is estimated that the principal amount of the Notes will be $17.5 million. Any amount of the proceeds of the Notes in excess of the amount applied to the capitalized cost of the Equipment on the closing date will be held in escrow. The Notes will be secured by the Equipment, subject only to permitted liens and exceptions, by an assignment of the Owner Trustee's interest in the Lease, and by the Guaranty Agreement executed by Middle South. Rent payable under the Lease will be applied to pay principal and interest on the Notes.

It is stated that the fees and commissions incurred by the applicants-declarants in connection with the proposed transactions will not exceed $10,000 in estimated legal fees. It is further stated that no State or Federal commission, other than this Commission, has jurisdiction over the proposed transactions.

Notice is further given that any interested person may, not later than December 29, 1975, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said post-effective amendment which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon the applicants-declarants at the above-stated addresses, and proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. At any time after said date, the post-effective amendment, as filed or as it may be amended, may be granted and permitted to become effective as provided in Rule 23 of the General Rules and Regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. Persons who request a hearing or advice as to whether a hearing is ordered will receive any notices or orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Corporate Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-33163 Filed 12-9-75;8:45 am]

[File No. 500–1]

AMPAC NATIONAL CORP.

Suspension of Trading

NOVEMBER 26, 1975.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Ampac National Corporation being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

Therefore, pursuant to Section 12(k) of the Securities Exchange Act of 1934, trading in such securities otherwise than on a national securities exchange is suspended, for the period from 3:40 p.m. (EST) on November 26, 1975 through midnight (EST) on December 5, 1975.

By the Commission.

[SEAL] GEORGE A. FITZSIMMONS, *Secretary.*

[FR Doc.75-33242 Filed 12-9-75;8:45 am]

[Rel. No. 9066; (811-2099)]

ANNUITY FUND

Application for an Order Declaring That Applicant has Ceased to be an Investment Company

DECEMBER 4, 1975.

Notice is hereby given that The Annuity Fund, c/o William A. Kurtz, Continental Assurance Company, CNA Plaza, Chicago, Illinois 60685 ("Applicant"), a separate account of Continental Assurance Company, an Illinois insurance company, registered as a diversified open-end management company under the Investment Company Act of 1940 ("Act"), filed an application on November 3, 1975 pursuant to Section 8(f) of the Act for an order of the Commission declaring that Applicant has ceased to be an investment company as defined in the Act. All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein which are summarized below.

Applicant states that it registered under the Act on August 7, 1970, by filing both a Notification of Registration on Form N–8A, and a Registration Statement on Form N–8B–1. On the same date a registration statement on Form S–5 was filed with the Commission under the Securities Act of 1933 ("1933 Act"); that registration statement has not been made effective.

Applicant represents that it has no assets or investment units, and that no offering or sale of its investment units has been or is intended to be made. Applicant's registration statement under the 1933 Act has been withdrawn pursuant to Rule 477 under the 1933 Act.

Section 3(c)(1) of the Act excludes from the definition of investment company any issuer whose outstanding securities are beneficially owned by not more than 100 persons, and which is not making and does not presently propose to make a public offering of its securities.

Section 8(f) of the Act provides, in pertinent part, that when the Commission, upon application, finds that a registered investment company has ceased to be an investment company, it shall so declare by order, and upon the taking effect of such order the registration of such company shall cease to be in effect.

Notice is further given that any interested person may, not later than December 29, 1975, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon Applicant at the address stated above. Proof of such service (by affidavit or in the case of an attorney at law by certificate) shall be filed contemporaneously with the request. As provided by Rule 0–5 of the Rules and Regulations promulgated under the Act, an order disposing of the application will be issued as of course following December 29, 1975, unless the Commission orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive any notices and orders issued in this matter including the date of the hearing (if ordered) and any postponements hereof.

For the Commission, by the Division of Investment Management Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS, *Secretary.*

[FR Doc.75-33241 Filed 12-9-75;8:45 am]

[Rel. No. 9068; (812-3874)]

CHECCHI-PACIFIC CORP. AND CHECCHI AND CO.

Filing of Application

DECEMBER 4, 1975.

Notice is hereby given that Checchi and Company, 1730 Rhode Island Avenue, N.W., Washington, D.C. 20036 ("Checchi"), a Delaware corporation engaged directly and through wholly-owned and majority-owned subsidiaries in the consulting and management business, and a wholly-owned subsidiary, Checchi-Pacific Corporation ("Checchi-Pacific"), a closed-end, non-diversified, management investment company registered under the Investment Company Act of 1940 (the "Act") (collectively referred to as "Applicants"), filed an application on October 31, 1975 and amendments thereto on November 18, 1975 and November 24, 1975, pursuant to Section 17(b) of the Act, for an order of the Commission exempting from the provisions of Section 17(a) of the Act the proposed purchase by Trans-Philippine Investment Corporation ("TPIC"), an affiliated person of Checchi-Pacific, of 4,488 shares of its common stock presently held by Checchi-Pacific, and for and order of the Commission, pursuant to Section 17(d) of the Act and Rule 17d–1 thereunder, permitting Checchi to join with Checchi-Pacific in the sale to TPIC of certain assets of Checchi and the stock of TPIC held by Checchi-Pacific. All interested persons are refered to the application on file with the Commission for a statement of the representations contained therein, which are summarized below.

Checchi-Pacific owns 4,488 shares of common stock of TPIC, a Philippine corporation engaged in investment in and management of sugar milling and heavy construction subsidiaries. These securities represent approximately 14.2% of TPIC's total outstanding voting securities. Checchi-Pacific's interest in TPIC, as reported in the footnotes to its financial statements of December 31, 1974, was valued, on the basis of Checchi-Pacific's equity interest in the underlying book value of TPIC's assets, at $2,126,000. On such a valuation basis, Checchi-Pacific's interest in TPIC represents approximately 84% of the value of its total assets.

Mr. Roberto Villanueva, a director of Checchi, owns or controls approximately 47% of the common stock of TPIC. Mr. Villanueva is also a controlling person of Sugar Brokers, Inc. ("Sugar Brokers"), a New York corporation which owns approximately 54.1% of the outstanding common stock of Checchi. Mr. Villanueva, consequently, is a controlling person of TPIC, Checchi and Checchi-Pacific.

Because of mounting financial pressures, the Board of Directors of Checchi has determined that it is in the best interests of Checchi and Checchi's wholly-owned subsidiary, Checchi-Pacific, to effect a substantial liquidation of assets which would result in the retention by Checchi of its consulting division and other miscellaneous assets and the liquidation of its other subsidiaries, including Checchi-Pacific. The proceeds from the proposed liquidation of assets would be primarily used to pay obligations of Checchi.

Checchi, therefore, has entered into an agreement with TPIC, subject to the entry of the order requested herein, pursuant to which (1) Checchi would sell to TPIC (a) its interest of 5,075,881.5 shares of common stock of Filmag (Philippines), Inc. ("Filmag") and any stock dividends that may be declared thereon up to the time of closing for 2.67 Philippine pesos per share or an aggregate of approximately $1.59 million, and (b) its interest of 100,000 subscribed and partially paid shares of common stock of AGP Investment Corporation ("AGPI") for 14.55 Philippine pesos per share and the assumption by TPIC of the unpaid subscription liability of 4.45 pesos per share, a total of 19 Philippine pesos per share,

or an aggregate of approxmiately $210 thousand, and (2) Checchi would cause Checchi-Pacific to sell to TPIC its interest of 4,488 shares of common stock of TPIC for 3,500 Philippine pesos per share or an aggregate of approximately $1.85 million.

Section 17(a) of the Act provides, in pertinent part, that it shall be unlawful for any affiliated person of a registered investment company, acting as principal, knowingly to purchase from such registered company any security or other property. Section 17(b) of the Act provides that the Commission, upon application, may exempt a proposed transaction from the provisions of Section 17(a) of the Act if evidence establishes 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 the proposed transaction is consistent with the policy of each investment company concerned and with the general purposes of the Act.

Under Section 17(d) of the Act and Rule 17d–1, it is unlawful for any affiliated person of a registered investment company or any affiliated person of such a person, acting as principal, to participate in, or effect any transaction in connection with, any joint enterprise or other joint arrangement or profit sharing plan in which any such registered company, or a company controlled by such registered company, is a participant unless an application regarding such arrangement has been granted by an order of the Commission. In passing upon such an application, the Commission considers whether the participation of such registered or controlled company in such arrangement is consistent with the provisions, policies, and purposes of the Act and the extent to which such participation is on a basis different from or less advantageous than that of other participants.

Section 2(a)(3) of the Act defines an affiliated person of another person to include any person owing 5% or more of the outstanding voting securities of such other person, any person 5% or more of whose outstanding voting securities are owned by such other person, or any person directly or indirectly controlling, controlled by, or under common control with, such other person. Checchi-Pacific and TPIC, by virtue of Checchi-Pacific's ownership of 14.2% of TPIC's outstanding voting securities, are affiliated persons of each other. Because Checchi-Pacific is a wholly-owned subsidiary of Checchi, Checchi-Pacific and Checchi are affiliated persons of each other. Moreover, Mr. Villanueva controls TPIC, Checchi and Checchi-Pacific and each may therefore be deemed an affiliated person of the other. Consequently, TPIC, as an affiliated person of Checchi-Pacific, is prohibited by Section 17(a) of the Act from repurchasing its stock from Checchi-Pacific. In addition, the proposed sale by Checchi of its interests in Filmag and AGPI to TPIC, together with Checchi-Pacific's proposed sale of its TPIC stock to TPIC, may be deemed to constitute a joint enterprise or arrangement subject to the provisions of Section 17(d) of the Act and Rule 17d–1 thereunder.

Applicants assert that the terms of TPIC's proposed repurchase of its stock from Checchi-Pacific are fair and reasonable and do not involve overreaching with respect to any party and that the proposed transaction is consistent with the policy of Checchi-Pacific and with the general purposes of the Act. Applicants represent that Checchi-Pacific purchased its TPIC shares from TPIC in a private transaction for $1,625 in 1963. TPIC is owned or controlled by only six shareholders and 47% of the outstanding shares are owned by Mr. Villanueva or members of his family. Applicants represent that since there is no trading market in TPIC shares, it is extremely difficult to find buyers, other than TPIC itself or other entities controlled by Mr. Villanueva, for minority interests in TPIC. Applicants assert that TPIC is the only buyer Applicants have found for Checchi-Pacific's TPIC shares.

Applicants have been informed by TPIC that there were only two transactions in TPIC shares in 1975. Both transactions involved sales to TPIC or Mr. Villaneuva and were negotiated at arm's length by the sellers. The sales price in both transactions was 3,500 Philippine pesos per share. Applicants further assert that they have obtained an independent appraisal by Philippine Investments Systems Organization of the fair value of TPIC shares which shows that the proposed purchase price is within the range of prices found to be fair and reasonable.

TPIC and Applicants have agreed that TPIC will pay the total purchase price in Philippine pesos by cashier's check. Applicants have been informed that conversion of such proceeds into dollars through the Central Bank of the Philippines (the "Central Bank") at the official exchange rate would involve substantial delays for official approval and would require the proceeds to be remitted in nine equal annual installments. Because of Checchis' immediate need for such proceeds, Applicants propose to convert the Philippine pesos into dollars at the lower unofficial or "floating rate" pursuant to Circular 343 of the Central Bank. At the October 9, 1975 unofficial exchange rate, the purchase price in United States dollars for the TPIC shares would be approximately $1,848,000.

Applicants further assert that the participation of Checchi-Pacific in the proposed sale to TPIC by Applicants of securities of Filmag, AGPI and TPIC is consistent with the provisions, policies and purposes of the Act and that Checchi-Pacific's participation, as a wholly-owned subsidiary of Checchi, is no less advantageous than that of Checchi.

Notice is further given that any interested person may, not later than December 26, 1975, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request, and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon Applicants at the address stated above. Proof of such service (by affidavit, or in case of an attorney-at-law, by certificate) shall be filed contemporaneously with the request. As provided by Rule 0–5 of the Rules and Regulations promulgated under the Act, an order disposing of the application will be issued as of course following December 26, 1975, unless the Commission thereafter ordres a hearing upon request or upon the Commission's own motion. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Investment Management Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-33238 Filed 12-9-75;8:45 am]

[Rel. No. 19281; (70-5317)]

CONSOLIDATED NATURAL GAS CO., ET AL.

Notice of Proposals To Transfer Lease Interests to Gas Production Subsidiary and To Issue and Sell Common Stock to Parent Holding Company; Exception From Competitive Bidding

DECEMBER 4, 1975.

In the matter of Consolidated Natural Gas Co., 30 Rockefeller Plaza, New York, New York 10020; and Consolidated Gas Supply Corp. and CNG Producing Co., 445 West Main Street, Clarksburg, West Virginia 26301.

Notice is hereby given that Consolidated Natural Gas Company ("Consolidated"), a registered holding company, and CNG Producing Company ("CNG Producing") and Consolidated Gas Supply Corporation ("Supply Corp"), nonutility subsidiaries of Consolidated, have filed a post-effective amendment to a previously amended application-declaration with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating Sections 6, 7, 9, 10 and 12 of the Act and Rules 43, 45 and 50(a)(3) promulgated thereunder as applicable to the following proposed transactions. All interested parties are referred to said post-effective amendment, which is summarized below, for a complete statement of the proposed transactions.

By order dated January 31, 1975 (HCAR No. 18792), the Commission, among other matters, approved the transfer of undeveloped and developed gas production properties in Louisiana, Mississippi, Alabama, Arkansas, Ken-

tucky, Tennessee and the Gulf of Mexico from Supply Corp to Consolidated and simultaneously therewith from Consolidated to CNG Producing. That authorization, however, did not apply to certain production properties in Louisiana and the Gulf of Mexico, the transfer of which had not been approved by the Federal Power Commission. The present filing concerns the transfer of these properties, which are now developed.

The proposed transfers will be consummated by the acquisition of the properties by Consolidated from Supply Corp followed simultaneously by their transfer to CNG Producing. The transfer of the properties, together with miscellaneous equipment and inventories, will be made on the basis of net book cost to Supply Corp at November 30, 1975. At September 30, 1975, such cost was as follows:

Developed properties	$9,963,000
Miscellaneous equipment and inventories	664,000
Sub-total	10,627,000
Deferred taxes	(675,000)
	9,952,000

In exchange for the properties to be transferred to Consolidated, a portion (to be fixed pursuant to a formula) of the long-term undebtedness of Supply Corp to Consolidated will be cancelled. The balance of the net book cost over the amount of the cancelled indebtedness will be treated as the payment of a dividend in kind to Consolidated. In turn, CNG Producing, in consideration for the properties transferred to it by Consolidated, will issue and deliver shares of its common stock, par value $100 per share. Based on the net book cost of the properties at September 30, 1975, 99,520 shares, aggregating $9,952,000 par value, would have been issued.

It is stated that, as of September 30, 1975, Supply Corp had estimated proven gas reserves of 29,195,520 Mcf underlying the production properties. After the transfer to CNG Producing, all of these gas reserves will be dedicated to Supply Corp. Of the total proven reserves, 21,452,300 Mcf have already been dedicated to Supply Corp under presently existing contracts; and it is anticipated that the balance, 7,743,220 Mcf, will be so dedicated by early 1977.

It is stated that the fees and expenses incurred in connection with the proposed transactions will not exceed $1,700. The Federal Power Commission has jurisdiction over the proposed transfer of the production properties and will have issued its order approving the transfer prior to the consummation thereof. It is stated, however, that no other State or Federal commission, other than this Commission, has jurisdiction over any of the proposed transactions.

Notice is further given that any interested person may, not later than December 29, 1975, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said post-effective amendment to the previously amended application-declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon the applicants-declarants at the above-stated addresses and proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. At any time after said date, the post-effective amendment to the previously amended application-declaration may be granted and permitted to become effective as provided in Rule 23 of the General Rules and Regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20 (a) and 100 thereof or take such other action as it may deem appropriate. Persons who request a hearing or advice as to whether a hearing is ordered will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Corporate Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-33239 Filed 12-9-75;8:45 am]

[Rel. No. 9067 (811-2100)]

CONTINENTAL ASSURANCE ANNUITY PLAN ACCOUNT

Notice of Application

DECEMBER 4, 1975.

Notice is hereby given that Continental Assurance Annuity Plan Account, c/o William A. Kurtz, Continental Assurance Company, CNA Plaza, Chicago, Illinois 60685; ("Applicant"), a separate account of Continental Assurance Company, an Illinois insurance company, registered as a unit investment trust under the Investment Company Act of 1940 ("Act"), filed an application on November 3, 1975 pursuant to Section 8(f) of the Act for an order of the Commission declaring that Applicant has ceased to be an investment company as defined in the Act. All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein, which are summarized below.

Applicant states that it registered under the Act on August 7, 1970, by filing both a Notification of Registration on Form N-8A, and a Registration Statement on Form N-8B-2. On the same date a registration statement on Form S-6 was filed with the Commission under the Securities Act of 1933 ("1933 Act"); that registration statement has not been made effective.

Applicant represents that it has no assets or variable annuity contract holders, and that no offering or sale of its variable annuity contracts has been or is intended to be made. Applicant's registration statement under the 1933 Act has been withdrawn pursuant to Rule 477 under the 1933 Act.

Section 3(c)(1) of the Act excludes from the definition of an investment company any issuer whose outstanding securities are beneficially owned by not more than 100 persons and which is not making and does not presently propose to make a public offering of its securities.

Section 8(f) of the Act provides, in pertinent part, that when the Commission, upon application, finds that a registered investment company has ceased to be an investment company, it shall so declare by order, and upon the taking effect of such order the registration of such company shall cease to be in effect.

NOTICE IS FURTHER GIVEN that any interested person may, not later than December 29, 1975, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon Applicant at the address stated above. Proof of such service (by affidavit or in case of an attorney at law by certificate) shall be filed contemporaneously with the request. As provided by Rule 0-5 of the Rules and Regulations promulgated under the Act, an order disposing of the application will be issued as of course following December 29, 1975, unless the Commission orders a hearing upon request or upon the Commission own motion. Persons who request a hearing or advice as to whether a hearing is ordered, will receive any notices and orders issued in this matter including the date of the hearing (if ordered) and any postponements hereof.

For the Commission, by the Division of Investment Management Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-33240 Filed 12-9-75;8:45 am]

[Rel. No. 9069; (812-3873)]

HIGHLAND CAPITAL CORP. AND INFICON, INC.

Filing of Application for an Order Permitting Affiliated Persons of an Affiliated Person of an Investment Company To Join With the Investment Company in a Sale, to a Non-Affiliated Person of a Company in Which Each Applicant has an Interest

DECEMBER 4, 1975.

In the matter of Highland Capital Corp., 20 Exchange Place, New York, New York 10005, ATTN: Mr. Edwin Rob-

bins, President; Inficon, Inc., 5 Adler Drive, Syracuse, New York 13057, ATTN: Gerard T. Roome, President, Wilbert Beebe, Michale Cahill, Donald DiRenzo, John E. Dobbertin, Nathan Ginsburg, Robert J. Harris, Melvin Hetzel, Gary Lanpher, Chih-Shun Lu, William Parfitt, William Pettit, Robert Pipher, David Robertson, Gerald T. Roome, Robert Sheldon, John Skapiak, Joseph Spector, John Stratakos, Edwin L. Wilson, Jerome M. Wilson; c/o James McVety, Esq., Hancock, Estabrook, Ryan, Shove & Hust, One Mony Plaza, 100 Madison Street, Syracuse, New York 13202; (812–3873).

Notice is hereby given that Highland Capital Corporation ("Fund"), a non-diversified, closed-end management investment company registered under the Investment Company Act of 1940 ("Act"), Inficon, Inc., a New York corporation ("Inficon"), and certain shareholders of Inficon or holders of options to purchase Inficon shares, i.e., Wilbert Beebe, Michale Cahill, Donald DiRenzo, John E. Dobbertin, Nathan Ginsburg, Robert J. Harris, Melvin Hetzel, Gary Lanpher, Chih-Shun Lu, William Parfitt, William Pettit, Robert Pipher, David Robertson, Gerard T. Roome, Robert Sheldon, John Skapiak, Joseph Spector, John Stratakos, Edwin L. Wilson, and Jerome M. Wilson (collectively, "Applicants") have filed an application ("Application") on October 29, 1975, and an amendment thereto on November 4, 1975, for an order pursuant to Rule 17d–1 under the Act, permitting (i) a proposed agreement between Applicants and Leybold-Heraeus GmbH & Co., KG, a German limited partnership (the "Purchaser"), providing for the sale to Purchaser of either all of the outstanding shares of common stock or all or substantially all of the assets of Inficon and (ii) the consummation of the transactions contemplated by the proposed agreement. All interested persons are referred to the Application and amendment thereto on file with the Commission for a statement of the representations contained therein, which are summarized below.

The Fund, organized in 1969 as a Delaware corporation under the name "Price Capital Corporation" and registered under the Act as a close-end, non-diversified management investment company, adopted its present name on June 1, 1973.

Inficon was incorporated under the laws of the State of New York on December 23, 1969. The founders of Inficon, including Roome, and Lu, and certain persons who assisted in arranging the January 1970 financing for Inficon, including Harris and Dobbertin, purchased substantially all of their holdings of Inficon common stock at a price of $.01 per share.

Pursuant to an investment agreement dated January 23, 1970, (the "Investment Agreement"), the Fund purchased from Inficon, in a private placement transaction, 18,750 shares of common stock of Inficon at an aggregate purchase price of $150,000 (or $8.00 per share). In the same month, Ginsburg, Spector, E. Wilson and J. Wilson (collectively the "Wilsons") entered into agreements with Inficon which were substantially identical to the Investment Agreement. Pursuant to these investment agreements they also purchased, in private placement transactions, shares of Inficon common stock at a purchase price of $8.00 per share.

To induce the Fund and the Wilsons to enter into and consummate investment agreements with it, Inficon agreed to grant them, at the time Inficon files a registration statement under the Securities Act of 1933 as contemplated by the investment agreements, warrants to purchase a certain number of additional shares of Inficon common stock. The contemplated registration statement has never been filed.

At present, there are 87,093 shares of common stock of Inficon outstanding. In addition, there are stock options outstanding to purchase an aggregate of 9,060 shares of Inficon's common stock, all of which are held by employees or former employees of Inficon. There are an aggregate of 31 holders of Inficon's common stock.

John E. Dobbertin, Nathan Ginsburg, Robert J. Harris, Chih-Shun Lu, Gerard T. Roome, Edwin L. Wilson, and Jerome M. Wilson are all directors and stockholders of Inficon. In addition to being shareholders and serving as directors, Roome is the President and Chief Executive Officer of Inficon, Lu is a Vice President of Inficon, and Dobbertin is the Secretary of Inficon. John Stratakos is an employee and stockholder of Inficon. Joseph Spector owns 5% of the stock of Inficon. Wilbert Beebe, Michale Cahill, Donald Di Renzo, Melvin Hetzel, Gary Lanpher, William Parfitt, William Pettit, Robert Pipher, David Robertson, Robert Sheldon and John Skapiak are all employees of Inficon who hold stock options to purchase shares of Inficon common stock. However, none of these individuals owns any shares of Inficon common stock. Two officers of the Fund, neither of whom is a stockholder of Inficon, serve as directors of Inficon.

The number of shares of Inficon common stock and employee stock options presently held by the Applicants (other than Inficon) are as follows:

	Number of shares	Percentage of outstanding shares of common stock	Number of shares covered by stock options and exercise price
		Percent	
The Fund	18,750	21.5	None.
Chi-Shun Lu	11,783	13.5	None.
Gerard T. Roome	11,783	13.5	None.
Joseph Spector	4,375	5.0	None.
John E. Dobbertin	1,270	1.5	None.
Nathan Ginsburg	1,500	1.7	None.
Robert J. Harris	2,000	2.3	None.
John Stratakos	402	.5	1,000 shs. at $8 per sh. and 400 shs. at $10 per sh.
Edwin L. Wilson	3,525	4.0	None.
Jerome M. Wilson	3,125	3.6	None.
Wilbert Beebe	None	None	800 shs. at $10 per sh.
Michale Cahill	None	None	360 shs. at $16 per sh. and 650 shs. at $15 per sh.
Donald Di Renzo	None	None	300 shs. at $16 per sh.
Melvin Hetzel	None	None	400 shs. at $10 per sh.
Gary Lanpher	None	None	400 shs. at $8 per sh. and 200 shs. at $10 per sh.
William Parfitt	None	None	700 shs. at $8 per sh.
William Pettit	None	None	800 shs. at $12 per sh.
Robert Pipher	None	None	400 shs. at $8 per sh. and 200 shs. at $10 per sh.
David Robertson	None	None	800 shs. at $16 per sh.
Robert Sheldon	None	None	400 shs. at $16 per sh.
John Skapiak	None	None	800 shs. at $10 per sh.

None of the Applicants is affiliated or associated with the Purchaser.

Certain of the Applicants, including Inficon, have had discussions with the Purchaser about an acquisition by the Purchaser of either all of the outstanding shares of common stock or all or substantially all of the assets (subject to all of the liabilities) of Inficon. As a result of such discussions, it has been agreed, in principle, that the purchaser will purchase from the stockholders of Inficon or Inficon either all of the 87,093 issued and outstanding shares of common stock of Inficon or all or substantially all of the assets (subject to all of the liabilities) of Inficon. If the proposed transaction involves the sale of all of the outstanding common stock of Inficon, the aggregate purchase price would be $2,612,790 (which is equivalent to $30 per share for each outstanding share of Inficon common stock). If the proposed transaction involves the sale of all or substantially all of Inficon's assets (subject to all of Inficon's liabilities), the aggregate purchase price would be $2,612,790 plus an amount equal to the amount of any tax liability that would be incurred by Inficon as a result of the tax provisions relating to "recapture" of depreciation. The purchase is to be consummated at a closing (the "Closing") to be held before December 31, 1975.

With the exception, described below, regarding the portion of the purchase price attributable to the Fund's interest in Inficon, the purchase price is to be paid by the Purchaser in cash or by check in installments as follows: 25% at the Closing, 25% on January 16, 1976, 25% on June 1, 1976 and 25% on January 16, 1977. Of the purchase price attributable to the Fund's 21.5% interest in Inficon, 25% is to be paid in cash or by check at the Closing and 75% on June 1, 1976. The 75% portion of the purchase price not paid in cash or by check at the Closing to the Fund and the other Inficon shareholders

is to be evidenced by non-interest bearing notes of the Purchaser. Such notes will be secured either by the shares of stock or assets being purchased or by a letter of credit issued by a bank.

It has also been agreed that payments will be made to the holders of outstanding stock options to purchase shares of Inficon common stock so that such stock options will be surrendered and canceled. The amount to be paid with respect to each share of Inficon common stock covered by a stock option will be the difference between $30 and the exercise price at which such share could be purchased upon exercise of such option. There are outstanding stock options to purchase 9,060 shares and the aggregate amount which is to be paid with respect to such options is $167,490. Furthermore, Inficon has agreed to pay approximately $4,500 to the Fund and an aggregate of approximately $7,170 to the Wilsons in consideration of their surrendering and cancelling their rights to receive future warrants to purchase shares of Inficon common stock. These sums bear the same ratio to each other as the number of warrants promised to the Fund bears to the number of warrants promised the Wilsons.

If the transaction is a sale of all the outstanding shares of common stock of Inficon, the purchase price installments will be paid directly to the Applicants (other than Inficon) and all other stockholders of Inficon (or possibly to an agent or agents representing some or all of the Applicants other than Inficon). If the transaction is a sale of all or substantially all of the assets (subject to all of the liabilities) of Inficon, the purchase price installments will be paid to Inficon and then distributed by Inficon as liquidating distributions to the applicants (other than Inficon) and the other stock holders of Inficon.

The Applicants represent that the difference in the payment schedule with respect to the portion of the purchase price attributable to the Fund's interest in Inficon is primarily due to the fact that the Applicants (other than Inficon) are individuals who are concerned for certain tax reasons, with receiving their purchase price payments over a longer period of time than the Fund desired. The Fund is not concerned about the tax benefit which might be derived from having installment payments of the purchase price paid over a longer period of time since the Fund has substantial tax loss carry-forwards which will be available to offset any capital gains realized by the Fund as a result of the proposed transaction. The Fund expects to realize a capital gain of approximately $412,000 (before expenses) as a result of the proposed transaction.

Section 17(d) of the Act provides, in relevant part, that it shall be unlawful for any affiliated person of a registered investment company or any affiliated person of such a person, acting as principal to effect any transaction in which such registered investment company is a participant, in contravention of such rules and regulations as the Commission may prescribe.

Rule 17d-1, adopted by the Commission pursuant to Section 17(d) of the Act, provides, in pertinent part, that no affiliated person of any registered investment company, and no affiliated person of such a person, acting as principal, shall participate in, or effect any transaction in connection with any joint enterprise or other joint arrangement in which any such registered company is a participant unless an application regarding such joint enterprise or arrangement has been filed with the Commission and has been granted by an order of the Commission. A joint enterprise or other joint arrangement as used in this rule is any written or oral plan, contract, authorization or arrangement, or any practice or understanding concerning an enterprise, or undertaking whereby a registered investment company and any affiliated person of such registered investment company, or any affiliated person of such a person, have a joint or a joint and several participation, or share in the profits of such enterprise or undertaking. In passing upon such application, the Commission will consider whether the participation of such registered company in such joint enterprise or joint arrangement on the basis proposed is consistent with the provisions, policies and purposes of the Act and the extent to which such participation is on a basis different from or less advantageous than that of other participants.

Section 2(a)(3) of the Act defines an affiliated person of another person to include any person owning 5% or more of the outstanding voting securities of such other person, any person 5% or more of whose outstanding voting securities are owned by such other person, or any officer, director or employee of such other person.

Because the Fund owns more than 5% of the outstanding voting securities of Inficon, both the Fund and Inficon are affiliated persons of one another. Each of the Applicants other than the Fund and Inficont is an affiliated person of Inficon by reason of being either an officer, director, employee and/or holder of 5% or more of the outstanding voting securities of Inficon.

The Applicants assert that the proposed agreement is fair and reasonable and does not involve overreaching on the part of any person concerned with or involved in the transactions contemplated thereby. The Applicants further submit that the proposed agreement and the consummation of the transactions contemplated thereby are consistent with the general purposes of the Act, the public interest and the protection of investors. In addition, Highland submits that the proposed agreement and transactions contemplated thereby are not inconsistent with its investment policies, are consistent with the policies and purposes of the Act, and are desirable and in the best interests of Highland and its stockholders.

Based on the foregoing, the Applicants have requested that the Commission grant an Order pursuant to Section 17(d) of the Act and the rules and regulations thereunder permitting the proposed agreement and the consummation of the transactions contemplated thereby.

Notice is further given that any interested person may, not later than December 24, 1975, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request, and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon Applicants at the addresses stated above. Proof of such service (by affidavit, or in case of an attorney-at-law, by certificate) shall be filed contemporaneously with the request. As provided by Rule O-5 of the Rules and Regulations promulgated under the Act, an order disposing of the application will be issued as of course following December 26, 1975, unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponement thereof.

For the Commission, by the Division of Investment Management Regulation, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-33235 Filed 12-9-75;8:45 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-11885; File No. SR-Amex-75-10]

AMERICAN STOCK EXCHANGE, INC.

Self-Regulatory Organization

In the matter of American Stock Exchange, Inc., 86 Trinity Place, New York, New York 10006.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78(s)(b)(1) (the "Act") as amended by Pub. L. No. 94-29, section 16 (June 4, 1975), notice is hereby given that on November 17, 1975, the American Stock Exchange, Inc. ("Amex"), a national securities exchange registered with the Commission pursuant to Section 6 of the Act, filed with the Commission a proposed rule change. The proposed rule change is to amend the Commentary to Amex Rule 940 so as to lower, under certain circumstances, the margin maintenance requirements established under such Rule for registered traders in options. The amendment would permit the account of a registered trader containing only Ex-

change option transactions effected by him in his capacity as a registered trader to be carried on a margin basis satisfactory to the registered trader and the member organization carrying the account. The amendment further provides that any difference between the minimum margin required under Rule 940 and the margin deposited in the account will be considered by the Exchange as a debit item in the computation of the net capital of the carrying member organization under Amex Rule 470.

Interested persons are invited to submit written data, views and arguments concerning the proposed rule change. Persons desiring to make written submissions should file six copies thereof with the Secretary of the Commission, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549. Reference should be made to File No. SR–Amex–75–10.

The Commission is directed under Section 19(b)(2) of the Act to approve a proposed rule change of a self-regulatory organization if it finds, and it hereby does find, such proposed rule change to be consistent with the requirements of the Act and the rules and regulations thereunder applicable to national securities exchanges including the requirements of Section 6 and the rules and regulations thereunder. In particular, Section 6(b)(5) of the Act, which will become effective on December 1, 1975, requires that the rules of a national securities exchange be designed to "[facilitate] transactions in securities, . . . remove impediments to and perfect the mechanism of a free and open market . . ., and, in general, . . . protect investors and the public interest . . . ." According to the Exchange, lowering margin requirements applicable to the option accounts of registered traders would facilitate increased participation of such registered traders in the options market, thus provide additional depth and liquidity to such market, and thereby protect investors and serve the public interest.

Further, the Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice of the filing thereof. The Amex has made several revisions in its rules applicable to registered traders engaging in options transactions. These revisions impose responsibilities on registered traders similar to the responsibilities of specialists, viz., the obligation to deal for their own accounts in a manner calculated to contribute to the maintenance of a fair and orderly market, and the obligation to help maintain a fair and orderly market when called upon by floor officials or floor brokers.

To facilitate the fulfillment of these responsibilities by registered traders, the Commission deems it necessary and desirable to approve immediately the proposed rule change which has the effect of affording to registered traders in options the same treatment presently afforded to specialists with respect to margin requirements.

For the foregoing reasons, the Commission finds good cause for approving the proposed rule change prior to the thirtieth day after publication of notice of filing thereof.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change referenced above be, and it hereby is, approved.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

NOVEMBER 28, 1975.

[FR Doc.75-33168 Filed 12-9-75;8:45 am]

[Release No. 34-11894; File No. SR-PSE-75-9]

PACIFIC STOCK EXCHANGE, INC.

Self-Regulatory Organizations; Proposed Rule Change

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), as amended by Pub. L. No. 94-29, 16 (June 4, 1975), notice is hereby given that on November 24, 1975, the above-mentioned self-regulatory organization filed under the Securities and Exchange Commission a proposed rule change as follows:

STATEMENT OF THE TERMS OF SUBSTANCE OF THE PROPOSED RULE CHANGE

The proposed rule change amends portions of Section 3(a) of Rule XX of the Pacific Stock Exchange Incorporated (the "Exchange") and adds additional subsections thereto. The rule change permits members and member firms, member corporations and the Pacific Securities Depository Trust Company to effect assignments of securities and executions of powers of substitution by means of mechanically reproduced facsimile signatures. The present rule permits the use of such facsimile signatures by the Pacific Clearing Corporation ("PCC") only. The rule change also increases the charges that may be levied by the Exchange in defraying the expenses it incurs in connection with the operation of the rule.

STATEMENT OF BASIS AND PURPOSE

Under the existing rule, members, member firms, and member corporations of the Exchange are permitted to assign securities by executing and filing with the Exchange a power of attorney for persons authorized to make such assignments. The proposed rule change permits member and member firms, member corporations and the Pacific Securities and Depository Trust Company ("PSD") to assign securities and execute powers of substitution by means of mechanically reproduced facsimile signatures. The existing rule permits the use of such facsimile signatures by PCC only.

The proposed rule change also increases the charges that may be levied by the Exchange in preparing signature cards and notifying transfer agents. The rule change also increases the charge for maintaining files relating to the assignments and adds a charge of Seventy-Five Dollars ($75.00) in connection with processing resolutions and filing them with transfer agents for the use of mechanically reproduced facsimile signatures.

The proposed rule change, by permitting member and member firms, member corporations and PSD to assign securities and execute powers of substitution by means of mechanically reproduced facsimile signatures, will facilitate such assignments and executions. Without such provisions, assignments of securities or executions of powers of substitution might be delayed because of the absence or other unavailability of persons authorized to make such assignments or executions. The rule change thereby facilitates the prompt and accurate clearance and settlement of securities transactions and removes impediments to the mechanism of a national system for the prompt and accurate clearance and settlement of securities transactions. Also, the rule change, by amending the charges that may be levied under the Section to cover those expenses incurred by the Exchange in connection with the operation of the Section, constitutes an equitable allocation of reasonable dues, fees and other charges among its participants.

The foregoing are the principal bases under the Act for the proposed rule change.

Comments on the proposed rule change have not been solicited from Exchange members or from PCC participants.

The proposed rule change would not impose any burden on competition.

The foregoing rule change has become effective, pursuant to Section 19(b)(3) of the Securities Exchange Act of 1934. At any time within sixty days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Securities Exchange Act of 1934.

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons desiring to make written submissions should file 6 copies thereof with the Secretary of the Commission, Securities and Exchange Commission, Washington, D.C. 20549. Copies of the filing with respect to the foregoing and of all written submissions will be available for inspection in the Public Reference Room, 1000 L Street, Washington, D.C. Copies of such filing will also be available for inspection at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number referenced in the caption above and should be submitted on or before January 9, 1976.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

DECEMBER 3, 1975.

[FR Doc.75-33165 Filed 12-9-75;8:45 am]

[Release No. 34-11895; File No. SR-PSE-75-10]

PACIFIC STOCK EXCHANGE, INC.

Self-Regulatory Organizations; Proposed Rule Change

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), as amended by Pub. L. No. 94-29, 16 (June 4, 1975), notice is hereby given that on November 24, 1975, the above-mentioned self-regulatory organization filed with the Securities and Exchange Commission a proposed rule change as follows:

TEXT OF PROPOSED RULE CHANGE

The text of the proposed rule change is as follows:

Sec. 1(k). Fines not to exceed $250.00 may be imposed by the Clearing House for errors, delays, or failure to make money settlements prior to the deadline set by the Clearing House or other conduct on the part of a member or member firm which interferes with the orderly operation of the Clearing House. Failure to make money settlements prior to the deadline set forth by the Clearing House will result in the member or member firm concerned being responsible to reimburse the Clearing House for any expenses involved in addition to the fines imposed.

Fines or other charges imposed under this provision are subject to appeal to the Governing Board.

STATEMENT OF BASIS AND PURPOSE

The basis and purpose of the foregoing proposed rule change is as follows:

The proposed rule change increases the amount that can be imposed by way of fines by Pacific Clearing Corporation ("PCC") on participants and further delineates the circumstances under which a fine or other charge may be imposed. The fines or charges are intended to discourage action of the sort described in the proposed rule change and to place the monetary burden for such action upon the participant in question rather than upon other participants or upon PCC. The expenses referred to in the proposed rule change refer to any costs incurred by PCC in obtaining funds necessary to cover money settlements that have not been timely made by participants.

The proposed rule change, by imposing fines and other charges upon participants for conduct which interferes with the orderly operation of PCC, (a) relates to PCC's capacity to enforce compliance by its participants with its rules, and (b) provides for its participants to be appropriately disciplined for violation of its rules. These are the principal bases under the Act for the proposed change.

Comments on the proposed rule change have not been solicited from Exchange members or from PCC participants.

The proposed rule change would not impose any burden on competition.

The foregoing rule change has become effective, pursuant to Section 19(b)(3) of the Securities Exchange Act of 1934. At any time within sixty days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Securities Exchange Act of 1934.

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons desiring to make written submissions should file 6 copies thereof with the Secretary of the Commission, Securities and Exchange Commission, Washington, D.C. 20549. Copies of the filing with respect to the foregoing and of all written submissions will be available for inspection in the Public Reference Room, 1100 L Street, N.W., Washington, D.C. Copies of such filing will also be available for inspection at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number referenced in the caption above and should be submitted on or before January 9, 1976.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS, *Secretary.*

DECEMBER 3, 1975.

[FR Doc.75-33166 Filed 12-9-75;8:45 am]

[Release No. 34-11896; File No. SR-PSE-75-8]

PACIFIC STOCK EXCHANGE, INC.

Self-Regulatory Organizations; Proposed Rule Change

Pursuant to Section 19(b) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), as amended by Pub. L. No. 94-29, 16 (June 4, 1975), notice is hereby given that on November 24, 1975, the above-mentioned self-regulatory organization filed with the Securities and Exchange Commission a proposed rule change as follows:

TEXT OF PROPOSED RULE CHANGE

The text of the proposed rule change is as follows:

Sec. 4(a). The signature to an assignment of a certificate which is not in the name of a member or member organization, or in the name of the Clearing House or a nominee thereof, or in the name of the Securities Depository or a nominee thereof, shall be guaranteed by a member or member organization of the Exchange, or by a member or member organization of the New York Stock Exchange, or by a member or member organization of the Midwest Stock Exchange, or by a commercial bank or trust company acceptable to the transfer agent. Each signature to a pow of substitution executed by other than a member or member organization of the Exchange, or the Clearing House or a nominee thereof, or the Securities Depository or a nominee thereof, shall be guaranteed in like manner.

STATEMENT OF BASIS AND PURPOSE

The basis and purpose of the foregoing proposed rule change is as follows:

The proposed rule change adds the Pacific Securities Depository Trust Company or its nominee to the list of those Exchange entities whose signature to an assignment of a certificate or a power of substitution need not be guaranteed in accordance with the terms of the section. The proposed rule change also adds members and member organizations of the Midwest Stock Exchange to the list of entities whose signature is acceptable as a guarantee.

The proposed rule change, by adding the Pacific Securities Depository Trust Company or its nominee to the list of those Exchange entities whose signature to an assignment of a certificate or a power of substitution need not be guaranteed in accordance with the terms of the section, and by adding members or member organizations of the Midwest Stock Exchange to the list of entities whose signature is acceptable as a guarantee, (a) provides additional assurance as to the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible, (b) further aids in the prompt and accurate clearance and settlement of securities transactions, and (c) provides additional protection to investors and the public interest.

Comments on the proposed rule change have not been solicited from Exchange members or from PCC participants.

The proposed rule change would not impose any burden on competition.

The foregoing rule change has become effective, pursuant to Section 19(b)(3) of the Securities Exchange Act of 1934. At any time within sixty days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Securities Exchange Act of 1934.

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons desiring to make written submissions should file 6 copies thereof with the Secretary of the Commission, Securities and Exchange Commission, Washington, D.C. 20549. Copies of the filing with respect to the foregoing and of all written submissions will be available for inspection in the Public Reference Room, 1100 L Street, N.W., Washington, D.C. Copies of such filing will also be available for inspection at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number referenced in the caption above and should be submitted on or before January 9, 1976.

For the Commission, by the Division of Market Regulations, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS, *Secretary.*

DECEMBER 3, 1975.

[FR Doc.75-33167 Filed 12-9-75;8:45 am]

[Rel. No. 19274; (70-5766)]

YANKEE ATOMIC ELECTRIC CO.

Notice of Proposed Issue and Sale of Short-Term Promissory Notes to a Bank and a Dealer in Commercial Paper and Request for Exemption From Competitive Bidding

DECEMBER 1, 1975.

Notice is hereby given that Yankee Atomic Electric Company, 20 Turnpike Road, Westborough, Massachusetts, 01581, ("Yankee Atomic"), an electric utility subsidiary company of New England Electric System and Northeast Utilities, registered holding companies, has filed a declaration with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating Sections 6(a) and 7 of the Act and Rule 50(a)(5) promulgated thereunder as applicable to the proposed transactions. All interested persons are referred to the declaration, which is summarized below, for a complete statement of the proposed transactions.

Yankee Atomic proposes to issue and sell from time to time, but not later than December 31, 1976, short-term promissory notes, in order to finance its nuclear fuel requirement, and for other corporate purposes. The notes are expected to be sold to The First National Bank of Boston, Massachusetts, or to A. G. Becker & Company, Incorporated ("Becker"), a dealer in commercial paper, or both, up to a maximum aggregate principal amount of $20,600,000 to be outstanding at any one time.

The proposed short-term borrowing will be repaid from time to time in part from internally generated funds and the balance will be refinanced either through additional short-term borrowings or permanent financing.

The proposed borrowings from The First National Bank of Boston will be evidenced by notes payable maturing in less than one year from the date of issuance and will provide for prior payment in whole or in part without premium. The notes will bear interest at not in excess of the prime rate at such bank in effect at the time borrowings are made. If balances were maintained to solely fulfill prevailing compensating balance requirements of 20%, the effective interest cost to Yankee Atomic would be about 9.38% per annum based on the current prime rate of 7.5%.

Yankee Atomic also proposes to issue and sell its commercial paper during the period through December 31, 1976, directly to Becker, a dealer in commercial paper. Becker, as a principal, will reoffer such commercial paper to not more than 200 of its customers whose names appear on a nonpublic list prepared by Becker in advance. No additions will be made to such list of customers. The commercial paper so issued and sold will be in the form of unsecured promissory notes having varying maturities of not in excess of 270 days. Actual maturities will be determined by market conditions, the effective interest cost to Yankee Atomic, and Yankee Atomic's cash requirements at the time of issuance. The commercial paper will be in denominations of not less than $50,000 and not more than $1,000,000, and will not by its terms be prepayable prior to maturity. The commercial paper will be purchased by Becker from Yankee Atomic at a discount which will not be in excess of the discount rate per annum prevailing at the date of issuance for the particular maturity at which prime commercial paper of comparable quality is sold by public utility issuers to commercial paper dealers. Becker will initially reoffer the commercial paper at a discount rate not more than ⅛ of 1% per annum less than the prevailing discount rate to Yankee Atomic. It is expected that such commercial paper will be held to maturity by the purchasers, but, if any such purchaser wishes to resell prior to maturity, Becker, pursuant to an oral repurchase agreement, will repurchase the paper for resale to others on said list of customers. The effective interest cost to Yankee Atomic on such paper will not exceed the effective interest cost at the time of issue for borrowings from The First National Bank of Boston, except that, in order to obtain maximum flexibility, commercial paper with a maturity of not more than 90 days may be issued with an effective cost in excess of the effective interest cost from The First National Bank of Boston.

Yankee Atomic requests exception from the competitive bidding requirements of Rule 50 with respect to the proposed issuance and sale of commercial paper pursuant to paragraph (a)(5) thereof on the grounds that the commercial paper to be issued will have maturities of not more than nine months, the current rates for commercial paper for prime borrowers such as Yankee Atomic are readily ascertained by reference to daily financial publications and it is not practical to publish invitations for bids for commercial paper.

The fees and expenses to be incurred by Yankee Atomic in connection with the proposed transactions will be approximately $3,000. It is stated that no state commission and no federal commission, other than this Commission, has jurisdiction over the proposed transactions.

Notice is further given that any interested person may, not later than December 26, 1975, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail upon the declarant at the above-stated address, and proof of service (by affidavit or, in the case of an attorney at law, by certificate) should be filed with the request. At any time after said date, the declaration, as filed or as it may be amended, may be permitted to become effective as provided in Rule 23 of the General Rules and Regulations promulgated under the Act, or the Commission may grant exemption from its rules under the Act as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. Persons who request a hearing or advice as to whether a hearing is ordered will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Corporate Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

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NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Self-Regulatory Organizations

Pursuant to Section 19(B)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s (b)(1), as amended by Pub. L. No. 94-29, 16 (June 4, 1975) notice is hereby given on December 1, 1975 the above-mentioned self regulatory organization filed with the Securities and Exchange Commission a proposed rule change as follows:

STATEMENT OF THE TERMS OF SUBSTANCE OF THE PROPOSED RULE CHANGE

1.(a) *Text of Proposed Rule Change.* The following is the full text of the proposed substitution for Schedule C of Article I, Section 2 of the By-Laws of the National Association of Securities Dealers, Inc.

The entire text of Schedule C appearing at Paragraph 1102A pages 1047-52 of the Association's Manual will be deleted. In its place will be substituted the following new language:

SCHEDULE C

This Schedule C has been prepared pursuant to the provisions of Section 2(d) of Article I of these By-Laws and contains qualification standards for membership in the Corporation and the requirements for registration with the Corporation of persons associated with a member, including requirements for qualification examinations to be given. Where applicable, compliance with the provisions of both Parts I and II of this Schedule must be satisfied before registration with, admission to or continuance in membership in the Corporation will be approved.

Part I—Qualification for Membership

Section 1—Principals; Requirements for Applicants for Membership and Existing Members.

(a) Effective (6 months after the active effective date of the Schedule), every member of the Corporation having ten (10) or less persons associated with it shall have at least one such person, and

every member of the Corporation having more than ten (10) persons associated with it shall have at least two such persons, who are qualified and registered as principals pursuant to the provisions of Part II, Section 2 hereof. As of the effective date hereof, an applicant for membership in the Corporation shall not be admitted thereto until this requirement is fulfilled.

(b) In the event the registration of a person associated with a member as a principal for purposes of meeting the minimum requirements specified in subsection (a) above is terminated, the member shall no later than six (6) months following the date of termination, cause to be registered with the Corporation at least one (1) person as a Principal in order to remain in compliance with the provisions of subsection (a), provided however, that at all times the member must have one (1) person registered with the Corporation as a Principal.

(c) In the case of an applicant for membership, except an applicant which is subject to the provisions of SEC Rule 15c3–1(a)(2) or (3), each principal required by subsection (a) hereof shall have at least two (2) years' prior experience in either a registered capacity or nonregistered supervisory capacity with a broker-dealer within the preceding five (5) year period from the date of application for membership. With respect to applicants for membership planning to engage in specialized segments of the securities industry such as insurance, real estate or oil and gas direct participation programs, the two (2) year experience requirement for principals registered pursuant to subsection (a) hereof will be satisfied if experience in the industry related to the specialized segment of the securities industry can be demonstrated.

(d) In exceptional cases, where good cause is shown and where such would not be contrary to the public interest, the President of the Corporation or his delegate, upon written request by a member or an applicant for membership, may waive the requirements of subsections (a) or (b) above. The President of the Corporation, or his delegate, upon written request by an applicant for membership, may waive the experience requirements of subsection (c) in exceptional cases where the business background and experience of an individual justify a determination that such an action would not be contrary to the public interest.

Section 2—Financial and Operations Principal; Requirements for Applicants for Membership and Existing Members.

(a) Every applicant for membership who has not been granted an exemption, pursuant to the provisions of subsection (d) hereof, shall register with the Corporation one or more persons associated with it, at least one of whom shall be the firm's chief financial officer, as a Financial and Operations Principal pursuant to the provisions of Part II, Section 2(b) hereof before it may be admitted to membership in the Corporation.

(b) After an applicant has been admitted to membership, it must continue to have at least one registered Financial and Operations Principal, including the firm's chief financial officer, performing the duties of such who has satisfied the requirements of Part II, Section 2(b) hereof.

(c) Every member of the Corporation who has not been granted an exemption pursuant to the provisions of subsection (d) hereof, shall, by (90 days after the effective date of the Schedule), designate as a Financial and Operations Principal those persons associated with it, at least one of whom shall be the firm's chief financial officer, who perform the functions of such as specified in Part II, Section 2(b)(2) hereof. They shall be registered pursuant to the provisions of Part II, Section 2(b) hereof.

(d) A member, or an applicant for membership in the Corporation, may upon written request, be exempted by the President of the Corporation, or his delegate, from the requirement to have a Financial and Operations Principal if:

(1) It has been expressly exempted by the Securities and Exchange Commission from SEC Rule 15c3–1 pursuant to the provisions of paragraph (b)(2) thereof; or,

(2) It is subject to the provisions of SEC Rule 15c3–1(a)(2) or (3).

Section 3—Underwriter Principal; Requirements for New Members and Existing Members. (a) Effective (on a date to be set by the President of the Corporation) every member of the Corporation who participates in underwriting syndications, including the origination or syndication of underwritings, shall register with the Corporation at least one (1) person as an Underwriter Principal pursuant to the provisions of Part II, Section 2(c) of this Schedule.[1]

(b) The provisions of subsection (a) above, do not apply to members who participate as selling group members or as distributors or underwriters of securities of companies registered pursuant to the Investment Company Act of 1940, variable contracts or insurance premium funding programs registered pursuant to the Securities Act of 1933.

Section 4—Pre-Membership Requirements.

(a) Each applicant for membership in the Corporation shall at the time application for membership is made furnish to the District Office of the Corporation in which the applicant has or intends to have its principal place of business:

(1) A copy of the report filed with the Securities And Exchange Commission pursuant to Rule 15b1–2(c) under the Securities Exchange Act of 1934 and any amendment thereto;

(2) A copy of the applicant's written supervisory procedures;

(3) A list of all officers, directors, general partners, employees and any other person who will be associated with the applicant; and,

(4) Such other information and documents as may be deemed necessary by the Corporation in view of the nature of the business activities in which the applicant intends to engage.

(b) Before a broker or dealer shall be admitted to membership in the Corporation the principals of the applicant required by Section 1, 2, and 3 hereof shall personally appear at the District Office of the District in which the applicant has or intends to have its principal place of business for a pre-membership interview in accordance with procedures established by the Corporation. At such interview, the applicant shall demonstrate in accordance with procedures established by the Corporation, and the criteria listed in Section 5(b) hereof, that it is appropriate in the public interest and not inconsistent with the protection of investors for it to be admitted to membership in the Corporation and to conduct the type of business intended. All documentation submitted in connection with the applicant's application and pre-membership interview shall be made part of the applicant's file for subsequent use on appeal if such occurs.

(c) Within thirty (30) days after such pre-membership interview, the applicant shall be notified by the Corporation whether, consistent with the standards of qualification for membership contained in this Schedule C, including those contained in Section 5(b) hereof, its application has been granted, denied, or granted subject to restrictions on its business activities. Such determination shall be in writing and shall set forth the specific grounds upon which the determination is based.

(d) In all cases where restrictions are placed on the business activities of an applicant, the applicant shall, prior to approval of membership by the Corporation, execute an agreement with it accepting and agreeing to abide by the restrictions specified, which with the reasons therefor shall be clearly delineated therein, and agreeing further not to modify or change its business activities in any way inconsistent with such agreement without first notifying and receiving the approval of the Corporation.

(e) Any applicant whose application for membership has been denied, or upon whose business activities restrictions have been imposed, may appeal such to the District Committee for the District in which it has or will have its principal place of business within fifteen (15) days after the Corporation's action. During the pendency of such an appeal (or a review pursuant to subsection (f) hereof) an applicant upon whose business activities restrictions have been imposed may engage in business in a manner consistent with those restrictions without prejudicing its rights on appeal provided it has executed the agreement required by paragraph (d) hereof.

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[1] The effective date of this section shall be established by the President of the Corporation on a date not earlier than six (6) months following the publication of an appropriate study outline which shall be prepared as an aid to candidates in their preparation for the Qualification Examination for Underwriter Principal.

(f) The District Committee for the District in which the applicant has or will have its principal place of business shall have the right within twenty (20) days after notification to the applicant of the action taken by the Corporation to call the matter before it for review. In such cases, the Committee shall have the authority to stay any prior determination by the Corporation if it deems such necessary or appropriate.

Section 5—District Committees and Board of Governors; Authority and Criteria for Determining Qualifications for Membership; Hearing Procedures.

(a) In connection with those applicants before it pursuant to Section 4(e) or (f) hereof, each District Committee shall have the authority to determine whether an applicant for membership in the Corporation whose principal place of business is or will be within the District over which that District Committee has jurisdiction, is qualified for membership in the Corporation, whether it is qualified for membership pursuant to restrictions on its business activities, either those previously imposed by the Corporation or others, and whether in any event it is in the public interest to admit the applicant to membership in the Corporation.

(b) A District Committee in reaching its determination as to the qualifications of an applicant for membership in the Corporation, or whether it is qualified with restrictions placed upon its business activities, shall review and consider each of, but not necessarily only, the following aspects of the applicant's business plans to determine as to each, in view of the type of business to be engaged in, their adequacy; their consistency with law and the rules of the Corporation; their consistency with good business practices and business operations based upon the Committee's experience in the investment banking or securities business; their consistency with the applicant's fiduciary obligation to its future customers; and, their consistency with the public interest and the protection of investors:

(1) The nature, source and permanence of the capital of the applicant and the sources of and arrangements for additional capital in case a business need arises;

(2) The applicant's proposed record keeping system;

(3) The applicant's proposed internal procedures, including compliance procedures, from the standpoint of insuring to the extent possible adherence to all applicable laws, rules and regulations; and

(4) The capability of the applicant to properly conduct the type of business intended in view of the:

a. Number, experience and qualifications of the persons associated with or to be associated with the applicant;

b. Facilities which the applicant contemplates having;

c. Arrangements, if any, with banks and clearing corporations, or others, to assist the applicant in the conduct of its securities business; and,

d. Personnel methods and procedures intended for the supervision of persons associated with the applicant and the conduct of the various business activities planned by it.

(c) In connection with an application before a District Committee pursuant to the provisions of Section 4 (e) or (f) hereof, an applicant for membership in the Corporation shall have the right to appear personally before the District Committee to demonstrate its qualifications for membership and to be represented by counsel. A record shall be kept of the proceedings and a transcript shall be taken.

(d) The District Committee, after appearance of the applicant and consideration of its qualifications for membership shall, notwithstanding action previously taken by the Corporation, accept or deny admission of the applicant for membership in the Corporation, or accept the applicant for admission to membership with restrictions on its business activities as deemed appropriate by the Committee, or defer its determination until after submission to it of additional information or documentation demed by it to be necessary to its determination.

(e) The applicant, or a member, shall be notified by mail of the determination of the District Committee. The District Committee's determination shall be in writing and shall set forth, in the case of a denial of membership or an acceptance of membership with restrictions, the specific grounds upon which its determination is made.

(f) All actions of a District Committee in respect to applicants for membership in the Corporation shall be subject to review by the Board of Governors upon application by the applicant for membership filed within fifteen (15) days after the date of notice required by subsection (e) hereof. Upon application to the Board of Governors for review in a case where the District Committee has denied an applicant membership in the Corporation, the applicant shall not be admitted to membership during the pendency of proceedings before the Board of Governors. When admission has been granted subject to restrictions upon an applicant's business activities, the applicant shall be admitted to membership pursuant thereto and will be permitted to engage in business in a manner not inconsistent therewith during the pendency of the appeal without prejudice to any of his rights of appeal if it agrees first to and does execute an agreement with the Corporation in accordance with the provisions of subsection (1) hereof.

(g) In an application for review pursuant to subsection (f) hereof, the applicant may request a hearing before a subcommittee of the Board of Governors. In the absence of such request for hearing, the Board of Governors may require a hearing on its own motion if it deems such action necessary or appropriate. At such hearing the applicant may submit such other relevant evidence, in addition to that already part of the record, which it desires and it shall be entitled to be represented by counsel. A record shall be kept of the proceedings and a transcript shall be taken.

(h) The recommendation of the subcommittee of the Board shall then be submitted to the National Business Conduct Committee at its next meeting which, after review of the matter, will decide upon a recommendation to be made to the Board of Governors. The recommendation of the National Business Conduct Committee will then be submitted to the Board of Governors for action at its next meeting. The hearing subcommittee of the Board (or the National Business Conduct Committee or the Board itself, as the case may be) shall have the right to supplement the record if such is deemed necessary provided the applicant is given the opportunity to comment on such supplementary material prior to a final determination by the Board.

(i) In any proceeding to review any action taken by a District Committee, the Board of Governors, upon consideration of the record before it, may modify such action as it deems necessary or appropriate considering the criteria stated in subsection (b) hereof which criteria shall also govern determinations of the Board of Governors.

(j) An applicant shall be notified of any determination of the Board of Governors on an application for review of any action taken by a District Committee. Such determination shall be in writing and shall set forth the specific grounds upon which its determination is based.

(k) In any case where the applicant feels aggrieved by any action taken by the Board of Governors, it may make application for review to the Securities and Exchange Commission in accordance with Section 19 of the Securities Exchange Act of 1934, as amended.

(l) In any case where restrictions have been placed upon the business activities of an applicant by the Board of Governors or a District Committee, the applicant shall, prior to approval of membership, be required to execute an agreement with the Corporation acquiescing in and agreeing to the restrictions so imposed and agreeing further not to change its business activities in a manner inconsistent therewith without first notifying the Corporation and receiving its approval before admission to and continuance in membership will be declared effective.

Section 6—Removal of Restrictions Imposed.

(a) Any restrictions on the business activities of an applicant may subsequently be removed by the District Committee for the District in which the member currently has its principal place of business, upon an appropriate showing by the member that the factors which gave rise to the imposition of the restrictions have been sufficiently corrected so as to no longer require the continuance of the restrictions for the reasons stated. In doing so, a District Committee shall consider the record which gave rise to the imposition of the restrictions and the criteria governing its determinations contained in Section 5(b) hereof as well as any supplement thereto submitted in

connection with the request for removal of the restrictions.

(b) A member who has requested the removal of restrictions pursuant to Section 6(a) hereof shall be entitled to all of the procedural rights specified in Section 5 (c) through (k) hereof.

Part II—Registration Requirements

Section 1—Registration of Principals.

(a) *Registration Requirements*—All persons associated with a member who are to function as principals shall be registered as such with the Corporation in the category of registration appropriate to the function to be performed as specified in Section 2 hereof. Before their registration can become effective, they shall pass a Qualification Examination for Principals appropriate to the category of registration as specified by the Board of Governors.

(b) *Definition of Principal*—The term "principal" shall mean a person associated with a member who is actively engaged in the management, direction or supervision of the day-to-day activities of the member's investment banking or securities business. Such shall include, but not necessarily be limited to:

(1) Sole proprietors;

(2) Corporate officers and directors who manage, direct or supervise the day-to-day investment banking or securities business of the member;

(3) Partners; and,

(4) Managers of Offices of Supervisory Jurisdiction.

(c) *Requirements for Examination on Lapse of Registration*—Any person whose most recent registration as a principal has been terminated for a period of three (3) or more years immediately preceding the date of receipt by the Corporation of a new application shall be required to pass a Qualification Examination for Principals appropriate to the category of registration as specified in Section 2 hereof.

(d) *Waiver of Requirement to Take Qualification Examination*—In exceptional cases and where good cause is shown the President of the Corporation, or his delegate, upon request by the member, may waive the requirement to take a Qualification Examination. All such requests shall be in writing and signed by a registered principal of the requesting firm. Advanced age, physical infirmity, or experience in fields ancillary to the investment banking or securities business will not individually of themselves constitute sufficient grounds to waive the requirement to take a Qualification Examination. A request for a waiver based only upon the expiration of the three (3) year period since the most recent registration with the Corporation will not be honored. Except where otherwise specified herein, Qualification Examinations required hereby shall be taken and passed by the applicant and the member shall receive notification of such from the Corporation prior to the performance by the applicant of the functions for which he is seeking registration.

(e) *Elevation to Principal Status*—Any person associated with a member as a registered representative whose duties are changed so as to require registration in any principal classification shall, within ten (10) business days thereof, submit a principal elevation form designated by the Board of Governors with the applicable examination fee.[2] The applicant, assuming all prerequisites to the proposed category of registration have been met, shall be allowed a period of ninety (90) calendar days following the change in his duties during which to pass the appropriate Qualification Examination for Principals. If the applicant fails the examination, the elevation form and application will be retained for an additional period of ninety (90) calendar days from the date of the last failure. If the applicant fails to take the examination within the initial ninety (90) calendar day period, a new principal elevation form and examination fee shall be required. In no event may such person function as a principal beyond the initial ninety (90) calendar day period following the change in his duties without having successfully passed the appropriate Qualification Examination. In no event may a person previously unregistered in any capacity applying for principal status function as a principal until fully qualified.

Section 2—Categories of Principal Registration.

(a) *General Securities Principal.*— (1) Each person associated with a member who is included within the scope of Part II, Section 1 hereof, shall be required to register with the Corporation as a General Securities Principal and shall pass an appropriate Qualification Examination before such registration may become effective unless his activities are so limited as to qualify him for one or more of the limited categories of principal registration specified hereafter. A person whose activities in the investment banking or securities business are so limited may, at his discretion, elect to become registered as a General Securities Principal. Each person required to register and qualify as a General Securities Principal subsequent to (on the effective date of Schedule C) must, prior to or concurrent with such registration, become registered pursuant to the provisions of Section 4(a) hereof, as a General Securities Representative.

(2) *Grandfather Clause*—A person who was registered with the Corporation as a principal on or before the effective date of Schedule C, shall not be required to pass a Qualification Examination for General Securities Principal and, except as provided in Part II, section 1(c) hereof, shall be qualified to be registered with the Corporation as a General Securities Principal.

(3) A person registered solely as a General Securities Principal shall not be qualified to function as either a Financial and Operations Principal or as an Underwriter Principal unless he is also qualified and registered as such pursuant to the provisions of subsections (b) and/or (c) hereof.

(b) *Financial and Operations Principal.*—(1) Each person associated with a member not exempted by Part I, Section 2(d) from the requirement to have a Financial and and Operations Principal who is to perform the duties of a Financial and Operations Principal shall be required to register as such with the Corporation and shall pass an appropriate Qualification Examination before such registration may become effective.

(2) *Definition of Financial and Operations Principal*—The term "financial and operations principal" shall mean a person associated with a member whose duties include, but are not necessarily limited to:

a. Final approval and responsibility for the accuracy of financial reports submitted to any duly established securities industry regulatory body;

b. Final perparation of such reports;

c. Supervision of individuals who assist in the preparation of such reports;

d. Supervision of and responsibility for individuals who are involved in the actual maintenance of the firm's books and records from which such reports are derived;

e. Supervision and/or performance of the member's responsibilities under all financial responsibility rules promulgated pursuant to the provisions of the Securities Exchange Act of 1934; or

f. Overall supervision of and responsibility for the individuals who are involved in the administration and maintenance of the firm's back office operations.

(3) *Examination Requirements for Financial and Operations Principals of Existing Members*—Except as provided in paragraph (4) hereof, any person required by the provisions of Part I, Section 2(c) hereof, to be designated as a Financial and Operations Principal shall pass within ninety (90) calendar days of the date of designation as such an appropriate Qualification Examination before such registration shall become effective.

(4) *Exemption From Requirement to Take Financial and Operations Principal Examination*—A person designated pursuant to the provisions of Part I, Section 2(c) hereof, shall not be required to take the Financial and Operations Principal Qualification Examination if:

a. Such person had been performing the functions of a Financial and Operations Principal as defined in subsection (2) hereof on or before September 1 1972; and,

b. Such person is named on an appropriate form designated by the Board of Governors which shall be filed with the Corporation no later than the close of business (90 days from the effective date of Schedule C).[3]

(5) A person registered solely as a Financial and Operations principal shall not be qualified to function in a principal

[2] The form currently designated for this purpose is PE-3.

[3] The form currently designated for this purpose is Form MD-1.

capacity with responsibility over any area of business activity not prescribed in this subsection (b).

(c) *Underwriter Principal.*—(1) Each person associated with a member who is included within the scope of Part II, Section 1 hereof shall qualify and register with the Corporation as Underwriter Principal if his responsibilities include the overall supervision of the origination or syndication activities of the member's underwriting business. In order to qualify for registration as an Underwriter Principal, a person shall have at least two (2) years experience in the origination or syndication of securities underwritings within the five (5) year period immediately preceding the filing of an application for registration as an Underwriter Principal.

(2) The provisions of paragraph (1) above do not apply to a person associated with a member who restricts his activities to matters involving the member's participation in a selling group, generally, or in the distribution or underwriting of shares of companies registered pursuant to the Investment Company Act of 1940, variable contracts or insurance premium funding programs registered pursuant to the Securities Act of 1933.

(3) A person registered solely as Underwriter Principal shall not be qualified to function in a principal capacity with responsibility over any area of business activity not prescribed by this subsection (c).

(4) *Grandfather Clause*—A person associated with a member may be registered as an Underwriter Principal with the Corporation without meeting the requirement to pass a Qualification Examination if:

a. Such person has at least two (2) years experience in the origination or syndication of securities underwritings within the five (5) year period immediately preceding the filing of an application for registration as an Underwriter Principal; and,

b. Such application is received by the Corporation on (a date to be set by the President of the Corporation).

(d) *Limited Principal—Investment Company and Variable Contracts Products.*—(1) Each person associated with a member who is included within the scope of Part II, Section 1 hereof, may register with the Corporation as a Limited Principal—Investment Company and Variable Contracts Products if:

a. his activities in the investment banking and securities business are limited solely to transactions involving securities of companies registered pursuant to the Investment Company Act of 1940 and variable contracts products and insurance premium funding programs registered pursuant to the Securities Act of 1933; and,

b. he passes an appropriate Qualification Examination for Limited Principal—Investment Company and Variable Contracts Products.

(2) A person registered solely as a Limited Principal—Investment Company and Variable Contracts Products shall not be qualified to function in a principal capacity with responsibility over any area of business activity not prescribed in this subsection (d).

(e) *Limited Principal—Direct Participation Programs.*—(1) Each person associated with a member who is included within the scope of Part II, Section 1 hereof, may register with the Corporation as a Limited Principal—Direct Participation Programs if:

a. His activities in the investment banking and securities business is limited solely to Direct Participation Programs as defined in paragraph (3) hereof; and,

b. He passes an appropriate Qualification Examination for Limited Principal—Direct Participation Programs.

(2) A person registered solely as a Limited Direct—Pprincipal Participation Programs shall not be qualified to function in a principal capacity with responsibility over any area of business activity not prescribed in this subsection (e).

(3) *Definition of Direct Participation Programs*—For purposes of this Schedule C, "direct participation programs" shall mean programs which provide for flow-through tax consequences regardless of the structure of the legal entity or vehicle for distribution including, but not limited to, oil and gas programs, real estate programs, agricultural programs, cattle programs, condominium securities, Subchapter S corporate offerings and all other programs of a similar nature, regardless of the industry represented by the program, or any combination thereof. Excluded from this definition are real estate investment trusts, tax qualified pension and profit sharing plans pursuant to Sections 401 and 403(a) of the Internal Revenue Code and individual retirement plans under Section 408 of that Code, tax sheltered annuities pursuant to the provisions of Section 403(b) of the Internal Revenue Code and any company including separate accounts registered pursuant to the Investment Company Act of 1940.

Section 3—Registration of Representatives.

(a) Registration Requirements—Each person associated with a member who is to function as a registered representative shall be registered as such with the Corporation in the category of registration appropriate to the function to be performed as specified in Section 4 hereof. Before his registration can become effective, he shall pass a Qualification Examination for Registered Representatives appropriate to the category of registration as specified by the Board of Governors.

(b) *Definition of Representative*—The term "representative" shall mean a person associated with a member not otherwise required to be registered as a principal, including assistant officers other than principals, who are engaged in the investment banking or securities business for the member. Such shall include but not necessarily be limited to those persons:

(1) Whose duties include the solicitation, sale or trading of securities; or,

(2) With supervisory responsibility over the activities of registered representatives but who are not otherwise required to be registered as principals.

(c) *Requirement for Examination on Lapse of Registration*—Any person whose most recent registration as a registered representative has been terminated for a period of three (3) or more years immediately preceding the date of receipt by the Corporation of a new application shall be required to pass a Qualification Examination for Representatives appropriate to the category of registration as specified in Section 4 hereof unless such person has been continuously registered with the Corporation as a principal.

(d) *Waiver of Requirement to Take Qualification Examination*—In exceptional cases and where good cause is shown, the President of the Corporation, or his delegate, upon request by the member, may waive the requirement to take a Qualification Examination. All such requests shall be in writing, and signed by a registered principal of the requesting firm. Advanced age, physical infirmity or experience in fields ancillary to the investment banking or securities business will not in and of themselves constitute sufficient grounds to waive the requirement to take a Qualification Examination. A request for a waiver based solely upon the expiration of the three (3) year period since the most recent registration with the Corporation will not honored. Except where otherwise specified herein, Qualification Examinations required hereby shall be taken and passed by the applicant and the member shall receive notification from the Corporation prior to the performance by the applicant of the functions for which he is seeking registration.

(e) *Grandfather Clause*—Any person who was registered with the Corporation as a representative on or before September 1, 1974, shall not be required to pass a Qualification Examination for any category of registration specified in Part II, Section 4 and shall automatically be registered as a General Securities Representative subject to the provisions of subsection (c) hereof.*

Section 4—Categories of Registration of Representatives.

(a) *General Securities Representative*—Each person associated with a member whose activities in the investment banking or securities business include the solicitation or sale of securities generally or the supervision of General Securities Representatives shall be required to register with the Corporation as a General Securities Representative

* Since September 1974, the NASD has administered a new comprehensive (Series Seven) Qualification Examination for persons intending to register as General Securities Representatives. To facilitate the transition to this new examination program persons whose applications were submitted prior to September 10, 1974, were administered the older (Series One) Qualification Examination and if taken and passed on or before March 31, 1975, such persons were also registered as General Securities Representatives. Persons making application in one or more of the limited categories of representative registration have and will continue to qualify by passing the Series One Qualification Examination for Registered Representatives until such time as the appropriate specialized examinations are implemented.

unless otherwise required to be registered as a principal. A person whose activities in the investment banking or securities business encompass functions which would only require his registration in one or more of categories (b) through (e) hereof, may at his discretion, be registered as a General Securities Representative.

(b) *Securities Trader Representative*—Each person associated with a member whose activities in the investment banking or securities business are limited solely to exercising discretionary authority in trading securities and/or effecting market making securities transactions in the over-the-counter securities markets for the member shall, unless qualified and registered as a General Securities Representative, be required to register with the Corporation as a Securities Trader Representative if not otherwise required to register as a principal. A person registered solely as a Securities Trader Representative may effect occasional unsolicited buy and sell general securities transactions for the accounts of public customers.

(c) *Investment Company and Variable Contracts Products Representative*—Each person associated with a member whose activities in the investment banking or securities business is limited solely to the solicitation and/or sale of:

(1) Redeemable securities of companies registered pursuant to the Investment Company Act of 1940;

(2) Securities of closed-end companies registered pursuant to Investment Company Act of 1940 during the period of original distribution only; and,

(3) Variable contracts and insurance premium funding programs registered pursuant to the Securities Act of 1933,

shall be required to register with the Corporation as an Investment Company and Variable Contracts Representative, unless qualified and registered as a General Securities Representative. A person registered solely as an Investment Company and Variable Contracts Products Representative may effect occasional unsolicited transactions in general securities for the accounts of public customers.

(d) *Direct Participation Programs Representative*—Each person associated with a member whose activities in the investment banking or securities business are limited solely to the solicitation and/or sale of direct participation programs shall, unless qualified and registered as a General Securities Representative, be required to register with the Corporation as a Direct Participation Programs Representative.

(e) *Real Estate Securities Representative*—Each person associated with a member whose activities in the investment banking and securities business are limited solely to the solicitation and/or sale of any certificate of interest or participation, partnership interest, investment contract or other interest or instrument constituting a security as defined in Section 2(1) of the Securities Act of 1933, or by state law, which represents principally the acquisition, investment or holding or real property or an interest therein (except corporate securities, real estate investment trusts or any other securities of a legal entity which would have a public trading market) shall, unless qualified and registered as either a General Securities Representative or as a Direct Participation Programs Representative, be required to register with the Corporation as a Real Estate Securities Representative.

Section 5—Special Situations.

(a) *Current Registration with SECO.*—(1) Each person associated with a member who was qualified on or before September 1, 1974, to engage directly or indirectly in securities activities with a nonmember broker-dealer as a result of having taken and passed an examination pursuant to the provisions of Section 15(b)(7) of the Securities Exchange Act of 1934, as amended, and Rule 15b8–1 thereunder, more commonly known and hereafter referred to as the SECO examination, or was not required to take the SECO examination because of the exemption provided in Rule 15b8–1 for persons who were broker-dealers or became associated persons prior to July 1, 1963, and has been continuously registered as such since that date shall not be required, in order to become registered as a representative of a member of the Corporation, to take and pass a Qualification Examination for General Securities Representatives unless he has been terminated with the nonmember broker-dealer for three (3) or more years. Each such person shall, however, be required to take and pass an examination based on the Corporation's rules and regulations before he may function as a General Securities Representative with a member. A person who registers with the Corporation in a category other than General Securities Representative shall be required to take and pass an examination based on the Corporation's rules and regulations before he may function as a representative of a member.

(2) Each person associated with a member who has not taken the SECO examination but who has become and was qualified on or before September 1, 1974, pursuant to the provisions of Section 15(b)(7) of the Securities Exchange Act of 1934, as amended, and Rule 15b8–1 thereunder, as a result of acceptance by the Securities and Exchange Commission of a securities examination administered by and for a state securities administration and successfully completed by the applicant, shall be required, unless that state's examination is also accepted by the Corporation, to take the appropriate Qualification Examination for General Securities Representatives unless he has been fully registered pursuant to the referred to Section 15(b)(7) and Rule 15b8–1 for at least one (1) year immediately preceding the receipt of his application for registration as a General Securities Representative by the Corporation. Each such person who is not required to take any Qualification Examination for Registered Representatives because of the one (1) year experience factor shall, however, be required to successfully complete an examination based upon the Corporation's rules and regulations before he may function as a registered representative with a member. A person who registers with the Corporation in a category other than General Securities Representative and who has been fully registered pursuant to the referred to Section 15(b)(7) and Rule 15b8–1 for at least one (1) year immediately preceding the receipt of an application for registration in such category shall be required to take and pass an examination based on the Corporation's rules and regulations before he may function as a representative of a member.

(b) *Foreign Associates.*—(1) *Exemption from Registration and Qualification Examination*—Each person associated with a member who is to function as a foreign associate shall not be required to register with the Corporation and shall be exempt from the requirement to pass a Qualification Examination.

(2) Definition of Foreign Associate—The term "foreign associate" shall mean a person associated with a member:

a. Who is not a citizen, national or resident of the United States or any of its territories or possessions; and,

b. Who will conduct all his securities activities in areas outside the jurisdiction of the United States and will not engage in any securities activities with or for any citizen, national or resident of the United States.

(3) *Requirement of Application for Foreign Associate*—Prior to the time the exemption provided for in subsection (b)(1) hereof may become effective, the following conditions must be met:

a. The member desiring to employ any such person must file with the Corporation a form designated by the Board of Governors certifying that such person meets the criteria contained in subsection (b)(2) hereof;*

b. Such person is not subject to any of the prohibitions to registration with the Corporation contained in Article I, Section 2(a) through 2(d) of the By-Laws of the Corporation; and,

c. Service of process for any proceeding instituted by the Corporation in respect to such person may be sent to an address in the United States at an office of the member. The member will be responsible for responding to the Corporation if the individual cannot be served.

(4) *Termination of Employment or Association*—In the event of termination of the employment or association of a foreign associate, the member shall notify the Corporation immediately by filing a notice of termination on a form designated by the Board of Governors.*

Section 6—Persons Exempt From Registration.

(a) The following persons associated with a member are not required to be registered with the Corporation:

(1) Persons associated with a member whose functions are solely and exclusively clerical or ministerial;

* The form currently designated for this purpose is known as the Application for Classification as a Foreign Associate.

(2) Persons associated with a member who are not actively engaged in the investment banking or securities business;

(3) Persons associated with a member whose functions are related solely and exclusively to the member's need for nominal corporate officers or for capital participation; and,

(4) Persons associated with a member whose functions are related solely and exclusively to:

a. Transactions on a registered national securities exchange and who are registered with such exchange;

b. Transactions in exempted securities as defined in Section 3(a)(12) of the Securities Exchange Act of 1934 (except municipal securities as defined in Section 3(a)(29) of the Act); or,

c. Transactions in commodities.

(b) In every instance where an exemption is applicable, under subsection (a)(3) or (4) of this Section 6, the member must file an exemption request with the Corporation on a form designated by the Board of Governors within ten (10) days of either the date the person becomes associated with the member or the date on which the exemptive provisions become applicable to him.[5]

(c) *Termination of Employment*—In the event of termination of employment of a person granted an exemption from registration by the Corporation, the member must immediately file a notice of termination on a form designated by the Board of Governors.[6]

Section 7—Qualification Examinations and Procedures.

(a) *Study Outlines*—Qualification Examinations for the various categories of principals and representatives specified in this Schedule C shall consist of a series of questions based upon topics contained in study outlines provided by the Corporation, a list of which is available from the Qualifications and Examinations Department.

(b) *Time and Place*—Examinations shall be given at such times and places and under such conditions as shall be prescribed by the Board of Governors.

(c) *Grading Scale*—Examination results shall be reported to member firms on a pass/fail basis only. Failing grades will be accompanied by an analysis of the candidate's performance on the examination. Passing scores assigned to each examination series shall be determined by the Board of Governors, or its designate.

(d) *Procedure Upon Failing Examination*—Applicants who fail an examination may, subject to the payment of the required examination fee and receipt of a new admission certificate, retake such examination up to two (2) times without waiting any specified period of time between attempts. If an examination is failed three (3) times the applicant must wait ninety (90) days before again taking the examination and between each subsequent attempt. A new admission certificate will not be issued in connection with any examination until the proper fee for the examination has been received by the Corporation.

(e) *Assistance During Examination*—An applicant cannot receive assistance while taking the examination. Each applicant shall certify to the Board of Governors that no assistance was given to or received by him during the examination.

(f) *Confidentiality of Examinations*—The Corporation considers all of its Qualification Examinations to be highly confidential. The removal from an examination center, reproduction, disclosure, receipt from or passing to any person, or use for study purposes of any portion of any Qualification Examination, whether of present or past series, or any other use which would compromise the effectiveness of a Qualification Examination and the use in any manner and at any time of the questions or answers of any Qualification Examinations are prohibited and are deemed to be violations of Article III, Section 1, of the Rules of Fair Practice.

(g) *SECO Grace Period*—The President of the Corporation, or his delegate, in the case of a broker-dealer applicant for membership in the Corporation who was previously qualified, and at the time of his application for membership is currently qualified, pursuant to the provisions of Section 15(b)(7) of the Securities Exchange Act of 1934, as amended, and Rule 15b8–1 thereunder, shall have the discretion to grant a grace period of reasonable and stated duration after the effective date of membership of the applicant during which period of time the persons associated with the member who were previously and at the time of their applications are, qualified pursuant to the aforementioned Section 15(b)(7) and Rule 15b8–1 may actively engage in the investment banking or securities business while qualifying as registered representatives and principals; provided, however, the provisions of this subsection shall in no way be construed so as to contravene the minimum qualifications for membership in respect to principals required pursuant to the provisions of Part I of this Schedule C. In no event may the said grace period exceed one (1) years from the effective date of membership of the applicant. If the referred to persons associated with the member do not qualify pursuant to Schedule C by the date of the expiration of the grace period, they shall no longer be permitted to engage in the investment banking or securities business until they qualify thereunder. In no case shall a person not currently qualified under Section 15(b)(7) and Rule 15b8–1 be permitted to act as a representative or principal of the member during the grace period unless he has qualified pursuant to the provisions of Schedule C.

3. *Purpose of Proposed Rule Change.* Part I of the Proposed Amendments to Schedule C deals with the qualification of a firm for membership in the Association. Section 1 thereof specifies the number of qualified registered principals each member is required to have, based on the number of associated persons of the member, and it specifies the experience required for principals of new members. Members with more than ten (10) persons associated with it are required to have at least two (2) registered principals. In the event that the registration of a principal is terminated, the member has six (6) months to register at least one (1) other person as a principal in order to comply with the provisions of the rule.

Section 2 details the requirements for having a Financial and Operations Principal. Under this provision every firm wishing to become a member of the Association, with certain exceptions, shall have at least the individual who is the firm's chief financial officer qualify and register as a Financial and Operations Principal pursuant to the provisions of this rule. Every existing member of the Association shall be required to designate at least the firm's chief financial officer as a Financial and Operations Principal. A firm may choose to register some or all of its principals as Financial and Operations Principals.

Section 3 delineates the requirement that members engaged as participants in underwriting syndications, including the origination or syndication of underwritings, register at least one (1) Underwriter Principal. Excluded from this rule, however, are underwriters or selling group members or distributors of securities registered under the Investment Company Act of 1940 or variable contracts or insurance premium funding programs registered under the Securities Act of 1933.

Section 4(a) establishes certain requirements that must be met by the applicant firm as a prerequisite to membership in the Association. Included in these are the filing of the form required by SEC Rule 15b1–2(c) with the Association, as well as a copy of the applicant's written supervisory procedures, and a list of employees, officers, directors and partners, and such other information as requested by the Association. Subsection (b) of Section 4 establishes the requirement that before a broker or dealer may be admitted to membership, the proposed principals of the firm must personally appear for a pre-membership interview by the Association. At such interview the applicant must demonstrate, through its principals and in accordance with procedures established by the Association and discussed below, that it is in the public interest and not inconsistent with the protection of investors for it to be admitted to membership in the Association

[5] The form currently designated for this purpose is Form T–325.

[6] The form currently designated for this purpose is Form EX–1.

[5] The form currently designated for this purpose is Form T–325.

and to conduct the type of business intended. The remaining subsections of Section 4 establish that the applicant shall be notified within thirty (30) days after the pre-membership interview of whether its application has been granted, denied, or granted subject to restrictions on its business activities. The section also establishes a procedure for appeal of an adverse decision with regard to an application for membership to the District Business Conduct Committee and the Board of Governors.

Section 5 establishes those criteria which the District Business Conduct Committee and the Board shall apply in determining an applicant's qualification for membership in the Association. A District Committee is required, pursuant to the provisions of this rule, to review and consider each aspect of the applicant's business plans to determine as to each, in view of the type of business to be engaged in, their adequacy, their consistency with law and the rules of the Association, and their consistency with good business practices and business operations based on the Committee's or Board's experience in the investment banking or securities business. Review of the business plans of the applicant must be conducted to determine their consistency with the applicant's fiduciary obligations to its future customers, and their consistency with the public interest and protection of investors. Specifically enumerated as subjects to be reviewed by the District Business Conduct Committee and the Board are: (1) the nature, source and permanence of the capital of the applicant and the sources of and arrangement for additional capital; (2) the applicant's proposed record-keeping system; (3) the applicant's proposed internal procedures; (4) the capability of the applicant to properly conduct the kind of business intended in view of the number, experience and qualifications of the persons associated with the applicant, the facilities which the applicant contemplates having, arrangements with banks and clearing corporations, or others to assist the applicant in the conduct of its securities business and the personnel methods and procedures intended for supervision of the persons associated with the applicant and the conduct of the various business activities planned by it.

The District Committee's determination as to the admission of the applicant must be in writing and in the case of a denial or acceptance of membership with restrictions, must contain the specific grounds upon which the determination was made. The remainder of Section 5 establishes an appeal procedure by which an applicant aggrieved by the decision of the District Business Conduct Committee may appeal to the Board of Governors, upon consideration of the record before it may modify such action as is deemed necessary or appropriate. An applicant will be notified of the determination of the Board of Governors by a written decision, and may appeal to the Securities and Exchange Commission pursuant to Section 19 of the Securities and Exchange Act of 1934.

Section 6 of Part I provides that any applicant admitted to membership under restrictions as to the type of business activities in which it may engage, may apply for and subsequently have such restrictions removed. In addition, the procedures for doing so and the criteria to be applied are also provided for in this section.

Part II of the proposed amendments to Schedule C embodies the requirement that all persons associated with a member, who are to function as principals or registered representatives, shall be registered as such with the Association in the category of registration appropriate to the functions to be performed by the individual. A principal is defined as a person associated with a member who is actually engaged in the management, direction or supervision of the day-to-day activities of the member's investment banking or securities business. This includes but is not necessarily limited to sole proprietors, corporate officers and directors who manage, direct or supervise the day-to-day investment banking or securities business of the member, partners, and managers of supervisory jurisdiction. Before a registration can become effective, an individual must pass a qualification examination appropriate to that category of registration. Any person whose most recent registration as a principal has been terminated for a period of three (3) or more years immediately preceding the date of the new application will be required to pass a qualification examination for principal in the appropriate category. In exceptional cases, and where good cause is shown, the president of the association or his delegate, upon written request by the member, may waive the requirement to take a qualification examination. Any person associated with a member as a registered representative whose duties have changed so as to require registration in any principal capacity must inform the Association of his elevation and, assuming all prerequisities of the proposed category of registration are met, must pass the qualification examination within ninety (90) calendar days following his change in duties. If the applicant fails the examination the elevation form and application will be retained for an additional ninety (90) days. If the applicant fails to take the examination within the initial ninety (90) day period a new principal and elevation form and examination fee shall be required. In no event may such person function as a principal beyond the initial ninety (90) day period from the change in his duties without having successfully passed the appropriate qualification examination.

Part II, Section 2 delineates the five (5) categories of principal registration and describes in each case when the member firm is required to register individuals in the category. In each case the qualifying standards to be met by the applicant individual in order to be registered within that category are outlined.

Section 3 deals with the general conditions for registration by persons associated with a member as registered representatives, and Section 4 details the five (5) categories of registered representatives. In each case the qualifying standards to be met by the applicant individual in order to be registered within that category are outlined.

Sections 5 and 6 of Part II apply to the registration of individuals in special situations such as a person currently registered with SECO, foreign associates, and persons exempt from registration.

Section 7 contains the procedures for the administration of qualification examinations by the Association.

Appropriate categories of registered principals and registered representatives in Part II of the amendments contain a grandfather clause by which an individual who meets the requirements of the clause shall not be required to pass a qualification examination for that category.

Part II of the proposed amendments of Schedule C, therefore, establishes basic standards of competency, as prerequisites to registration, that must be demonstrated through the successful completion of an appropriate qualification examination, and/or in certain cases, experience. In effect, standards for registration as a person associated with a member, would be made more specific and provision would be made for various categories of registration of principals and registered representatives. The proposed amendments to Schedule C are intended to strengthen the qualification standards for membership in the Association and for registration of individuals, and to restrict the activities of a member in a manner consistent with his demonstrated ability.

4. *Basis Under the Act for Proposed Rule Change.* The statutory basis for the Association to adopt these amendments to Schedule C is extensive.

Section 15A(b) of the Securities Exchange Act of 1934, as amended, provides that an association of brokers and dealers shall not be registered as a national securities association unless the commission determines that such association is so organized and has the capacity to be able to carry out purposes of the Act and to comply, and to enforce compliance by its members and persons associated with its members, with the provisions of the Act.

15A(b)(3) mandates that the rules of the association must provide that any registered broker or dealer may become a member of such association and that any person may become associated with a member. Subsection (b)(6) provides that the rules of the association must

be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade and in general to protect investors in the public interest. The rule may not permit unfair discrimination between brokers or dealers and must regulate by virtue of authority conferred by the Act. Subsection (b)(8) provides that the rules of the association must provide a fair procedure for admitting or denying membership to any person seeking membership in the association or barring any person from becoming associated with a member as well as the prohibition or limitation by the Association of any person with respect to access of services offered by the association or a member thereof.

Section 15A(g)(2) provides that a registered securities association may, in the public interest or for the protection of investors, deny membership to any registered broker or dealer or bar from becoming associated with a member, any person who is subject to a statutory disqualification. Section 15A(g)(3)(A) provides that a registered securities association may deny membership or conditionally admit a registered broker dealer if (i) such broker or dealer does not meet standards of financial responsibility or operational capability, or such broker or dealer or any natural person associated with such broker or dealer does not meet standards of training, experience and competence as are prescribed by the rules of the association or (ii) such broker or dealer or person associated with such broker or dealer has engaged and there is a reasonable likelihood he will again engage in acts or practices inconsistent with just and equitable principles of trade. Also, a registered securities association may examine and verify the qualifications of an applicant for membership and/or a natural person wishing to become associated with such an applicant in accordance with procedures established by the rules of the association. Subsection (g)(3)(B) provides further that a registered securities association may bar a natural person from becoming associated with a member or condition the association of a natural person with a member if such natural person (i) does not meet such standards of training, experience, and competence as prescribed by the rules of the association or (ii) has engaged and there is a reasonable likelihood he will again engage in acts or practices inconsistent with just and equitable principles of trade.

Section 15A(h)(2) of the Act provides that in any proceeding by a registered securities association to determine whether a person shall be denied membership or be barred from becoming associated with a member or prohibited or limited with respect to access to services offered by the association or member thereof, the association is required to give notice to such person and give him an opportunity to be heard on the specific grounds for denial, bar, prohibition, or limitation and a written record must be kept. A written decision by the association to deny membership, bar a person from becoming associated with a member, or prohibit or limit a person with respect to access to services offered by the association or member must be supported by a statement setting forth the specific grounds on which the denial, bar, or prohibition or limitation is based.

5. Comments Received from Members, Participants or Others on Proposed Rule Change. Forty-one comment letters were received from the membership on the proposed amendments to Schedule C concerning the registration requirements of principals and representatives. The names and addresses of the respondents, the dates of their letters, summaries of the contents, and the letters will be available for inspection at the Securities and Exchange Commission's Public Reference Room, 1100 L Street NW., Washington, D.C.

6. *Burden on Competition.* The amendments proposed to Schedule C are the direct result of the statutory authorization contained in Section 15A(g) of the Act. This section provides a registered securities association with authority to deny membership or to condition the membership of a firm or an individual because either the financial and operational capability of the firm or the training, experience, and competence of the individual is inadequate or limited. This determination must be the result of an analysis by a self-regulatory organization that it is not in the public interest nor in furtherance of the protection of investors to admit the firm or the individual to membership. Changes to the Act in 1964 and in 1975 specifically authorize these criteria by which a registered securities association may deny or condition membership and the amendments to Schedule C are proposed to strengthen the standards of training, experience and competence that must be met by an individual to be admitted to practice in the industry. The statute specifically authorizes the Assoication to examine and verify the qualifications of an applicant and specifically provides that the Association may demand information from an individual or from a firm to verify the accuracy of statements as to qualification and experience in the industry. Further, the statute mandated and the amendments provide due process protections for the rights of an individual applying for association with a member or a firm applying for membership in the Association. In the event of a limited admission or a denial of admission an opportunity to be heard, a written decision stating the reasons for such a limitation or denial, and a procedure for appeal with the Association to the Securities and Exchange Commission must be and have been provided.

Schedule C then, is the Association's assumption of the responsibility imposed upon it by statute, i.e., to develop criteria in its rules to aid in protecting the investing public by insuring that only qualified individuals and broker/dealers are free to engage in active securities business. For the purpose of complying with the requirement of the Act it is felt that there is no burden placed upon competition as the result of establishing criteria that are to be applied equally to all individuals and firms seeking entrance to the industry. Indeed, competition within the industry is increased and the protection of the public investor is increased by establishing minimum qualification criteria for firms and individuals. Inasmuch as any regulatory proposal is a burden on competition because it restricts activity and establishes entrance standards where previously there were none, the decision to allow the Association to burden competition that far was considered and approved by Congress. Consequently, it is felt any burden on competition imposed by the amendments to Schedule C is necessary and in furtherance of the purposes of the Act.

On or before January 14, 1976, or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the above-mentioned self-regulatory organization consents, the Commission will:

(a) By order approve such proposed rule change, or

(b) Institute proceedings to determine whether the proposed rule change should be disapproved.

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons desiring to make written submissions should file 6 copies thereof with the Secretary of the Commission, Securities and Exchange Commission, Washington, D.C. 20549. Copies of the filing with respect to the foregoing and of all written submissions will be available for inspection and copying in the Public Reference Room, 1100 L Street NW., Washington, D.C. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number referenced in the caption above and should be submitted on or before January 9, 1976.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.

Dated: December 1, 1975.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-33169 Filed 12-9-75;8:45 am]

INTERSTATE COMMERCE COMMISSION

[Notice No. 927]

ASSIGNMENT OF HEARINGS

DECEMBER 5, 1975.

Cases assigned for hearing, postponement, cancellation or oral argument appear below and will be published only once. This list contains prospective assignments only and does not include cases previously assigned hearing dates. The hearings will be on the issues as presently reflected in the Official Docket of the Commission. An attempt will be made to publish notices of cancellation of hearings as promptly as possible, but interested parties should take appropriate steps to insure that they are notified of cancellation or postponements of hearings in which they are interested. No amendments will be entertained after the date of this publication.

MC 106603 Sub 140, Direct Transit Lines, Inc., now being assigned February 2, 1976 (1 day) at Chicago, Illinois; in a hearing room to be designated later.

MC 123407 Sub 245, Sawyer Transport, Inc., now being assigned February 3, 1976 (2 days) at Chicago, Illinois; in a hearing room to be designated later.

MC-C-8807, Pacific Intermountain Express Co.—Investigation and Revocation of Certificates, now being assigned February 5, 1976 (2 days) at Chicago, Illinois; in a hearing room to be designated later.

MC 139527 Sub 2, M.E.M. Enterprises, Inc., now assigned January 21, 1976, at Seattle, Wash., is canceled and reassigned for January 19, 1976 (3 days), at Seattle, Wash.; in a hearing room to be later designated.

MC 141001, B & M Trucking, Inc., now assigned January 19, 1976, at Seattle, Wash., is canceled and application dismissed.

MC 116273 Sub 193, D & L Transport, Inc., now assigned December 12, 1975 at Chicago, Illinois, is canceled and the application is dismissed.

MC 51146 Sub 429, Schneider Transport, Inc., now being assigned February 3, 1976 (1 day), at Chicago, Ill., in a hearing room to be designated later.

MC 29886-317, Dallas & Mavis Forwarding Co., now being assigned February 4, 1976 (1 day), at Chicago, Ill., in a hearing room to be designated later.

MC 140344, Unzicker Trucking Inc., now being assigned February 5, 1976 (2 days), at Chicago, Ill., in a hearing room to be designated later.

MC 78296 Sub 1, Mid-America Coach Lines, Inc., now being assigned February 9, 1976 (1 week), at Chicago, Ill., Chicago Hyatt House, 151 E. Wacker Drive.

MC 133703 Sub 6, Wisconsin Cheese Service, Inc., now assigned January 13, 1976, at St. Paul, Minn., is canceled and application dismissed.

MC 133689 Sub 63, Overland Express, Inc., now being assigned January 13, 1976, at St. Paul, Minn. (1 day), in a hearing room to be later designated.

AB 7 Sub 12, Chicago, Milwaukee, St. Paul, and Pacific Railroad Company Abandonment Between Hopkinton and Jackson Junction in Delaware, Clayton, Fayette and Winneshiek Counties, Iowa, now being assigned February 3, 1976 (2 days), at West Union, Iowa; in a hearing room to be later designated.

MC 123407 Sub 239, Sawyer Transport, Inc., now assigned February 6, 1976 (1 day), at Chicago, Ill.; in a hearing room to be later designated.

MC 30844 Sub 542, Kroblin Refrigerated Xpress, Inc., now being assigned February 9, 1976 (1 day), at Chicago, Ill.; in a hearing room to be later designated.

MC 127042 Sub 160, Hagen, Inc., now being assigned February 12, 1976 (2 days), at Chicago, Ill.; in a hearing room to be later designated.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.75-33256 Filed 12-9-75;8:45 am]

MOTOR CARRIER INTRASTATE APPLICATIONS

DECEMBER 5, 1975.

The following applications for motor common carrier authority to operate in intrastate commerce seek concurrent motor carrier authorization in interstate or foreign commerce within the limits of the intrastate authority sought, pursuant to Section 206(a)(6) of the Interstate Commerce Act, as amended October 15, 1962. These applications are governed by Special Rule 1.245 of the Commission's Rules of Practice, published in the FEDERAL REGISTER, issue of April 11, 1963, page 3533, which provides, among other things, that protests and requests for information concerning the time and place of State Commission hearings or other proceedings, any subsequent changes therein, any other related matters shall be directed to the State Commission with which the application is filed and shall *not* be addressed to or filed with the Interstate Commerce Commission.

California Docket No. 55896, filed August 27, 1975. Applicant: CALIFORNIA FREIGHTWAYS INC. AND DALZ LINES INC., 746 North Sixth Street, San Jose, Calif. 95108. Applicant's representative: Philip J. Bovero, 500 Phelan Avenue, San Jose, Calif. 95112. Certificate of Public Convenience and Necessity sought to operate a freight service as follows: Transportation of *General commodities*, (1) Between all points and places in the San Francisco Territory as described in Note A. (2) Between all points and places in the Los Angeles Basin Territory as described in Note B (see restriction below). (3) Between all points and places in the San Diego Territory as described in Note C (see restriction below); and (4) Between all points and places on and within 25 miles laterally of the following named highways (see restriction below). (a) Interstate Highway 80 between Oakland and Sacramento, inclusive. (b) State Highway 4 between its intersection with Interstate Highway 80 near Pinole, and Stockton, inclusive. (c) U.S. Highway 101 between San Jose and San Diego, inclusive. (d) State Highway 1 between its intersection with U.S. Highway 101 at Montalvo and Interstate Highway 5 at San Juan Capistranol. (e) State Highway 118 between its intersection with U.S. Highway 101 near Ventura and Chatsworth, inclusive.

f. State Highway 99 between Sacramento and Wheeler Ridge and Interstate Highway 5 between Wheeler Ridge and San Fernando, inclusive, except that carrier, pursuant to this authority shall not serve any point more than five miles easterly of this route between Bakersfield and San Fernando. g. State Highway 33 between Banta and its junction with State Highway 99 near Wheeler Ridge, inclusive. h. U.S. Highway 395 (Interstate Highway 15) between Temecula and San Diego, inclusive; and i. State Highways 33 and 19 between Ventura and Greenfield, inclusive, including the off-route points of Santa Paula and Fillmore.

In performing the service herein proposed, carrier may make use of any and all streets, roads, highways and bridges necessary or convenient for the performance of said service.

Restriction: No service is authorized on shipments originating at and destined to points and places located south of an imaginary line drawn between San Luis Obispo and Bakersfield, except on split delivery shipments when final component destination is north of said imaginary line.

Except that pursuant to the authority herein proposed carrier shall not transport any shipments of: (1) Used household goods, personal effects and office, store and institution furniture, fixtures and equipment not packed in accordance with the crated property requirements set forth in Item 5 of Minimum Rate Tariff 4-B. (2) Automobiles, trucks and buses, Viz.: new and used, finished or unfinished passenger automobiles (including jeeps), ambulances, hearses and taxis; freight automobiles, automobile chassis, trucks, truck chassis, truck trailers, trucks and trailers combined, buses and bus chassis. (3) Livestock, viz.: barrows, boars, bulls, butcher hogs, calves, cattle, cows, dairy cattle, ewes, feeder pigs, gilts, goats, heifers, hogs, kids, lambs, oxen, pigs, rams, sheep, sheep camp outfits, sows, steers, stags, swine or wethers. (4) Liquids, compressed gases, commodities in semi-plastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semitrailers or a combination of such highway vehicles. (5) Commodities when transported in bulk in dump trucks or in hopper-type trucks. (6) Commodities when transported in motor vehicles equipped for mechanical mixing in transit. (7) Logs; and (8) Commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerator equipment.

SAN FRANCISCO TERRITORY

San Francisco Territory includes all the City of San Jose and that area embraced by the following boundary: Beginning at the point the San Francisco-San Mateo County Line meets the Pacific Ocean; thence easterly along said County Line to a point one mile west of State Highway 82; southerly along an imaginary line one mile west of and paralleling State Highway 82 to its intersection with Southern Pacific Company right-of-way at Arastradero Road; southeasterly along the Southern Pacific Company right-of-way to Pollard Road, including industries served by the Southern Pacific Company spur line extending approximately two miles southwest from Simla

to Permanente; easterly along Pollard Road to W. Parr Avenue; easterly along W. Parr Avenue to Capri Drive; southerly along Capri Drive to Division Street; easterly along Division Street to the Southern Pacific Company right-of-way; southerly along the Southern Pacific right-of-way to the Campbell-Los Gatos City Limits; easterly along said limits and the prolongation thereof to South Bascom Avenue (formerly San Jose-Los Gatos Road); northeasterly along South Bascom Avenue to Foxworthy Avenue; easterly along Foxworthy Avenue to Almaden Road; southerly along Almaden Road to Hillsdale Avenue; easterly along Hillsdale Avenue to State Highway 82; northwesterly along State Highway 82 to Tully Road; northeasterly along Tully Road and the prolongation thereof to White Road; northwesterly along White Road to McKee Road; southwesterly along McKee Road to Capitol Avenue; northwesterly along Capitol Avenue to State Highway 238 (Oakland Road); northerly along State Highway 238 to Warm Springs; northerly along State Highway 238 (Mission Blvd.) via Mission San Jose and Niles to Hayward; northerly along Foothill Blvd. and MacArthur Blvd. to Seminary Avenue; easterly along Seminary Avenue to Mountain Blvd.; northerly along Mountain Blvd. to Warren Blvd. (State Highway 13); northerly along Warren Blvd. to Broadway Terrace; westerly along Broadway Terrace to College Avenue; northerly along College Avenue to Dwight Way; easterly along Dwight Way to the Berkeley-Oakland Boundary Line; northerly along said boundary line to the Campus Boundary of the University of California; westerly, northerly and easterly along the campus boundary to Euclid Avenue; northerly along Euclid Avenue to Marin Avenue; westerly along Marin Avenue to Arlington Avenue; northerly along Arlington Avenue to San Pablo Avenue (State Highway 123); northerly along San Pablo Avenue to and including the City of Richmond to Point Richmond; southerly along an imaginary line from Point Richmond to the San Francisco Waterfront at the foot of Market Street; westerly along said waterfront and shoreline to the Pacific Ocean; southerly along the shoreline of the Pacific Ocean to point of beginning.

NOTE B; LOS ANGELES BASIN TERRITORY

Los Angeles Basin Territory includes that area embraced by the following boundary: Beginning at the point the Ventura County-Los Angeles County Boundary Line intersects the Pacific Ocean; thence northeasterly along said county line to the point it intersects State Highway 118, approximately two miles west of Chatsworth; easterly along State Highway 118 to Sepulveda Boulevard; northerly along Sepulveda Boulevard to Chatsworth Drive; northeasterly along Chatsworth Drive to the corporate boundary of the City of San Fernando; westerly and northerly along said corporate boundary of the City of San Fernando to Maclay Avenue; northeasterly along Maclay and its prolongation to the Los Angeles National Forest Boundary; southeasterly and easterly along the Angeles National Forest and San Bernardino National Forest Boundary to Mill Creek Road (State Highway 38); westerly along Mill Creek Road to Bryant Street; southerly along Bryant Street to and including the unincorporated community of Yucaipa; westerly along Yucaipa Boulevard to Interstate Highway 10; northwesterly along Interstate Highway 10 to Redlands Boulevard; northwesterly along Redlands Boulevard to Barton Road; westerly along Barton Road to La Cadena Drive; southerly along La Cadena Drive to Iowa Avenue; southerly along Iowa Avenue to State Highway 60; southeasterly along State Highway 60 and U.S. Highway 395 to Nuevo Road; easterly along Nuevo Road via Nuevo and Lakeview to State Highway 79; southerly along State Highway 79 to State Highway 74; thence westerly to the corporate boundary of the City of Hemet; southerly, westerly and northerly along said corporate boundary to The Atchison, Topeka & Santa Fe right-of-way; southerly along said right-of-way to Washington Road; southerly along Washington Road through and including the unincorporated community of Winchester to Benton Road; westerly along Benton Road to Winchester Road (State Highway 79) to Jefferson Avenue; southerly along Jefferson Avenue to U.S. Highway 395; southerly along U.S. Highway 395 to the Riverside County-San Diego County Boundary Line; westerly along said boundary line to the Orange County-San Diego County Boundary Line; southerly along said boundary line to the Pacific Ocean; northwesterly along the shoreline of the Pacific Ocean to point of beginning, including the point of March Air Force Base.

NOTE C; SAN DIEGO TERRITORY

The San Diego Territory includes that area embraced by following an imaginary line starting at a point approximately four miles north of La Jolla on the Pacific Coast shoreline running east to Miramar on U.S. Highway 395; thence following an imaginary line running southeasterly to Lakeside on State Highway 67; thence southerly on County Road S 17 (San Diego County) and its prolongation to State Highway 94; easterly on State Highway 94 to Jamul; thence due south following an imaginary line to the California-Mexico Boundary Line; thence westerly along the boundary line to the Pacific Ocean and north along the shoreline to point of beginning. Intrastate, interstate and foreign commerce authority sought.

HEARING: Date, time and place not yet fixed. Requests for procedural information should be addressed to the Public Utilities Commission, State of California, State Building, Civic Center, 455 Golden Gate Avenue, San Francisco, Calif. 94102 and should *not* be directed to the Interstate Commerce Commission.

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.75-33258 Filed 12-9-75;8:45 am]

[Notice No. 97]

Motor Carrier Applications and Certain Other Proceedings

DECEMBER 5, 1975.

The following publications include motor carrier, water carrier, broker, freight forwarder and rail proceedings indexed as follows: (1) grants of authority requiring republication prior to certification; (2) notices of filing of petitions for modification of existing authorities; (3) new operating right's applications directly related to and processed on a consolidated record with finance applications filed under Sections 5(2) and 212(b); (4) notices of filing of Sections 5(2) and 210a(b) finance applications; and (5) notices of filing of Section 212(b) transfer applications.

Each applicant (except as otherwise specifically noted) states that there will be no significant effect on the quality of the human environment resulting from approval of its application in compliance with the requirements of 49 C.F.R. § 1100.250.

Protests to the granting of the requested authority must be filed with the Commission on or before January 9, 1976 (unless otherwise specified). Failure seasonably to file a protest will be construed as a waiver of opposition and participation in the proceeding. A protest should comply with section 247(d) or section 240(c) as appropriate of the Commission's General Rules of Practice which requires that it set forth specifically the grounds upon which it is made, contain a detailed statement of protestant's interest in the proceeding (including a copy of the specific portions of its authority which protestant believes to be in conflict with that sought in the application, and a detailed description of the method—whether by joinder, interline, or other means—by which protestant would use such authority to provide all or part of the service proposed), and shall specify with particularity the facts, matters, and things relied upon, but shall not include issues or allegations phrased generally. Protests not in reasonable compliance with the requirements of the rules may be rejected. The original and one (1) copy of the protest (except for petitions and Finance Dockets under Rule 40 requiring the original and six (6) copies of the protest) shall be filed with the Commission, and a copy shall be served concurrently upon applicant's or petitioner's representative, or applicant or petitioner if no representative is named. If the protest includes a request for oral hearing, such requests shall meet the requirements of section 247(d)(4) or section 240(c)(4) of the special

rules, and shall include the certification required therein.

No. MC 107583 (Sub-No. 58) (Republication), filed June 24, 1975, and published in the FEDERAL REGISTER issue of July 24, 1975, and republished this issue. Applicant: SALEM TRANSPORTATION CO., INC., 133-03 35th Avenue, Flushing, N.Y. 11354. Applicant's representative: George H. Rosen, 265 Broadway Street, P.O. Box 348, Monticello, N.Y. 12701. An Order of the Commission, Review Board Number 2, dated November 18, 1975, and served November 28, 1975, finds that the present and future public convenience and necessity require operation by applicant, in interstate and foreign commerce, as a *common carrier*, by motor vehicle, over irregular routes, (1) of *passengers and their baggage* in the same vehicle with passengers, in special and charter operations, in nonschedule door-to-door service, limited to the transportation of not more than 11 passengers in any one vehicle, not including the driver thereof and not including children under 10 years of age who do not occupy a seat or seats and (2) of *general commodities* (except classess A and B explosives; household goods as defined by the Commission, articles of unusual value, commodities in bulk, and commodities requiring the use of special equipment) when moving in the same vehicle with passengers restricted against the transportation of passengers or articles weighing more than 100 pounds in aggregate from one consignor at one location during a single day, between Philadelphia, Pa., and points in the Philadelphia, Pa., Commercial Zone as defined by the Commission on the one hand, and, on the other, the Military Ocean Terminal at Bayonne, N.J., and points in the Bayonne, N.J., Commercial Zone as defined by the Commission, that applicant is fit, willing, and able properly to perform such service and to conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulations thereunder. The purpose of this republication is to indicate the broadening of the authority herein to include the transportation of general commodities (with the usual exceptions). Because it is possible that other parties who have relied upon the notice of the application as published, may have an interest and in and would be prejudiced by the lack of proper notice of the authority described above, issuance of a Certificate in this proceeding will be withheld for a period of 30 days from the date of publication of the authority actually granted, during which period any proper party in interest may file an appropriate petition for intervention or other relief in this proceeding setting forth in detail the precise manner in which it has been so prejudiced. Pleadings may be tendered with respect to the modification(s) of applicant's grant of authority indicated by the purpose for this republication.

No. MC 133531 (Sub-No. 1) (Republication), filed April 18, 1974, and published in the FEDERAL REGISTER issue of May 31, 1974, and republished this issue. Applicant: WALTHILL TRANSPORTATION CO., A Corporation, Walthill, Nebr. 68067. Applicant's representative: Patrick E. Quinn, 605 South 14th Street, P.O. Box 82028, Lincoln, Nebr. 68501. An Order of the Commission, Review Board Number 2, dated September 18, 1975, and served September 25, 1975, finds that the present and future public convenience and necessity require operation by applicant, in interstate or foreign commerce, as a *contract carrier* by motor vehicle, over irregular routes, (1) of *sprayer tanks*, from Sioux Falls, S. Dak.; Itasca, Ill.; Albertville, Ala., and Washington Court House, Ohio, to points in Arkansas, Arizona, California, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Montana, Mississippi, Missouri, Nebraska, New York, North Dakota, Ohio, Oklahoma, Pennsylvania, South Dakota, Tennessee, Texas, Washington, and Wisconsin; and (2) of pumps, from Memphis, Tenn., to points in Arkansas, Arizona, California, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Montana, Mississippi, Missouri, Nebraska, New York, North Dakota, Ohio, Oklahoma, Pennsylvania, South Dakota, Tennessee, Texas, Washington, and Wisconsin, under a continuing contract or contracts with Campbell Manufacturing Company, Inc., of Walthill, Nebr., will be consistent with the public interest and the national transportation policy; that applicant is fit, willing, and able to properly to perform such service and to conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulations thereunder. The purpose of this republication is to indicate the substitution of Washington Court House, Ohio as a destination point. Because it is possible that other parties who have relied upon the notice of the application as published, may have an interest in and would be prejudiced by the lack of proper notice of the authority described above, issuance of a Permit in this proceeding will be withheld for a period of 30 days from the date of this publication of the authority actually granted, during which any proper party in interest may file an appropriate petition for intervention or other relief in this proceeding setting forth in detail the precise manner in which it has been so prejudiced. Pleadings may be tendered with respect to the modification(s) of applicant's grant of authority indicated by the purpose for this republication.

No. MC 138018 (Sub-No. 16) (Republication), filed August 2, 1974, and published in the FEDERAL REGISTER issue of September 12, 1974, and republished this issue. Applicant: REFRIGERATED FOODS, INC., 1420 33rd Street, Denver, Colo. 80205. Applicant's representative: Donald L. Stern, 7100 West Center Road, Suite 530, Omaha, Nebr. 68106. An Order of the Commission, Review Board Number 2, dated November 21, 1975, and served November 26, 1975, finds that the present and future public convenience and necessity require operation by applicant, in interstate or foreign commerce, as a *common carrier* by motor vehicle, over irregular routes, of *meats, meat products, meat by-products, and articles distributed by meat packinghouses*, as described in Sections A and C of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except hides and commodities in bulk), from the plant sites and storage facilities of Sigman Meat Company, Inc., located at or near Arvada, Denver, and Brush, Colo., to El Paso, and Lubbock, Tex., and points in New Mexico, restricted to the transportation of shipments originating at Arvada, Brush and Denver, Colo.; that applicant is fit, willing, and able properly to perform such service and to conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulations thereunder. The purpose of this republication is to indicate expanded service to points in New Mexico, and El Paso, Tex. Because it is possible that other parties who have relied upon the notice of the application as published, may have an interest in and would be prejudiced by the lack of proper notice of the authority described above, issuance of a Certificate in this proceeding will be withheld for a period of 30 days from the date of this publication of the authority actually granted, during which period any proper party in interest may file an appropriate petition for intervention or other relief in this proceeding setting forth in detail the precise manner in which it has been so prejudiced. Pleadings may be tendered with respect to the modification(s) of applicant's grant of authority indicated by the purpose for this republication.

No. MC 112539 (Sub-No. 2) (Notice of Filing of Petition for Modification of Certificate), filed September 19, 1975. Petitioner: Perchak Trucking, Inc., 124 South Church Street, Hazleton, Pa. 18201. Petitioner's representative: Kenneth R. Davis, 121 S. Main Street, Taylor Pa. 18517. Petitioner holds a certificate of public convenience and necessity, issued June 27, 1962, authorizing operation as a motor *common carrier*, over irregular routes, of *Scrap metals*, from points in Bradford, Chester, Luzerne, Lackawanna, Schuylkill, Clinton, Centre, Lycoming, Dauphin, Northumberland, Philadelphia, Blair, Lehigh, Northampton, and Columbia Counties, Pa., New York, Steuben, Chemung, Onondaga, and Broome Counties, N.Y., Camden and Mercer Counties, N.J., Baltimore and Frederick Counties, Md., and Baltimore, Md., to points in Allegheny, Cambria, Chester, Philadelphia, Northumberland, Lancaster, Lebanon, Lehigh, Tioga, Dauphin, Montgomery, Berks, Franklin, Montour, Clinton, Lycoming, York, Columbia, Schuylkill, Carbon, Bucks, Blair, Susquehanna, Mifflin, Union, and Northampton Counties, Pa., Cheming, Onondaga, Monroe, Genesee, Niagara, Erie, and Cattaraugus Counties, N.Y., Hudson and Essex Counties, N.J., Cuyahoga and Erie Counties, Ohio, and New Castle

County, Del., restricted against the transportation of scrap metals from points in Lehigh County, Pa., to points in Essex County, N.J. By the instant petition, petitioner seeks to modify the territorial description in the above-described authority by substituting New York, N.Y., as an authorized origin point in lieu of points in New York County, N.Y. Petitioner contends that at the time the original application was filed in this matter, it was intended and believed by applicant and the supporting shipper that New York County, N.Y., encompassed all of New York City. Any interested person or persons desiring to participate in this proceeding may file an original and six copies of his written representations, views, or arguments in support of or against the petition within 30 days from the date of publication in the FEDERAL REGISTER.

No. MC 121495 (Sub-No. 6) (Notice of Filing of Petition for Declaratory Order), filed August 28, 1974. Petitioner: ENGLEWOOD TRANSIT COMPANY, a Corporation, Commerce City, Colo. Petitioner's representative: Charles J. Kimball, 2310 Colorado State Bank Building, 1600 Broadway, Denver, Colo. 80202. Petitioner holds a motor *common carrier* Certificate of Registration in No. MC 121495 (Sub-No. 6) issued November 25, 1975, authorizing transportation of (1) *general freight* between Pueblo and Boone, and intermediate points; Pueblo and Coal Creek, and intermediate points; and Pueblo and Beulah, and intermediate points as follows: (a) Commencing at Pueblo, thence on the state highway leading through Vineland and Avondale to Boone; (b) Commencing at Pueblo thence on the public highway to Rock Creek and Beulah; (2) Conduct of a *transfer, moving and general cartage business* from and to Pueblo and to and from all other points in the State of Colorado, subject to the following conditions: (a) For the transportation of commodities other than household goods between points served singly or in combination by scheduled carriers, the applicant shall charge rates which in all cases shall be at least twenty percent in excess of those charged by the scheduled carriers; (b) The applicant shall not operate on schedule between any points; (c) The applicant shall not be permitted, without further authority from the Commission, to establish a branch office or to have any agent employed in any other town or city than Pueblo, for the purpose of developing business.

By the instant petition, petitioner seeks a Commission ruling that the conditions described in (2)(a) and (b) above should not be imposed upon the petitioner when moving in interstate transportation as they are generally contrary to Commission policy, and prohibit shippers from utilizing petitioner's services as an interline or interchange carrier. Petitioner more specifically alleges that condition (2)(a) is subject to the exclusive jurisdiction of the ICC pursuant to Section 216 of the Interstate Commerce Act, *See Rio Grande Motor Way, Inc., Extension*, 111 M.C.C. 715, 716 (1970), and that the State rate restriction does apply to movements of interstate traffic. Petitioner further alleges that condition (2)(b) is subject to ICC jurisdiction with respect to the movement of interstate traffic; and when applied does not protect the operating rights of any other carrier, and only serves to hinder petitioner's operations by interlining and interchanging traffic. Petitioner asserts that condition (2)(b) serves no useful purpose, is unduly restrictive with respect to rendering a complete service as concerns interstate traffic, is impractical and difficult to enforce, serves only to render the operation difficult, and is therefore contrary to the Commission's policies as provided in *Fox-Smythe Transportation Co., Extension*, 106 M.C.C. 1, 58–60 (1967). Any interested person or persons desiring to participate may file an original and six copies of his written representations, views or arguments in support of or against the petition within 30 days from the date of publication in the FEDERAL REGISTER.

APPLICATIONS UNDER SECTIONS 5 AND 210a(b)

The following applications are governed by the Interstate Commerce Commission's Special Rules governing notice of filing of applications by motor carriers of property or passengers under Sections 5(a) and 210a(b) of the Interstate Commerce Act and certain other proceedings with respect thereto. (49 C.F.R. 1.240.)

MOTOR CARRIERS OF PROPERTY

Applications for certificates or permits which are to be processed concurrently with application under section 5 governed by special rule 240 to the extent applicable.

No. MC 44523 (Sub-No. 2), filed November 7, 1975. Applicant: RED ARROW TRUCKING CO., a Corporation, 325 Main Street, Belleville, N.J. 07109. Applicant's representative: A. David Millner, 744 Broad Street, Newark, N.J. 07102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except those of unusual value, and except dangerous explosives, household goods as defined in *Practices of Motor Common Carriers of Household Goods*, 17 M.C.C. 467, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading), between points in Bergen, Ocean, Monmouth, Middlesex, Morris, Somerset, Union and Sussex Counties, N.J., on the one hand, and, on the other, points in Nassau County, N.Y. The purpose of this filing is to eliminate the gateway of New York, N.Y.

NOTE.—This application is a gateway elimination request filed pursuant to the Commission's Policy Statement in Ex Parte No. 55 (Sub-No. 8) noticed in the FEDERAL REGISTER issue of December 9, 1974; and is a matter directly related to a transfer application in MC–FC–75556. If a hearing is deemed necessary, applicant does not state a location.

No. MC 120298 (Sub-No. 2), filed November 14, 1975. Applicant: LARRY L. FENNER TRANSPORT, INC., 702 North East St., P.O. Box 420, Kewanee, Ill. 61443. Applicant's representative: Donald W. Smith, Suite 2465, One Indiana Square, Indianapolis, Ind. 46204. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Machinery, machinery parts, agricultural implements, farm machinery and farm tractors*, between points in Illinois and (2) *iron and steel articles and building materials* (except cement), (a) between points in Carroll, Ogle, Whiteside, Lee, Bureau, Marshall, Stark, Knox, Mercer, Rock Island, Warren, and Henderson Counties, Ill. and Laura and Princeville, Ill. and (b) between points in Carroll, Ogle, Whiteside, Lee, Bureau, Marshall, Stark, Knox, Mercer, Rock Island, Warren, and Henderson Counties, Ill. and Laura and Princeville, Ill., on the one hand, and, on the other, points in Illinois.

NOTE.—The purpose of this application is to convert a Certificate of Registration applicant is seeking to acquire to a Certificate of Public Convenience and Necessity. This is a matter directly related to a Section 5(2) proceeding in MC–F–12678 published in the FEDERAL REGISTER issue of November 26, 1975. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C. or Chicago, Ill.

No. MC–F–12680. Authority sought for continuance in control by TRANSPORTATION CONSULTANTS, INC., 6538 Collamer Rd., E. Syracuse, NY 13057, of BARR TRANSPORTATION CORP., also of E. Syracuse, NY 13057, and for acquisition by FREDERIC J. DURKIN, AND JOHN C. DURKIN, JR., all of the above address. Applicants' attorney: J. A. Kundtz, 1100 National City Bank Bldg., Cleveland, OH 44114. Operating rights sought for continuance in control are those for which authority is sought in Docket No. MC–141355, to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: (1)(a) scrap metal, in bulk, in dump vehicles, from points in Massachusetts, Connecticut, and New Hampshire; those in Frederick and Washington Counties, Md.; those in Pennsylvania on and north of Interstate Highway 80; and those in the New York, N.Y., and Philadelphia, Pa. Commercial zones, respectively, as defined by the Commission to Auburn, N.Y.; (b) returned and refused commodities of the same description, in the reverse direction; (2)(a) materials and supplies used in the manufacture of steel billets, reinforcing bar and other merchant bar mill products (except commodities in bulk, in tank vehicles), from the Commercial zones of New York, N.Y. and Philadelphia, Pa., as defined by the Commission, and points in Massachusetts, Pennsylvania, Ohio, West Virginia, to Auburn, N.Y.; (b) returned and refused commodities of the same description, in the reverse direction; and (3)(a) steel billets, reinforcing bar and other merchant bar mill products, from

Auburn, N.Y., to points in Connecticut, Massachusetts, Rhode Island, Vermont, New Hampshire, New York, New Jersey, Pennsylvania, Delaware, Maryland, Ohio, West Virginia and the District of Columbia; (b) returned and refused commodities of the same description, in the reverse direction, parts (1), (2), and (3) are under a continuing contract or contracts with Auburn Steel Company, Inc., of Auburn, N.Y.

No. MC–F–12688. Authority sought for purchase by MAINLINER MOTOR EXPRESS, INC., 2002 Madison Street, Omaha, NE., 68107, of a portion of the operating rights of BERNARD KEITH COX, doing business as B.K. COX TRUCKING, Tennant, IA., 51574, and for acquisition by Raymond G. Sallach, Leland D. Sallach and Ronald R. Sallach, all of the Omaha, NE. 68107 address, of control of such rights through the purchase. Applicants' attorney: Robert V. Dwyer, Jr., 300 Continental Building, Omaha, NE., 68102. Operating rights sought to be transferred: Meats, meat products, and meat by-products, and articles distributed by meat packinghouses, as described in sections A and C of Appendix I to the report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles, and hides), from Omaha, Nebraska to Harlan, Iowa, ---- operate as a *common carrier* in all the States in the United States (except Alaska and Hawaii). Application has not been filed for temporary authority under section 210a(b).

No. MC–F–12689. Authority sought for continuance in control by KANE-MILLER CORP., 555 White Plains Road, P.O. Box 7, Tarrytown, NY 10591, of B & B Packing Transport, Ltd., 4801 W. Cullom Ave., Chicago, IL 60641, and for acquisition by DANIEL KANE, also of Tarrytown, NY 10591. Applicants' attorney: J. Michael May, Suite 400, 1447 Peachtree St., NE., Atlanta, GA 30309. Operating rights sought for continuance in control are those for which authority is sought in Docket No. MC 141054 (Sub-No. 2), to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Meat and packinghouse products from Chicago, Ill., to points in the United States (except Alaska and Hawaii), under a continuing contract with B & B Packing Company, located at Chicago, Ill.

No. MC–F–12690. Authority sought for merger by ET&WNC TRANSPORTATION COMPANY, 132 Legion Street, Johnson City, TN., 37601, of the operating rights and property of ET&WNC TRANSPORTATION COMPANY of ARKANSAS, also of the Johnson City TN., 37601. Applicants' attorney: Russell R. Sage, Suite 400 Overlook Office Building, 6121 Lincolnia Road, Alexandria, VA., 22312. Operating rights sought to be merged: General commodities, with exceptions as a common carrier over regular routes between Pine Buff, Ark., and the Arkansas-Louisiana State Line, between Lake Village, Ark., and Greenville, Miss., between junction U.S. Highway 65 and 165 over U.S. Highway 165 to junction U.S. Highway 82 and thence over U.S. Highway 82 to West Crossett, and return over the same route, between Pine Bluff, Ark., and Warren, Ark., between Little Rock, Ark., and Pine Bluff, Ark., serving all intermediate points, and the off-route point of Baldwin, Ark., between Pine Bluff, Ark. and West Monroe, La., serving Bastrop, La. and Monroe, La. as intermediate points and also serving Greenville, Miss., and points in that part of Arkansas bounded by a line beginning at Pine Bluff, Ark., and extending along the southeast bank of the Arkansas River to the west bank of the Mississippi River thence along the west bank of the Mississippi River to the Arkansas-Louisiana State Line, thence along the Arkansas-Louisiana State line to the east bank of the Quachita River (approximately five miles east of Huttig, Ark.), thence along the east bank of the Quachita River to Morobay, Ark., and thence along Arkansas Highway 15 to point of beginning as intermediate or off-route points, from Memphis, Tennessee, over U.S. Highway 70 (Interstate Highway 40) to junction Arkansas Highway 11, thence over Arkansas Highway 11 to junction U.S. Highway 79, thence over U.S. Highway 79 to Pine Bluff, Arkansas, thence over U.S. Highway 65 to junction Arkansas Highway 81, thence over Arkansas Highway 81 to the Arkansas-Louisiana State line, thence over Louisiana Highway 139 to junction U.S. Highway 165 at Bastrop, Louisiana.

Thence over U.S. Highway 165 to Monroe, Louisiana, thence over U.S. Highway 80 to West Monroe, Louisiana, and return over the same route, between Pine Bluff, Ark., and Fort Worth, Texas, serving the intermediate point of Dallas, Tex., between Pine Bluff, Ark., and Hazen, Ark., with restrictions; *general commodities*, with exceptions between Pine Bluff, Ark., and Memphis, Tenn., between Pine Bluff, Ark., and the Pine Bluff Municipal Airport, Ark., between Pine Bluff, Ark., and the site of Lock and Dam No. 3 on the Arkansas River (near Swan Lake, Ark.), between Pine Bluff, Ark., and the site of Lock and Dam No. 4 on the Arkansas River (near Swan Lake, Ark.), between Eudora, Ark., and Mer Rouge, La., serving all intermediate points and all off-route points located within 10 miles of such highways and Pioneer and Epps, La., between junction U.S. Highway 65 and Louisiana Highway 2 and Lake Providence, La., serving all intermediate points and all off-route points located with 10 miles of such highway, serving Sterlington, La., as an off-route point in connection with carriers' authorized regular-route operations between Pine Bluff, Ark., and West Monroe, La., *seed, newsprint, paper, paper bags*, and *paper cups*, from Memphis, Tenn., to Altheimer, Ark., *rice and rice products*, from Stuttgart, Ark., to Memphis, Tenn.; *general commodities*, with exceptions as a *common carrier* over irregular routes between Little Rock, Ark., on the one hand, and, on the other, points in Arkansas not including Pine Bluff, bounded by a line commencing at Pine Bluff, Ark., and extending along the southeast bank of the Arkansas River to the west bank of the Mississippi River.

Thence along the west bank of Mississippi River to the Arkansas-Louisiana State line, thence along the Arkansas-Louisiana State line to the east bank of the Ouachita River (approximately five miles east of Huttig, Ark.), thence along the east bank of the Ouchita River to Morobay, Ark., and thence along Arkansas Highway 15 to the point of beginning, between Pine Bluff, Ark., and the site of the United States Arsenal Plant at Baldwin, Ark., (located approximately seven miles north of Pine Bluff), on the one hand, and, on the other, points in the Arkansas destination territory specified immediately above, between Greenville, Miss., on the one hand, and, on the other, Little Rock, Pine Bluff, and the site of the U.S. Arsenal Plant, at Baldwin, Ark., and points in that part of Arkansas bounded by a line beginning at Pine Bluff, Ark., and extending along the southeast bank of the Arkansas River to the west bank of the Mississippi River, thence along the west bank of the Mississippi River to the Arkansas-Louisiana State line to the east bank of the Ouachita River (about five miles east of Huttig, Ark.), thence along the east bank of the Ouachita River to Morobay, Ark.

Thence along Arkansas Highway 15 to point of beginning, with restrictions; *meats, meat products, and meat by-products, dairy products, and articles distributed by meat packinghouses, as defined* by the Commission in the appendix to the report in *Modification of Permits of Motor Contract Carriers of Packing House Products*, 46 M.C.C. 23, from Pine Bluff, Ark., to points in Arkansas, Ashley, Bradley, Calhoun, Chicot, Cleveland, Clumbia, Dallas, Desha, Drew, Grant, Jefferson, Lincoln, Lonoke, Monroe, Ouachita, Prairie, Pulaski, and Union Counties, Ark., and rejected shipments of the commodities specified immediately above, to Pine Bluff, Ark., *soap, soap products*, and lard substitutes from Pine, Ark., to points in that part of Mornore County, Ark., west of the White River, and points in Jefferson, Grant, Arkansas, Lincoln, Drew, Ashley, Cicot, Desha, Lonoke, and Prairie Counties, Ark., with restrictions; *paper paper products*, from the plant site and warehouse facilities of Olinkraft, Inc., at Monroe and West Monroe, La., to Huntsville and Nacogdoches, Tex., Hot Springs, Ark., and Clarksdale, Gunnison, and Yazoo City, Miss. ET & WNC TRANSPORTATION COMPANY is authorized to operate as a *common carrier* in Alabama, Arkansas, Delaware, Georgia, Louisiana, Maryland, Mississippi, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, West Virginia, and the District of Columbia. Application has not been filed for temporary authority under section 210a(b).

NOTE.—Pursuant to order dated May 10, 1973, MC–F–11679, Transferee acquired control of Transferor.

No. MC-F-12693. Authority sought for merger by JENKINS TRUCK LINE, INC., P.O. Box 697, Route 3, Jeffersonville, IN., 47130, of the operating rights and property of RATLIFF & RATLIFF, INC., Route 5, Lexington, N.C., 27292, and for acquisition by ROBERT JENKINS and GERTRUDE JENKINS both of 1623 Greentree Blvd., Apt. 808, Clarksville, IN., 47130, of control of such rights and property through the transaction. Applicants' attorney: Donald W. Smith, Suite 2465—One Indiana Square, Indianapolis, IN., 46202. Operating rights sought to be merged: Cotton yarn, as a *common carrier*, over irregular routes, from Wadesboro, N.C., and points within 25 miles of Eadesboro, to Baltimore, Md., certain specified points in Pennsylvania, Jersey City, N.J., and points in the NEW YORK, N.Y., COMMERCIAL ZONE, as defined by the Commission in 1 M.C.C. 665; *stone*, from certain specified points in South Carolina, and North Carolina, to points in North Carolina, South Carolina, Virginia, Maryland, Delaware, New Jersey, Pennsylvania, New York, and the District of Columbia, from points in Fairfield and Richland Counties, S.C., to points in Wisconsin, Iowa, Illinois, Missouri, Oklahoma, Kansas, Nebraska, Colorado, Texas, Ohio, Louisiana, Massachusetts, Arkansas, Mississippi, Indiana, Kentucky, Tennessee, Alabama, Georgia, West Virginia, Michigan, and Florida, from points in Fairfield County, S.C., to points in Connecticut, Rhode Island, Vermont, New Hampshire, Maine, and Minnesota; from certain specified points in South Carolina, and Rowan County, N.C., (except Granite Quarry, N.C.), to points in North Carolina, South Carolina, Virginia, Maryland, Delaware, New Jersey, Pennsylvania, New York, and the District of Columbia, from points in Richland County, S.C., to points in Connecticut, Rhode Island, Vermont, New Hampshire, Maine, and Minnesota, from points in Kershaw County, S.C., and Rowan County, N.C., to points in Wisconsin, Iowa, Illinois, Kansas, Missouri, Oklahoma, Nebraska, Colorado, Texas, Ohio, Louisiana, Massachusetts, Arkansas, Mississippi, Indiana, Kentucky, Tennessee, Alabama, Georgia, West Virginia, Michigan, Florida, Connecticut, Rhode Island, Vermont, New Hampshire, Maine, and Minnesota, with restrictions.

Empty oil drums, from points in North Carolina and South Carolina east of U.S. Highway 29, to Sewaren, N.J., from points in North Carolina and South Carolina east of U.S. Highway 29 to Newark, N.J.; *cotton*, from Wadesboro, N.C., and points in North Carolina within 50 miles of Wadesboro, to Danville, Va., from points in Anson County, N.C., to points in Chesterfield County, S.C., from certain specified points in South Carolina, to points in North Carolina; *canned goods*, and *dried fruits and vegetables*, from Wilmington, N.C., and Charleston, S.C., to Wadesboro, N.C., and points in North Carolina and South Carolina within 15 miles of Eadesboro, N.C.; *Fertilizer* and *fertilizer materials*, from Charleston, S.C., to Morven, N.C., and points in North Carolina and South Carolina within 25 miles of Morven, N.C.; *malt beverages* and *wine*, from Northhampton, Pa., Baltimore, Md., and New York, N.Y., to Little Rock, S.C., from Washington, D.C., Baltimore, Md., Newark, N.J., and New York, N.Y., to Wadesboro, N.C.; *petroleum products*, in packages or containers, from Sewaren, N.J., to points in North Carolina and South Carolina east of U.S. Highway 29; *roofing* and *screen wire*, from York, Pa., to points in North Carolina and South Carolina; *concrete pipe*, from points within two miles of Lilesville, N.C., and those within one mile of Charlotte, N.C., to points in Virginia and South Carolina, from points within one mile of Columbia, S.C., to points in North Carolina and Virginia; *sand* and *gravel*, from points in Anson County, N.C., to points in South Carolina; such *merchandise* as is dealt in by wholesale, retail, and chain grocery and food business houses, and in connection therewith, equipment, materials, and supplies used in the conduct of such businesses, from certain specified points in Virginia, Wilmington, N.C., and Charleston, S.C., to Wadesboro, N.C., from Wadesboro, N.C., to certain specified points in South Carolina; *fertilizer*, from Charleston, S.C., and Wilmington, N.C., to Wadesboro, N.C.; *wheat*, from Bennettsville, S.C., to Wadesboro, N.C.

Iron and steel building material, from Roanoke, Va., to Rockingham, N.C.; *lumber*, from Spartanburg, S.C., to Rockingham, N.C., from points in Anson County, N.C., to points in South Carolina, from Mont Clare, S.C., to points in Anson County, N.C.; *oyster shells* and *ingredients used in the manufacture of fertilizer*, from Norfolk, Va., to Wadesboro, N.C.; *cotton* bagging and sheets, from Norfolk, Va., and Charleston, S.C., to Wadesboro, N.C.; *flour* and *feed*, from Weyers Cave, Va., and Columbia, S.C., to Wadesboro, N.C.; *vinegar*, from Winchester, Va., to Wadesboro, N.C.; *textiles* and *textile* products, from Wadesboro, N.C., and points within two miles of Wadesboro, to points in Delaware, Maryland, New Jersey, New York, and Pennsylvania, from Wadesboro, N.C., and points within three miles thereof, to points in Connecticut, Rhode Island, Massachusetts, New Hampshire, and South Carolina; reinforcing steel, between Lilesville and Charlotte, N.C., on the one hand, and, on the other, Columbia, S.C.; *cotton* (in bales), between points in North Carolina and South Carolina within 50 miles of Wadesboro, N.C.; *drugs, toilet articles* and *medicines*, from New York, N.Y., Newark, N.J., and Baltimore, Md., to certain specific points in North Carolina, South Carolina, and Augusta, Ga., traversing Delaware and the District of Columbia for operating convenience only; *canned* goods, from Swedesboro, N.J., to Midland, N.C.; *paper, paper products, toys*, and *fireworks*, from certain specified points in Pennsylvania, New York, N.Y., New Haven, Conn., to certain specified points in North Carolina, and South Carolina; *fireworks*, from Boston, Mass., Wallingford, Conn., Elkton and Baltimore, Md., and New York, N.Y., to certain specified points in South Carolina, and points in North Carolina.

Cotton yarn and silk, rayon, and cotton hose, from Midland, N.C., to Philadelphia, Pa., and New York, N.Y.; *seed*, from Rock Hill, S.C., and Charlotte, N.C., to Richmond and Danville, Va., Baltimore, Md., and Philadelphia, Pa.; *caskets* and funeral supplies, from New York, N.Y., and Philadelphia, Pa., to Midland, N.C.; *lumber*, plywood, and wood boxes, from Wadesboro, N.C., and points within three miles thereof, to points in South Carolina, Virginia, Maryland, Delaware, New Jersey, New York, Pennsylvania, Tennessee, Kentucky, and West Virginia; *steel shot*, from Manchester, N.H., to points in Fairfield County, S.C.; *lumber, millwork*, and *wood blocks*, from points in South Carolina (except lumber from Mont Clare, S.C.) to Wadesboro, N.C., with restriction; *lumber* (except plywood, veneer, built-up wood, and flooring), from certain specified points in North Carolina, and points in Chesterfield and Darlington Counties, S.C., to points in South Carolina, Tennessee, Kentucky, Delaware, Virginia, Maryland, New Jersey, New York, Pennsylvania, West Virginia, Florida, and Ohio; *lumber*, except plywood and veneer, from certain specified points in North Carolina, and South Carolina, to points in Illinois, Lafayette, Ind., and Riverdale, Iowa; *brick* and *tile*, from Salisbury, N.C., to points in Minnesota, Iowa, Missouri, Arkansas, Louisiana, Wisconsin, Indiana, Mississippi, Michigan, Illinois, Kentucky, Tennessee, Alabama, Ohio, Virginia, West Virginia, South Carolina, Georgia, Florida, Maryland, Delaware, New Jersey, Pennsylvania, New York, Rhode Island, Connecticut, Massachusetts, New Hampshire, Vermont, Maine, and the District of Columbia; *ceramic wall* and *floor tile* from Canton, Ohio, to Salisbury, N.C.; *manufactured iron and steel products and articles*, on flat bed or on open-top vehicles, from the plant site of Armco Steel Corporation at or near Ashland, Ky., to points in Virginia, Tennessee, North Carolina, South Carolina, Georgia, and Florida.

Hardboard sheets and boards, from Catawba, S.C., to points within five miles thereof, to points in Connecticut, Illinois (except points in the Chicago, Ill., Commercial Zone, as defined by the Commission), Kentucky (except points in the Cincinnati, Ohio, Commercial Zone, as defined by the Commission), Maryland (except points in the Baltimore, Md., Commercial Zone, as defined by the Commission), and that part of Tennessee on and east of U.S. Highway 27 and on and north of U.S. Highway 70; *iron* and *steel* and *iron* and *steel articles* as described in Appendix V to the report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209, except commodities which because of size or weight require special equipment, from the plant site of the Kentucky Electric Steel Company at or near Coalton, Boyd County, Ky., to points in Virginia, Tennessee, North Carolina, South Carolina, and Georgia; and *plywood*, from the plant site of U.S.

Plywood-Champian Papers, Inc., at or near Catawba, S.C., to points in Connecticut, Illinois (except points in the Chicago, Ill., Commercial Zone as defined by the Commission), Kentucky (except points in the Cincinnati, Ohio, Commercial Zone as defined by the Commission), Maryland (except points in the Baltimore, Md., Commercial Zone as defined by the Commission), and points in Tennessee on and east of U.S. Highway 27 and on and north of U.S. Highway 70; *structural glazed tile*, from Charlotte, N.C., to points in North Carolina and South Carolina; *clay products*, from East Canton, Ohio, to points in Florida; *stone*, from points in Surry County, N.C., to points in the United States, except those in Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, New Mexico, North Carolina, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming, with restrictions. JENKINS TRUCK LINE, INC., is authorized to operate as a *common carrier* in all points in the United States (except Alaska and Hawaii). Application has been filed for temporary authority under section 210a(b).

NOTE.—Pursuant to order dated December 30, 1971, in MC-F-10387, Transferee acquired control of Transferor.

No. MC-F-12694. Authority sought for purchase by LOS ANGELES YUMA FREIGHT LINES, INC., 800 Pacific Avenue, Yuma, AZ., 85364, of the operating rights of HAYWOOD L. WASHUM, dba LOS ANGELES YUMA FREIGHT LINES, INC., also of the Yuma, AZ., 85364 address, of control of such rights through the purchase. The transfer of the rights from HAYWOOD L. WASHUM, dba LOS ANGELES YUMA FREIGHT LINES, INC.,—— LOS ANGELES YUMA FREIGHT LINES, INC. will be made without any monetary consideration. Applicants' attorney: Harold G. Hernly, 118 North St. Asaph Street, Alexandria, VA., 22314. Operating rights sought to be transferred: *General commodities*, with exceptions as a *common carrier* over regular routes between Los Angeles, Calif., and Yuma, Ariz., serving all intermediate points, and the off-route points of Calexico, Calif., points in the Los Angeles and Los Angeles Harbor, Calif., Commercial Zones, as defined by the Commission, and those in that part of California bounded by a line beginning at the eastern boundary of the Los Angeles, Calif., Commercial Zone, and extending easterly along U.S. Highway 66 to San Bernardino, Calif., thence along California Highway 18 to Corona, Calif., thence along U.S. Highway 91 to junction California Highway 18 (formerly portion U.S. Highway 91), thence along California Highway 18 through Olive, Calif., to junction U.S. Highway 101, thence along U.S. Highway 101 to junction California Highway 55, thence along California Highway 55 to junction Alternate U.S. Highway 101, thence along Alternate U.S. Highway 101 to the eastern boundary of the Los Angeles Harbor, Calif., Commercial Zone, and thence along the eastern boundaries of the Los Angeles and Los Angeles Harbor, Calif., Commercial Zones to the point of beginning, including points on the indicated portions of the highways specified; *general commodities* with exceptions as a common carrier over irregular routes between Yuma, Ariz., on the one hand, and, on the other, points in Arizona within 30 miles of Yuma. LOS ANGELES YUMA FREIGHT LINES, INC., a corporation holds no authority from this Commission. However, he is affiliated with SVENSSON FREIGHT LINES, P.O. Box 4849, 800 Pacific Ave., Yuma, Arizona 85364, who under No. MC-96784 and subs thereunder is authorized to operate as a *common carrier* in California and Arizona. Application has been filed for temporary authority under section 210a(b).

No MC-F-12696. Authority sought for purchase by JACOBSEN TRANSFER, INC., Main St., and Porter Ave., Fairmont, NE 68354, of the operating rights of KELCO FOODS TRANSPORTATION, INC., P.O. Box 327, York, NE 68467, and for acquisition by BILLY JACOBSEN, AND JEAN J. JACOBSEN, both of Fairmont, NE 68354, of control of such rights through the purchase. Applicants' attorney: Earl H. Scudder, Jr., 605 South 14th St., P.O. Box 82028, Lincoln, NE 68501. Operating rights sought to be transferred: Meats, meat products, and meat by-products, as described in Section A of Appendix I to the report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles), as a contract carrier over irregular routes, from points in Kentucky, Indiana, Iowa, Illinois, and Tennessee, to points in California, with restriction. Vendee is authorized to operate as a common carrier in California, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, Ohio, Tennessee, and Wisconsin. Application has been filed for temporary authority under section 210a(b).

No. MC-F-12698. Authority sought for purchase by HART MOTOR EXPRESS, INC., 2417 North Cleveland Ave., St. Paul, MN 55113, of a portion of the operating rights of CHARLES E. WOLFE, doing business as EVERGREEN EXPRESS, 505 E. Main St., Laurel, MT 59044, and for acquisition by GEORGE HART, also of St. Paul, MN 55113, of control of such rights through the purchase. Applicants' attorneys: John R. Davidson, Suite 805, Midland Bank Bldg., Billings, MT 59101, and Donald A. Morken, 1000 First National Bank Bldg., Minneapolis, MN 55402 Operating rights sought to be transferred: *General commodities*, with the usual exceptions, as a *common carrier* over regular routes, between Sidney and Billings, Mont., serving all intermediate points and the off-route points of Horton, Mont., from Sidney over Montana Highway 16 to junction U.S. Highway 10, thence over U.S. Highway 10 to Billings and return over the same route; between Glendive and Brockway, Mont., serving all intermediate points; from Glendive over Montana Highway 200S to junction Montana Highway 200, thence over Montana Highway 200 to Brockway and return over the same route. Vendee is authorized to operate as a *common carrier* in Arizona, Arkansas, Colorado, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Mississippi, Montana, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, Texas, Utah, Washington, Wisconsin and Wyoming. Application has been filed for temporary authority under section 210a(b).

No. MC-F-12700. Authority sought for control by ROBERT B. SCHILLI, a noncarrier, 29 Clayton Hills Lane, St. Louis, MO 63131, a KEIGHTLEY BROS., INC., 1601 South 39th St., St. Louis, MO 63110. Applicants' attorneys: Leonard A. Jaskiewicz, Suite 501, 1730 M St. NW., Washington, DC 20036, and Ernest A. Brooks, II, 1301 Ambassador Bldg., St. Louis, MO 63101. Operating rights sought to be controlled: *Slag* and *haydite*, as a *common carrier* over irregular routes, from points in Madison County, Ill., to St. Louis, Mo., and points in St. Louis County, MO.; *dry bulk commodities*, in dump trucks, restricted against the transportation of haydite originating at points in St. Clair County, Ill., between points in St. Louis and St. Charles Counties, Mo., on the one hand, and, on the other, points in Madison and St. Clair Counties, Ill.; salt, inedible, in dump vehicles, from St. Louis, Mo., to points in Illinois within 150 miles of St. Louis, Mo.; salt, in dump trucks, from St. Louis, Mo., to points in that part of Indiana on and south of U.S. Highway 136, and on and west of Indiana Highway 37; coal, from points in Williamson, Macoupin, Jefferson, Perry, Montgomery, Franklin, Jackson, and Randolph Counties, Ill., to St. Louis, Mo., and points in St. Louis County, Mo., from points in Madison and St. Clair Counties, Ill., to St. Louis, Mo., and points in St. Louis County, Mo., between points in Madison and St. Clair Counties, Ill., on the one hand, and, on the other, St. Louis, Mo.; *dry bulk commodities*, (except petroleum products and cement), between points in the St. Louis, Mo.-East St. Louis, Ill., commercial zone, as defined by the Commission, with restriction; *salt*, from St. Louis, Mo., to points in Illinois within 100 miles of St. Louis; *coke*, in bulk, from St. Louis, Mo., to points in Arkansas, Illinois, Indiana, Iowa, Kansas, Kentucky, Nebraska, Oklahoma, and Tennessee.

Molasses, in bulk, in tank vehicles, from the plant site of Cargill, Ind., located at St. Louis, Mo., to points in that part of Illinois on and south of Illinois Highway 9, that part of Indiana on and south of U.S. Highway 136 and on and west of Indiana Highway 37, and that part of Kentucky on and west of U.S. Highway 41; *dry bulk commodities* (except cement and fertilizer), from points in that part of Illinois on and south of U.S. Highway 36, to points in that part of Missouri located on and south of U.S. Highway 36, on and east of U.S.

Highway 63, and on and north of U.S. Highway 60, with restriction; *zircon sand*, from points in the St. Louis, Mo.-East St. Louis, Ill., Commercial zone, as defined by the Commission, to points in Arkansas, Iowa, Kansas, Kentucky, Missouri, and Tennessee, from points in the St. Louis, Mo.-East St. Louis, Ill., Commercial Zone, as defined by the Commission (except those located in Illinois), to points in Illinois and Indiana; *liquid acids and chemicals*, except cryogenic liquids, in bulk, and *dry commodities*, in bulk, from the Tri City Regional Port District, Madison County, Ill., to points in Arkansas, Indiana, Illinois, Iowa, Kansas, Kentucky, Missouri, Nebraska, and Tennessee (except points in Tennesse on and east of U.S. Highway 27), with restriction; *dry fertilizer*, in bulk, from points in the St. Louis, Mo.-East St. Louis, Ill., Commercial Zone, as defined by the Commission, to points in Missouri and that part of Illinois on and south of U.S. Highway 136; and from Dupo, Columbia, Ullin, and Valmeyer, Ill., to points in Missouri; and return with *dry fertilizer*, in bulk.

Blasting sand and *decorative gravel*, in bulk, in dump vehicles, from Fenton, Mo., to points in Illinois, Indiana, Kentucky, Michigan, Nebraska, Kansas, Oklahoma, and Wisconsin; *slag*, in bulk, in dump vehicles, from Granite City, Ill., to Omaha, Nebr., Kansas City, Kans., and certain specified points in Iowa, Kentucky, Tennessee, and Arkansas; *dried meat scraps, dried tankage, dried blood*, and *bone meal*, in bulk, in dump vehicles, from National City, Ill., to Kansas City, Kans., and certain specified points in Arkansas, Kentucky, and Tennessee; *salt*, except in dump vehicles, from St. Louis, Mo., to points in Illinois; *burnt shale*, in bulk from Brooklyn, Ind., to St. Louis, Mo., and points in St. Louis, Jefferson, Franklin, and St. Charles Counties, Mo.; *pig iron*, in dump vehicles, from Chicago, Ill., to St. Louis, Mo. ROBERT B. SCHILLI, holds no authority from this Commission. However, he is affiliated with TRUCK TRANSPORT INCORPORATED, under Docket No. MC-115331 and Subs thereto, which is authorized to operate as a *common carrier* in all of the States in the United States (except Alaska and Hawaii). Application has been filed for temporary authority under section 210a(b).

No. MC-F-12701. Authority sought for purchase by DIAMOND TRANSPORTATION SYSTEM, INC., 5021-21st-Street, Racine, Wisconsin, 53406, of the operating rights and property of CENTRAL STATES EXPRESS, INC., 820 S.E. Dalbey Drive, Ankeny, Iowa, 50021, and for acquisition by VALERIA JENKINS BAUMGARDT, also known as VALERIA JENKINS, 713 Tisdell Avenue, Warren, Illinois, 61087, of control of such rights through the purchase. Applicants' attorneys: Paul C. Gartzke, 121 West Doty Street, Madison, Wisconsin, 53703 and William L. Fairbank, 1980 Financial Center, Des Moines, Iowa, 50309. Operating rights sought to be transferred: *Agricultural implements and parts*, as a *common carrier* over irregular routes from Des Moines, Iowa, and points within 6 miles thereof, to points in Indiana, Illinois, Ohio, and Michigan; from the plant sites and warehouse facilities of the Brady Manufacturing Company and the Ford Motor Company located at Des Moines, Iowa, and points within 6 miles thereof, to points in Kentucky, Pennsylvania, and West Virginia, with restrictions; (1) *tractors* (except truck tractors), (2) *agricultural implements*, (3) *industrial and construction machinery and equipment*, (4) trailers designed for the transportation of the commodities described in (1), (2), and (3) above (except trailers designed to be drawn by passenger automobiles), (5) *attachments* for the commodities described in (1), (2), (3), and (4) above, (6) *internal combustion engines*, and (7) *parts* of the commodities described in (1) through (6) above when moving in mixed loads with such commodities, from the facilities of Deere & Company in Polk and Wapello Counties, Iowa, to points in Indiana, Kentucky, Michigan, Ohio, Pennsylvania, and West Virginia, with restrictions. Vendee is authorized to operate as a *common carrier* in all the States in the United States (except Hawaii). Application has been filed for temporary authority under section 210a(b).

NOTICE

SOUTHERN RAILWAY COMPANY, P.O. Box 1808, Washington, D.C. 20013, represented by Mr. R. Allen Wimbish of the same address, hereby gives notice, that on the 14th day of November, 1975, it filed with the Interstate Commerce Commission, at Washington, D.C., an application under Section 5(2) of the Interstate Commerce Act for authority to continue operations over a line of railroad between Columbus, Mississippi, including joint facility tracks at Columbus, and the Alabama-Mississippi State line, pursuant to an agreement dated March 7, 1975, with Columbus and Greenville Railway Company, which application was assigned Finance Docket No. 28044.

The proposed transaction involves (1) the continued use exclusively by Southern of the Columbus and Greenville Railway Company line in Lowndes County, Mississippi, from the Alabama-Mississippi State line southwestwardly to the "Yard Limit" board in Columbus, Mississippi, a distance of approximately 9.758 miles, and (2) the continued joint use by Southern with the Columbus and Greenville Railway Company of approximately 1.7 miles of tracks in Columbus, Mississippi, consisting of the Columbus and Greenville Railway main and three yard tracks situated generally between said Yard Limit board and Seventh Avenue. Southern presently operates over the described line and tracks pursuant to an agreement dated April 12, 1926, which is being formally extended, with the Columbus and Greenville Railway also substituted as the new owner thereof, by agreement dated March 7, 1975.

In the opinion of the applicant, the granting of the authority sought will not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969. In accordance with the Commission's regulations (49 C.F.R. 1100.250) in Ex Parte No. 55 (Sub-No. 4), *Implementation—Nat'l. Environmental Policy Act*, 1969, 340 I.C.C. 431 (1972), any protests may include a statement indicating the presence or absence of any effect of the requested Commission action on the quality of the human environment. If any such effect is alleged to be present, the statement shall include information relating to the relevant factors set forth in Ex Parte No. 55 (Sub-No. 4), *supra*, Part (b)(1)–(5), 340 I.C.C. 431, 461.

The proceeding will be handled without public hearings unless protests are received which contain information indicating a need for such hearings. Any protests submitted shall be filed with the Commission no later than 30 days from the date of first publication in the FEDERAL REGISTER.

SOUTHERN RAILWAY COMPANY

KYLE RAILWAYS, INC. and NEW BELLEFONTE CENTRAL RAILROAD COMPANY, Delaware corporations, Room 205, World Trade Center, San Francisco, California 94111, represented by Messrs, John R. Sims, Jr., and John L. Boyd, Jr., Joyner, Goff, Sims & Cloud, P.C., 915 Pennsylvania Building, 425 13th Street NW., Washington, D.C. 20004, hereby gives notice that, on the 20th day of November, 1975, they filed with the Interstate Commerce Commission at Washington, D.C., a joint application under Section 5(2) of the Interstate Commerce Act for an order approving and authorizing the purchase by Kyle Railways, Inc., the parent, and New Bellefonte Central Railroad Company, of certain properties of Bellefonte Central Railroad Company, a Pennsylvania corporation, which application was assigned Finance Docket No. 28054.

Properties sought to be purchased include approximately 4.8 miles of operating rail track and branch line extending between Bellefonte and a point near Chemical in Centre County, Pennsylvania, rail operating facilities and some 13.3 miles of trackage between Chemical and State College, Pennsylvania, authorized to be abandoned by the Interstate Commerce Commission in Docket No. AB-96 (Sub-No. 1), also located in Centre County.

In the opinion of the applicants, the granting of the authority sought will not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy of 1969. In accordance with the Commission's regulations (49 C.F.R. 1100.250) in Ex Parte No. 55 (Sub-No. 4), *Implementation—Nat'l. Environmental Policy Act, 1969*, 340 I.C.C. 431(1972), any protests may include a statement indicating the presence or absence of any effect of the requested Commission action on the quality of the human environment. If

any such effect is alleged to be present, the statement shall include information relating to the relevant factors set forth in Ex Parte No. 55 (Sub-No. 4), *supra*, Part (b)(1)–(5), 340 I.C.C. 431, 461.

The proceeding will be handled without public hearings unless protests are received which contain information clearly indicating a need for such hearings. Any protests submitted shall be filed with the Commission no later than 30 days from the date of first publication in the FEDERAL REGISTER.

KYLE RAILWAYS, INC. AND NEW BELLEFONTE RAILROAD COMPANY

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.75-33254 Filed 12-9-75;8:45 am]

[Notice No. 135]

MOTOR CARRIER BOARD TRANSFER PROCEEDINGS

DECEMBER 10, 1975.

Synopses of orders entered by the Motor Carrier Board of the Commission pursuant to Sections 212(b), 206(a), 211, 312(b), and 410(g) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 C.F.R. Part 1132), appear below:

Each application (except as otherwise specifically noted) filed after March 27, 1972, contains a statement by applicants that there will be no significant effect on the quality of the human environment resulting from approval of the application. As provided in the Commission's Special Rules of Practice any interested person may file a petition seeking reconsideration of the following numbered proceedings on or before December 30, 1975. Pursuant to Section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC–FC–76120. By order of December 4, 1975 the Motor Carrier Board approved the transfer to Vernon Bain, Waco, Texas, of Permits No. MC–117941 and No. MC–117941 (Sub-No. 2), issued September 18, 1959 and October 19, 1964, respectively, to W. A. Jones, Waco, Texas. Permit No. MC–117941 authorizes the transportation of bananas, from New Orleans, La., to Waco, Tex., and Permit No. MC–117941 (Sub-No.) authorizes the transportation of bananas, from Galveston and Houston, Tex., to Waco, Tex. William D. Lynch, P.O. Box 912, 1003 W. 6th Street, Austin, Tex. 78703 Attorney for applicants.

No. MC–FC–76213. By order entered December 4, 1975 the Motor Carrier Board approved the transfer to Mobile Transport Systems, Inc., Wausau, Wisconsin, of the operating rights set forth in Certificates Nos. MC–127777 (Sub-No. 1), MC–127777 (Sub-No. 12), MC–127777 (Sub-No. 13), MC–127777 (Sub-No. 14), and MC–127777 (Sub-No. 18), issued by the Commission October 25, 1972, September 14, 1972, January 3, 1972, June 28, 1972, and April 5, 1973, respectively, to Mobile Home Express, Inc., Wausau, Wis. authorizing the transportation of mobile homes and trailers designed to be drawn by passenger automobiles, from specified points in Wisconsin and Iowa, to points in the United States (including Alaska, but excluding Hawaii). Nancy J. Johnson, 4506 Regent St., Madison, Wis. 53705, attorney for applicants.

No. MC–FC–76225. By order of December 4, 1975 the Motor Carrier Board approved the transfer to Safeway Van Corp., Bronx, N.Y., of Certificate No. MC–91461 issued by the Commission February 25, 1941, to Aubrey N. LaFrance, doing business as LaFrance Express Co., Bronx, N.Y., authorizing the transportation of household goods between New York, N.Y., on the one hand, and, on the other, points in Connecticut, Maryland, Massachusetts, New Jersey, Pennsylvania, Vermont, Virginia, and New York. Alvin Altman, Esquire, Brodsky, Linett and Altman, 1776 Broadway, New York, NY 10019.

No. MC–FC–76227. By order of December 4, 1975 the Motor Carrier Board approved the transfer to Detherage Freight Line, Inc., Somerset, Ky., of Certificate of Registration No. MC–120163 Sub-No. 1 issued by the Commission December 20, 1965 to D. J. Detherage, doing business as Detherage Freight Line, Somerset, Ky., evidencing authority to perform a transportation service in interstate or foreign commerce corresponding in scope to the intrastate authority in the Certificate of Convenience and Necessity No. 857 dated January 1, 1962, issued by the Depatment of Motor Transportation of the Commonwealth of Kentucky. Louis J. Amato, Esquire, Nader & Amato, P.O. Box E, Bowling Green, Ky. 42101.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.75-33257 Filed 12-9-75;8:45 am]

[Notice No. 138]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

DECEMBER 4, 1975.

The following are notices of filing of applications for temporary authority under Section 210a(a) of the Interstate Commerce Act provided for under the provisions of 49 C.F.R. § 1131.3. These rules provide that an original and six (6) copies of protests to an application may be filed with the field official named in the FEDERAL REGISTER publication no later than the 15th calendar day after the date the notice of the filing of the application is published in the Federal Register. One copy of the protest must be served on the applicant, or its authorized representative, if any, and the protestant must certify that such service has been made. The protest must identify the operating authority upon which it is predicated, specifying the "MC" docket and "Sub" number and quoting the particular portion of authority upon which it relies. Also, the protestant shall specify the service it can and will provide and the amount and type of equipment it will make available for use in connection with the service contemplated by the TA application. The weight accorded a protest shall be governed by the completeness and pertinence of the protestant's information.

Except as otherwise specifically noted, each applicant states that there will be no significant effect on the quality of the human environment resulting from approval of its application.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the I.C.C. Field Office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 45736 (Sub-No. 49TA), filed November 25, 1975. Applicant: GUIGNARD FREIGHT LINES, INC., P.O. Box 26067, Highway 21 North, Charlotte, N.C. 28213. Applicant's representative: Edward G. Villalon, 1032 Pennsylvania Bldg., Pennsylvania Ave. and 13th St., N.W., Washington, D.C. 20004. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Roofing, roofing materials, siding and siding materials*, from Charleston, S.C., to points in Alabama, and points in Florida west of the Apalachicola River, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Bird and Son, Inc., Washington St., E. Walpole, Mass. 02032. Send protests to: Terrell Price, District Supervisor, 800 Briar Creek Road, Room CC516, Mart Office Bldg., Charlotte, N.C. 28205.

No. MC 88594 (Sub-No. 28TA), filed November 24, 1975. Applicant: CARLETON G. WHITAKER, INC., P.O. Box 93, Route 17, Deposit, N.Y. 13754. Applicant's representative: Martin Werner, 2 West 45th St., New York, N.Y. 10036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Bakery products*, in vehicles equipped with mechanical refrigeration, from Wayne Township (Passaic County), N.J., to Jamestown, N.Y., (moving in conjunction with presently authorized stop-off loads to Buffalo and Rochester, N.Y.), for 180 days. Supporting shipper: Drake Bakeries, Division of Borden, Inc., 75 Demarest Drive, Wayne, N.J. 07470. Send protest to: Robert A. Radler, District Supervisor, 518 Federal Bldg., Maiden Lane and Broadway, Albany, N.Y. 12207.

No. MC 99610 (Sub-No. 21TA), filed November 18, 1975. Applicant: ROSS NEELY EXPRESS, INC., 1500 Second St., Pratt City, Birmingham, Ala. 35214. Applicant's representative: Richard S. Richard, 57 Adams Ave., P.O. Box 2069, Montgomery, Ala. 36103. Authority sought to operate a *common carrier*, by motor vehicle, over

regular routes, transporting: *General commodities* (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment); (1) between Gadsden, Ala., and Atlanta, Ga., serving all points within 15 miles of Atlanta, Ga., as off-route points; from Gadsden, Ala., over U.S. Highway 278 to Atlanta, Ga., and return over the same route, serving all intermediate points in Alabama and serving all points within 15 miles of Atlanta, Ga., as off-route points; (2) between intersection U.S. Highway 78 and U.S. Highway 431, in Alabama, and Atlanta, Ga.; from the intersection of U.S. Highway 78 and U.S. Highway 431, in Alabama, over U.S. Highway 78 to Atlanta, Ga., and return over the same route, serving all intermediate points in Alabama; (3) between intersection of Interstate Highway 20 and U.S. Highway 431, in Alabama, and Atlanta, Ga.; from the intersection of Interstate Highway 20, and U.S. Highway 431, in Alabama, over Interstate Highway 20 to Atlanta, Ga., and return over the same route, serving all intermediate points in Alabama; (4) between intersection of U.S. Highway 29, and Interstate Highway 85, in Alabama, and Atlanta, Ga.; from the intersection of U.S. Highway 29 and Interstate Highway 85, in Alabama, over Interstate Highway 85 to Atlanta, Ga., and return over the same route, serving all intermediate points in Alabama; from the intersection of U.S. Highway 29 and Interstate Highway 85 in Alabama, over U.S. Highway 29 to Atlanta, Ga., and return over the same route, serving all intermediate points in Alabama.

In conjunction with paragraphs 1 through 4, applicant proposes to serve all points in Alabama not on applicant's existing regular route north of the southern boundaries of Russell, Bullock, Pike, Crenshaw, Butler, Wilcox, Clarke, and Choctaw Counties; also, Dothan, Andalusia and Mobile County, Ala., and points in that part of Baldwin County, Ala., described as beginning at Stockton, Ala., thence south along Alabama Highway 59 to junction Baldwin County Highway 64; thence in a westerly direction along Baldwin County Highway 64 to junction Baldwin County Highway 27; thence southerly along Baldwin County Highway 27 to junction U.S. Highway 98, thence west and north along U.S. Highway 98 to junction Baldwin-Mobile County line to the closest point in Chastang, Ala., thence over the imaginary line from Chastang to Stockton, Ala., on the one hand, and, on the other, all points in Alabama north of the southern boundaries of Russell, Bullock, Pike, Crenshaw, Butler, Wilcox, Clark and Choctaw Counties, Ala., as off-route points. Applicant proposes to serve all points within 15 miles of Atlanta, Ga., as off-route points in conjunction with paragraphs 1 through 4. Ross Neely Express, Inc., now holds regular route authority in Alabama and Mississippi. The authority sought in the instant application will be tacked with existing authority of Ross Neely Express, Inc. Neely intends to interline traffic at all points at which Neely maintains concurrences for interchanging traffic, including, but not limited to, Birmingham, Mobile, Montgomery, Decatur, Gadsden, Anniston, Florence, and Dothan, Ala., and Atlanta, Ga., for 180 days. Supporting shippers: There are approximately 316 statements of support attached to the application, which may be examined at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: Clifford W. White, District Supervisor, Bureau of Operations, Interstate Commerce Commission, Room 1616, 2121 Bldg., Birmingham, Ala. 35203.

No. MC 108633 (Sub-No. 12TA), filed November 17, 1975. Applicant: BARNES FREIGHT LINE, INC., P.O. Box 800, Carrollton, Ga. 30117. Applicant's representative: Frank D. Hall, Suite 713, 3384 Peachtree Road, N.E., Atlanta, Ga. 30326. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except commodities in bulk, those requiring special equipment because of size or weight, Classes A and B explosives, and household goods as defined by the Commission), over regular routes: (1) between Birmingham, Ala., and Atlanta, Ga., serving all points within 15 miles of Atlanta as off-route points; from Atlanta over U.S. Highway 41 to its junction with U.S. Highway 411, thence via U.S. Highway 411 to Rome, Ga., thence via Georgia State Highway 20 and Alabama State Highway 9 to Centre, Ala., thence via Alabama State Highway 68 and U.S. Highway 411 to Gadsden, Ala., thence via Interstate Highway 59 to Birmingham, Ala., and return over the same route, serving all intermediate points; (2) between Rome, Ga., and Centre, Ala.; from Rome, Ga., over U.S. Highway 27 to its junction with U.S. Highway 411, thence via U.S. Highway 411 to Centre, Ala., and return over the same route, serving all intermediate points; (3) between Gadsden, Ala., and Atlanta, Ga., serving all points within 15 miles of Atlanta, Ga., as off-route points; from Atlanta over U.S. Highway 78 to its junction with U.S. Highway 278, thence via U.S. Highway 278 to Gadsden, Ala., and return over the same route, serving all intermediate points; (4) between Mobile, Ala., and Atlanta, Ga., serving all points within 15 miles of Atlanta, Ga., as off-route points; from Atlanta via Interstate Highway 85 to its junction with U.S. Highway 29, thence via U.S. Highway 29 to its junction with Interstate Highway 85, thence via Interstate 85 to Montgomery, Ala., thence via Interstate Highway 65 to Mobile, Ala., and return over the same route, serving all intermediate points;

(5) Between Montgomery, Ala., and Dothan, Ala.; from Montgomery over U.S. Highway 231 to Dothan, Ala., and return over the same route, serving all intermediate points; (6) between Montgomery, Ala., and Andalusia, Ala.; from Montgomery over U.S. Highway 31 to its junction with Alabama State Highway 55, thence via Alabama State Highway 55 to Andalusia, and return over the same route, serving all intermediate points; (7) between Montgomery, Ala., and Andalusia, Ala.; from Montgomery over Alabama State Highway 55 to Andalusia, Ala., and return over the same route, serving all intermediate points; (8) between Birmingham, Ala., and Montgomery, Ala.; from Birmingham over U.S. Highway 31 to Montgomery, Ala., and return over the same route, serving all intermediate points; (9) between Birmingham, Ala., and Montgomery, Ala.; from Birmingham over Interstate Highway 65 to Montgomery, Ala., and return over the same route, serving all intermediate points; (10) between Montgomery, Ala., and the Alabama-Mississippi State line; from Montgomery over U.S. Highway 80 to the Alabama-Mississippi State line, and return over the same route, serving all intermediate points; (11) between Selma, Ala., and Mobile, Ala.; from Selma over Alabama State Highway 22 to its junction with Alabama State Highway 5, thence via Alabama State Highway 5 to its junction with U.S. Highway 43, thence via U.S. Highway 43 to Mobile, Ala., and return over the same route, serving all intermediate points; (12) between Demopolis, Ala., and junction Alabama State Highway 5 and U.S. Highway 43; from Demopolis over U.S. Highway 43 to its junction with Alabama State Highway 5 at or near Thomasville, Ala., and return over the same route, serving all intermediate points; (13) between Birmingham, Ala., and the Alabama-Mississippi State line; from Birmingham over U.S. Highway 11 to the Alabama-Mississippi State line, at or near York, Ala., and return over the same route, serving all intermediate points.

(14) Between Birmingham, Ala., and the Alabama-Mississippi State line; from Birmingham over U.S. Highway 11 to its junction with Interstate Highways 20–59, thence via Interstate Highways 20–59 to its junction with U.S. Highway 82 at or near Tuscaloosa, Ala., thence via U.S. Highway 82 to the Alabama-Mississippi State line, and return over the same route, serving all intermediate points; (15) between Montgomery, Ala., and Florence, Ala.; from Montgomery via U.S. Highway 82 to its junction with U.S. Highway 32 at or near Tuscaloosa, Ala., thence via U.S. Highway 43 to its junction with U.S. Highway 278, thence via U.S. Highway 278 to its junction with Alabama State Highway 5, thence via Alabama State Highway 5 to its junction with U.S. Highway 43, thence via U.S. Highway 43 to Florence, Ala., and return over the same route, serving all intermediate points; (16) between Birmingham, Ala., and the Alabama-Mississippi State line; from Birmingham over U.S. Highway 78 to the Alabama-Mississippi State line and return over the same route, serving all intermediate points; (17) between Guin, Ala., and the Alabama-Mississippi State line; from Guin over U.S. Highway 278 to the Alabama-

Mississippi State line, and return over the same route, serving all intermediate points; (18) between Birmingham, Ala., and Decatur, Ala.; from Birmingham over Interstate Highway 65 to its junction with U.S. Highway 31, thence via U.S. Highway 31 to Decatur, Ala., and return over the same route, serving all intermediate points; (19) between Birmingham, Ala., and the Alabama-Tennessee State line; from Birmingham via Interstate Highway 65 to the Alabama-Tennessee State line, and return over the same route, serving all intermediate points; (20) between Huntsville, Ala., and Florence, Ala.; from Huntsville over U.S. Highway 72 and Alternate U.S. Highway 72 to Florence, Ala., and return over the same route, serving all intermediate points; (21) between Birmingham, Ala., and Huntsville, Ala.; from Birmingham over Alabama State Highway 79 to its junction with U.S. Highway 231 at or near Arab, Ala., thence via U.S. Highway 231 to Huntsville, Ala., and return over the same route, serving all intermediate points.

(22) Between Birmingham, Ala., and the Alabama-Tennessee State line; from Birmingham over Interstate Highway 59 to its junction with Alabama State Highway 75, thence via Alabama State Highway 75 to its junction with U.S. Highway 431 at or near Albertsville, Ala., thence via U.S. Highway 431 to its junction with U.S. Highway 72 at or near Guntersville, Ala., thence via U.S. Highway 72 to the Alabama-Tennessee State line, and return over the same route, serving all intermediate points; (23) between Guntersville, Ala., and Huntsville, Ala.; from Guntersville over U.S. Highway 431 to Huntsville, Ala., and return over the same route, serving all intermediate points; (24) between Birmingham, Ala., and Phoenix City, Ala.; from Birmingham over U.S. Highway 280 at or near Opelika, Ala., thence via U.S. Highways 280–431 to Phoenix City, Ala., and return over the same route, serving all intermediate points; (25) between Opelika, Ala., and Anniston, Ala.; from Opelika over U.S. Highway 431 to its junction with U.S. Highway 78, thence via U.S. Highway 78 to Anniston, Ala., and return over the same route, serving all intermediate points; (26) between Dothan, Ala., and Mobile, Ala.; from Dothan over U.S. Highway 84 to its junction with Alabama State Highway 87 at or near Elba, Ala., thence via Alabama State Highway 87 to Opp, Ala., thence via U.S. Highway 29 to its junction with Alabama State Highway 41 at or near Brewton, Ala., thence via Alabama State Highway 41 to its junction with U.S. Highway 31 at or near Brewton, Ala., thence via U.S. Highway 31 to its junction with Alabama State Highway 21 at or near Atmore, Ala., thence via Alabama State Highway 21 to its junction with Interstate Highway 65, thence via Interstate Highway 65 to Mobile, Ala., and return over the same route, serving all intermediate points; (27) Authority is also sought to serve all points other than those described in the above routes in the state of Alabama as off-route points in connection with the above described regular routes; (28) Authority is also sought to tack or join the authority sought where possible so as to provide service throughout the territory described in paragraphs (1) through (27) above.

(29) Authority is also sought to tack or combine the above authority with authority presently held by applicant in Docket No. MC 108633 and subs thereto and to interline with all carriers at Mobile, Dothan, Montgomery, Tuscaloosa, Gadsden, Birmingham, Anniston, Florence, and Huntsville, Ala., and Atlanta and Rome, Ga., for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shippers: There are approximately 54 statements of support attached to the application which may be examined at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: William L. Scroggs, District Supervisor, Interstate Commerce Commission, 1252 W. Peachtree St., N.W., Room 546, Atlanta, Ga. 30309.

No. MC 110525 (Sub-No. 1138TA), filed November 26, 1975. Applicant: CHEMICAL LEAMAN TANK LINES, INC., 520 E. Lancaster Ave., Downingtown, Pa. 19335. Applicant's representative: Thomas J. O'Brien (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Salt cake*, in bulk, in tank vehicles, from Belvidere, N.J., to Tonawanda, N.Y., for 180 days. Supporting shipper: Prior Chemical Corporation, 420 Lexington Ave., Room 1718, New York, N.Y. 10017. Send protests to: Monica A. Blodgett, Transportation Assistant, Interstate Commerce Commission, 600 Arch St., Room 3238, Philadelphia, Pa. 19106.

No. MC 111401 (Sub-No. 456TA), filed November 28, 1975. Applicant: GROENDYKE TRANSPORT, INC., P.O. Box 632, Enid, Okla. 73701. Applicant's representative: Victor R. Comstock (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Nitrogen fertilizer solutions*, from the plantsite and/or storage facilities of Farmland Industries, Inc., at or near Dodge City, Kans., to points in Wyoming, for 180 days. Supporting shipper: Farmland Industries, Inc., Charles D. Rosas, Supervisor of Transportation Service, P.O. Box 7305, Kansas City, Mo. 64116. Send protests to: Marie Spillars, Transportation Assistant, Interstate Commerce Commission, Bureau of Operations, Room 240 Old Post Office Bldg., 215 N.W. Third, Oklahoma City, Okla. 73102.

No. MC 117765 (Sub-No. 197TA), filed November 24, 1975. Applicant: HAHN TRUCK LINE, INC., 5315 NW. 5th, Oklahoma City, Okla. 73107. Applicant's representative: R. E. Hagan (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen foodstuffs*, in containers (except dairy products, meats ar d meat by-products), from the plantsites of Lakeside Packing Company, Plainview, Minn., and Manitowoc, Wis., to points in Colorado, (restricted to traffic originating at the above described facilities), for 180 days. Supporting shipper: Lakeside Packing Company, E. James Kraska, Director of Traffic, P.O. Box 186, Manitowoc, Wis. 54220. Send protests to: Marie Spillars, Transportation Assistant, Interstate Commerce Commission, Bureau of Operations, Room 240 Old Post Office Bldg., 215 NW. Third, Oklahoma City, Okla. 73102.

No. MC 118159 (Sub-No. 166TA), filed November 24, 1975. Applicant: NATIONAL REFRIGERATED TRANSPORT, INC., P.O. Box 51366, Tulsa, Okla. 74151. Applicant's representative: Neil A. DuJardin, P.O. Box 2298, Green Bay, Wis. 54306. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat by-products and articles distributed by meat packinghouses*, from the plantsites and storage facilities of MBPXL Corporation, at or near Plainview and Friona, Tex., to Chicago, Ill., and its commercial zone, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: MBPXL Corporation, Cecil Woehler, Director of Traffic, 2901 N. Mead, P.O. Box 2519, Wichita, Kans. 67201. Send protests to: Marie Spillars, Transportation Assistant, Interstate Commerce Commission, Bureau of Operations, Room 240 Old Post Office Bldg., 215 NW. Third, Oklahoma City, Okla. 73102.

No. MC 119560 (Sub-No. 10TA), filed November 26, 1975. Applicant: SOUTHERN BULK HAULERS, INC., P.O. Box 278, Harleyville, S.C. 29448. Applicant's representative: Harris G. Andrews, P.O. Box 4255, Greenville, S.C. 29608. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Industrial sand*, in pneumatic bulk trailers, from the plantsite of Foster-Dixiana Sand, Inc., near Cayce, Lexington County, S.C., to points in Georgia, North Carolina, Tennessee, and Virginia, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Foster-Dixiana Sand, Inc., P.O. Box 5447, Columbia, S.C. 29250. Send protests to: E. E. Strotheid, District Supervisor, Interstate Commerce Commission, Room 302, 1400 Pickens St., Columbia, S.C. 29201.

No. MC 124078 (Sub-No. 667TA) (Correction), filed November 13, 1975, published in the FEDERAL REGISTER issue of November 28, 1975, and republished as corrected this issue. Applicant: SCHWERMAN TRUCKING COMPANY, 611 South 28th St., Milwaukee, Wis. 53215. Applicant's representative: James R. Ziperski (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Inedible animal oils*

and fats, in bulk, in tank vehicles, from Cincinnati and Cleveland, Ohio to Fayetteville and Greensboro, N.C., for 180 days. Supporting shipper: Carolina By-Products Company Inc., P.O. Box Drawer 20687, Greensboro, N.C. Send protests to: John E. Ryden, Interstate Commerce Commission, Bureau of Operations, 135 West Wells St., Room 807, Milwaukee, Wis. 53203. The purpose of this republication is to correct the sub number MC 124078 (Sub-No. 667TA) in lieu of MC 124078 (Sub-No. 662TA), which was previously published in error.

No. MC 124964 (Sub-No. 24TA), filed November 25, 1975. Applicant: JOSEPH M. BOOTH, doing business as J. M. BOOTH TRUCKING, P.O. Box 907, Eustis, Fla. 32727. Applicant's representative: George A. Olsen, 69 Tonnele Ave., Jersey City, N.J. 07306. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Potato chips*, from Bridgeport, Conn., to Hialeah, Fla., under a continuing contract or contracts with The Grand Union Company, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: The Grand Union Company, 535 East Crescent Ave., Ramsey, N.J. 07446. Send protests to: G. H. Fauss, Jr., District Supervisor, Bureau of Operations, Interstate Commerce Commission, Box 35008, 400 West Bay St., Jacksonville, Fla. 32202.

No. MC 128862 (Sub-No. 23TA), filed November 26, 1975. Applicant: B. J. CECIL TRUCKING, INC., P.O. Box C, Claypool, Ariz. 85532. Applicant's representative: Chris Cecil (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Shredded tin, tin scrap and cut metal*, in bulk, in dump vehicles, from West Chandler, Ariz., to points in Grand County, Utah, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Atlas Minerals Division of Atlas Corporation, P.O. Box 1207, Moab, Utah 84532. Send protests to: Andrew V. Baylor, District Supervisor, Interstate Commerce Commision, 3427 Federal Bldg., 230 N. First Ave., Phoenix, Ariz. 85025.

No. MC 135425 (Sub-No. 11 TA), filed November 24, 1975. Applicant: CYCLES LIMITED, P.O. Box 5715, Jackson, Miss. 39208. Applicant's representative: Morton E. Kiel, Suite 6193, 5 World Trade Center, New York, N.Y. 10048. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Such commodities* as are dealt in by a manufacturer whose products are sold in drug, variety and food stores, and *materials, supplies, and equipment* (except commodities in bulk), used in the conduct of such business, between St. Paul, Minn., and Andover, Mass., on the one hand, and, on the other, points in the United States (except Alaska and Hawaii), under a continuing contract with The Gillette Company, for 180 days. Supporting shipper: The Gillette Company, 30 Burtt Road, Andover, Mass. 01810. Send protests to: Alan C. Tarrant, District Supervisor, Interstate Commerce Commission, Room 212, 145 East Amite Bldg., Jackson, Miss. 39201.

No. MC 138069 (Sub-No. 3 TA), filed November 24, 1975. Applicant: LUCIUS, INC., 9250 North Wadsworth Blvd., Broomfield, Colo. 80020. Applicant's representative: Marion F. Jones, Suite 1600 Lincoln Center Bldg., 1660 Lincoln St., Denver, Colo. 20203. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alcoholic beverages and non-alcoholic beverage mixes*, from Lawrenceburg, Ind.; Frankfort, Owensboro and Lawrenceburg, Ky.; Houston, Tex.; and their commercial zones, to Denver, Colo., and its commercial zone, for 90 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Midwest Liquor and Wine Co., 10700 East 40th Ave., Denver, Colo. 80239. Send protests to: Roger L. Buchanan, District Supervisor, Interstate Commerce Commission 1961 Stout St., 2022 Federal Bldg., Denver, Colo. 80202.

No. MC 139861 (Sub-No. 1TA), filed November 26, 1975. Applicant: NORMAN R. JACKSON, R.D. No. 1, Box 258A, Oxford, Pa. 19367. Applicant's representative: Kenneth R. Davis, 121 S. Main St., Taylor, Pa. 18517. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Confectionery*, from Fleetwood, Pa., to Dallas, Tex.; LaHabra, Los Angeles, Hayward, San Francisco and Milpitas, Calif., and Kansas City, Kans., for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Penn Dutch Cookie Corp., P.O. Box 107, Fleetwood, Pa. Send protests to: Monica A. Blodgett, Transportation Assistant, Interstate Commerce Commission, 600 Arch St., Room 3238, Philadelphia, Pa. 19106.

No. MC 140468 (Sub-No. 4TA) (Correction) filed November 11, 1975, published in the FEDERAL REGISTER issue of November 24, 1975, and republished as corrected this issue. Applicant: DONALD R. BAJEMA AND GERALD O. BAJEMA, doing business as RIVERVIEW DAIRY FARMS, 2777 Hillside Drive, N.W., Grand Rapids, Mich. 49504. Applicant's representative: David E. Jerome, P.O. Box 400, Northville, Mich. 48167. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dairy products*, (except in bulk) in vehicles equipped with mechanical refrigeration and the *return of empty containers, damaged or refused products*, from the plantsite of Sealtest Foods, Division of Kraftco Corp., at Lansing, Mich., to South Bend, Ind., for 180 days. Supporting shipper: Sealtest Foods Division Kraftco Corp., 2224 W. Willow, Lansing, Mich. 48917. Send protests to: C. R. Flemming, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 225 Federal Bldg., Lansing, Mich. 48933. The purpose of this republication is to correct the commodity description.

PASSENGER APPLICATIONS

No. MC 61061 (Sub-No. 41TA), filed November 25, 1975. Applicant: PETER PAN BUS LINES INC., 1776 Main St., Springfield, Mass. 01130. Applicant's representative: James F. Martin, Jr., 3003 Windsor Ridge Road, Westboro, Mass. 01581. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Passengers*, in special operations originating at, Amherst, Northampton, Hadley, Easthampton, Holyoke, Williamsett, Chicopee, Springfield, Ludlow, Longmeadow, East Longmeadow, Wilbraham, Palmer, Brimfield, Sturbridge, Southbridge, and Dudley, Mass., to the site of Plainfield Grayhound Park, Plainfield, Conn., and return, restricted to racing Season, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shippers: There are approximately 29 statements of support attached to the application, which may be examined at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field Office named below. Send protests to: J. D. Perry, Jr., District Supervisor, 338 Federal Bldg. & U.S. Courthouse, 436 Dwight St., Springfield, Mass. 01103.

No. MC 115116 (Sub-No. 29TA), (Correction, filed November 6, 1975, published in the FEDERAL REGISTER issue of November 19, 1975, and republished as corrected this issue. Applicant: SUBURBAN TRANSIT CORP., 750 Somerset St., New Brunswick, N.J. 08901. Applicant's representative: Michael J. Marzano, 17 Academy St., Newark, N.J. 07102. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *Passengers and their baggage*, in the same vehicle with passengers, from junction New Jersey Highway 18 and access roads to New Jersey Turnpike in East Brunswick, N.J., over New Jersey Highway 18 to its junction with Old Bridge Turnpike, thence over Old Bridge Turnpike to Commuter Bus Service Park and Ride Facility at the junction New Jersey Highway 18 and Tices Lane (also continuing over Old Bridge Turnpike to its junction with Tices Lane, thence over Tices Lane to said Park and Ride Facility), and return from said Park and Ride Facility over New Jersey Highway 18 to its junction with access roads to the New Jersey Turnpike in East Brunswick, N.J. (also returning from said Park and Ride Facility over Tices Lane to its junction with New Jersey Highway 18 or over Old Bridge Turnpike to Tices Lane and over Tices Lane to New Jersey Highway 18, thence over New Jersey Highway 18 to its junction with access roads to New Jersey Turnpike, in East Brunswick, N.J.), serving the junction of New Jersey Highway 18 and access roads to New Jersey Turnpike and the Commuter Bus Service Park and Ride Facility only. Note: Applicant proposes to provide serv-

ice to and from New York, N.Y., by joining the proposed route with its existing authorized route at the junction of New New Jersey Highway 18 and access roads to the New Jersey Turnpike in East Brunswick, N.J., for 180 days. Supporting shippers: There are approximately 163 statements of support attached to the application, which may be examined at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: Robert S. H. Vance, District Supervisor, Interstate Commerce Commission, 9 Clinton St., Newark, N.J. 07102. The purpose of this republication is to correct the note, which was previously published in error.

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.75-33259 Filed 12-9-75;8:45 am]

[Notice No. 139]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

DECEMBER 5, 1975.

The following are notices of filing of applications for temporary authority under Section 210a(a) of the Interstate Commerce Act provided for under the provisions of 49 C.F.R. § 1131.3. These rules provide that an original and six (6) copies of protests to an application may be filed with the field official named in the Federal Register publication no later than the 15th calendar day after the date the notice of the filing of the application is published in the FEDERAL REGISTER. One copy of the protest must be served on the applicant, or its authorized representative, if any, and the protestant must certify that such service has been made. The protest must identify the operating authority upon which it is predicated, specifying the "MC" docket and "Sub" number and quoting the particular portion of authority upon which it relies. Also, the protestant shall specify the service it can and will provide and the amount and type of equipment it will make available for use in connection with the service contemplated by the TA application. The weight accorded a protest shall be governed by the completeness and pertinence of the protestant's information.

Except as otherwise specifically noted, each applicant states that there will be no significant effect on the quality of the human environment resulting from approval of its application.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the I.C.C. Field Office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 2780 (Sub-No. 6TA), filed November 21, 1975. Applicant: HORN'S MOTOR EXPRESS, INC., 2020 Lincoln Way East, Chambersburg, Pa. 17201. Applicant's representative: John M. Musselman, P.O. Box 1146, 410 N. Third St., Harrisburg, Pa. 17108. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, Classes A and B explosives, household goods as defined in *Practices of Motor Common Carriers of Household Goods*, 17 M.C.C. 467, commodities in bulk, commodities requiring special equipment and those injurious or contaminating to other lading), serving the facility of Hadco Products, Inc., located at Hanover, Pa., as an off-route point in connection with carrier's presently authorized regular route operations, between Harrisburg, Pa., and Baltimore, Md., from Harrisburg over U.S. Highway 11 to Chambersburg, Pa., thence over U.S. Highway 30 to Gettysburg, Pa., and thence over U.S. 140 to Baltimore, and return over the same route. Applicant intends it interline at Chambersburg, Harrisburg, Newberrytown and York, Pa., Baltimore, Md., and any intermediate route point commonly served, for 180 days. Supporting shipper: Dadoo Products, Inc., P.O. Box 128, Littlestown, Pa. 17340. Send protests to: Robert P. Amerine, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 278 Federal Bldg., P.O. Box 869, Harrisburg, Pa. 17108.

No. MC 111401 (Sub-No. 457TA), filed November 24, 1975. Applicant: GROENDYKE TRANSPORT, INC., P.O. Box 632, Enid, Okla. 73701. Applicant's representative: Victor R. Comstock (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Chemicals*, in bulk, from the facilities of Nalco Chemical Company, at or near Sugar Land, Tex., to points in the United States (except Alaska and Hawaii), for 180 days. Supporting shipper: Nalco Chemical Company, Inc., James E. Carr, Corp. T. M., 2901 Butterfield Road, Oak Brook, Ill. 60521. Send protests to: Marie Spillars, Transportation Assistant, Interstate Commerce Commission, Bureau of Operations, Room 240 Old P.O. Bldg., 215 N.W. Third, Oklahoma City, Okla. 73102.

No. MC 111401 (Sub. No. 458TA), filed November 26, 1975. Applicant: GROENDYKE TRANSPORT, INC., P.O. Box 632, Enid, Okla. 73701. Applicant's representative: Victor R. Comstock (same as address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Flour*, in bulk, from Enid, Okla., to Spartanburg, S.C., for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: The Pillsbury Company, Gerald E. Morlock, T.M., 515 East Spruce, Enid, Okla. 73701. Send protests to: Marie Spillars, Transportation Assistant, Interstate Commerce Commission, Bureau of Operations, Room 240 Old P.O. Bldg., 215 N.W. Third, Oklahoma City, Okla. 73102.

No. MC 114533 (Sub-No. 331TA), filed November 24, 1975. Applicant: BANKERS DISPATCH CORPORATION, 1106 W. 35th St., Chicago, Ill. 60609. Applicant's representative: Paul R. Bergant (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Exposed and processed film and parts, complimentary replacement film, and incidental dealer handling supplies* (except motion picture film, and materials and supplies used in connection with commercial films and television motion pictures), and (2) *Audit media and other business records*, between Kokomo, Ind., on the one hand, and, on the other, Indianapolis, Ind., restricted to those shipments having a prior or subsequent movement by air, for 180 days. Supporting shipper: Rainbo Photo Service, Inc., David H. Kolb, Sales Manager, P.O. Box 11007, Memphis, Tenn. 38111. Send protests to: Patricia A. Roscoe, Transportation Assistant, Interstate Commerce Commission, Everett McKinley Dirksen Bldg., 219 S. Dearborn St., Room 1086, Chicago, Ill. 60604.

No. MC 114789 (Sub-No. 51TA), filed November 21, 1975. Applicant: NATIONWIDE CARRIERS, INC., P.O. Box 104, Maple Plain, Minn. 55359. Applicant's representative: Donald L. Stern, 530 Univac Bldg., Omaha, Nebr. 68106. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Such merchandise* as is dealt in by discount and variety stores (except foodstuffs and commodities in bulk), from points in Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, and West Virginia to points in Minnesota and Wisconsin, restricted to traffic originating at points in the named origin states and destined to the facilities of S. S. Kresge Company, at points in the named destination states, under a continuing contract with S. S. Kresge Company, for 180 days. Supporting shipper: S. S. Kresge Company, 3100 West Big Veaver, Troy, Mich. 48084. Send protests to: A. N. Spath, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 414 Federal Bldg., & U.S. Courthouse, 110 S. 4th St., Minneapolis, Minn. 55401.

No. MC 115762 (Sub-No. 9TA), filed November 21, 1975. Applicant: KENTUCKY WESTERN TRUCK LINES, INC., P.O. Box 632, Hopkinsville, Ky. 42240. Applicant's representative: Richard D. Gleaves, 631 Stahlman Bldg., Nashville, Tenn. 37201. Authortiy sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum products*, in containers, from Wood River, Ill., and its commercial zone, for 180 days. Supporting shipper: R. E. Croft, Jr., Monarch Oil Company, P.O. Box 64, Hopkinsville, Ky. 42240. Send protests to: Elbert Brown, Jr., District Supervisor, Interstate Commerce Commission, Bureau of Opera-

tions, 426 P.O. Bldg., 601 Broadway, Louisville, Ky. 40202.

No. MC 117589 (Sub-No. 32TA), filed November 24, 1975. Applicant: PROVISIONERS FROZEN EXPRESS, INC., 3801 Seventh Ave., South, Seattle, Wash. 98108. Applicant's representative: James T. Johnson, 1610 IBM Bldg., Seattle, Wash. 98101. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meat and meat products and cheese*, from Seattle, Wash., to Colorado Springs, Colo., for 180 days. Applicant has also filed an underlying FTA seeking up to 90 days of operating authority. Supporting shipper: Green River Cheese & Dairy Products, Inc., 19029 East Valley Highway, Kent, Wash. 98130. Send protests to: L. D. Boone, Transportation Specialist, Bureau of Operations, Interstate Commerce Commission, 858 Federal Bldg., 915 Second Ave., Seattle, Wash. 98174.

No. MC 118959 (Sub-No. 132TA), filed November 21, 1975. Applicant: JERRY LIPPS, INC., 130 South Frederick St., Cape Girardeau, Mo. 63701. Applicant's representative: William P. Jackson, Jr., 3426 North Washington Blvd., Arlington, Va. 22201. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Building materials* (except in bulk), from the facilities of Bird & Son, Inc., at or near Bardstown, Ky., to points in the United States (except Alaska and Hawaii), for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Bird & Son, Inc., Shawhan Lane, Bardstown, Ky. 40004. Send protests to: J. P. Werthmann, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 1465, 210 N. 12th St., St. Louis, Mo. 63101.

No. MC 126555 (Sub-No. 38TA), filed November 19, 1975. Applicant: UNIVERSAL TRANSPORT, INC., P.O. Box 3000, Rapid City, S. Dak. 57701. Applicant's representative: Barry C. Burnette (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Aggregates*, in bulk, from points in Butte, Fall River, Lawrence, Meade and Pennington Counties, S. Dak., to points in Wyoming, restricted against transportation of contractors materials and supplies for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shippers: Son-R, Inc., Ready Mix Div., 411 Warlow Drive, Gillette, Wyo. 82716. McGee Ready Mix, Box 639, Gillette, Wyo. 82716. Birdsall Sand & Gravel Co., P.O. Box 767, Rapid City, S. Dak. 57701. Send protests to: J. L. Hammond, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 369, Federal Bldg., Pierre, S. Dak. 57501.

No. MC 128356 (Sub-No. 10TA), filed November 25, 1975. Applicant: DOWNINGTOWN TRAILER CARRIERS, INC., 640 West Boot Road, West Chester, Pa. 19380. Applicant's representative: Byron R. LaVan, Suite 400, 117 S. 17th St., Philadelphia, Pa. 19103. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *New and/or used trailers, semitrailers and trailer chassis and parts thereof* (other than house trailers and trailers and those to be drawn by passenger automobile) in truckaway service in initial and secondary movements and *parts thereof*, in initial and secondary movements, from the plantsite of Gindy Manufacturing Corporation at Ridgeway, Va., to points in the United States (except Alaska and Hawaii), to the plant of Gindy Manufacturing Corporation, at Ridgeway, Va., for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Gindy Manufacturing Corporation, Route #100, Downingtown, Pa. 19335. Send protests to: Monica A. Blodgett, Transportation Assistant, Interstate Commerce Commission, 600 Arch St., Room 3236, Philadelphia, Pa. 19106.

No. MC 128527 (Sub-No. 57TA), filed November 26, 1975. Applicant: MAY TRUCKING COMPANY, P.O. Box 398, Payette, Idaho 83611. Applicant's representative: C. Marvin May (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meat, meat by products and articles*, distributed by meat packinghouses as described in sections A and C of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766, from the facilities of Columbia Foods, Inc., at or near Wallula, Wash., to points in California, Oregon, Idaho, Nevada, Utah and Montana, for 180 days. Supporting shipper: Columbia Foods, Inc., P.O. Box 926, Pasco, Wash. 99301. Send protests to: Barney L. Hardin, Interstate Commerce Commission, 550 W. Fort, Box 07, Boise, Idaho. 83724.

No. MC 135797 (Sub-No. 44TA), filed November 26, 1975. Applicant: J. B. HUNT TRANSPORT, INC., P.O. Box 200, Lowell, Ark. 72745. Applicant's representative: L. C. Cypert, 108 Terrace Drive, Lowell, Ark. 72745. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Diet and nutritional foods*, (except frozen or in bulk); (2) *Drugs, vitamins and toilet preparations;* (3) *Food grinder, water purifiers, can openers, container lids, cook books, seed sprouting kits, safety matches, candles, seeds*, and (4) *Compost, fertilizers and soil conditioners*, from the plantsite of Arrowhead Mills, Inc., Hereford, Tex., to points in Arizona, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Illinois, Maryland, Massachusetts, Michigan, Missouri, New York, North Carolina, Oklahoma, Oregon, Pennsylvania, Tennessee, Vermont, Washington, Wisconson, Vancouver, B. C., Canada (via Blaine, Wash.), and Scarborough, Ontario, Canada (via Detroit, Mich.), for 180 days. Supporting shipper: Arrowhead Mills, Inc., P.O. Box 866, Hereford, Tex. 79045. Send protests to: William H. Land, Jr., District Supervisor, 3108 Federal Office Bldg., 700 West Capitol, Little Rock, Ark. 72201.

No. MC 140019 (Sub-No. 1TA), filed November 24, 1975. Applicant: W. A. EMRICK TRUCKING, INC., R.D. #1, Box 131, Linden, Pa. 17744. Applicant's representative: Charles R. Chamberlain, 6615 Adrian St., New Carrollton, Md. 20784. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Coal*, from English Center (Pine Township), Pa., to Syracuse, Buffalo, Bainbridge, Johnson City, Albany and Ithaca, N.Y., from Cogan Station, Blossburg, and Mildred, Pa., to Dresden, Johnson City, and Bainbridge, N.Y., for 180 days. Supporting shippers: Fisher Mining Company, c/o Chas. Spoolor CPA, 901 Market St., Williamsport, Pa. 17701. P & M Coal Company, 248 Main St., Blossburg, Pa. 16912. Send protests to: Paul J. Kenworthy, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 314 U.S. Post Office Bldg., Cranton, Pa. 18503.

No. MC 14136 TA, filed November 26, 1975. Applicant: BILL BLANN, doing business as, BLANN TRACTOR CO., Route 2, Box 38, Hampton, Ark. 71744. Applicant's representative: J. Phelps Jones, P.O. Box 557, Hampton, Ark. 71744. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Rock, clay, dirt, sand, gravel*, in bulk, in dump-bed trailers, from points in Calhoun, Ouachita and Bradley Counties, Ark., to points in Lincoln, Richland, Ouchita, Union, Jackson Parishes, La., for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shippers: Asphalt Materials, Inc., F St., Selman Field Ind. Park, Monroe, La. 71201. Louisiana Indugstries, Division of Texas Industries, Inc., P.O. Box 400, Arlington, Tex. 76010. Send protests to: William H. Land, Jr., District Supervisor, 3108 Federal Office Bldg., 700 West Capitol, Little Rock, Ark. 72201.

No. MC 141537 TA, filed November 26, 1975. Applicant: TERRY GORMAN, doing busines as, TERRY GORMAN TRUCKING CO., Route 2, Box 179-A, Hampton, Ark. 71744. Applicant's representative: J. Phelps Jones, P.O. Box 557, Hampton, Ark. 71744. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Rock, clay dirt, sand, gravel*, in bulk, in dump-bed trailers, from points in Calhoun, Ouachita, Bradley Counties, Ark., to points in Lincoln, Richland, Ouachita, Union, Jackson Parishes, La., for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Asphalt Materials, Inc., F St., Selman Field Ind. Park, Monroe, La. 71201. Louisiana Industries, Division of Texas Industries, Inc., P.O. Box 400,

Arlington, Tex. 76010 Send protests to: William H. Land, Jr., District Supervisor, 3108 Federal Office Bldg., 700 West Capitol, Little Rock, Ark. 72201.

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.75-33260 Filed 12-9-75;8:45 am]

IRREGULAR-ROUTE MOTOR COMMON CARRIERS OF PROPERTY

Elimination of Gateway Letter Notices

DECEMBER 5, 1975.

The following letter-notices of proposals to eliminate gateways for the purpose of reducing highway congestion, alleviating air and noise pollution, minimizing safety hazards, and conserving fuel have been filed with the Interstate Commission under the Commission's *Gateway Elimination* Rules (49 CFR 1065), and notice thereof to all interested persons is hereby given as provided in such rules.

An original and two copies of protests against the proposed elimination of any gateway herein described may be filed with the Interstate Commerce Commission on or before December 22, 1975. A copy must also be served upon applicant or its representative. Protests against the elimination of a gateway will *not* operate to stay commencement of the proposed operation.

Successively filed letter-notices of the same carrier under these rules will be numbered consecutively for convenience in identification. Protests, if any, must refer to such letter-notices by number.

No. MC 2253 (Sub-No. E3), filed January 29, 1975. Applicant: CAROLINA FREIGHT CARRIERS CORPORATION, P.O. Box 697, Cherryville, N.C. 28021. Applicant's representative: J. S. McCallis (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General Commodities* (except those of unusual value, classes A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading), between Charlotte, N.C., and points in North Carolina within 30 miles of Charlotte, N.C., on the one hand, and, on the other, points in Bergen, Essex, Hudson, Hunterdon, Mercer, Middlesex, Morris, Monmouth, Ocean, Passaic, Somerset, Union, and Warren Counties N.J., and points in that part of Burlington County, N.J., on the north of a line beginning at Riverside, N.J., and thence along New Jersey Highway 537 to junction unnumbered highway at Masonville, N.J., thence along unnumbered highway to junction New Jersey Highway 541 to junction New Jersey Highway 70, thence along New Jersey Highway 70 to junction New Jersey Highway 72, thence along New Jersey Highway 72 to the Burlington-Ocean County line. The purpose of this filing is to eliminate the gateway of New York, N.Y.

No. MC 2253 (Sub-No. E4), filed January 29, 1975. Applicant: CAROLINA FREIGHT CARRIERS CORPORATION, P.O. Box 697, Cherryville, N.C. 28021. Applicant's representative: J. S. McCallis (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General Commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between points in Connecticut, Massachusetts, and Rhode Island, on the one hand, and, on the other, points in Ohio, points in Allegheny and Westmoreland Counties, Pa., and points in Brooke, Hancock, Marshall, and Ohio Counties, W. Va. The purpose of this filing is to eliminate the gateway of points in New York within 30 miles of Newark, N.J. (excluding those points in Monmouth, Mercer, and Hunterdon Counties, N.J.).

No. MC 2253 (Sub-No. E5), filed January 29, 1975. Applicant: CAROLINA FREIGHT CARRIERS CORPORATION, P.O. Box 697, Cherryville, N.C. 28021. Applicant's representative: J. S. McCallis (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General Commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between Nassau and Westchester Counties, N.Y., on the one hand, and, on the other, points in Ohio, points in Allegheny and Westmoreland Counties, Pa., and those in points in Brooke, Hancock, Marshall and Ohio Counties, W. Va. The purpose of this filing is to eliminate the gateway of points in New Jersey within 15 miles of North Bergen, N.J.

No. MC 2253 (Sub-No. E6), filed January 29, 1975. Applicant: CAROLINA FREIGHT CARRIERS CORPORATION, P.O. Box 697, Cherryville, N.C. 28021. Applicant's representative: J. S. McCallis (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General Commodities* (except those of unusual value, Classes A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between points in that part of Delaware County, Pa., on and east of U.S. Highway 202, on the one hand, and, on the other, points in that part of Ohio on and west of a line beginning at Sandusky, Ohio, and extending along U.S. Highway 6 to to junction Ohio Highway 12, thence along Ohio Highway 12 to Findley, Ohio, thence along Interstate Highway 75 to Cincinnati, Ohio. The purpose of this filing is to eliminate the gateway of points in Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset, and Union Counties, N.J., which are also within 30 miles of Newark, N.J.

No. MC 2253 (Sub-No. E7), filed January 29, 1975. Applicant: CAROLINA FREIGHT CARRIERS CORPORATION, P.O. Box 697, Cherryville, N.C. 28021. Applicant's representative: J. S. McCallis (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General Commodities* (except those of unusual value, Classes A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between Philadelphia, Pa. on the one hand, and, on the other, points in Ohio (except those in Columbiana, Jefferson, Carroll, Harrison, Belmont, Monroe, Washington, and Noble Counties, and that segment of Guernsey and Tuscarawas Counties on and east of Interstate Highway 77). The purpose of this filing is to eliminate the gateway of points in Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset, and Union Counties, N.J., which are also within 30 miles of Newark, N.J.

No. MC 2253 (Sub-No. E8), filed January 29, 1975. Applicant: CAROLINA FREIGHT CARRIERS CORPORATION, P.O. Box 697, Cherryville, N.C. 28021. Applicant's representative: J. S. McCallis (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General Commodities* (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between Philadelphia, Pa., on the one hand, and, on the other, points in that part of Ohio on, north, and east of a line beginning at the Ohio-West Virginia State line and extending along U.S. Highway 40 to Zanesville, Ohio, thence along Ohio Highway 60 to Trinway, Ohio, thence along Ohio Highway 16 to Coshocton, Ohio, thence along Ohio Highway 76 to Wooster, Ohio, thence along Ohio Highway 3 to Medina, Ohio, thence along Ohio Highway 18 to Mallet Corner, Ohio, and thence along Ohio Highway 252 to Lake Erie. The purpose of this filing is to eliminate the gateway of points in Allegheny and Westmoreland Counties, Pa.

No. MC 2253 (Sub-No. E9), filed January 29, 1975. Applicant: CAROLINA FREIGHT CARRIERS CORPORATION, P.O. Box 697, Cherryville, N.C. 28021. Applicant's representative: J. S. McCallis (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General Commodities* (except those of unusual value, Classes A and B Explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between Philadelphia, Pa., on the one hand, and, on the other, points in Ohio County, W. Va. The purpose of this filing is to eliminate the gateway of points in Marshall County, W. Va.

No. MC 2253 (Sub-No. E10), filed January 29, 1975. Applicant: CAROLINA FREIGHT CARRIERS CORPORATION, P.O. Box 697, Cherryville, N.C. 28021. Applicant's representative: J. S. McCal-

lis (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General Commodities* (except those of unusual value, Classes A and B Explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between the terminal site of Harder's Express, Inc., at Claverack, N.Y., on the one hand, and, on the other, points in Allegheny and Westmoreland Counties, Pa., points in Brooke, Hancock, Marshall, and Ohio Counties, W. Va., and points in Ohio (except those in Ashtabula, Lake, and Geuaga Counties, Ohio). Restriction: The operations authorized herein are restricted to the transportation of shipments having a prior or subsequent movement in the motor carrier service of Harder's Express, Inc. The purpose of this filing is to eliminate the gateway of New York, N.Y.

No. MC 118908 (Sub-No. (364), filed December 5, 1974. Applicant: ERICKSON TRANSPORT CORP., P.O. Box 3180-Glenstone Station, Springfield, Mo. 65804. Applicant's representative: John E. Jandera, 641 Harrison St., Topeka, Kans. 66603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Vinegar*, in bulk, in tank vehicles, from Rogers, Ark., to points in California. The purpose of this filing is to eliminate the gateways of Nixa, Mo., and Oklahoma City, Okla.

No. MC 113908 (Sub-No. E365), filed December 5, 1974. Applicant: ERICKSON TRANSPORT CORP., P.O. Box 3180-Glenstone Station, Springfield, Mo. 65804. Applicant's representative: John E. Jandera, 641 Harrison St., Topeka, Kans. 66603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Vinegar*, in bulk, in tank vehicles, from points in that part of the New York, N.Y., Commercial Zone, as defined in the fifth supplemental report in *Commercial Zones and Terminal Areas*, 53 M.C.C. 451, within which local operations may be conducted pursuant to the partial exemption of section 203(b)(8) of the Act (the "exempt" zone), to points in California. The purpose of this filing is to eliminate the gateways of Memphis, Tenn., and Rogers, Ark.

No. MC 113908 (Sub-No. E366), filed December 5, 1974. Applicant: ERICKSON TRANSPORT CORP., P.O. Box 3180, Glenstone Station, Springfield, Mo. 65804. Applicant's representative: John E. Jandera, 641 Harrison St., Topeka, Kans. 66603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Vinegar*, in bulk, in tank vehicles, from points in that part of the New York, N.Y., Commercial Zone, as defined in the fifth supplemental report in *Commercial Zones and Terminal Areas*, 53 M.C.C. 451, within which local operations may be conducted pursuant to the partial exemption of section 203(b)(8) of the Act the "exempt" zone), to points in California. The purpose of this filing is to eliminate the gateways of Memphis, Tenn., and Nixa, Mo.

No. MC 113908 (Sub-No. E367), filed December 5, 1974. Applicant: ERICKSON TRANSPORT CORP., P.O. Box 3180, Glenstone Station, Springfield, Mo. 65804. Applicant's representative: John E. Jandera, 641 Harrison St., Topeka, Kans. 66603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Vinegar*, in bulk, in tank vehicles, from Rogers, Ark., to points in California. The purpose of this filing is to eliminate the gateways of Paris, Tex., and Oklahoma City, Okla.

No. MC 113908 (Sub-No. E371), filed December 5, 1974. Applicant: ERICKSON TRANSPORT CORP., P.O. Box 3180, Glenstone Station, Springfield, Mo. 65804. Applicant's representative: John E. Jandera, 641 Harrison St., Topeka, Kans. 66603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Vinegar*, in bulk, in tank vehicles, from North Rose, N.Y., to points in California. The purpose of this filing is to eliminate the gateway of Memphis, Tenn., and Nixa, Mo.

No. MC 113908 (Sub-No. E372), filed December 5, 1975. Applicant: ERICKSON TRANSPORT CORP., P.O. Box 3180, Glenstone Station, Springfield, Mo. 65804. Applicant's representative: John E. Jandera, 641 Harrison St., Topeka, Kans. 66603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Vinegar*, in bulk, in tank vehicles, from Belding, Mich., to points in Texas. The purpose of this filing is to eliminate the gateway of Nixa, Mo., and Rogers, Ark.

No. MC 113908 (Sub-No. E386), filed December 5, 1974. Applicant: Erickson Transport Corp., P.O. Box 3180, Glenstone Station, Springfield, Mo. 65804. Applicant's representative: John E. Jandera, 641 Harrison St., Topeka, Kans. 66603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Vinegar*, in bulk, in tank vehicles, from St. Paul, Minn., to points in Oklahoma, points in Arkansas south of a line beginning at the Oklahoma-Arkansas State line and exending along U.S. Highway 70 to junction U.S. Highway 59 (U.S. Highway 71), thence along U.S. Highway 59 to junction Arkansas Highway 24, thence along Arkansas Highway 24 to junction Arkansas Highway 29, thence along Arkansas Highway 29 to the Arkansas-Louisiana State Boundary line; and points in Colorado, south of a line beginning at the Colorado-Kansas State line and extending along Colorado Highway 96 to junction U.S. Highway 50, thence along U.S. Highway 50 to junction Colorado Highway 90 at or near Montrose, thence along Colorado Highway 90 to the Colorado-Utah State line. The purpose of this filing is to eliminate the gateway of Wichita, Kans.

No. MC 113908 (Sub-No. E391), filed December 5, 1974. Applicant: ERICKSON TRANSPORT CORP., P.O. Box 3180, Glenstone Station, Springfield, Mo. 65804. Applicant's representative: John E. Jandera, 641 Harrison St., Topeka, Kans. 66603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Vinegar*, in bulk, in tank vehicles: (a) from Dallas and Houston, Tex., to points in California north of a line beginning at the California-Nevada State line and extending along Interstate Highway 80 to junction California Highway 20, thence along California Highway 20 to the Pacific Ocean; and (b) from Paris, Tex., to points in California (except points south and east of a line beginning at the California-Nevada State line and extending along Interstate Highway 15 to junction California Highway 91, thence along California Highway 91 to junction California Highway 55, thence along California Highway 55 to the Pacific Ocean. The purpose of this filing is to eliminate the gateway of Rogers, Ark.

No. MC 114019 (Sub-No. E118), (Correction), filed May 3, 1974. Published in the FEDERAL REGISTER June 18, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen Foods* (except commodities in bulk), (1) (a) from points in New York, Pennsylvania, and West Virginia, those in New Jersey, Connecticut, Delaware and Maryland, which are within 30 miles of New York, N.Y., and Philadelphia, Pa., those in Ohio on and east of Interstate Highway 75, Baltimore and Sparrows Point, Md., to Bismarck, N. Dakota; (b) from points in New York, Pennsylvania, West Virginia, and Ohio, those in New Jersey, Connecticut, Delaware, and Maryland, which are within 30 miles of New York, N.Y., and Philadelphia, Pa., Baltimore and Sparrows Point, Md., to Salt Lake City, Utah; (c) from points in New York, Pennsylvania, West Virginia, and Ohio, those in New Jersey, Connecticut, Delaware, and Maryland, which are within 30 miles of New York, N.Y., and Philadelphia, Pa., those in Indiana on and east of U.S. Highway 31, Baltimore and Sparrows Point, Md., to points in Oregon and Washington. Restriction: The authorities in sections 1 (a), (b), and (c) above are restricted to the transportation of shipments moving from, to, or between warehouses and wholesale, retail, or chain outlets of food business houses, or when moving from, to, or between food processing plants, or warehouses or other facilities of such plants. (2) (a) from Detroit, Mich., to Bismarck, N. Dakota, and Salt Lake City, Utah; (b) from Detroit and Grand Rapids, Mich., and Louisville, Ky., to points in Oregon and Washington. Restriction: The authorities described in 2 (a) and (b) above are restricted to the transportation of traffic moving from, to, or between warehouses, and other facilities of retail food

business houses. The purpose of this filing to eliminate the gateway of Cleveland, Ohio.

No. MC 114019 (Sub-No. E270), filed May 24, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Rd., Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products*, and meat by-products, and articles distributed by meat packinghouses, as described in Sections A and C of Appendix 1 to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 and *equipment materials and supplies* used in the conduct of such business, except liquid commodities in bulk, in tank vehicles, from the plant site of Momence Pork Packers Co., at Momence, Ill., to points in Maine, Vermont, New Hampshire, West Virginia, Maryland (except Baltimore), Delaware, points in that part of Pennsylvania on and north of U.S. Highway 22 from the Ohio-Pennsylvania State line to Nanty Glo, Pa., and on and east of U.S. Highway 219 from Nanty Glo to the Pennsylvania-Maryland State line, and points in that part of Ohio south of U.S. Highway 40. Restriction: The authority authorized above is restricted to the transportation only of shipments originating at the Momence Pork Packers Company plant at Momence, Ill. The purpose of this filing is to eliminate the gateway of Union City, Ohio.

No. MC 114019 (Sub-No. E286), filed May 24, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Rd., Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen vegetables*, from Elmira and Mt. Morris, N.Y., and from points in that part of New York on, north and west of a line beginning at Lake Erie, thence along U.S. Highway 20 to Lafayette, N.Y., thence along U.S. Highway 11 to Syracuse, N.Y., thence along New York Highway 57 to Lake Ontario, to points in Bath, Breathitt, Boyd, Garter, Elliott, Flemming, Floyd, Greenup, Johnson, Knott, Lawrence, Letcher, Lewis, Magoffin, Martin, Mason, Menifee, Morgan, Perry, Pike, Rowan, and Wolfe Counties, Kentucky. Restriction: Restricted to shipments moving from, to or between warehouses or other facilities of retail food and household supply and furnishings business houses, in peddle service. The purpose of this filing is to eliminate the gateway of Huntington, W. Va.

No. MC 114019 (Sub-No. E326), filed May 16, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Rd., Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (Same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen foods*, from Darien, Wis., to points in that part of Virginia on and east of U.S. Highway 52. Restriction: The operations authorized herein are restricted against interlining at Darien, Wis. The purpose of this filing is to eliminate the gateway of Cleveland, Ohio.

No. MC 114019 (Sub-No. E378), filed May 22, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Rd., Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (Same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen foods*, from points in Massachusetts, to points in North Dakota and South Dakota and those in the Upper Peninsula of Michigan. The purpose of this filing is to eliminate the gateways of Chicago, Ill., and Darien, Wis.

No. MC 114019 (Sub-No. E426), Filed June 5, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fish and seafoods*, fresh and frozen, from points in the Lower Peninsula of Michigan, to points in Iowa, Missouri, Kansas, and Nebraska. Restriction: Restricted to shipments moving from, to or between warehouses, and wholesale, retail, or chain outlets of food business houses. The purpose of this filing is to eliminate the gateway of Chicago, Ill.

No. MC 114019 (Sub-No. E427), filed June 5, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Rd., Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such merchandise* as is dealt in by retail food and household supply and furnishing business houses, and equipment, materials, and supplies used in the conduct of such business, from points in Ohio, to points in that part of New Castle County, Del., on and north of Delaware Highway 41, points in Burlington, Camden, Gloucester, and Salem Counties, N.J., and points in that part of Cumberland County, N.J., on and north of a line beginning at the Cumberland-Salem County line, thence along New Jersey Highway 49 to junction New Jersey Highway 47, to the Cumberland-Cape May County line. Restriction: Restricted to shipments moving from, to or between warehouses or other facilities of retail food and household supply and furnishings business houses, in peddle service. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 114019 (Sub-No. E428), filed June 5, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Rd., Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen vegetables*, from Seabrook, N.J., to points in Oregon and Washington, and to Bismarck, N. Dak., and Salt Lake City, Utah. The purpose of this filing is to eliminate the gateway of Cleveland, Ohio.

No. MC 114019 (Sub-No. E429), filed June 5, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Rd., Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Edible meats, meat products and meat by-products, and edible articles* distributed by meat packinghouses, as described in Sections A and C of Appendix I to the report in *Descriptions in Motor Carrier Certificates* 61 M.C.C. 209 and 766, from points in that part of Indiana on and north of a line beginning at the Ohio-Indiana State line, thence along Indiana Highway 18 to its junction with U.S. Highway 35, thence along U.S. Highway 35 to junction with U.S. Highway 24, thence along U.S. Highway 24 to the Indiana-Illinois State line, and from points in that part of Illinois on and north of a line beginning at the Indiana-Illinois State line, thence along U.S. Highway 24 to its junction with Illinois Highway 9, thence along Illinois Highway 9 to the Iowa-Illinois State line, to points in that part of Missouri on, south and west of a line beginning at the Iowa-Missouri State line, thence along Missouri Highway 15 to its junction with U.S. Highway 54, thence along U.S. Highway 54 to junction with U.S. Highway 65, thence along U.S. Highway 65 to junction with U.S. Highway 60, thence along U.S. Highway 60 to the Missouri-Oklahoma State line, and points in Iowa, Kansas, and Nebraska. The purpose of this filing is to eliminate the gateway of the plantsite of Wilson & Co., Inc., at Mammouth, Ill.

No. MC 124078 (Sub-No. E80), filed July 30, 1975. Applicant: SCHWERMAN TRUCKING CO., P.O. Box 1601, Milwaukee, Wis. 53201. Applicant's representative. James R. Carroll (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting:

(1) *Chemicals* (except hydrofluosilic acid, such naval stores as are chemicals, crude tall oil, sulphate, black liquor skimmings, and liquid alum), in bulk, in tank or hopper-type vehicles, from Atlanta, Ga., to points in West Virginia.

(2) *Clay* and *clay surry*, in bulk, from points in Jefferson County, Ga., to points in Indiana, Illinois, Missouri, and Arkansas.

(3) *Chemicals*, in bulk (except petroleum products and fertilizers), from the facilities of the Philadelphia Quartz Company at or near La Salle, Ill., to points in Florida, South Carolina, and points in North Carolina in, south, and west of Stokes, Guilford, Alamance, Orange, Durham, Wake, Nash, Edge-

combe, Pitt, Craven, and Carteret Counties.

(4) *Animal fats, animal oils,* and *vegetable oils,* and *edible blends and edible products* of animal fats, animal oils, and vegetable oils (except liquid chemicals), in bulk, from Chicago, Ill. (except points in the Chicago, Ill., commercial zone, as defined by the Commission), to points in Florida and South Carolina.

(5) *Vegetable and animal oils and fats,* and *blends* thereof, in bulk, in tank vehicles, from Chicago, Ill., to points in Florida, South Carolina, and Georgia, and points in Alabama in, east, and south of Madison, Marshall, Cullman, Walker, Tuscaloosa, and Green Counties.

(6) *Vegetable and animal oils and fats,* and *blends* thereof, in bulk, in tank vehicles, from Louisville, Ky., to points in Georgia and Florida, and points in Alabama in and south of De Kalb, Etowah, Saint Clair, Jefferson, Tuscaloosa, and Pickens Counties.

(7) *Vegetable and animal oil and fats,* and *blends* thereof, in bulk, in tank vehicles, from Cincinnati, Ohio, to points in Georgia and Florida, and points in Alabama (except points in Lauderdale, Colbert, Franklin, Limestone, and Lawrence Counties).

(8) *Vegetable and animal oils and fats,* and *blends* thereof, in bulk, in tank vehicles, from Columbus, Ohio, to points in Georgia, Florida, and points in Alabama in and south of Madison, Morgan, Cullman, Walker, Tuscaloosa, Greene, and Sumter Counties.

(9) *Clay* and *clay surry,* in bulk, from points in Twiggs County, Ga., to points in Kentucky, Indiana, Illinois, Missouri, and Arkansas.

(10) *Clay* and *clay surry,* in bulk, from points in Wilkinson County, Ga., to points in Arkansas, Missouri, Illinois, Indiana, and points in Kentucky in and west of Boyd, Elliott, Morgan, Wolfe, Breathitt, Perry, Leslie, and Harlan Counties.

(11) *Petroleum products,* in bulk, in tank vehicles, from points in Jefferson County, Ala., to points in West Virginia, Virginia, and North Carolina.

(12) *Petroleum products,* in bulk, in tank vehicles, from points in Colbert County, Ala., to points in West Virginia, Virginia, North Carolina, and South Carolina.

(13) *Petroleum products,* in bulk, in tank vehicles, from points in Morgan County, Ala., to points in West Virginia, Virginia, North Carolina, and South Carolina.

(14) *Petroleum products,* in bulk, in tank vehicles, from points in Marshall County, Ala., to points in West Virginia, Virginia, North Carolina, and South Carolina.

(15) *Nitric acid* and *additives,* in bulk, in tank vehicles, from Birmingham and McAdory, Ala., to points in West Virginia, Virginia, and North Carolina.

(16) *Coal,* in bulk, from Birmingham, Ala., to points in West Virginia, Virginia, and North Carolina.

(17) *Lime* and *limestone,* in bulk, from points in Jefferson County, Ala., to points in West Virginia and Virginia.

(18) *Liquid fertilizer,* in bulk, from Port Birmingham, Ala., to points in West Virginia, Virginia, and North Carolina.

(19) *Nitric acid,* in bulk, in tank vehicles, from the plant site of the Vistron Corporation at Lima, Ohio, to points in Georgia, Florida, and Alabama (except points in Lauderdale, Colbert, and Franklin Counties).

(20) *Fertilizer solutions,* in bulk, from Decatur, Ala., to points in Virginia, West Virginia, North Carolina, and South Carolina.

(21) *Lime and limestone,* in bulk, from points in Shelby County, Ala., to points in West Virginia and Virginia.

(22) *Liquid petro-chemicals,* in bulk, in tank vehicles, from points in Jefferson County, Ala., to points in New Jersey, Rhode Island, Ohio, Michigan, Wisconsin, and Minnesota.

(23) *Petroleum products,* in bulk, in tank vehicles, from points in Jefferson County, Ala., to points in Illinois in and north of Adams, Brown, Morgan, Sangamon, Christian, Montgomery, Fayette, Clay, Richland, and Lawrence Counties, and points in Indiana (except points in Posey, Vanderburgh, Warrick, Spencer, Pike, Gibson, and Knox Counties).

(24) *Liquid petro-chemicals* (except cryogenic liquids), in bulk, in tank vehicles, from points in Jefferson County, Ala., to points in Iowa (except points in Appanoose, Davis, and Van Buren Counties, and Keokuk, Iowa), South Dakota, and points in Nebraska in and north of Chase, Hayes, Frontier, Gosper, Harlan, Franklin, Webster, Nuckolls, Thayer, Jefferson, Gage, Johnson, and Nemaha Counties.

(25) *Liquid petro-chemicals,* in bulk, in tank vehicles, from points in Colbert County, Ala., to points in Ohio in and east of Sciota, Pike, Ross, Pickaway, Franklin, Licking, Knox, Richland, Ashland, and Lorain Counties.

(26) *Liquid petro-chemicals,* in bulk, in tank vehicles, from points in Morgan County, Ala., to points in Ohio (except points in Preble, Butler, Hamilton, Warren, and Clermont Counties, Ohio).

(27) *Liquid petro-chemicals,* in bulk, in tank vehicles, from points in Marshall County, Ala., to points in Ohio, New Jersey, and Rhode Island.

(28) *Petroleum products,* in bulk, in tank vehicles, from points in Marshall County, Ala., to points in Indiana in, north, and west of Vigo, Clay, Owen, Monroe, Jackson, Scott, and Clark Counties, Ind.

(29) *Liquid petro-chemicals,* in bulk, in tank vehicles, from points in Colbert County, Ala., to points in New Jersey and Rhode Island.

(30) *Liquid petro-chemicals,* in bulk, in tank vehicles, from points in Morgan County, Ala., to points in New Jersey and Rhode Island.

(31) *Liquid chemicals* (except petroleum products and fertilizers), in bulk, in tank vehicles, from Sheboygan, Wis., to points in Florida and South Carolina.

(32) *Phosphoric acid,* in bulk, in tank vehicles, from the plant site of the Hydrite Chemical Company at Milwaukee, Wis., to points in Florida and South Carolina.

(33) *Dimethyl-terephthalate* and *terephthalic acid,* in bulk, in tank vehicles, from the plant site of Amoco Chemicals Corporation at or near Decatur, Ala., to points in Virginia and West Virginia.

(34) *Dimethyl-terephthalate* and *terephthalic acid,* in bulk, in tank vehicles, from the plant site of Amoco Chemicals Corporation at or near Decatur, Ala., to points in New Jersey and Rhode Island.

(35) *Sodium silicate, potassium silicate, ammonium sulfide, sodium sulfhydrate,* and *orthodichlorobenzene,* liquid, in bulk, in tank vehicles, from Cartersville, Ga., to points in Illinois, Indiana, West Virginia, Virginia, Missouri, Arkansas, Ohio, Michigan, Wisconsin, Minnesota, New Jersey, and Rhode Island.

(36) *Sodium silicate, potassium silicate, ammonium sulfide, sodium sulfhydrate,* and *orthodichlorobenzene,* liquid, in bulk, in tank vehicles, from Cartersville, Ga., to points in Iowa, Nebraska, and South Dakota.

(37) *Sodium silicate, potassium silicate, ammonium sulfide, sodium sulfhydrate,* and *orthodichlorobenzene,* liquid, in bulk, in tank vehicles, from Cartersville, Ga., to points in North Dakota and Wyoming, and points in Colorado on and north of U.S. Highway 24.

(38) *Alcohol, benzene, xylene, toluene,* and *acetone,* in bulk, in tank vehicles, from Atlanta, Ga., to points in Illinois, Indiana, West Virginia, Missouri, Arkansas (except points in Ashley, Drew, Desha, and Chicot Counties), and points in Virginia in, north, and west of Scott, Russell, Tazewell, Bland, Giles, Craig, Alleghany, Rockbridge, Nelson, Albemarle, Orange Spotslyvania, and King George Counties.

(39) *Alcohol, benzene, xylene, toluene,* and *acetone,* in bulk, in tank vehicles, from Atlanta, Ga., to points in Ohio, Michigan, Wisconsin, Minnesota, New Jersey, and Rhode Island.

(40) *Alcohol, benzene, xylene, toluene,* and *aceto e,* in bulk, in tank vehicles, from Atlanta, Ga., to points in Iowa, Nebraska, and South Dakota.

(41) *Alcohol, benzene, xylene, toluene,* and *acetone,* in bulk, in tank vehicles, from Atlanta, Ga., to points in North Dakota, Wyoming, and Colorado (except points in Las Animas and Baca Counties).

(42) *Chemicals* (except hydrofluosilic acid, such naval stories as are chemicals, crude tall oil, sulphate, black liquor skimmings, and liquid alum), in bulk, in tank vehicles, from Atlanta, Ga., to points in Ke tucky, Arkansas, (except points in Ashley, Drew, Desha, and Chicot Counties), Missouri, Illinois, and points in Virginia in, north, and west of Scott, Russell, Tazewell, Bland, Giles, Craig, Allegheny, Rockbridge, Nelson, Albemarle, Orange, Spotsylvania, and King George Counties.

(43) *Alcohol, Be zene, xylene, toluene,* and *acetone,* in bulk, in tank vehicles, from Atlanta, Ga., to points in Kentucky.

(44) *Chemicals* (except petroleum products, fertilizers, hydrofluosilic acid, such naval stores as are chemicals, crude

tall oil, sulphate, black liquor skimmings, and liquid alum), in bulk, in tank or hopper-type vehicles, from Atlanta, Ga., to points in Wisconsin, North Dakota, Wyoming, and Colorado (except points in Las Animas and Baca Counties).

(45) *Chemicals* (except hydrofluosilic acid, such naval stores as are chemicals, crude tall oil, sulphate, black liquor skimmings, and liquid alum), in bulk, in tank vehicles, from Atlanta, Ga., to points in Ohio.

(46) *Acetone* and *phenol*, in bulk, in tank vehicles, from the plant site of the United States Steel Corporation at or near Haverhill (Scioto County), Ohio, to points in Alabama and Mississippi (except points in DeSoto, Tunica, Tate, Marshall, and Benton Counties).

(47) *Chemicals* (except hydrofluosilic acid, such naval stores as are chemicals, crude tall oil, sulphate, black liquor skimmings, and liquid alum), in bulk, in tank vehicles, from Atlanta, Ga., to points in Tennessee on and east of U.S. Highway 27 and on and west of a line beginning at the Kentucky-Tennessee State line and extending along U.S. Highway 25E to junction U.S. Highway 25, thence along U.S. Highway 25 to the Tennessee-North Carolina State line (except points in Polk, Monroe, and Blount Counties).

(48) *Clay* and *clay surry*, in bulk, from the plant site or sites of United Sierra Division, Cyprus Mines Corporation at Macon, Ga., to points in Kentucky.

(49) *Barium chloride* and *barium carbonate*, in bulk, from Cartersville, Ga., to points in Illinois, Indiana, West Virginia, Missouri, and Arkansas.

(50) *Barium chloride and barium carbonate*, liquid, in bulk, from Cartersville, Ga., to points in Ohio, Michigan, Wisconsin, Minnesota, New Jersey, and Rhode Island.

(51) *Barium chloride* and *barium carbonate*, in bulk, from Cartersville, Ga., to points in Iowa, Nebraska, and South Dakota.

(52) *Barium chloride* and *barium carbonate*, in bulk, from Cartersville, Ga., to points in North Dakota, Wyoming, and points in Colorado on and north of U.S. Highway 24.

(53) *Dry ground limestone*, in bulk, from Cartersville, Ga., to points in West Virginia, Missouri, and Arkansas.

(54) *Liquid chemicals* (except hydrofluosilic acid, such naval stores as are chemicals, crude tall oil, sulphate, black liquor skimmings, and liquid alum), in bulk, in tank vehicles, from Charleston, S.C., to points in Indiana.

(55) *Liquid chemicals* (except hydrofluosilic acid, such naval stores as are chemicals, crude tall oil, sulphate, black liquor skimmings, and liquid alum), in bulk, in tank vehicles, from Charleston, S.C., to points in Michigan, Minnesota, and points in Allen, Van Wert, Putnam, Paulding, Defiance, Fulton, and Williams Counties, Ohio.

(56) *Liquid chemicals* (except hydrofluosilic acid, such naval stores as are chemicals, crude tall oil, sulphate, black liquor skimmings, and liquid alum), in bulk, in tank vehicles, from Charleston, S.C., to points in Iowa and South Dakota.

(57) *Liquid chemicals* (except petroleum products, fertilizers, hydrofluosilic acid, such naval stores as are chemicals, crude tall oil, sulphate, black liquor skimmings, and liquid alum), in bulk, in tank vehicles, from Charleston, S.C., to points in North Dakota, Wyoming, and points in Colorado on and west of U.S. Highway 285 on and north of U.S. Highway 50.

(58) *Clay* and *clay surry*, in bulk, from the plant site or sites of United Sierra Division, Cyprus Mines Corporation at Macon, Ga., to points in Indiana, Illinois, Missouri, Arkansas, and points in West Virginia in and north of Mingo, Logan, Boone, Kanawha, Clay, Braxton, Lewis, Upshur, Randolph, Tucker, Grant, and Hardy Counties.

(59) *Clay* and *clay surry*, in bulk, from points in Washington County, Ga., to points in Illinois, Indiana, Missouri, and Arkansas.

(60) *Lime* and *limestone*, in bulk, from points in St. Clair County, Ala., to points in West Virginia, Indiana, and Virginia.

(61) *Dry alum*, in bulk, from Atlanta, Ga., to points in Illinois, Indiana, West Virginia, Missouri, Kentucky, and Arkansas (except points in Ashley, Drew, Desha, and Chicot Counties).

(62) *Clay*, in bulk, in tank, hopper, or dump-type vehicles, from points in Gadsden County, Fla., to points in Kentucky, Illinois, Indiana, Missouri, West Virginia, and points in Tennessee in and east of Montgomery, Dickson, Williamson, Maury, and Guiles Counties.

(63) *Vegetable and animal oils and fats* and *blends* thereof, in bulk, in tank vehicles, from Louisville, Ky., to points in South Carolina south and west of Pickens, Greenville, Spartanburg, Union, Fairfield, Kershaw, Chesterfield, and Marlboro Counties.

(64) *Chemicals*, in bulk, from the plant site of Nalco Chemical Company near Jonesboro, Ga., to points in Illinois, Indiana, West Virginia, Missouri, Arkansas, Kentucky, and points in Virginia in, west, and north of Washington, Smyth, Wythe, Pulaski, Montgomery, Roanoke, Bedford, Amherst, Nelson, Albermarle, Louisa, Spotsylvania, and Stafford Counties.

(65) *Chemicals* (except petroleum products and fertilizers), in bulk, from the plant site of Nalco Chemical Company near Jonesboro, Ga., to points in Minnesota, South Dakota, Wisconsin, Nebraska, North Dakota, Wyoming, Colorado (except points in Las Animas and Baca Counties), Iowa (except points in Lee County), and points in the Upper Peninsula of Michigan (except points in Mackinac and Chippewa Counties).

(66) *Petroleum products*, in bulk, in tank vehicles, from points in Colbert County, Ala., to points in Florida east of Madison and Taylor Counties, and points in Kentucky in and east of Greenup, Carter, Elliott, Morgan, Wolfe, Lee, Jackson, Laurel, and Whitley Counties.

(67) *Petroleum products*, in bulk, in tank vehicles, from points in Morgan County, Ala., to points in Florida in, east and south of Columbia, Gilchrist, and Levy Counties, and points in Kentucky on and east of a line beginning at the Kentucky-Ohio State line and extending along U.S. Highway 68 to Lexington, thence along U.S. Highway 27 to the Kentucky-Tennessee State line.

(68) *Liquid chemicals*, in bulk, in tank vehicles, from the plant site of Nalco Chemical Company near Jonesboro, Ga., to points in Michigan, and points in Ohio in and north of Defiance, Henry, Wood, Seneca, Huron, Lorain, Medina, Summit, Portage, and Trumbull Counties.

(69) *Petroleum products*, in bulk, in tank vehicles, from points in Marshall County, Ala., to points in Florida in, east and south of Columbia, Gilchrist, and Levy Counties, and points in Kentucky in and east of Clinton, Russell, Casey, Marion, Nelson, Bullitt, and Jefferson Counties.

(70) *Nitric acid* and *additives*, liquid, in bulk, in tank vehicles, from Birmingham and McAdory, Ala., to points in New Jersey, Rhode Island, Michigan, Wisconsin, Ohio, and Minnesota.

(71) *Nitric acid and additives* (except cryogenic liquids), in bulk, in tank vehicles, from Birmingham and McAdory, Ala., to points in South Dakota, Iowa (except points in Appanoose, Davis, and Van Buren Counties, and Keokuk, Iowa), and points in Nebraska on and north of a line beginning at the Nebraska-Wyoming State line and extending along Interstate Highway 80 to the Lancaster County Boundary line, thence along said County Boundary line to the Gage County line, thence along the northern County lines of Gage, Johnson, and Nemaha Counties to the Nebraska-Missouri State line.

(72) *Nitric acid* and *additives* (except petroleum products and fertilizers), in bulk, in tank vehicles, from Birmingham and McAdory, Ala., to points in North Dakota.

(73) *Lime* and *limestone*, in bulk, from points in Jefferson County, Ala., to points in Illinois in and north of Adams, Brown, Morgan, Scott, Sangamon, Montgomery, Fayette, Clay, Richland, and Lawrence Counties, points in Indiana (except points in Posey, Vanderburgh, Warrick, Spencer, Pike, Gibson, and Knox Counties), and points in Kentucky in and east of Jefferson, Bullitt, Hardin, Hart, Barren, and Monroe Counties.

(74) *Petroleum products*, in bulk, in tank vehicles, from points in Jefferson County, Ala., to points in Kentucky in and east of Jefferson, Bullitt, Hardin, Hart, Barren, and Monroe Counties, and points in Sumter, Lee, Darlington, Marlboro, Dillon, Clarendon, Marion, Florence, Georgetown, Williamsburg, and Horry Counties, S.C.

(75) *Nitric acid* and *additives*, in bulk, in tank vehicles, from Birmingham and McAdory, Ala., to points in Illinois in and north of Adams, Brown, Morgan, Scott, Sangamon, Montgomery, Fayette, Clay, Richland, and Lawrence Counties, points in Indiana (except points in Posey, Vanderburgh, Warrick, Spencer,

Pike, Gibson, and Knox Counties), points in Kentucky in and east of Jefferson, Bullitt, Hardin, Hart, Barren, and Monroe Counties, and points in South Carolina in and east of Marlboro, Darlington, Lee, Sumter, Clarendon, Williamsburg, and Georgetown Counties.

(76) *Dimethyl-terephthalate* and *terephthalic acid*, in bulk, from the plant site of Amoco Chemicals Corporation at or near Decatur, Ala., to points in Florida in, east, and south of Columbia, Gilchrist, and Levy Counties.

(77) *Fertilizer solutions*, in bulk, from Decatur, Ala., to points in Florida in, east, and south of Columbia, Gilchrist, and Levy Counties, and points in Kentucky on and east of a line beginning at Maysville and extending along U.S. Highway 68 to Lexington, Ky., thence along U.S. Highway 27 to the Kentucky-Tennesse State line.

(78) *Coal, in bulk*, from Birmingham, Ala., to points in Kentucky in and east of Jefferson, Bullitt, Hardin, Hart, Barren, and Monroe Counties, points in Sumter, Lee, Darlington, Marlboro, Dillon, Clarendon, Marion, Florence, Georgetown, Williamsburg, and Horry Counties, S.C., points in Illinois in and north of Adams, Brown, Scott, Morgan, Sangamon, Montgomery, Fayette, Clay, Richland, and Lawrence Counties, and points in Indiana (except points in Posey, Vanderburgh, Warrick, Spencer, Pike, Gibson, and Knox Counties).

(79) *Liquid fertilizer*, in bulk, from Port Birmingham, Ala., to points in Kentucky in and east of Jefferson, Bullitt, Hardin, Hart, Barren, and Monroe Counties, points in Sumter, Lee, Darlington, Marlboro, Dillon, Clarendon, Marion, Florence, Georgetown, Williamsburg, and Horry Counties, S.C., points in Illinois in and north of Adams, Brown, Scott, Morgan, Sangamon, Montgomery, Fayette, Clay, Richland, and Lawrence Counties, and points in Indiana (except points in Posey, Vanderburgh, Warrick, Spencer, Pike, Gibson, and Knox Counties).

(80) *Liquid fertilizers* which are chemicals, in bulk, in tank vehicles, from Port Birmingham, Ala., to points in Ohio.

(81) Vegetable and animal oils and fats and blends thereof, in bulk, in tank vehicles, from Chicago, Ill., to Charlotte and Wilmington, N.C.

(82) *Liquid petro-chemicals*, in bulk, in tank vehicles, from points in Marshall County, Ala., to points in Michigan and points in Illinois in and north of St. Clair, Clinton, Marion, Clay, Richland, and Lawrence Counties.

(83) *Liquid chemicals* (except hydrofluosilic acid, such naval stores as are chemicals, crude tall oil, sulphate, black liquor skimmings, and liquid alum), in bulk, in tank vehicles, from Charleston, S.C., to points in Kentucky in and west of Clinton, Cumberland, Adair, Taylor, Marion, Washington, Nelson, Spencer, Shelby, Oldham, and Trimble Counties, and points in Tennessee in and west of Polk, McMinn, Meigs, Rhea, Cumberland, Fentress, and Pickett Counties.

(84) *Clay* and *clay surry*, in bulk, from points in Jefferson County, Ga., to points in Kentucky in and west of Lewis, Rowan, Menifee, Wolfe, Lee, Owsley, Clay, and Bell Counties.

(85) *Clay* and *clay surry*, in bulk, from points in Twiggs County, Ga., to points in West Virginia in, north, and west of Mingo, Logan, Boone, Kanawha, Clay, Braxton, Lewis, Harrison, Marion, and Monongalia Counties.

(86) *Clay* and *clay surry*, in bulk, from points in Wilkinson County, Ga., to points in West Virginia in, north, and west of Wayne, Cabell, Putnam, Jackson, Roane, Calhoun, Gilmer, Doddridge, Harrison, and Wetzel Counties.

(87) *Clay* and *clay surry*, in bulk, from points in Washington County, Ga., to points in Kentucky in and west of Bell, Clay, Owsley, Breathitt, Wolfe, Morgan, Elliott, Carter, and Boyd Counties.

(88) *Lime* and *limestone*, in bulk, from points in Shelby County, Ala., to points in Kentucky in and east of Monroe, Barren, Hart, and Hardin Counties, points in Illinois in and north of Adams, Brown, Scott, Morgan, Sangamon, Montgomery, Fayette, Clay, Richland, and Lawrence Counties, and points in Indiana.

(89) *Lime* and *limestone*, in bulk, from points in St. Clair County, Ala., to points in Kentucky in and east of Daviess, Ohio, Grayson, Edmonson, Barren, and Monroe Counties, and points in Illinois in and north of St. Clair, Clinton, Marion, Clay, Richland, and Lawrence Counties.

(90) *Dry cement*, in bulk, from the plant site of the Medusa Cement Company, Division of Medusa Corporation, at Clinchfield, Ga., to points in Tennessee in and west of Clairborne, Union, Knox, Loudon, McMinn, and Bradley Counties.

(91) *Liquid fertilizer*, in bulk, from the plant site of LiFerKo, Inc., located at or near Madison (Madison County), Ala., to points in North Carolina, Virginia, and points in Kentucky on and east of Interstate Hghway 75.

(92) *Clay*, in bulk, from points in Decatur County, Ga., to Kingsport, Tenn., points in Illinois, Indiana, Kentucky, points in Missouri on and north of U.S. Highway 60 and points in Tennessee in and west of Polk, McMinn, Loudon, Knox, Jefferson, Hamblen, and Hawkins Counties, and in and east of Henry, Benton, Humphreys, Hickman, Maury, Marshall, and Lincoln Counties.

(97) *Dry, ground limestone*, in bulk, from Cartersville, Ga., to points in Virginia (except points in Henry and Pittsylvania Counties and that part of Halifax County west of U.S. Highway 501).

(98) *Barium chloride* and *barium carbonate*, in bulk, from Cartersville, Ga., to points in Virginia (except points in Henry and Pittsylvania Counties and that part of Halifax County west of U.S. Highway 501).

(99) *Sodium silicate, potassium silicate, ammonium sulfide, sodium sulfhydrate*, and *orthodichlorobenzene*, liquid, in bulk, from Cartersville, Ga., to points in Virginia (except points in Henry and Pittsylvania Countes and that part of Halifax County west of U.S. Highway 501) and Kingsport and Elizabethton, Tenn.

(100) *Liquid animal feed* and *liquid animal feed supplements*, in bulk, from Bainbridge, Ga., to points in Kentucky, Indiana, and Illinois, and points in Missouri on and north of U.S. Highway 60.

The purpose of this filing is to eliminate the gateways of: the facilities of Bulk Distribution, Inc., at or near Chattanooga, Tenn., in all of the above; the plant site of the Velsicol Chemical Corporation and The Woodward Iron Company at or near Chattanooga, Tenn., in (22), (25), (26), (27), (29), (30), (34), (35), (39), (45), (50), (55), (70), (80), and (82) above; the plant site of the Apple River Chemical Company at or near Niota, Ill., in (36), (40), (51), (56), and (71) above; the facilities of The Philadelphia Quartz Company at or near LaSalle, Ill., in (31), (32), (37), (41), (44), (52), (57), (65), and (72) above; Atlanta, Ga., in (54)–(57), (62), and (83) above; points in Maury County, Tenn., in (68) above; the plant site of the Marquette Cement Manufacturing Company at Rockmart, Ga., in (90) above; and the plant site or sites of United Sierra Division, United Mines Corporation, at Macon, Ga., in (92) above.

No. MC 128383 (Sub-No. E89), filed June 26, 1974. Applicant: PINTO TRUCKING SERVICE, INC., 1414 Calcon Hook Road, Sharon Hill, Pa. 19079. Applicant's representative: Gerald K. Gimmel, 303 North Frederick Ave., Gaithersburg, Md. 20760. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *General Commodities* (except classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), between Logan International Airport at Boston, Mass., on the one hand, and, on the other, Baltimore-Washington International Airport in Anne Arundel County, Md.; Dulles International Airport in Fairfax and Loudoun Counties, Va.; Washington National Airport at Gravelly Point, Va.; La Guardia Airport at New York, N.Y.; and Newark Airport at Newark, N.J., restricted against the transportation of aircraft engines and parts from John F. Kennedy International Airport, La Guardia Airport, and Newark Airport, and restricted to the transportation of shipments having a prior or subsequent movement by air.

(2) *General Commodities* (except commodities in bulk, classes A and B explosives, motor vehicles, household goods as defined by the Commission, and commodities requiring special equipment), between Logan International Airport at Boston, Mass., on the one hand, and, on the other, points in Atlantic, Camden, Cape May, Cumberland, Gloucester, and Salem Counties, N.J.; points in Burlington County, N.J., south of Rancocas Creek; points in Chester, Delaware, Montgomery, and Philadelphia Counties, Pa.; and points in Bucks County, Pa., north and west of Pennsylvania Highway 232, restricted to the transportation of shipments having a prior or subsequent

movement by air; (3) *General Commodities* (except commodities in bulk, classes A and B explosives, household goods as defined by the Commission, and commodities requiring the use of special equipment), between Logan International Airport at Boston, Mass., on the one hand, and, on the other, points in Delaware, restricted to the transportation of shipments having a prior or subsequent movement by air; (4) *General Commodities* (except Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between Logan International Airport at Boston, Mass., on the one hand, and, on the other, points in Hanover, Henrico, Chesterfield, Isle of Wight, Nansemond, York, Roanoke, Franklin, Montgomery, Craig, Bedford, Botetourt, Accomack, and Northampton Counties, Va., and Richmond, Norfolk, Portsmouth, Virginia Beach, Chesapeake, Newport News, Hampton, Salem, and Roanoke, Va., restricted to the transportation of shipments having a prior or subsequent movement by air.

(5) *General Commodities* (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, between Logan International Airport at Boston, Mass., on the one hand, and, on the other, points in Allegheny, Erie, Pike, Washington, and Wyoming Counties, Pa., restricted to transportation of shipments having a prior or subsequent movement by air; (6) *General Commodities* (except Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), between Logan International Airport at Boston, Mass., on the one hand, and, on the other, Weir Cook Airport at Indianapolis, Ind.; Hopkins Airport at Cleveland, Ohio; and Vandalia Airport at Dayton, Ohio, restricted to transportation of shipments having a prior or subsequent movement by air; (7) *General Commodities* (except Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), between Logan International Airport at Boston, Mass., on the one hand, and, on the other, Miami International Airport at or near Miami, Fla.; Hartsfield International Airport at or near Atlanta, Ga.; and Douglas Municipal Airport at or near Charlotte, N.C., restricted to the transportation of shipments having a prior or subsequent movement by air, and restricted against the transportation of shipments moving to Miami International Airport at or near Miami, Fla., which have a subsequent movement beyond Miami, Fla., in foreign commerce.

(8) *General Commodities* (except Class A and B explosives, household goods as defined by the Commission, commodities in bulk and commodities requiring special equipment), between Detroit Metropolitan Airport at Detroit, Mich., and Chicago O'Hare International Airport at Chicago, Ill., on the one hand, and, on the other, Logan International Airport at Boston, Mass. The purpose of this filing is to eliminate the gateways of: The John F. Kennedy International Airport, New York, N.Y., in (1), (2), (3), (4), (5), (6), (7), and (8) above; and the Baltimore-Washington International Airport in Anne Arundel County, Md. in (4) above.

By the Commission.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.75-33255 Filed 12-9-75;8:45 am]

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Loan Area #1195]

CALIFORNIA

Declaration of Disaster Area

Los Angeles County, and adjacent counties within the state of California, constitute a disaster area because of damage resulting from a fire which occurred November 23–28, 1975. Eligible persons, firms and organizations may file applications for loans for physical damage until the close of business on February 2, 1976 and for economic injury until the close of business on September 3, 1976 at:

Small Business Administration, District Office, 350 S. Figueroa St., 6th Floor, Los Angeles, California 90071.

or other locally announced locations.

Dated: December 3, 1975.

LOUIS F. LAUN,
Acting Administrator.

[FR Doc.75-33177 Filed 12-9-75;8:45 am]

VETERANS ADMINISTRATION

VETERANS ADMINISTRATION WAGE COMMITTEE

Notice of Meetings

Pursuant to the provisions of section 10 of Pub. L. 92–463, notice is hereby given that meetings of the Veterans Administration Wage Committee will be held on:

Thursday, January 15, 1976
Thursday, January 29, 1976
Thursday, March 11, 1976
Thursday, March 25, 1976

The meetings will convene at 2:30 p.m. and will be held in Room 1144C, Veterans Administration Central Office, 810 Vermont Avenue, NW., Washington, D.C.

The Committee's primary responsibility is to consider and make recommendations to the Chief Medical Director, Department of Medicine and Surgery, on all matters involved in the development and authorization of wage rate schedules for Federal Wage System employees.

At these scheduled meetings, the Committee will consider wage survey specifications, wage survey data, local committee reports and recommendations, statistical analyses, and proposed wage schedules derived therefrom.

Under the provisions of section 10(d) of Pub. L. 92–463, the Federal Advisory Committee Act, meetings may be closed to the public when they are concerned with matters listed under section 552(b), Title 5, United States Code. Two of the matters so listed are those related solely to the internal personnel rules and practices of an agency (5 USC 552(b)(2)), and those involving trade secrets and commercial or financial information obtained from a person and privileged or confidential (5 USC 552(b)(4)).

Accordingly, I hereby determine that the meetings cited above will be closed to the public because the matters considered are related to the internal rules and practices of the Veterans Administration (5 USC 552(b)(2)), and the detailed wage data considered by the Committee during its meetings have been obtained from officials of private establishments with a guarantee that the data will be held in confidence (5 USC 552(b)(4)).

However, members of the public who wish to do so are invited to submit material in writing to the Chairman regarding matters believed to be deserving of the Committee's attention. Additional information concerning these meetings may be obtained by contacting the Chairman, Veterans Administration Wage Committee, Room 1175, 810 Vermont Avenue, NW., Washington, D.C.

Dated: December 4, 1975.

[SEAL] R. L. ROUDEBUSH,
Administrator.

[FR Doc.75-33222 Filed 12-9-75;8:45 am]

federal register

WEDNESDAY, DECEMBER 10, 1975

PART II:

SMALL BUSINESS ADMINISTRATION

■

BUSINESS LOAN POLICY

Guidelines

SMALL BUSINESS ADMINISTRATION

[13 CFR Part 120]

BUSINESS LOAN POLICY

Notice of Proposed Rulemaking

The Small Business Administration (SBA) is proposed amending its Business Loan Policy Regulations to:

1. Require Subsection (b) Lenders, commonly called Small Business Lending Companies (SBLCs), to maintain a liquidity reserve adequate to provide cash for operations and contingencies, and specify the eligible types of investments for idle funds;

2. Combine maintenance of records and preservation of records under one subsection of the Regulations;

3. Clarify the amount of fidelity bond coverage that is required for Subsection (b) Lenders; and

4. Add the accounting guidelines for Subsection (b) Lenders that were anticipated in Amendment 3, Revision 6 of Part 120 of SBA Regulations, which was adopted on February 21, 1975.

The accounting guidelines include (a) Audit Guide for Subsection (b) Lenders, (b) Guide for the Preparation of the Annual Report (SBA Form 1088) for Subsection (b) Lenders, and (c) System of Account Classification for Subsection (b) Lenders as Appendices A, B, and C, respectively, to Part 120 of SBA Regulations.

The Audit Guide is designed to assist the accountant in those areas that are distinctive to the Program, and does not attempt to identify specific procedures to be followed in the examination. Accordingly, the accountant will follow generally accepted auditing standards in performing the audit. The accountant's report is to be a short-form report as illustrated in the Guide.

The audit is to be an examination of the SBLC's financial statements. Accordingly, the statement contained in the Financial Report, Part I of SBA Form 1088, will be the basis of the accountant's opinion. The examination, however, is not expected to be extended to the schedules contained in the Management Report, Part II of SBA Form 1088.

The Guide for the Preparation of the Annual Report, SBA Form 1088, has been designed as a brief explanation of how the Annual Report, SBA Form 1088, is to be prepared and the source of the information reported. Although the format of the Annual Report is standardized, it is expected that only those statements and schedules that pertain to the company's operations should be included. The SBA Form 1088 has been designed to be a two-part report:

Part I—Financial Report.

Part II—Management Report.

The purpose of a two-part report is to distinguish between the primary financial information and the supporting analytical data. The Financial Report will contain the financial statements as audited by the SBLC's independent public accountant, the accountant's report, and notes to the financial statements. The Management Report is designed to present analytical data for Subsection (b) Lenders and is basic by design. It contains a brief statement of accounting principles and practices the lender is expected to follow, a chart of accounts, and a description of each account.

Prior to adoption of such amendments, consideration will be given to any comments that are submitted in writing, in triplicate, to the Associate Administrator for Finance and Investment, SBA, 1441 L Street, NW., Washington, D.C. 20416, on or before January 9, 1976.

Pursuant to the authority of 72 Stat. 387, as amended, 15 U.S.C. 636, sec. 572 Stat. 385, 15 U.S.C. 634, Part 120 of Chapter I of Title 13 of the Code of Federal Regulations is proposed to be amended as set forth below.

1. Sections 120.5(b) (6) and (7) are revoked. New §§ 120.5(b) (6) and (7) are added, paragraph (b) (8) (ii) is revised and appendices A, B, and C are added as follows:

§ 120.5 Operation of Eligible Participants.

* * * * *

(a) Special requirements applicable to Subsection (b) lenders.

* * * * *

(6) *Idle Funds.*

(i) *General.* Idle funds of a Subsection (b) Lender, commonly called a Small Business Lending Company (SBLC), may be invested in obligations of, or fully guaranteed as to principal and interest by, the United States; in insured accounts or certificates (up to the amount of the insurance) in any institution the investments or accounts of which are insured by the Federal Savings and Loan Insurance Corporation or the Federal Deposit Insurance Corporation.

Idle funds shall be invested in obligations that mature not later than one year after date of investment.

(ii) *Liquidity Reserve.* A Subsection (b) Lender (SBLC) shall maintain idle funds in such amounts as may be necessary to insure adequate liquidity and to provide cash for operations and contingencies as a minimum for contingencies shall be the aggregate of:

(A) Ten percent of the aggregate monthly amounts necessary to service the guaranteed portions sold or transferred.

(B) An amount equal to ten percent of the refundable portion of premiums on guaranteed portions sold or transferred.

(C) An amount adequate to fund fully all undisbursed portions of loan authorizations except any such undisbursed portions that are covered by firm commitments from other lenders to lend to the subsection (b) lender.

(7) *Maintenance and preservation of records.*

(i) *Maintenance of records.* A subsection (b) Lender shall maintain accurate and current financial records, including books of account, in accordance with Appendix C hereto. All financial records, minutes of meetings of stockholders, directors, executive committees, or other officials, and all documents and supporting materials relating to the said lender's transactions shall be maintained at its principal office, or at such other location as SBA may require: *Provided, however,* That securities held by a custodian pursuant to a written agreement shall be exempt from this requirement.

(ii) *Preservation of records.* Subsection (b) Lenders shall preserve, for the periods hereinafter specified and in a manner that permits the immediate location thereof, such documents which are the basis for financial statements required by section 120.7(b) (and of the accompanying independent public accountant's opinion), and shall:

(A) Preserve permanently—

(1) All general and subsidiary ledgers (or other records) reflecting asset, liability, capital stock and surplus, income, and expense accounts.

(2) All general and special journals (or other records forming the basis for entries in such ledgers); and

(3) The corporate charter, bylaws, application for determination of eligibility to participate with SBA, and all minute books, capital stock certificates or stubs, stock ledgers, and stock transfer registers.

(B) Preserve for at least six years following final disposition of the related loan—

(1) All applications for financing;

(2) Lending, participating, and escrow agreements;

(3) Financing instruments;

(4) All other documents and supporting materials relating to such loan, including correspondence.

Records and other documents referred to in this paragraph (7) may be preserved by microfilming: *Provided, however,* said lender shall cause a duplicate microfilm to be made on a current basis and stored separately from the original microfilm for the time required, and shall maintain at all times at its principal office, or at such other location as SBA may require, facilities for the projection and reproduction of the said microfilmed records.

* * * * *

(ii) *Fidelity insurance.* Each Subsection (b) Lender (SBLC) shall maintain a Brokers Blanket Bond, Standard Form 14, or Finance Companies Blanket Bond, Standard Form 15, or such other form of coverage as SBA may approve, executed by a surety holding a certificate of authority from the Secretary of the Treasury pursuant to 6 U.S.C. 6–13. The minimum amount of a fidelity bond acceptable to SBA shall be based upon the total amount of the assets of the Subsection (b) Lender as follows:

Assets:	Minimum Coverage
Up to $500,000	$25,000
$500,001 to $750,000	40,000
$750,001 to $1,000,000	50,000
$1,000,001 to $2,000,000	75,000
$2,000,001 to $3,000,000	100,000
$3,000,001 to $4,000,000	125,000
$4,000,001 to $5,000,000	150,000
$5,000,001 to $7,500,000	175,000
$7,500,001 to $10,000,000	200,000
$10,000,001 and over	(1)

(1) $200,000 plus $10,000 for each $1 million or fraction thereof over $10 million, except that no SBLC shall be required to provide and maintain a fidelity bond in an amount greater than $1 million.

Appendix A, Audit Guide for Subsection (b) Lenders, provides additional details concerning the fidelity bond requirements.

AUDIT GUIDE FOR SMALL BUSINESS LENDING COMPANIES

TABLE OF CONTENTS

I. Introduction:
- A. Statement of Policy.
- B. Purpose of the Audit Guide.
- C. Application of the Audit Guide.

II. Small Business Lending Companies:
- A. Background.
- B. Regulations.

III. Reporting Requirements:
- A. Financial Report.
- B. Report on Effectiveness of Internal Control.
- C. Reporting Irregularities.
- D. SBLCs Registered with the SEC.
- E. Special Management Reports.

IV. Qualification and Selection of Auditor:
- A. Qualification of Accountants.
- B. Independence.
- C. Selection of the Auditor.

V. Scope of Audit:

VI. Independent Accountant's Report:
- A. Report Format.
- B. Opinion.
- C. The Accountant's Workpapers.

VII. Other Matters:
- A. Liquidity Reserve.
- B. Participation Agreements.
- C. Reserve for Losses.

VIII. Fidelity Bond:
- A. Need for Bond.
- B. Type of Bond.
- C. Coverage.
- D. Cancellation and Claims by the SBLC.

IX. Financial Statements:
- A. Balance Sheet.
- B. Statement of Income and Retained Earnings.
- C. Statement of Changes in Financial Position.
- D. Notes to Financial Statements.

I. INTRODUCTION

A. *Statement of Policy.*—The independent public accountant engaged to examine the financial statements of a Small Business Lending Company (SBLC) is responsible to insure that the audit is made in accordance with generally accepted audited standards as expressed by the American Institute of Certified Public Accountants (AICPA) in its *Statement on Auditing Standards* (SAS). The auditor will also follow the provisions of this Guide as well as the Audit Guide for finance companies, *Audits of Finance Companies*, to the extent applicable which was issued by the AICPA and was effective for fiscal years beginning after December 31, 1973.

In carrying out the stated policies of SBA, independent public accountants engaged in the practice of public accounting are expected to participate in their localities in the audit program of SBLCs.

This Audit Guide for SBLCs (Audit Guide) was prepared by the Small Business Administration (SBA). Any inquiries or comments relating to the examination of financial statements of SBLCs or to auditing and reporting procedures should be directed to the Chief Accountant, Finance and Investment, Small Business Administration, 1441 L Street, NW., Washington, D.C. 20416.

B. *Purpose of the Audit Guide.*—The Audit Guide has been written primarily to assist auditors of SBLCs in their financial examinations by focusing on matters that are unique to the SBLC program. This Guide is not intended to be a substitute for the accountant's professional judgement as to the work required to meet generally accepted auditing standards.

C. *Application of the Audit Guide.*—SBLCs and their independent accountants are to follow the provisions of this Audit Guide and related accounting and reporting guidelines.

SBLCs will vary as to size of operation and lending experience. Publicly traded SBLCs will be subject to the rules and regulations of the Securities & Exchange Commission (SEC) as well as SBA Regulations. Inasmuch as the SEC promulgates accounting and reporting requirements for business entities under its jurisdiction, SBA may waive certain accounting and reporting requirements contained herein which duplicate SEC requirements.

II. SMALL BUSINESS LENDING COMPANIES

A. *Background.*—In accordance with the Small Business Act of 1953, as amended, SBA is empowered to make loans to small business concerns and such loans may be made or effected either directly or in cooperation with banks *or other lending institutions* (emphasis added). Sections 120.4-7 of the SBA Regulations are designed to provide the eligibility standards and operational guidelines for "other lending institutions" that are approved by SBA to the SBLCs. To aid the expanding capital needs of small business, SBLCs are to be corporations organized to participate in making and servicing SBA guaranteed loans to small business concerns. Such loans may be made under the provisions of any of SBA's financial assistance loan programs and as such will be subject to existing limitations on loan size and extent of SBA guarantee. SBLCs by definition are lending institutions that are not subject to supervisory control of State or Federal chartering, licensing or comparable regulatory authority.

B. *Regulations.*—Part 120 of SBA Regulations implements the Small Business Act of 1953, as amended, and applies to SBLCs. Included in Part 120 are three appendices:

Appendix	Title
A	Audit guide for SBLC's.
B	Guide for annual report.
C	System of account classification.

III. REPORTING REQUIREMENTS

A. *Financial Report.*—The Small Business Administration requires SBLCs to have their financial statements examined annually by independent public accountants approved by SBA. The annual audit shall be performed as of the close of the SBLCs fiscal year.

Three copies of the accountant's report which is to be based on the Financial Statements prepared in the format contained in Part I, SBA Form 1088, shall be submitted to SBA by the SBLC as soon as practicable after completion and no later than the last day of the third month following the close of the period covered by the audit. Attached to the report should be a copy of any transmittal letter, special reports, or similar communications furnished to the SBLCs by the auditor. If adjusting entries are furnished to the SBLC, they should be submitted to SBA.

The reporting requirements are more fully explained in Appendix B, Guide for the Preparation of Annual Report.

B. *Report on Effectiveness of Internal Control.*—A review of internal control is a significant procedure in the scope of any financial examination. Each SBLC is required to establish and maintain effective control over its securities, funds, and equipment. Dual control over disbursement of funds, withdrawal of securities from safekeeping, and segregation of duties of employees represent key features of such arrangements.

In determining the scope of the independent accountant's examinations, the effectiveness of internal control procedures must be tested. Therefore, it is important that the accountant set forth in a letter report his observations on the effectiveness of internal control together with any suggestions he might have for improvement. Such letter report is to accompany the audited financial report, Part I of SBA Form 1088.

C. *Reporting Irregularities.*—The independent public accountant shall promptly inform a responsible official of the SBLC and the Associate Administrator for Finance and Investment, Small Business Administration, 1441 L Street, N.W., Washington, D.C. 20416 concerning apparent defalcations or other financial irregularities that may come to his attention in connection with his examination. Based on available information, he will indicate the nature and extent of such defalcations or other irregularities.

D. *SBLCs Registered with the SEC.*—Concerning SBICs that are registered with the SEC, additional reports may be required by SEC. Any report submitted by an SBLC to the SEC shall also be submitted to the Associate Administrator for Finance and Investment, Small Business Administration, 1441 L Street, N.W., Washington, D.C. 20416.

E. *Special Management Reports.*—Frequently, the independent public accountant will render special reports to the SBLC's management. Examples are reports on evaluation of management controls and practices. A copy of such reports shall also be promptly submitted by the SBLC to the Associate Administrator for Finance and Investment, Small Business Administration, 1441 L Street, N.W., Washington, D.C. 20416.

IV. QUALIFICATION AND SELECTION OF AUDITOR

A. *Qualification of Accountants.*—SBA will not recognize any person as a certified public accountant who is not duly registered and in good standing as such under the laws of the place of his residence or principal office. SBA will not recognize any person as a public accountant who is not in good standing and who was not entitled to practice as such on or before December 31, 1971, under the laws of the place of his residence or principal office.

B. *Independence.*—Accountants approved by SBA as auditors of an SBLC are to follow the code of professional ethics adopted by the American Institute of CPA's. SBA will not recognize any certified public accountant or public accountant as independent who is not in fact independent. In determining whether an accountant may in fact not be independent with respect to a particular SBLC, appropriate consideration will be

given to all relevant circumstances, including evidence bearing on relationships between the accountant and such SBLC or any affiliate thereof.

Accordingly, an accountant or a firm of which he is a partner or shareholder shall not express an opinion on financial statements of an SBLC unless he and his firm are independent with respect to such SBLC. Independence will be considered to be impaired if, for example:

1. During the period of his professional engagement, or at the time of expressing his opinion he or his firm:

a. Had or was committed to acquire any direct or indirect financial interest in the SBLC; or

b. Had any joint closely held business investment with the SBLC or any officer, director, or principal stockholder thereof which was material in relation to his or his firm's net worth; or

c. Had any loan to or from the SBLC or any officer, director, or principal stockholder thereof.

2. During the period covered by the financial statements, during the period of the professional engagement or at the time of expressing an opinion, he or his firm:

a. Was connected with the SBLC as a promoter, underwriter or voting trustee, a director or officer or in any capacity equivalent to that of a member of management or of an employee;

b. Performed bookkeeping services or did "writeup work" for the SBLC; or

c. Was a trustee of any trust or executor or administrator of any estate if such trust or estate had a direct or material indirect financial interest in the SBLC; or was a trustee for any pension or profit-sharing trust of the SBLC.

C. *Selection of the Auditor.* The responsibility for selecting the independent accountant is vested in the SBLC's Board of Directors. Unless otherwise advised by SBA, qualifying as an independent public accountant, as explained above, may be considered as having SBA approval to perform the annual audit (financial examination) upon selection by the Board, and the filing with SBA by such accountant of an executed IPA Certification, SBA Form 1084, certifying as to his qualification and independence. In the case of licensed public accountant(s), a summary of experience and qualifications is to be submitted.

It is strongly recommended that the Board give thorough consideration each year to the matter of selecting the public accountant to perform that year's audit. The Board under this policy selects an accountant with whom it agrees as to the scope of the engagement and basis of compensation. Notification to SBA is not necessary when the same accountant or accountants are retained for successive years. Notifications of the Board's selection will be furnished to the Chief Accountant, Finance and Investment, Small Business Administration, 1441 L Street, N.W., Washington, D.C. 20416. Such notification should include a complete explanation of why the old accountant was released and why the new accountant was retained.

The account released from the audit engagement is also to furnish the Chief Accountant a full explanation as to why he or his firm was released from the engagement.

Chief Accountant
Finance and Investment
Small Business Administration
1441 L Street, N.W.
Washington, D.C. 20416

IPA CERTIFICATION

Gentlemen:

I (we) have been selected by the Board of Directors of

_____
(Name of Small Business Lending Company)

_____ _____
(Address of SBLC's principal office) (Zip Code)

to conduct an annual examination of the SBLC's financial statements as of _____, 19__. In accordance with the provisions of Item IV of the SBA Audit Guide for SBLCs, (Check One):

☐ Independent* certified public accountant (or firm of CPAs)

☐ Independent* licensed public accountant (or firm of licensed PAs).

I certify that this accountant (or firm of public accountants) is authorized to practice in, and is in good standing under the laws of the state or other jurisdiction in which the principal office of the SBLC is located, and accordingly, qualified to perform the annual audit of the above named SBLC.

_____ _____
(Date) (Signature of individual practitioner or principal, if applicable)

_____ _____
(Date) (Signature of partner of accounting firm, if applicable)

_____
(Name under which individual practitioner or accounting firm is doing business)

_____ _____
(Business Address) (Zip code)

*Independent within the meaning of this term as used by the Small Business Administration. SBA will not recognize any public accountant as independent who is not in fact independent. For example, an accountant will be considered not independent with respect to any SBIC with which he has, or had during the period covered by the audit (financial examination), any direct financial interest or any material indirect financial interest; or with which he is, or was during such period, connected as a promoter, underwriter, voting trustee, investment adviser, director, officer, or employee, or in the capacity of rendering bookkeeping services.

SBA Form 1084

V. SCOPE OF AUDIT

The independent public accountant's audit is to be an examination of the SBLC's financial statements in accordance with generally accepted auditing standards as expressed by the AICPA. The auditor is to make an examination of the SBLC's financial statements that constitute Part I, SBA Form 1088 with the view toward expressing an opinion as to whether the financial statements present fairly financial position, results of operation, and changes in financial position in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year. The audit is not to be a "compliance audit" in the sense that the independent accountant is expressing an opinion as to whether the SBLC is operating in accordance with the Act and Part 120 of SBA Rules and Regulations.

Management is responsible for the preparation of the SBA Form 1088. All audit adjustments will be recorded in the SBLC's records before completion of the audit report so that financial statements accompanying the report will agree with the books as adjusted as of the statement date, giving consideration to reclassifications of account balances for report purposes.

VI. INDEPENDENT ACCOUNTANT'S REPORT

A. *Report Format.*—The independent accountant's report will be a "short-form report" as set forth in Section 500 of the SAS issued by the AICPA. The financial statements that constitute Part I of the Annual Reports, SBA Form 1088, will accompany the auditor's report as well as footnotes necessary to achieve full disclosure. The accountant's report shall be dated, signed, and will indicate city and state where issued.

B. *Opinion.*—The account's report will state clearly: (1) the opinion of the accountant in respect of the financial statements covered by the report and the accounting principles reflected therein; and (2) the opinion of the accountant as to the consistency of the application of the accounting principles, or as to any changes in such principles which have a material effect on the financial statements. Any matters to which the accountant takes exception shall be clearly identified, the exception thereto specifically and clearly stated, and, to the extent practicable, the effect of each such exception on the related finanial statements given.

C. *The Accountant's Workpapers.*—As a normal practice, the SBA Examiners review the accountant's workpapers in determining the scope of the SBA compliance examination. Therefore, the agreement between the SBLC and the accountant whereby the accountant is engaged to perform the audit (financial examination) must provide that the accountant's workpapers will be made available for review upon request from SBA.

VII. OTHER MATTERS

The independent accountant should satisfy himself that accounts not specifically mentioned in this audit guide are maintained in accordance with generally accepted accounting principles and audited in accordance with generally accepted auditing standards for finance companies or other commercial enterprises.

A. *Liquidity Reserve.*—The liquidity reserve, although not a funded reserve, is an amount of idle funds available to satisfy contingent items that may occur.

Section 120.5(b)(6) specifies the minimum amount of idle funds that should be maintained and the type of contingencies to be covered.

The auditor should satisfy himself that the funds are unrestricted and unencumbered.

B. *Participation Agreements.*—When a lending institution other than a bank is determined to be an eligible participant, SBA will enter into a participation agreement, SBA Form 1083, with the lender. This is a contractual arrangement between the central office of SBA and the SBLC and as long as this agreement is in effect, the SBLC may present loans to SBA District Offices for guarantee.

In addition to the participation agreement, the SBLC must execute with the district office with which it will be doing business the standard guarantee agreement (SBA Form 750 or 751).

Included in these agreements are certain covenants requiring action or performance by the SBLC, e.g. within five days of the first disbursement on account of each loan, lender (SBLC) shall pay SBA a one-time guaranty fee amounting to one percent of the total amount guaranteed by SBA. Noncompliance by the SBLC with the provisions of these guarantee agreements may result in SBA refusing to honor the guaranty in the event of a subsequent default by the borrower. The auditor should perform those audit steps considered necessary to determine that material contingent liabilities do not exist as a result of noncompliance by the SBLC with the guaranty agreements.

C. *Reserve for Losses.*—As explained in Sec. 120.5(b)(5) of SBA Regulations, the SBLC is required to maintain a reserve in the amount of anticipated losses on receivables and on the SBLC's share of all outstanding loans. Also, Item II. B. of Appendix C provides additional information on reserves for losses. The auditor should recognize that SBA does not require assets to be segregated and a funded reserve be maintained. Rather, the SBLC is considered to be in compliance with Sec. 120.5(b)(5) if the SBLC establishes an accounting reserve for anticipated losses on receivables, loans and assets acquired in liquidation of loans that are based on management's evaluation of the collectibility of such items and the reserves are considered materially adequate in the judgment of the auditor.

VIII. FIDELITY BOND

A. *Need for Bond.*—The Fidelity Bond requirements are set forth herein principally for the guidance of the SBLC in meeting its obligation to conform to such requirements.

Each SBLC shall obtain and maintain a Fidelity Bond, which must be executed by a Surety holding a certificate of authority from the Secretary of the Treasury pursuant to Section 6-13 of Title 6 of the United States Code as an acceptable Surety on Federal Bonds. Each officer and employee who has control over or access to cash, securities, or other property of the SBLC shall be covered by such Fidelity Bond. The form of Bond must meet the provisions or paragraphs B through D below.

B. *Type of Bond.*—The Fidelity Bond may be issued on a "Discovery" or "Loss-Sustained" basis. Each Bond shall contain minimum coverage equivalent to Insuring agreements (A) Fidelity, (B) On Premises, and (C) In Transit provided in Finance Companies Blank Bond Standard Form 14 and 15. Equivalent insurance coverage, as previously stated, constitutes satisfactory coverage. Insuring Agreements covering (D) Forgery or Alteration, (E) Securities, and (F) Counterfeit Currency, Misplacement Coverage, and Electronic Data Processing Coverage are not required. The Bond shall also contain a rider or endorsement providing that the Surety will notify the SBA, Associate Administrator for Finance and Investment, 1441 L Street NW., Washington, D.C. 20416, of its intent to cancel the Fidelity Bond at least 30 days in advance of the effective date of cancellation. At the option of the SBLC, a loss deductible clause not to exceed $1,000 will be permissible under all of the insuring agreements.

An SBLC may be covered as a joint insured under a Fidelity Bond if the coverage meets the above requirements.

C. *Coverage.*—The minimum amount of fidelity bond for each SBLC acceptable to SBA shall be $25,000. The amount of fidelity bond acceptable to SBA shall be based upon the total amount of the assets of the SBLC as follows:

Assets:	Minimum Coverage
Up to $500,000	$25,000
$500,001 to $750,000	40,000
$750,001 to $1,000,000	50,000
$1,000,001 to $2,000,000	75,000
$2,000,001 to $3,000,000	100,000
$3,000,001 to $4,000,000	125,000
$4,000,001 to $5,000,000	150,000
$5,000,001 to $7,500,000	175,000
$7,500,001 to $10,000,000	200,000
$10,000,001 and over	(1)

[1] $200,000 plus $10,000 for each $1 million or fraction thereof over $10 million, except that no SBLC shall be required to provide and maintain a fidelity bond in any amount greater than $1 million.

D. *Cancellation and Claims by the SBLC.*—Each SBLC, at least 30 days prior to making any request to the Surety to terminate or cancel such bonds, shall notify SBA in writing of its intent to terminate or cancel the bond. Each SBLC shall notify SBA immediately in writing of any claim for loss filed under the bond with the Surety. Such notifications to SBA shall be by certified mail addressed to the Associate Administrator for Finance and Investment, Small Business Administration, 1441 L Street, N.W., Washington, D.C. 20416.

IX. FINANCIAL STATEMENTS

The primary financial statements of SBLCs include a Balance Sheet, Statements of Income and Retained Earnings, and a Statement of Changes in Financial Position. Such statements constitute the Financial Report, Part I of SBA Form 1088, and are required to be presented in the prescribed format. Appendix B provides additional instructions for the preparation of the Annual Report, SBA Form 1088. The following is a brief description of the financial statements and standard notes.

A. *Balance Sheet.*—The Balance Sheet is presented in a conventional format. Because of their significance, loans and assets acquired in liquidation of loans are shown as separate categories of assets.

B. *Statement of Income and Retained Earnings.*—The Statement of Income and Retained Earnings is designed in a conventional format, although it includes considerable detail on revenue and expense data by functional categories. Earnings per share is computed and retained earnings is determined. Accounting principles Board Opinion No. 9, *Reporting Results of Operations*, contains the applicable principles expressed by the AICPA.

C. *Statement of Changes in Financial Position.*—The Statement of Changes in Financial Position includes all changes in financial position resulting during the fiscal year. The objectives of this statement are (1) to summarize the financing and investing activities of the SBLC, including the extent to which the SBLC has generated cash and invested idle funds, and (2) to complete the disclosure of changes in financial position during the period. Accounting Principles Board

Opinion No. 19, *Reporting Changes in Financial Position*, contains the applicable principles expressed by AICPA.

D. *Notes to Financial Statements.*—Included in the Notes to the Financial Statements will be information considered necessary to achieve full disclosure in accordance with generally accepted accounting principles.

APPENDIX B—ANNUAL REPORT FOR SMALL BUSINESS LENDING COMPANIES

TABLE OF CONTENTS

I. Introduction:
- A. Statement of Policy.
- B. Purpose.
- C. Organization of the Annual Report.
- D. Reporting Requirements.
- E. Accounting and Reporting Policies.
- F. Management Certification.

II. Financial Report:
- A. General.
- B. Independent Accountant's Report.
- C. Balance Sheet.
- D. Statement of Income and Retained Earnings.
- E. Statement of Change in Financial Position.
- F. Notes to Financial Statements.

III. Management Report:
- A. General.
- B. Coversheet.
- C. Content of Report.
- D. Size and Classification (Schedule 1).
- E. Overview of SBLC's Operations (Schedule 2).
- F. Schedule of Portfolio Serviced (Schedule 3).
- G. Schedule of Assets Acquired in Liquidation of Loans (Schedule 4).
- H. Schedule of Loans Sold During the Period (Schedule 5).
- I. Schedule of Commitments and Unfunded Loans to SBC's (Schedule 6).
- J. Schedule of Delinquencies Aged (Schedule 7).
- K. Schedule of Allowance for Losses (Schedule 8).
- L. Schedule of Cash and Invested Idle Funds (Schedule 9).
- M. Schedule of Liquidity Reserve (Schedule 10).
- N. Schedule of Capital Stock of SBLC (Schedule 11).
- O. Schedule of Options on SBLC's Capital Stock (Schedule 12).
- P. Schedule of Management and Ownership (Schedule 13).

I. INTRODUCTION

A. *Statement of Policy.*—Small Business Lending Companies (SBLCs) approved by the Small Business Administration (SBA) are required to submit to SBA annual reports and interim reports when required. Such reports will be submitted on SBA Form 1088 and will be prepared in accordance with the instructions in this guide and generally accepted accounting principle.

This guide was prepared by SBA. Inquiries or comments relating to these instructions or the Annual Report, SBA Form 1088, should be directed to the Chief Accountant, Finance and Investment, 1441 L Street NW., Washington, D.C. 20416.

B. *Purpose.*—This guide (Appendix B) provides instructions for the preparation of the Annual Report, SBA Form 1088. The report and related instructions have been prescribed to provide standard reporting requirements and to ensure that uniform and comparable data is submitted to SBA by all SBLCs in a timely manner.

C. *Organization of the Annual Report.*—The Annual Report is comprised of two parts: Financial Report (Part I) and Management Report (Part II). The Financial Report includes the SBLCs financial statements, and will be the basis for the independent accountant's opinion. Such statements will present financial position, results of operations, and changes in financial position. Also included will be appropriate notes to the financial statements necessary to achieve full disclosure. The Management Report contains supplementary data on the SBLC's operations which is unaudited.

D. *Reporting Requirements.*—1. *Annual Report (SBA Form 1088).*—Three copies of the Annual Report shall be submitted to SBA by the SBLC as soon as practicable after completion and no later than the last day of the third month following the close of the SBLC's fiscal year.

The financial report shall be prepared in the prescribed format and shall accompany the accountant's report. Attached to each copy of the Financial Report should be a copy of any transmittal letter, special reports, or similar communications furnished to the SBLC by the auditor. If adjusting entries are furnished to the SBLC with the report, they should be submitted to SBA.

The Management Report will be submitted with the Financial Report and both will accompany, and be covered by, the certification.

2. *Interim reports.*—Upon request, SBLCs will submit to SBA either the complete SBA Form 1088 or a part thereof; i.e., the financial report or the management report. Such reports are considered interim in that they cover less than a full year of operations and financial report is not audited by the SBLCs independent accountant. Accordingly, such interim reports are in addition to, not in lieu of, the annual report.

3. *Regulated SBLCs.*—Concerning SBLCs that are registered with the Securities and Exchange Commission (SEC), additional reports may be required by SEC. It should be noted that any report submitted to SEC shall also be submitted to SBA.

4. *Where to submit reports.*—All reports rendered to SBA are to be submitted to the Associate Administrator for Finance and Investment, Small Business Administration, 1441 L Street, N.W., Washington, D.C. 20416.

E. *Accounting and Reporting Policies.*—Except as expressly required in Appendix C, SBLCs are to follow generally accepted accounting principles as set forth by the accounting Standards Board (FASB) and its predecessor groups.

A primary objective to be kept in mind is that the information reported should be disclosed in a manner that will cause the data to be understandable and useful to the reader and at the same time achieve a fair presentation. Accordingly, there shall be adequate footnote disclosure so as to make the statements not misleading. A certification by the authorized corporate official of the SBLC as to completeness and reliability will be required on all statements other than those containing an independent accountant's opinion.

The schedules in Part II of this report are designed to cover a variety of situations. The preparer of the report, however, should recognize that when a particular schedule does not apply to the SBLCs' operations, the schedule should be omitted. However, when the schedules are omitted, their omission shall be indicated by attachment to the management certification at the beginning of the report.

F. *Management Certification.*—The certification of the Annual Report, SBA Form 1088, shall bear the signature of the chief financial officer of the SBLC, or other officer authorized by the board of directors to sign in the event the chief financial officer is unavailable. The Corporate Secretary of the SBLC shall attest by signature to the fact that the minutes of a meeting of the board of directors show that the Annual Report, SBA Form 1088, has been reviewed and approved by the board of directors. The date on which each signature is affixed shall be shown. All signatures on all copies of the Annual Report, SBA Form 1088, submitted to SBA shall be original signatures in ink.

SMALL BUSINESS ADMINISTRATION

WASHINGTON, D. C.

Report of Financial &
Management Data
For Approved
Small Business Lending Companies

Period ended _____, 19___

_____
(Full name of reporting SBLC)

_____
(Street address)

_____
(City and state)

CERTIFICATION*

I, the undersigned Chief Financial Officer of the _____
(Full name of reporting SBLC)
do certify that this report and all schedules and supporting documents which are submitted herewith (including both Parts I and II of SBA Form 1088) have been prepared under my direction; that I have carefully examined them and declare that they correctly reflect the accounts and records of the company which are maintained in accordance with the System of Account Classification prescribed by SBA, and to the best of my knowledge and belief, are a complete and accurate statement, after adjustment to reflect full accruals.

Date _____, 19__ _____
(Signature)

_____
(Title)

VERFICATION*

I hereby attest that the minutes of the meeting of the Board of Directors of the _____ on _____, 19___, show
(Full name of reporting SBLC)
that the Board, at such meeting, reviewed and approved Parts I and II of SBA Form 1088 of such company for the period ended _____, 19___, covered by the above certification of the Chief Financial Officer.

Date: _____, 19___ _____
(Secretary)

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* Title 18 U.S.C. Sec. 1001 and Criminal Procedure, makes it a criminal offense subject to a maximum fine of $10,000 or imprisonment for not more than 5 years, or both to knowingly and willfully make or cause to be made any false or fraudulent statements or representations in any matter within jurisdiction of any agency of the United States. Title 15, Section 645(a) subjects to punishment by fine and/or imprisonment any person making a false statement or willfully overvaluing any security, for the purpose of obtaining for himself or another any loan, extension thereof, or the acceptance, release or substitution of security therefore, or for the purpose of influencing in any way the action of SBA, or for the purpose of obtaining money or anything of value.

SBA Form 1088 (9/75) RD: Appendix B

II. FINANCIAL REPORT

A. *General.*—The Financial Report (SBA Form 1088, Part I) is designed to present the SBLC's financial statements as audited by the independent public accountant. Accordingly, the statements are based on the transactions recorded in the accounts. This Appendix contains standard formats and suggested notes of disclosure. The preparer of this report should keep in mind that the amounts are to be rounded to the nearest dollar.

B. *Independent Accountant's Report.*—The Accountant's Report is to be a short-form report and it is expected to contain an unqualified opinion. Such opinion should be expressed on the financial statements contained in Part I of SBA Form 1088 and not on separate statements. For further information on the Accountant's Report, see Appendix A, *Audit Guide for SBLCs.*

The following sample accountant's report is included for illustrative purposes and is not intended to cover the various situations that may arise in practice.

STEIN & STEIN, CPA's,
222 Carmichael Avenue,
Washington, D.C. 20016.

To: The Stockholders and Board of Directors of Becker Finance Company.

We have examined the balance sheet of Becker Finance Company as of December 31, 19—, and the related statements of income and retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the financial position of Becker Finance Company at December 31, 19—, and the results of its operations and the changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

March 28, 19—.

STEIN & STEIN.

C. *Balance Sheet.*—The Balance Sheet is designed to measure the SBLC's financial position as of the statement date in a conventional format. After the first year of operation, the Balance Sheet is to be on a comparative basis.

The following Statement Format is to be used by all SBLCs.

Name of SBLC: _____

Balance Sheet

As of _____, 19___

ASSETS

Current Assets			
1. Cash		$	
2. Invested Idle Funds			$
3. Notes and Accounts Receivable	$		
4. Accrued Interest Receivable		$	
5. Less: Allowance for Losses			
6. Other Current Assets			
7. Total Current Assets			$
Loans			
8. Loans, at Cost	$		
9. Less: Unearned Fees	$		
10. Allowance for Losses			
11. Total Loans			
Assets Acquired in Liquidation of Loans			
12. Assets Acquired, At Cost	$		
13. Less: Allowances for losses	$		
14. Accumulated Depreciation			
15. Total Assets Acquired			$
Other Assets			
16. Funds in Escrow		$	
17. Furniture & Equipment	$		
18. Less: Accumulated Depreciation			
19. Deferred Charges			
20. Other Assets			
21. TOTAL ASSETS			$

LIABILITIES & STOCKHOLDERS EQUITY

Current Liabilities			
22. Accounts & Notes Payable		$	
23. Accrued Interest Payable			
24. Income Taxes Payable			
25. Dividends Payable			
26. Other Current Liabilities			
27. Total Current Liabilities			$
Long-Term Debt			
28. Notes and Debentures payable		$	
29. Other Long-term Debt			
30. Total Long-Term Debt			
Other Liabilities			
31. Trust Receipts		$	
32. Deferred Credits			
33. Other Liabilities			
34. Total Other Liabilities			
35. TOTAL LIABILITIES			$
Stockholders Equity:			
36. Capital Stock	$		
37. Paid-in Surplus		$	
38. Less: Treasury Stock			
39. Paid-in Capital Stock and surplus		$	
40. Retained Earnings			
41. Stockholders Equity			
42. TOTAL LIABILITIES & STOCKHOLDERS EQUITY			$

SBA Form 1088, Part I (9/75)

D. *Statement of Income and Retained Earnings.*—The Statement of Income and Retained Earnings is designed to measure the SBLCs' results of operations as well as changes in retained earnings in accordance with APB No. 9.

Revenue is classified according to source such as interest income, fees for processing applications, consulting and other income as well as gain or loss on sale of guaranteed portions of loans. Expenses are grouped according to renumeration, initiating and servicing costs, other costs and provisions for probable losses. Also, earnings per share is to be measured.

The Statement Format is to be used by all SBLCs is as follows:

Name of SBLC: _____

Statement of Income Retained Earnings

For _____ months ended _____, 19__

REVENUE:			
1. Interest Income			$
2. Application and Processing Fees			
3. Loan Servicing Fees			
4. Consulting and Other Income			
5. Sale of Guaranteed Portion of Loans		$	
6. Less Cost of Loans Sold			
7. TOTAL REVENUE			$
EXPENSES:			
Remuneration			
8. Interest Expense	$		
9. Salary Expenses			
10. Employee Expense			
11. Consulting Services			$
Initiating & Servicing Costs			
12. Advertising and Promotion	$		
13. Appraisal and Investigation			
14. Guarantee Fee			
15. Communication			
16. Legal			
17. Travel Expense			
Other Costs			
18. Rent Expense	$		
19. Depreciation & Amortization Expense			
20. Audit & Examination Expense			
21. Insurance Expense			
22. Miscellaneous Expense			
Provision for Probable Losses			
23. Receivables	$		
24. Loans			
25. Assets Acquired			
26. TOTAL EXPENSES			
27. NET INCOME BEFORE TAXES			$
28. Provision for Current Income Taxes		$	
29. Deferred Charge (Credit) to Future Taxes			
30. NET INCOME (LOSS)			$
31. Retained Earnings at Beginning of Period			
32. Less: Dividends Declared			( )
33. Retained Earnings at End of Period			$
34. Net Income Per Share			$
35. Net Income Per Share Assuming Full Dilution			$

SBA Form 1088, Part I (9/75)

E. Statement of Change in Financial Position.—The Statement of Change in Financial Position is patterned after the requirements of Accounting Principles Board Opinions No. 19. After the first year of operations, the statement should be on a comparative basis.

The statement format to be used by all SBLCs is as follows:

Name of SBLC: _____

STATEMENT OF CHANGES IN FINANCIAL POSITION

For _____ months Ended _____, 19___

SOURCE OF FUNDS

1.	From Net Income	$ _____
2.	Add: Depreciation, amortization, provision for losses, deferred income taxes, etc.	_____
3.	Total funds provided by operations	$ _____
4.	Proceeds from Sale of Loans	_____
5.	Other Decreases in Loans	_____
6.	Proceeds from Sale of Assets Acquired	_____
7.	Other Decrease in Assets Acquired	_____
8.	Decrease in Current Assets (Excluding Cash and Invested Idle Funds)	_____
9.	Decrease in Other Assets	_____
10.	Increase in Current Liabilities	_____
11.	Increase in Long-term Debt	_____
12.	Increase in Other Liabilities	_____
13.	Increase in Stockholders' Equity	_____
14.	Other _____	_____
15.	Total Funds Provided	_____

APPLICATION OF FUNDS

16.	Investment in Loans	$ _____
17.	Other Increases in Loans	_____
18.	Acquisition of Assets in Liquidation of Loans	_____
19.	Other Increase in Assets Acquired	_____
20.	Increase in Current Assets (Excluding Cash and Invested Idle Funds)	_____
21.	Increase in Other Assets	_____
22.	Decrease in Current Liabilities (Excluding Dividends)	_____
23.	Payment of Dividends	_____
24.	Decrease in Long-term Debt	_____
25.	Decrease in Other Liabilities	_____
26.	Other _____	_____
27.	Increase (Decrease) in Cash and Invested Idle Funds	_____
28.	Total Funds Applied	$ _____

SBA Form 1088, Part I (9/75)

F. *Notes to Financial Statements.*—Notes to the Financial Statements are to be included, which are necessary to achieve full disclosure and which are necessary so as to make the statements not misleading.

The following is a list of items that usually are found in footnotes. The list is not inclusive but contains examples of accounting policies and financial circumstances that might be disclosed in accordance with generally accepted accounting principles.

1. Significant Accounting Policies:
   a. Recognition of interest income.
   b. Income taxes.
   c. Property (if material)—Depreciation.
   d. Recognition of revenue from fees.
   e. Other.
2. Long-term Debt.
3. Property.
4. Contingent Liabilities and Commitments.
5. Principles of Consolidation.
6. Assets Subject to Lien.
7. Pension and Retirement Plan.
8. Restrictions on Retained Earnings.
9. Leased Assets and Lease Commitments.
10. Other Disclosures Required by Generally Accepted Accounting Principles.

III. MANAGEMENT REPORT

A. *General.*—The Management Report (Part II, SBA Form 1088) is designed to provide SBA with analytical data on the SBLC's operations.

The schedules in this report are designed to cover a variety of situations. The preparer of the report, however, should recognize that when a particular schedule does not apply, the schedule should be omitted. Accordingly, if the SBLC has no assets acquired in liquidation, schedules 6 and 7 would be omitted.

B. *Coversheet.*—The coversheet of the Management Report should show the following information centered on the page:

Name of SBLC: _____
City and State: _____
Identification No: _____

Management report
period ended _____, 19__.

C. *Content of Report.*—The table of contents to the Management Report summarizes the information contained in the report and is as follows:

TABLE OF CONTENTS

	Schedules
Size and Classification	1
Overview of SBLC's Operations	2
Schedule of:	
Portfolio Serviced	3
Assets Acquired in Liquidation of Loans	4
Loans Sold During the Period	5
Commitments and Unfunded Loans to Smal Business Concerns	6
Delinquencies Aged	7
Allowance for Losses	8
Cash and Invested Idle Funds	9
Liquidity Reserve	10
Capital Stock of SBLC	11
Options on SBLCs Capital Stock	12
Schedule of Management and Ownership	13

D. *Size and Classification (Schedule 1).*—This data sheet provides information on the SBLC's size, ownership, and investment policy.

1. *Size*—should be measured in total portfolio being serviced. This measurement is indicative of the lenders activity and size.

2. *Ownership*—is measured according to bank domination or association, ownership by another corporate entity, or individual ownership.

Bank domination refers to ownership of 50% or more of the SBLC's stock by a Bank or Bank Holding Company. If the Bank or Bank Holding Company controls between ten percent to fourty-nine percent (10%–49%) of the stock, the SBLC is considered to be Bank Associated.

SBLCs are presumed to be owned by a financial corp. or nonfinancial corp. if 50% or more of its stock is owned by such corporation. Otherwise, the SBLC's ownership is considered to be "individually owned."

Concerning public or non-public, i.e., private ownership, a company's stock is considered to be publicly owned if the company has sold its stock in the market place to raise capital and it is regulated by the Securities and Exchange Commission. Otherwise, the company is considered to be privately owned.

3. *Investment Policy*—should be that which the SBLC had adopted as set forth in its proposal to operate, as amended.

4. *SBIC Association*—An SBLC is considered to be associated with an SBIC when it comes within the definition of Section 120.1(d) of SBA Regulations.

SCHEDULE 1

SIZE AND CLASSIFICATION

Size.—In total loans being serviced.
- ☐ Zero to $10 million.
- ☐ $10 million to $20 million.
- ☐ $20 million to $50 million.
- ☐ $50 million to $100 million.
- ☐ over $100 million.

Ownership.—
- ☐ Bank Dominated (50% or more owned by Bank or Bank Hold. Co.).
- ☐ Bank Associated (10% to 49% owned by Bank or Bank Hold. Co.).
- ☐ Financial corp. other than Bank or Bank Hold. Co. (Including SBICs):
  - ☐ Public.
  - ☐ Non-public.
- ☐ Non-Financial Corp.
  - ☐ Public.
  - ☐ Non-public.
- ☐ Individually owned:
  - ☐ Public.
  - ☐ Private.

Loan policy.—
- ☐ Diversified.
- ☐ Non-diversified.
  (SIC code, 4 digit _____)

SBIC Association.—
- ☐ Yes, if yes, state Name of Licensee: _____
- ☐ No, License No.: _____
  (Check One)

E. *Overview of SBLC's Operations (Schedule 2).*—The overview is intended to be a summary of the SBLC's operations for the period completed viewed from the standpoint of the SBLC's management. It should highlight significant events affecting the SBLC's operations that would assist the reader in understanding the data contained in the report. It should be limited to information not otherwise made available to SBA and contain analysis of specific data contained elsewhere in the report.

The overview is intended to be a brief narrative summary of the SBLC's operations during the year recently completed. It will summarize activities involving such things as applications for loans received from small business concerns, loans made, sale of guaranteed portions, etc.

In those instances where the SBLC has assets acquired in liquidation of loans, progress toward disposing of such assets should be summarized if the SBLC is liquidating the loan. The overview should include comments on matters reltaing to SBA Regulations and other matters of interest considered appropriate.

It is also contemplated that the overview will include success stories where they occur, have been accomplished, and can be measured.

Regarding the coming year, significant events expected to occur that will significantly affect the SBLC's operations should be highlighted. It is intended to be a summary of the SBLC's equity and debt projected needs and commitments for the coming year. Describe the anticipated amount of funds needed for small business loans and the sources of such funds. Provide details of proposed new stock offers, credit agreements, line-of-credit arrangements, etc. to include amounts, dates, names and sources, terms, restrictions, etc. In short, this summary should provide management's appraisal of the ability of the SBLC to meet its capital demands for the next year.

F. *Schedule of Portfolio Serviced (Schedule 3).*—This schedule includes all loans the SBLC is serving at the balance sheet date whether or not the guaranteed portion has been sold or transferred. When more than one SBA District Office has the responsibility to perform according to the terms and conditions of the guarantee, the loans should be grouped and reported on a separate schedule by district office. The District Office should be identified in the upper left corner of the schedule.

The schedule of servicing portfolio shall contain the following columns:

1. *Borrower*—Loans are to be grouped alphabetically. Show name of business and address limited to city and state.

2. *SIC Code*—Show the four digit SIC code for the business.

3. *Financing Date*—As a general rule, the date the loan was disbursed shall be shown as the financing date. In those instances where multiple disbursements are made, the initial disbursing dates and the final disbursing date shall be shown.

4. *Percent of SBA Guarantee*—The percent of SBA's guarantee on the loan should be specified. In those instances where SBA's involvement is an immediate participation, the amount of the participation will be stated.

5. *Total Loan Balance*—State the amount of the loan balance at the balance sheet date including the participations sold.

6. *Participation Sold*—State the balance of participations sold or transferred. Include in this column the amount of immediate participations by SBA or other transfers.

7. *Lender's Share of Loans*—The lenders share of loans will be column 5 minus column 6. The total of this column should agree with item 8 of the balance sheet.

8. *Allowance for Loss on Loans*—The amounts shown in this column will represent management's estimate of anticipated loss on the SBLC's share of loans as of the Balance Sheet date. The total of this column should agree with item 10 of the Balance Sheet.

9. *Delinquencies*—The amount shown in this column will represent the amount of principal past due on the amount of loans shown in column 5.

10. *Action taken on Delinquencies*—By use of a legend key, specify the action being taken on loans that are delinquent. The following legend items should be used:

   a. Loans being serviced.

   b. Requests made to SBA for repurchase (Specify date).

   c. Loan repurchased (Specify date).

   d. Other action (Specify).

11. *Value of Collateral*—The estimated value of collateral for delinquent loans should be specified.

Name of SBLC: _____

SCHEDULE 3

Schedule of Portfolio Serviced (in Dollars Only -- No Cents)

As of _____, 19___

Borrower	SIC Code 4 digit	Finance Date	% of SBA Guaranty	Loan Balance			(a) Allow. for Losses	(b) Delinquencies		Value of Collateral
				Total	Portion Sold	Lender Share		Amount	Action Taken	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)

(a) Allowance for losses is to be established on only the lender's share of the loan balance.
(b) Delinquencies should include principal amounts that are past due by more than one month.

G. *Schedule of Assets Acquired in Liquidation of Loans (Schedule 4).*—This schedule includes the SBLC's interest in assets acquired in liquidation of loans as of the statement date and the related activity during the accounting period.

The assets should be grouped according to the following three categories:

1. *Certificates of Interest*—which result when SBA liquidates the assets in an effort to collect on the loan. SBA will issue the SBLC a Certificate of Interest for its share of the loan.

2. *Amounts Due From Debtors on Sale of Assets Acquired*—which result when the SBLC takes a note as consideration in whole or in part for the sale of an asset which it acquired in liquidation of a loan.

3. *Other Assets Acquired*—represents all other assets acquired. Each asset should be identified in Column 1 by the former debtor or small business concern. The assets held should be described in Column 2. The balance at the beginning of the reporting period, additions and deductions during the period, and balance at the close of the period should be shown in Columns 3, 4, 5, and 6 respectively. The allowance for losses established for the reporting company's portion of the assets held on a specific identification basis should be shown in Column 7. Current market value or fair value as determined by the board of directors at the close of the period shall be shown in Column 8.

SCHEDULE 4

Name of SBLC: _____
Schedule of Assets Acquired in Liquidation of Loans
As of _____, 19____

Name Location by City And State of Small Business Concern (Former Debtor)	Description of Assets Held	ASSETS ACQUIRED				Allowance for Losses at Close of Period (a)	MEMORANDUM
		Balance at Beginning of Period	Additions During Period	Deductions During Period	Balance at Close of Period		Market, or Fair Value Determined The Board Directors
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total							

(a) On this schedule or on attached sheet give complete details of any charges to this account during the period representing the write-off assets acquired of loans and debt securities.

H. *Schedule of Loans Sold During the Period (Schedule 5).*—This schedule summarizes certain information on loans sold. In those cases where more than one SBA District Office has the responsibility to perform according to the terms and conditions of the loan guarantee, the loans sold should be grouped and reported on a separate schedule by District Office. The District Office should be identified in the upper left corner of the schedule. The schedule will contain the following column headings:

1. *Identification of Loan.*—Show the name of the borrower and address limited to city and state.

2. *Sale Price.*—Show the amount paid for the loan net of selling expenses, if any.

3. *Cost of Loan Sold.*—Show the SBLC's cost of the portion of the loan sold.

4. *Gain or (Loss) on Loan.*—This amount will result from selling the loan (column 3 minus 4).

5. *Service Fee.*—The service fee to be paid the SBLC by the purchaser should be shown in this column and expressed in terms of dollars as an annual fee.

6. *Tri-part Agreement Executed.*—There should be an identifying mark under "yes" or "no" in the column indicating whether the Tri-part Agreement has been executed.

7. *Purchaser.*—Identify in this column the purchaser of the loan by name and address limited to city and state.

SCHEDULE 5

Name of SBLC: ____________________

Schedule of Loans Sold During the Period (In dollars only -- no cents)

As of ____________________, 19___

Loan Identification	Net Sales Price	Cost	Gain (Loss)	Service Fee	Tri-part Agreement (a)		Purchaser
					Yes	No	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TOTAL							

(a) Tri-part Agreement should be executed on every loan sold.

1. *Schedule of Commitments and Unfunded Loans to SBCs (Schedule 6).*—This schedule should include both unfunded loan authorizations and commitments the SBLC has issued that are subject to SBA approval. When more than one SBA District Office has the responsibility to perform according to the terms and conditions of the agreement, the loans should be grouped on separate schedules by District Offices. Accordingly, the District Office should be identified in the upper left corner of the schedule.

The schedule should contain the following columns:

1. *Borrower*—Show alphabetically the name of the small business concern and address by city and state.

2. *Date*—Show the date of the authorization.

3. *Amount of Loan*—Show the balance of unfunded loan authorizations.

4. *Date*—Show the date of loan commitments.

5. *Amount of Commitment*—Show the amount of the outstanding commitment.

SCHEDULE 6

Name of SBLC: _____
Schedule of Commitments to SBCs
As of _____, 19____

	Unfunded Loans		Commitments	
Borrower	Date	Amount	Date	Amount
(1)	(2)	(3)	(4)	(5)
Total				

Remarks:

SBA Form 1098, Part IX (9/75)

J. Schedule of Delinquencies Aged (Schedule 7).—This schedule includes all delinquent loans of those being serviced by the SBLC as of the balance sheet date that have not been repurchased by SBA. When more than one SBA District Office has the responsibility to perform according to the terms and conditions of the agreement, the loans should be grouped on a separate schedule by the District Office. The District Office should be identified in the upper left corner of the schedule.

The schedule should contain the following columns:

1. *Borrower*—Delinquent loans are to be grouped by borrowers alphabetically.

2. *Loan Balance*—Show the balance of the loan being serviced at the balance sheet date.

3. *Amount Past Due*—This amount will include both principal and interest past due and will be subdivided as to length of time delinquent as follows:

a. *0–30 days*—list amounts that are past due by 30 days or less.

b. *31–60 days*—list loans where payments are no less than 31 days nor more than 60 days past due.

c. *61–90 days*—list loans where payments are no less than 61 days or more than 90 days past due.

d. *91–120 days*—list loans where payments are over 90 days past due.

e. *over 120 days*—list loans where payments are over 120 days past due.

f. *Total amount past due*—show the total of amounts past due for both principal and interest. This amount should be the total of columns a–e.

Name of SBLC: _____
Schedule of Delinquencies Aged
As of _____, 19__

Borrower	Loan Balance	Amount Past Due (Principal and Interest)					
		0-30 Days	31-60 Days	61-90 Days	90-120 Days	Over 120 Days	TOTAL Past Due
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total							

SBA Form 1098, Part II (9/75)

k. *Schedule of Allowance for Losses (Schedule 8).*—This schedule analyzes the activity in allowance for losses which are established on (a) receivables, (b) Loans, and (c) asset acquired in liquidation of loans. The schedule shows the beginning balance, increases, decreases, and ending balance for each type of allowance for losses.

The allowance for loss on loans is to be established only on the SBLC's interest in loans and excluding the portion sold or transferred to a third party.

Appendix C contains specific guidance on the establishment of allowance for losses.

The schedule format to be followed is as follows.

SCHEDULE 8

Name of SBLC: _____

Analysis of Allowance for Losses

As of _____, 19__

Description	Receivables	Loans	Assets Acquired	Total
1. Balance, Beginning of period				
2. Provisions during the period				
3. Other Increases				
4. Total Increases (2 and 3)				
5. Write offs during the period				
6. Other decreases				
7. Total decreases (5 and 6)				
8. Net change (item 4 minus 7)				
9. Balance, End of period				

Remarks:

L. *Schedule of Cash and Invested Idle Funds (Schedule 9).*—Cash will be reported on Schedule 9(a) and Invested Idle Funds will be reported on Schedule 9(b).

Schedule 9(a)—Cash.—Show cash on hand and in general funds demand deposits; funds in imprest bank accounts. Demand deposits are balances subject to withdrawal without notice and shall be in commercial banks which are members of the Federal Deposit Insurance Corporation. Cash items in process of collection represent those cash items which have been placed with banks for collection. Petty cash shall represent the full amount of the petty cash imprest fund. The amount shown on line 7 should be the same amount reported on line 1 of the Balance Sheet.

Schedule 9(b)—Invested Idle Funds.—Show in Schedule 9(b)(1) securities owned which have been issued or guaranteed by the U.S. Government, showing the name of the issurer and the title of each issue. Other required data, such as interest rate, call date, maturity date, and principal amount at par of bonds and notes, may be obtained by inspection of the securities or from records of securities pledged. The cost of the securities shall be shown in column (6) and the current market value thereof in column (7).

Show in Schedule 9(b)(2) funds invested in insured savings accounts and funds on time deposit evidenced by time certificates of deposit. Savings accounts shall be with institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation. Time deposits shall include all time certificates of deposit held by the company in commercial banks which are members of the Federal Deposit Insurance Corporation.

The amount shown in Schedule 9(b)(2) line 19 represents invested idle funds and should be the same amount as shown on line 2 of the Balance Sheet.

The amounts contained in this schedule can be obtained from the accounts as follows:

In Schedule 9(a), item 1 is based on accounts 100 through 108, item 2 is based on accounts 110 through 112, item 3 is based on account 118, and item 4 is based on account 120.

Schedule 9(b)(2), columns 1 and 3 are based on accounts 131 through 134, and columns 2 and 4 are based on accounts 135 through 137.

Name of SBLC

DATE

, 19

CASH AND INVESTED IDLE FUNDS — SCHEDULE 9

CASH — SCHEDULE 9(a)

NAME OF DEPOSITORY (1)	LOCATION OF DEPOSITORY (2)	AMOUNT (3)
1. General funds--demand balances with:		
(a)		
(b)		
(c)		
(d)		
2. Deposits in imprest accounts with:		
(a)		
(b)		
(c)		
3. Cash items in process of collection	XXX	
4. Petty cash	XXX	
5.		
6.		
7. Total Cash	XXX	

INVESTED IDLE FUNDS — SCHEDULE 9(b)

U.S. GOVERNMENT OBLIGATIONS, DIRECT AND FULLY GUARANTEED — SCHEDULE 9(b)(1)

NAME OF ISSUER AND TITLE OF ISSUE	INTEREST RATE	CALL DATE	MATURITY DATE	PRINCIPAL AT PAR	PRINCIPAL AT COST	MARKET VALUE
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10. Totals						

INSURED SAVINGS, AND TIME CERTIFICATES OF DEPOSIT — SCHEDULE 9(b)(2)

NAME AND LOCATION OF DEPOSITORY		INSURED SAVINGS BALANCE	TIME CERTIFICATES OF DEPOSIT BALANCE
INSURED SAVINGS (1)	TIME CERTIFICATES OF DEPOSIT (2)	(3)	(4)
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17. Totals			
18. Total Insured Savings and Time Certificates of Deposit (column (3) plus column (4), item 17)			XXX
19. Total U.S. Government Obligations, Insured Savings, and Time Certificates of Deposit (item 18 plus total column (6), Schedule 9(b)(1)			XXX

SBA FORM 1088 - Part II

M. Schedule of Liquidity Reserve (Schedule 10).—This schedule is designed to compute the minimum liquidity reserve required by Section 120.5(b)(6) of the SBA Regulations. The schedule format is as follows:

SCHEDULE 10

Name of SBLC: _____

Analysis of Liquidity Reserve

As of _____, 19__

1. Cash and Invested Idle Funds ..... $_____

Reserve Requirements

2. Monthly payments on Guaranteed portions ... $_____

3. 10% of monthly payments (line 2 above) ..... $_____

4. Undisbursed Loan Authorizations ..... $_____

5. Less: Firm Commitments receivable for funding loans ..... $_____

6. Balance ..... _____

7. Refundable Unearned Discounts ..... $_____

8. 10% of Refundable Discounts (line 7 above) ..... _____

9. Total Reserve Required (lines 3, 6, and 8) ..... _____

10. Excess (deficient) Invested Idle Funds (lines 1 less 9) ..... _____

List Undisbursed Loan Authorizations:

Borrower	Amount

SBA Form 1088, Part II (9/75)

N. *Schedule of Capital Stock of SBLC (Schedule 11).*—Furnish in this schedule a complete description of the company's capital stock authorized, capital stock issued and outstanding, data relating to special transactions involving capital stock.

In column (1) describe the type and class of each issue, such as common—$5 par, preferred (7 percent Series of 1975), etc. The par value or, for no-par stock, the stated value shall also be reported in column (1). The number of shares authorized, whether issued or not, shall be reported in column (2).

The number of shares and amount, at par or stated value, of stock issued and not retired or cancelled shall be reported in columns (3) and (4). The total of column (4) shall agree with item 36 of the Balance Sheet. The number of shares held as treasury stock shall be shown in column (5). Column (6) will represent the difference between column (3) and column (5).

Column (7) shall be the amount at par or stated value representing the number of shares outstanding as shown in column (6). The total of column (8) shall represent the amount of capital stock subscribed at the subscription price. In column (9) shall be reported the amount of subscription receivable. Column (10) shall show the number of shares (other than those under option) reserved for purchase by officers and employees, and column (11) shall show the number of shares reserved to cover options and other rights).

The information reported in this schedule is based on accounts 400 through 419.

O. *Scheduled Options on SBLC's Capital Stock (Schedule 12).*—Furnished in this schedule full information concerning outstanding capital stock options which have been granted by the company. Such information should be recorded in Memorandum Account OCS–1.

The holder of each option shall be identified in column (1). The number of shares optioned shall be shown in column (2). In column (3) shall be described the type and class of stock called for by the option, such as common $5 par, preferred (7 percent Series of 1975), etc.

Column (4) shall show the grant and expiration dates of each option and column (5) shall set forth the price or prices at which each option is exercisable, together with the period during which each price applies.

Column (6) shall show the fair market value, per share, of stock called for by each option, at the date the option was granted. The price at which the option is exercisable as a percentage of fair market value, per share, of the optioned stock at the date of granting shall be shown in column (7). Column (8) shall set forth the provisions made with respect to each option in the event of the optionee's death or retirement, or other circumstances.

The fair market value, per share, of stock called for at the date the option was granted, if not ascertainable on the basis of actual market, shall be as determined by the board of directors in good faith.

NAME OF SBLC

As of _____, 19__

CAPITAL STOCK OF SBLC

Schedule 11

Type and Class, Par or Stated Value	Number of Shares Authorized by Charter	SHARES ISSUED AND NOT RETIRED OR CANCELLED		NUMBER OF SHARES		Amount Outstanding At Par Or Stated Value	Amount Subscribed at Subscription Price	Amount of Subscriptions Receivable	Number of Shares Reserved for Officers and Employees	Number of Shares Reserved for Options and Other Rights
		Number	Amount at Par or Stated Value	Held by or for Account of Issuer	Outstanding					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total			Pg. 2, item 37				Pg. 2, item 41	Pg. 2, item 41(a)		

OPTIONS ON SBLC CAPITAL STOCK

Schedule 12

Identification of Person or Entity Holding Option	Number of Shares Optioned	Type and Class of Stock Called for by Option	Grant and Expiration Dates of Option	Price or Prices (With Dates) at Which Option Exercisable	Fair Market Value, Per Share, of Stock Called for at Date Option Was Granted	Price of Option as Percent of Fair Market Value or Date of Granting	Provisions in Case of Death, Retirement, etc.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

P. *Schedule of Management and Ownership (Schedule 13).*—Furnish in this schedule the information specified regarding the SBLC's officers, directors, and employees authorized to approve loans. The schedule should contain the following columns:

1. *Name and Address*—List the name and address of the following:

(a) Each person or company directly or indirectly owning, controlling, or holding with power to vote, five (5) percent or more of the outstanding voting securities of the company.

(b) Each person or company owning of record or being known to own beneficially more than 10 percent of any other class of equity securities of the company.

(c) Each officer, director, or employee authorized to approve loans. (List and identify officers and directors, and employee regardless of whether or not they own any equity securities of the company.)

2. *Officer, Director and Key Employee*—Identify each natural person listed in column 1 as an officer, director, employee authorized to approve loans as a combination of any of the three.

3. *Type of Business*—Indicate the type of business in which each listed person or company is engaged.

4. *Class of Stock*—Show the class of stock owned by any person or company.

5. *Nature of Ownership*—Indicate whether the securities are owned both of record and beneficially, of record only, or beneficially only.

SCHEDULE 13

SBA Form 1088, Part II (9/75)

Name of SBLC: _____

Schedule of Management & Ownership

As of _____, 19__

Name & Address	MANAGEMENT		OWNERSHIP				
	Officer, Director and/or Key Employee	Type of Business Engaged in	Class of Stock	Nature of Ownership	Number of Share owned	Total Cost	Percent Owned
Total							

APPENDIX C—SYSTEM OF ACCOUNT CLASSIFICATION FOR SBLCs

TABLE OF CONTENTS

I. Introduction:
A. Statement of Policy.
B. Purpose of the System.
C. Maintenance and Retention of Records.
II. Accounting Policies and Practices:
A. Basis of Accounting.
B. Reserve for Losses.
C. Tax Allocation Policy.
D. Accrual of Interest Income.
E. Financing Fees.
F. Realization of Gain (Loss) on Sale of Assets.
G. Premiums or Discounts on Loans Sold.
H. Accounting for Nonmonetary Transactions.
III. Chart of Accounts:
A. Account Numbering System.
B. Additional Accounts.
C. Primary Classification of Accounts.
D. Detailed Chart of Accounts.
IV. Description of Accounts:
A. Asset and Valuation Accounts.
B. Liability Accounts.
C. Capital Accounts.
D. Income Accounts.
E. Expense Accounts.
V. Contingent Liabilities.

I. INTRODUCTION

A. *Statement of Policy.*—Subsection (b) Lenders, less technically called Small Business Lending Companies (SBLCs), are to maintain their books of account in accordance with the system of account classification and accounting policies herein prescribed. Accounting principles and practices set forth herein are in accordance with generally accepted accounting principles as set forth by the American Institute of Certified Public Accountants.

Nothing contained in this system of account classification can, or is intended to, authorize or approve any operation or action by an SBLC, or any other action, not authorized or approved by the Small Business Act, as amended, or the Rules and Regulations promulgated thereunder.

This system of Account Classification was prepared by SBA. Any inquiries or comments relating to the system should be directed to the Chief Accountant, Finance and Investment, Small Business Administration, 1441 L Street, N.W., Washington, D.C. 20416.

B. *Purpose of the System.*—This system has been prescribed to insure that standard books of account are maintained by SBLCs and that uniform accounting policies are followed. By design, the system is basic and may be expanded if necessary.

C. *Maintenance and Retention of Records.*—The SBLC's books and records shall be maintained at its principal place of business. Books and records shall include its books or account, and other records, and memoranda which support the entries in its books of account. These supporting records shall be maintained in such manner as to permit information to be readily available on any item included in any account. The books and records referred to herein include not only accounting records in a limited technical sense, but other records, such as minute books, capital stock records, reports, correspondence, and memoranda which may be useful in developing the history of facts regarding any transaction.

Section 120.5(b)(7) of SBA Rules and Regulations specifies the time periods for which records are to be maintained.

II. ACCOUNTING POLICIES & PRACTICES

As a general rule, accounting policies followed by SBLCs are those promulgated by the American Institute of CPA's as generally accepted accounting principles and practices. Certain of these principles and practices are prescribed in the AICPA's Audit Guide for Finance Companies.

Certain accounting policies SBLCs are to follow are summarized below. The summary is intended to highlight the more significant policies and practices rather than being an all inclusive statement.

A. *Basis of Accounting.*—Books of account shall be maintained on an accrual basis and, at the end of each month, transactions shall be posted to the general ledger. Entering in the records and posting to the general ledger of accruals applicable to each month is optional but all accruals are to be entered in the records and posted as the end of the fiscal year, and as of such other dates as mark the close of periods to be covered by interim or special financial reports required to be furnished to SBA including the examination by SBA Examiners.

B. *Reserve for Losses.*—The basis of accounting for receivables and loans is cost with a reserve for loss. Receivables in this broad sense include:

Notes and accounts receivable.
Accrued interest receivable.
Assets acquired in liquidation of loans.

"Cost" is usually the carrying value of the receivable. In the case of loans, it is the face of the note in which interest is not included.

Adequate provision for loss is essential. Fair presentation of the financial position of the SBLC, in conformity with generally accepted accounting principles, requires related allowance for losses to be sufficient to cover the estimated losses even though specific uncollectible accounts cannot be identified, provisions necessary to record allowance needed to cover losses not originally anticipated must be treated as ordinary charges to operations for the period in which the loss becomes evident.

C. *Tax Allocation Policy.*—Tax allocation policies as set forth in Accounting Principles Board Opinion No. 11, *Accounting for Income Taxes*, effective December 31, 1967, will be followed by SBLCs in accounting for income taxes.

In those instances where the SBLC files consolidated tax returns with a parent company, it is expected that the SBLC will contribute its proportionate share of taxes due on taxable net income. Also, when the SBLC experiences a tax loss, the SBLC will establish a deferred credit to future taxes and a receivable due from the parent.

A difference between accounting income and taxable income may exist which would be accounted for according to APB Opinion No. 11.

D. *Accrual of Interest Income.*—Interest income will be accrued according to terms of loans. Interest income will not be accrued if the ability of the small business concern to pay such accrued interest is doubtful. Indicators of uncollectible accrued interest are instances in which the SBC is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Other indicators are when principal and/or interest payments are in default more than six months or when the board of directors values the security below cost and considers collection to be doubtful.

E. *Financing Fees.*—Fees, as general rule, are considered earned at the time of financing since they are for services rendered in connection with the financing. To the extent fees are for services to be rendered in the future, such amount will be considered unearned until the services are performed, at which time such fees will be considered earned.

F. *Realization of Gain (Loss) on Sale of Assets.*—In accordance with the accrual basis of accounting, gain or loss on sale of securities or other assets of an SBLC will be realized at the point of sale. This practice assumes that the collectibility of the gain is reasonably assured and that the earnings process is complete, i.e., the SBLC is not obligated to perform significant activities after the sale in order to earn the gain.

Any transactions with recourse upon the SBLC or involving any understanding, agreement, option, privilege, or other rights to repurchase by and/or resell to the SBLC may not be considered as a final transaction. Any reacquisition of the assets by the SBLC, resulting from prior agreements or rights, shall be construed as a nullification of the original sale transaction. The only exception to this rule is the sale of the guaranteed portion of loans to a third party with recourse upon the SBLC for default.

Any gain that does not qualify as realized gain in accordance with the foregoing shall be deferred pending such realization.

It is noted that cost of securities or other assets sold is usually the carrying value on the SBLC's books.

G. *Premiums or Discounts on Loans Sold.*—Generally, premiums or discounts will be treated as gain or loss on sale of guaranteed portion of loans as explained in Section II-F of this Appendix. In those cases where part of the premium or discount is refundable, the premium or discount will be amortized over the stated life of the loan and not recorded as a gain or loss when the loan is sold.

H. *Accounting for Nonmonetary Transactions.*—Nonmonetary transactions involve both reciprocal and nonreciprocal transfers of assets or liabilities not involving cash between the SBLC and another entity or person, or between the SBLC and its stockholders. Accounting Principles Board Opinion No. 29, issued by the AICPA and effective October 1, 1973, should be followed by SBLCs to the extent applicable when accounting for nonmonetary transactions.

Nonmonetary exchanges with portfolio concerns or others whereby the SBLC transfers certain securities or assets for other securities or assets will not be considered transactions where gain (loss) is realized whether such transactions are taxable or nontaxable exchanges. The accounting basis for assets received will be the same basis as for assets transferred.

Dividends in kind are nonreciprocal transfers of nonmonetary assets to owners and should be accounted for at fair value if such fair value is objectively measurable and would be clearly realizable to the SBLC in an outright sale at or near the time of distribution. Otherwise, the transfer should be accounted for at cost without realizing a gain (loss).

III. CHART OF ACCOUNTS

A. *Account Numbering System.*—This system provides for two-digit number designations for major categories under which accounts are listed, and three-digit number designations for individual general ledger accounts. The first two digits of an individual account number refer to the major category under which the account is classified and the third digit identifies the specific account. Digits from zero through nine are used to identify specific accounts. For example, the first deposit bank account established will be designated "100" and second "101." It will be noted that some categories encompass individual accounts in sufficient number to require assignment of more than

one two-digit number to identify the category. For example, "Cash on Hand and in Banks" has been assigned category numbers "10," "11," and "12."

B. *Additional Accounts.*—SBLCs may incorporate such additional accounts into their accounting system as are considered necessary.

Any account may be subdivided, provided that such subaccounts do not impair the integrity of the accounts set forth in the prescribed system. Subaccounts shall refer by number and title to the accounts to which they apply. Use of a decimal system is required for extending the account numbers to identify such subaccounts.

C. *Primary Classification of Accounts.*—The primary classification of accounts is as follows:

GENERAL LEDGER

Account numbers	*Description*
100 to 299	Asset and valuation accounts.
300 to 399	Liability accounts.
400 to 499	Capital accounts.
500 to 599	Income accounts.
600 to 699	Expense accounts.

MEMORANDUM RECORDS

CL–15 to CL–16	Contingent liabilities.
CS–1 to CS–3	Capital stock authorized, unissued, and optioned.
AL–1	Actual (realized) losses.

D. *Detailed Chart of Accounts.*—The detailed chart of accounts is organized according to the primary classification of accounts and identifies the account number and title of each account. The page where a description of the account can be found is indicated at the right of the account title.

ASSET AND VALUATION ACCOUNTS

10–12—Cash on Hand and in Banks:
- 100–108—Deposits in _____ bank.
- 110–120—Deposits in imprest account in _____ bank.
- 118—Cash items in process of collection.
- 120—Petty cash fund.

13—Invested Idle Funds:
- 130—U.S. Government obligations, direct and fully guaranteed.
- 131—Insured savings accounts.
- 135–137—Time and certificates of deposit in _____ bank.

14–Receivables:
- 140—Notes receivable.
- 141—Accounts receivable.
- 142—Allowance for uncollectible notes and accounts receivable.
- 143—Accrued interest receivable.
- 144—Allowance for uncollectible interest receivable.

15—Loans to Small Business Concerns:
- 150—Loans.
- 151—Allowance for losses or loans.
- 153—Unearned fees and other charges on loans.

16—Assets Acquired in Liquidation of Loans:
- 160—Receivables Due from Debtors on Sale of Assets Acquired.
- 161—Allowance for losses.
- 162—Assets Acquired in Liquidation of Loans.
- 163—Allowance for Losses.

20—Furniture and Equipment:
- 200—Furniture and equipment.
- 201—Accumulated depreciation on furniture and equipment.

21—Corporate Premises Owned:
- 210—Corporate premises owned.
- 211—Accumulated depreciation on corporate premises owned.
- 212—Leasehold improvements.

22—Prepaid Expenses and Deferred Charges:
- 220—Prepaid expenses.
- 221—Deferred charges.

23—Other Assets:
- 235—Amounts due from directors, officers, and employees.
- 236—Organization costs.
- 237—Funds in escrow.
- 239—Other assets.

LIABILITY ACCOUNTS

31—Accounts and Notes Payable:
- 310—Accounts and notes payable.

32—Accrued Expenses and Other Current Liabilities:
- 320—Accrued interest payable.
- 321—Accrued taxes.
- 324—Estimated income taxes accrued.
- 328—Other current liabilities.

33—Dividends Payable
- 330–334—Dividends payable on (type and class) capital stock.

34—Long-Term Debt:
- 340—Notes payable.
- 341—Mortgages payable on assets acquired in Liquidation of loans.

342—Other Long-Term Debt.

35—Trust Receipts:
- 350—Employee taxes withheld.
- 354—Unapplied receipts.
- 358—Miscellaneous trust receipts.

36—Deferred Credit:
- 360—Deferred credit to future taxes.
- 363—Other deferred credits.

37—Other Liabilities:
- 370—Other liabilities.

CAPITAL ACCOUNTS

40–41—Capital Stock:
- 400–404—(Type and class) capital stock issued and understanding.
- 405–409—(Type and class) capital stock subscribed.
- 410–414—Capital stock subscriptions receivable (type and class).
- 415–419—Treasury stock (type and class).

42—Paid-in Surplus:
- 420—Paid in surplus.

45—Retained Earnings:
- 450—Retained earnings.

46—Profit and Loss Clearing:
- 460—Profit and loss summary.
- 462—Realized gain and loss summary.

INCOME ACCOUNTS

50—Interest Income:
- 500—Interest on loans.
- 501—Interest on assets acquired.
- 502—Interest on invested idle funds.
- 503—Interest income—other.

51—Application & Processing Income:
- 510—Application preparation and processing fees.
- 511—Appraisal and investigation fees.
- 512—Commitment fees.
- 513—Other loan fees.

52—Loan Servicing Income:
- 520—Loan servicing income.

53—Consulting and Related Services Fees:
- 530—Consulting and related services fees.

54—Gain on Sale of Loans and Other Assets:
- 540—Gain on loans.
- 541—Gain on U.S. Government obligations.
- 542—Gain on Assets acquired in liquidation of loans.
- 543—Gain on other assets.

55—Other Income:
- 550—Income from assets acquired in liquidation of loans.
- 551—Other income.

EXPENSE ACCOUNTS

60—Interest Expense:
- 600—Interest expense.

61–64—Operating Expenses.

61—Renumeration:
- 610—Salary expense.
- 611—Employee benefits expense.
- 612—Consultant services.

62—Initiating and Servicing Costs:
- 620—Advertising and promotional costs.
- 621—Appraisal and investigation costs.
- 622—Guarantee fees.
- 623—Communications.
- 624—Travel expense.
- 625—Legal Services.

63—Provision for Probable Losses:
- 630—Provision for loss on receivables.
- 631—Provision for loss on loans.
- 632—Provision for loss on assets acquired in liquidation of loans.

64—Other Costs:
- 640—Cost of space occupied.
- 641—Depreciation of corporate premises owned.
- 642—Depreciation of furniture and equipment.
- 643—Amortization of leasehold improvements.
- 644—Audit and examination costs.
- 645—Insurance expense.
- 646—Directors' and stockholders' meeting costs.
- 647—Taxes, excluding income taxes.
- 648—Amortization of organization expenses.
- 649—Miscellaneous operating expenses.

65—Loss on Securities and Other Assets:
- 650—Loss on U.S. Government obligations.
- 651—Loss on loans.
- 652—Loss on assets acquired in liquidation of loans.
- 653—Loss on other assets.

66—Miscellaneous Expenses:
- 660—Expense on assets acquired in liquidation of loans.
- 661—Other expenses.

67—Income Taxes:
- 670—Income taxes—net income.

CONTINGENT LIABILITIES

CL–15—Commitments outstanding.
CL–16—Other contingent liabilities.

CAPITAL STOCK AUTHORIZED, UNISSUED, AND OPTIONAL

CS–1—Capital stock authorized.
CS–2—Unissued capital stock.
CS–3—Options on company's stock.

ACTUAL LOSS EXPERIENCE

AL–1—Actual (realized) losses.

IV—DESCRIPTION OF ACCOUNTS

ASSET AND VALUATION ACCOUNTS

100–108—Deposits in _____ bank.

These accounts will represent funds on demand deposit.

110–112—Deposits in imprest account in _____

These accounts will represent funds on demand deposit in imprest bank accounts to be drawn upon for the payment of operating expenses and to be reimbursed periodically through deposit therein of a check requiring dual signatures and drawn on the company's general funds bank account.

118—*Cash items in process of collection.*

This account will represent the amount of cash items placed with banks or other organizations for collection.

120—*Petty cash fund.*

This account will represent the imprest petty cash fund maintained for the purpose of making small disbursements.

The petty cash fund may be reimbursed and expenditures recorded as often as circumstances require, but must be reimbursed at the close of the company's fiscal year. Checks to replenish the fund will be drawn on a general fund bank account and include "petty cash" as a payee. Debits totaling the amount of this replenishment should be made concurrently to the appropriate accounts.

130—*United States Government Obligations, Direct and Fully Guaranteed.*

This account will represent the cost of temporary investments made from general cash funds in direct obligations of the United States Government and obligations guaranteed as to principal and interest by the United States Government. When United States Government Savings Bonds redeemable at par value on maturity are purchased at less than face value, the increase in redemption value may be periodically charged to this account with concurrent credit to account No. 502—Interest on Invested Idle Funds.

Increase in value over cost of United States Treasury bills, which are issued at a discount and are noninterest bearing, will not be reflected in this account but will be debited to account No. 143—Accrued Interest Receivable, with concurrent credit to account No. 502—Interest on Invested Idle Funds.

131—*Insured savings accounts.*

This account will include the balances in subaccounts Nos. 131.1, 131.2, etc.

131.1—Insured savings in_____

This account will represent funds invested in an insured savings account (UP to the amount of the insurance) in an institution the accounts of which are insured by the Federal Savings and Loan Insurance Corporation.

135–137—Time certificates of deposit in _____ bank.

These accounts will represent funds in time certificates of deposit, maturing not later than one year after issuance, in banks that are members of the Federal Deposit Insurance Corporation.

140—*Notes receivable.*

This account will represent the unpaid balance of miscellaneous notes receivable, such as notes for management consulting services. Notes representing amounts due from debtors on sale of assets acquired in liquidation of loans will be reflected in account No. 160.

Recording as income of amounts entered in this account should be discontinued with respect to any small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. The amounts in question should be credited as deferred income in account No. 363—Other Deferred Credits, pending determination of the appropriate accounting. In less serious situations, when the debtor small business concern is in default more than six months to the SBLC, or the fair value of its debt instruments held by the company, as determined by the board of directors, is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectable notes and accounts receivable should be made in an amount equivalent to the receivable entered in this account.

(See account No. 142).

141—*Accounts receivable.*

This account will represent the amount due on open account for management consulting, accounting, insurance, and miscellaneous services rendered; application preparation and processing fees, and miscellaneous current receivables.

The account also will include the amount of accrued compensation receivable for loan servicing performed for others and the amount of accrued commitment fees receivable for making funds available on a deferred basis to small business concerns.

Accounts receivable representing receivables due from debtors on sale of assets acquired in liquidation of loans will be reflected in account No. 160.

Recording as income of amounts entered in this account should be discontinued with respect to any small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. The amounts in question should be credited as deferred income in account No. 363—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when the debtor small business concern is in default more than six months to the SBLC, or the fair value of its debt instruments held by the company, as determined by the board of directors, is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectable notes and accounts receivable should be made in an amount equivalent to the receivable entered in this account.

(See account No. 142).

142—*Allowance for uncollectible notes and accounts receivable.*

The account will represent the valuation reserve provided for estimated losses on notes and accounts receivable and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands, so that this account will reflect the best available estimate of probable losses on notes and accounts receivable.

When a note receivable or an account receivable is recorded with respect to any debtor small business that is in default more than six months to the SBLC, or the fair value of whose debt instruments held by the company, as determined by the board of directors, is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible notes and accounts receivable reflected in this account should be made in an amount equivalent to the recorded receivable.

(See accounts Nos. 140, 141, and 630).

143–*Accrued interest recievable.*

This account will represent the amount of interest accrued on loans to small business concerns, United States Government obligations, direct and fully guaranteed, notes receivable, and other interest-bearing amounts due from debtors, including funds placed in escrow pending the closing of financing and assets acquired in liquidation of loans, as well as interest accrued on other securities.

At the option of the company, interest payments received in cash from debtors prior to the interest maturity date may be credited to account No. 354—Unapplied receipts, until the maturity date.

Accrual of interest receivable should be discontinued with respect to any loan to a small business concern that is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Any interest payments received from such a debtor should not be treated as interest income, but should be either credited as payments on principal of the debt or credited as deferred income in account No. 363—Other deferred credits, pending determination of appropriate accounting. In less serious situations, when interest receivable is accrued under circumstances in which the financed small business concern is in default to the SBLC; or the fair value of the loan as determined in good faith by the board of directors is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible interest receivable should be made in amount equivalent to the accrual of interest receivable.

(See account No. 144.)

144—*Allowance for uncollectible interest receivable.*

This account will represent the valuation reserve provided for estimated losses of accrued interest receivable, and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands, so that this account will reflect the best available estimate of probable losses of accrued interest receivable.

When interest is accrued under circumstances in which the financed small business concern is in default over six months to the SBLC, or the fair value of the loan as determined in good faith by the board of directors is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectibility interest receivable reflected in this account should be made in an amount equivalent to the accrual of interest receivable.

(See accounts Nos. 143 and 630.)

150—*Loans.*

This account will represent the unpaid principal balance of loans made to small business concerns, net of portion sold.

It is recommended that individual loan ledger cards or sheets be maintained for all loans. Such ledger cards or sheets should contain the detailed information needed for account No. 153—Unearned fees and related items.

151—*Allowance for losses on loans.*

This account will represent the downward valuation of loans and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

153—*Unearned fees and other charges on loans.*

This account will represent the amount of unearned fees and other charges on loans. It will include sums incorporated in the face amount of the note from the small business concern, which are withheld from disbursements to small concern.

Any fees and other charges considered earned immediately upon closing of loans will be recorded in the income account at once without first being entered in this account.

Appropriate subsidiary records should be maintained for all unearned amounts included in this account to permit identification of such amounts with the particular loans to which they relate.

160—*Receivables due from debtors on sale of assets acquired in liquidation of loans.*

This account will represent the unpaid balance of accounts receivable, notes receivable, sales contracts, purchase money mortgages, and similar evidences of indebtedness to the company arising from the sale of assets acquired in liquidation of loans.

It is recommended that subsidiary records be maintained in sufficient detail to disclose for report and tax purposes all transactions affecting amounts due from debtors on sale of assets acquired in liquidation of loans.

(See Account 162.)

161—*Allowance for losses on receivables from debtors on sale of assets acquired in liquidation of loans.*

This account will represent the downward valuation on amounts due from debtors on sale of assets acquired in liquidation of loans, and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

162—*Assets acquired in liquidation of loans.*

This account will represent the company's investment in assets acquired by foreclosure, or otherwise, in liquidation of loans. Certificates of Interest, judgements, sheriffs' certificates (including property acquired subject to redemption), etc., will be reflected in this account.

The investment in property at the date of acquisition by the company should be determined by the board of directors on the most suitable of the following basis: (1) Bid-in price of the property: (2) agreed considera-

tion for the property; (3) fair appraised value of the property. Any remaining indebtedness will be written off unless the company expects further liquidation of the debt from other sources. Insofar as practicable, investment values will be determined for each individual asset, and when an asset is sold only an amount equal to the investment in such asset will be credited to this account.

The company's investment in judgements should be recorded at the face amount of the judgement. When the company acquires the underlying security to the related loans outright or subject to redemption, the investment in the property should be determined in accordance with the basis set forth in the second paragraph.

Collateral notes receivable acquired in the liquidation of loans will be reflected in this account; but notes receivable that are subsequently accepted in connection with the disposition of assets acquired in the liquidation of loans will be included in account No. 160—Receivables from debtors on sale of assets in liquidation of loans.

It is recommended that subsidiary records be maintained in sufficient detail to disclose for report and tax purposes all transactions affecting assets acquired in liquidation of loans.

(See accounts Nos. 150 and 160.)

163—*Allowance for losses on assets acquired in liquidation of loans.*

This account will represent the downward valuation of assets acquired in liquidation of loans, and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

200—*Furniture and equipment.*

This account will represent the cost of furniture, fixtures, and equipment, including automobiles, owned by the company. The cost of freight, drayage, cartage, express, etc., in connection with the purchase of such items of furniture and equipment, will be included in this account.

An inventory record should be maintained for all such assets and each item should be tagged or numbered to facilitate ready identification.

201—*Accumulated depreciation on furniture and equipment.*

This account will represent the valuation reserve provided for depreciation of furniture, fixtures, and equipment, including automobiles, owned by the company. This account should be maintained in an amount not less than a conservative estimate of the expired service life of such assets while owned by the company.

(See accounts Nos. 200 and 642).

210—*Corporate premises owned.*

This account will represent the actual cost of acquisition of the land and building used as the company's office quarters. The account also will incude the actual cost of any improvements, such as street, sidewalk, and other benefits, applicable to the land, and any improvements applicable to the building.

211—*Accumulated depreciation on corporate premises owned.*

This account will represent reserve provided for depreciation of the building and other depreciable improvements of corporate premises owned and used as the company's office quarters. This account should be maintained in an amount not less than a conservative estimate of the expired service life of such building and improvements while owned by the company.

212—*Leasehold improvements.*

This account will represent the actual cost of improvements to leased property used as the company's office quarters. The amount of this account will be amortized through account No. 643 over the life of the lease or the life of the improvements whichever is the shorter.

220—*Prepaid expenses.*

This account will represent the unexpired or unconsumed portion of expenses expressly applicable to future periods for which no specific accounts have been provided. Such expenses should be amortized over the appropriate period.

Subsidiary records should be maintained to identify the items reflected in this account and to facilitate their amortization.

221—*Deferred charges.*

Timing differences may exist between accounting income and taxable income and thereby may cause a prepayment of taxes which is considered to be a deferred charge to future income tax expense. This account will represent such deferred charges recognized.

(See account No. 360.)

235—*Amounts due from directors, officers, and employees.*

This account will represent the unpaid balance of amounts advanced to directors, officers, and employees.

236—*Organization costs.*

This account will represent the amount of legal fees, promotional expense, stock certificate costs, incorporation fees, taxes, and other related costs incurred in organizing the company.

(See account 648).

237—*Funds in escrow.*

This account will represent the amount of funds placed in escrow pending the closing of financing for small business concerns.

239—*Other assets.*

This account will represent the amount of assets of the company, at cost, not specifically provided for in other accounts, including recoverable amounts advanced for the protection and preservation of the company's investments (such as the payment of taxes on mortgaged property), but not including short-term loans issued to protect the company's interest in previously issued long-term loans.

(See accounts Nos. 543 and 653).

LIABILITY ACCOUNTS

310—*Accounts and notes payable.*

The account will represent accounts and notes payable on a short-term basis.

320—*Accrued interest payable.*

This account will represent the amount of liability for interest accrued on the company's notes and mortgages payable. The account will also include accrued interest payable on other interest-bearing obligations of the company.

321—*Accrued taxes.*

This account will represent the balance of accrued taxes on payroll, such as the company's portion of social security taxes, which have not been remitted to the appropriate collectors of such taxes.

324—*Estimated income taxes accrued.*

This account will include the balances in subaccounts Nos. 324.1, 324.2, 324.3, etc.

324.1—*Estimated Federal income taxes accrued.*

This account will represent the balance of estimated Federal income taxes accrued which have not been remitted to the Internal Revenue Service.

324.2—*Estimated State income taxes accrued.*

This account will represent the balance of estimated State income taxes accrued which have not been remitted to the appropriate collector of such taxes.

328—*Other current liabilities.*

This account will represent other current liabilities not provided for in other accounts.

Increases or decreases in the liability for accrued expenses, through accruals or adjustments, will be offset by increases or decreases, respectively, in the appropriate expense accounts.

330–334—*Dividends payable on (type and class) capital stock.*

These accounts will represent the company's liability for dividends declared by the company's board of directors on the respective types and classes of capital stock issued and outstanding. A separate account should be used to reflect the dividends payable for each type and class of capital stock outstanding.

340—*Notes payable.*

This account will represent the long-term principal balance of notes payable for funds borrowed.

341—*Mortgages payable on assets acquired in liquidation of loans.*

This account will represent the unpaid principal balance of existing mortgages payable on assets acquired by the company in liquidation of loans.

342—*Other Long-term debt.*

This account will represent the unpaid principal balance of notes payable in evidence of amounts owed by the company other than for funds borrowed. Noted payable, conditional sales contracts, and liens for the acquisition of furniture, fixtures, equipment, and automobiles will be included in this account.

350—*Employee taxes withheld.*

This account will represent the amount of income and social security taxes withheld from employee's salaries which have not been remitted to the appropriate collectors of such taxes.

354—*Unapplied receipts.*

This account will represent the amount of funds received by the company which have not been applied to loans, interest receivable, etc. This account will be used only in instances when the funds received cannot be applied promptly.

358—*Miscellaneous trust receipts.*

This account will represent the liability of the company for funds withheld or received in trust, for which no specific account is provided, including earnest money deposits, and funds withheld from employee's salaries for the purchase of United States Savings Bonds, payment of group life insurance premiums, payment of pension fund contributions, etc.

360—*Deferred credit to future taxes.*

Timing differences may exist between accounting income and taxable income and thereby cause a deferment of tax expense. This account will represent such deferred tax expense.

363—*Other deferred credits.*

This account will represent the amount of deferred credits of the company not specifically provided for in other accounts.

The account will include any gain on sale of assets until such gain is realized.

Accrual of interest receivable should be discontinued with respect to any loan to a small business concern that is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Any interest payments received from such a debtor should not be treated as interest income, but should be either credited as payments on principal of the debt or credited as deferred income in this account, pending determination of appropriate accounting. In less serious situations, when interest receivable is accrued under circumstances in which the financed small business concern is in default to the SBLC over six months, or the fair value of the loan as determined in good faith by the board of directors is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible interest receivable should be made in an amount equivalent to the accrual of interest receivable, or, as an

alternative, the interest income should be deferred in this account as above indicated.
(See account No. 144).

370—*Other liabilities.*

This account will represent the amount of liabilities of the company not specifically provided for in other accounts.

CAPITAL ACCOUNTS

400–404—_____ capital stock issued and outstanding.

(Type and Class)

These accounts will represent the total par or stated value of the company's capital stock issued and outstanding. A separate account should be provided for each type and class of capital stock authorized.

405–409—_____ capital stock subscribed.

(Type and Class)

These accounts will represent the total amount at the subscription price of the company's capital stock subscribed. A separate account should be provided for each type and class of capital stock subscribed. These accounts will reflect the company's responsibility to issue shares of its stock to subscribers who have made final payment of their capital stock subscriptions.

410–414—Capital stock subscriptions receivable—_____

(Type and Class)

These accounts will represent the total unpaid balances of capital stock subscriptions receivable from subscribers of the company's authorized capital stock. A separate subscriptions receivable account should be provided for each type and class of capital stock subscribed.

415–419—Treasury stock _____

(Type and Class)

These accounts will represent the total amount of the company's issued capital stock which has been reacquired through purchase or donation and has not been retired. A separate account should be provided for each type and class of such capital stock held by the company.

Appropriate subsidiary records should be maintained as deemed necessary.

420—*Paid-in surplus.*

This account will represent the amount of surplus arising from (1) sales initially of the company's capital stock at a price in excess of par value (including amounts transferred from capital stock subscribed at a price above par, when shares are issued); (2) donations to the company of its issued capital stock carried as treasury stock at fair market value or par value; (3) retirements of capital stock purchased at less than the par value thereof; (4) sales of treasury stock in excess of its carrying value on the books of the company; (5) donations or gifts to the company of assets carried at not in excess of fair market value; and (6) other equity transactions with stockholders.

450—*Retained earnings.*

This account will represent the cumulative balance of periodic net income including gain (loss) on securities and other assets less dividends. Accounts 460 and 462 will be closed into this account.

460—*Profit and loss summary.*

This account will be used as a clearing account through which all income and expense accounts on the books of the company will be closed.

462—*Realized gain and loss summary.*

This account will be used as a clearing account through which all accounts for realized gains and losses on assets on the books of the company will be closed.

INCOME ACCOUNTS

500—*Interest on loans.*

This account will represent the amount of interest earned on loans to small business concerns.

Accrual of interest receivable should be discontinued with respect to any loan to a small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Any interest payments received from such a debtor should not be credited to this account as interest income, but should be either credited as payments on principal of the debt or credited as deferred income in account No. 363—Other deferred credits pending determination of the appropriate accounting. In less serious situations, when interest receivable is accrued under circumstances in which the financed small business concern is in default to the SBLC, or the fair value of the loan as determined in good faith by the board of directors is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible interest receivable should be made in an amount equivalent to the accrued interest receivable taken into income in this account, or, as an alternative, the interest income should be deferred in account No. 363 as above indicated.

501—*Interest on Assets Acquired.*

This account will represent the amount of interest earned on assets acquired in liquidation of loans which are carried in accounts Nos. 160 and 162.

502—*Interest on invested idle funds.*

This account will represent the amount of interest earned on (1) time certificates or deposit in banks which are members of the Federal Deposit Insurance Corporation, (2) U.S. Government obligations, direct and fully guaranteed, owned by the company, and (3) funds of the company in insured savings accounts in institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation.

(See account Nos. 130 through 137, 143, and 144).

503—*Interest income—other.*

This account will represent the amount of interest earned on miscellaneous notes receivable, funds in escrow, and interest-bearing receivables not otherwise classified.

(See accounts Nos. 140, 143, and 237).

510—*Application preparation and processing fees.*

This account will represent the amount of fees charged for services performed at the request of applicants in the preparation of loan applications. The account will also include fees charged to cover the cost of processing applications for loans.

511—*Appraisal and investigation fees.*

This account will represent the amount of fees charged for appraisal, investigation, and related services rendered to small business concerns.

512—*Commitment income.*

This account will represent the amount of income earned on commitments to small business concerns for loans.

(See accounts Nos. 141 and 142).

513—*Other loan fees.*

This account will represent the amount of loan fees permitted to be charged to borrowers that are not specifically provided for in other accounts.

520—*Loan Servicing Income.*

This account will represent the amount of fees charged to SBA or third parties for servicing loans on their behalf.

530—*Consulting and Related Services Fees.*

This account will represent the amount of fees charged for management consulting, accounting, and related services rendered to small business concerns.

(See accounts Nos. 140, 141, and 142).

540—*Gain on loans.*

This account will represent the amount of gain on the sale or other disposition of loans of small business concerns carried in account No. 150, and will include recoveries on loan losses previously charged to the loss account.

541—*Gain on U.S. Government securities.*

This account will represent the amount of gain on the sale or other disposition of U.S. Government obligations, direct and fully guaranteed, carried in account No. 130.

Increase in value over cost of United States Treasury bills, which are issued at a discount and are noninterest bearing, will not be reflected in this account but will be credited to account No. 502—Interest on Invested Idle Funds, with concurrent debit to account No. 143—Accrued interest receivable.

542—*Gain on assets acquired in liquidation of loans.*

This account will represent the amount of gain on the sale or other disposition of assets acquired in liquidation of loans to small business concerns carried in accounts Nos. 160 and 162 and will include recoveries on losses on assets acquired in liquidation previously charged to the loss account.

543—*Gain on other assets.*

This account will represent the amount of gain on the sale or other disposition of assets not specifically provided for in other accounts, and will include recoveries on losses on other assets previously charged to the loss account.

550—*Income from assets acquired in liquidation of loans.*

This account will represent the amount of income earned on assets acquired in liquidation of loans, including the operation of properties, carried in account No. 162.

In instances when a liquidating agent is employed to supervise the disposition of the assets, appropriate subsidiary accounts should be maintained by the agent. Cash collected from the sale of assets by the liquidating agent should be remitted immediately to the company. The company should maintain a local depository bank account, in which all receipts of the agent are deposited when direct remittances to the company are not feasible. Deposit balances in this account should be subject to withdrawal by check only by the company and should be reflected on the company's records in the same manner as other bank accounts.

Any advances to a liquidating agent for expenses incident to the operation or the disposition of assets acquired in the liquidation of loans should be charged to account No. 220—Prepaid expenses.

551—*Other income.*

This account will represent the income earned not specifically provided for in other accounts.

EXPENSE ACCOUNTS

600—*Interest expense.*

This account will represent the amount of interest expense on the company's notes and mortgages and on other interest-bearing obligations.

610—*Salaries expense.*

This account will include the balances in subaccounts Nos. 610.1 and 610.2.

610.1—*Salaries of officers.*

This account will represent the salary cost of all officers of the company, including directors' salaries, if any, but not directors' fees for attendance at meetings.

610.2—*Salaries of employees.*

This account will represent the salary cost of all employees other than officers, including salaries of any temporary or parttime employees engaged for specific assignments.

611—*Employee benefits expense.*

This account will represent the cost assumed by the company in contributing to funds providing for employee retirement

benefits and other types of employee benefits, except group life insurance. The portion, if any, of the cost of employee benefits withheld from salaries or received from employees will be reflected in account No. 358.

612—*Consulting Services.*

This account will represent the amount of charges made by outside firms or individuals for management services provided to the company.

620—*Advertising and promotional costs.*

This account will represent the cost of advertising and promoting the company's services, including the cost of entertaining prospective borrowers and clients.

621—*Appraisal and investigation costs.*

This account will represent the amount of charges made by outside firms and individuals for appraisal, investigation, and related services rendered to the company.

622—*Guaranty fees.*

This account will represent the amount of charges made by the Small Business Administration for its guarantee of portions of loans made by the company.

623—*Communications.*

This account will represent telephone, telegraph, and postage expense.

624—*Travel expense.*

This account will represent all travel expense, including transportation charges, automobile maintenance, operating expense, and depreciation expense, meals, lodging, telephone, telegraph, and other company costs incurred by officers and employees while in a travel status.

625—*Legal services.*

This account will represent the cost of legal services rendered to the company.

630—*Provision for losses on receivables.*

This account will represent the amount of estimated losses applicable to the fiscal year on notes and accounts receivable, and interest receivable.

631—*Provision for losses on loans.*

This account will represent the amount of estimated losses applicable to the fiscal year on loans to small business concerns.

632—*Provision for losses on assets acquired in liquidation of loans.*

This account will represent the amount of estimated losses applicable to the fiscal year on assets acquired in liquidation of loans.

640—*Cost of space occupied.*

This account will repreesnt the cost of space occupied such as rent, alterations, light, heat, power, janitor service, maintenance and repair expense on buildings, furniture, and equipment (other than automobiles), etc.

641—*Depreciation of corporate premises owned.*

This account will represent the amount of provision applicable to the fiscal year for depreciation of the buildings and other depreciable improvements of corporate premises owned and used as the company's office quarters.

642—*Depreciation of Furniture and Equipment.*

This account will represent the amount of provision applicable to the fiscal year for depreciation of furniture and equipment (other than automobiles) owned by the company.

643—*Amortization of leasehold improvements.*

This account will represent the amortization of leasehold improvements.

644—*Auditing and examination costs.*

This account will represent the amount of charges for auditing, examination, and bookkeeping services rendered by accountants not on the company's payroll, and charges for services rendered by SBA examiners.

645—*Insurance expense.*

This account will represent fire, theft, employee group life insurance, and other insurance expense, including fidelity bond premiums and insurance on automobiles. The portion, if any, of employee group life insurance premiums withheld from salaries or received from employees will be reflected in account No. 358. Insurance premiums to be amortized will be charged to account No. 220.

646—*Directors' and stockholders' meetings costs.*

This account will represent directors' fees and travel expense for attendance at directors' and stockholders' meeting. The account also will include the cost of holding stockholders' meetings, such as rental of the meeting hall and related expenses.

647—*Taxes, excluding income taxes.*

This account will represent the cost of all taxes, including those on corporate premises owned, motor vehicle, and personal property, social security taxes (company's portion), and other taxes charged to the company, exclusive of income taxes.

648—*Amortization of organization expenses.*

This account will represent the amount of legal fees, promotional expense, stock certificate costs, incorporation fees, taxes, and other related costs incurred in organizing the company, which are charged to expense (this account) as incurred or are transferred to this account periodically through the amortization of organization costs established as an asset in account No. 236.

649—*Miscellaneous operating expenses.*

This account will represent the amount of operating expenses not specifically provided for in other accounts. There will be included expenses incurred in connection with dues, subscriptions, donations, and similar items; charges made to the company for custodial or safekeeping services in connection with its loans; and bank service charges, exhange on checks, protest fees, etc., and the cost of office supplies such as stationery, accounting forms, binders, pencils, etc.

650—*Loss on U.S. Government obligations.*

This account will represent the amount of loss on the sale or other disposition of United States Government obligations, direct and fully guaranteed, carried in account No. 130.

651—*Loss on loans.*

This account will represent the amount of loss on the sale or other disposition of loans of small business concerns carried in account No. 150, which is in excess of the amount established in Account 151 for the particular loan.

652—*Loss on assets acquired in liquidation of loans.*

This account will represent the amount of loss in excess of that provided for in accounts Nos. 161 and 163 on the sale or other disposition of assets acquired in liquidation of loans to small business concerns carried in accounts Nos. 160 and 162.

653—*Loss on other assets.*

This account will represent the amount of loss on the sale or other disposition of assets not specifically provided for in other accounts.

660—*Expense on assets acquired in liquidation of loans.*

This account will represent the amount of expense incurred on assets acquired in liquidation of loans including the operation and depreciation of properties, carried in account No. 162. The account also will include the amount of interest expense accrued on mortgages payable on assets acquired in liquidation loans.

In instances when a liquidating agent is employed to supervise the disposition of the assets, appropriate subsidiary accounts should be maintained by the agent.

Cash collected from the sale of assets by the liquidating agent should be remitted immediately to the company. The company should maintain a local dospository bank account, in which all receipts of the agent are deposited when direct remittances to the company are not feasible. Deposit balances in this account should be subject to withdrawal by check only by the company and should be reflected on the company's records in the same manner as other bank accounts.

Any advances to a liquidating agent for expenses incident to the operation of or in the disposition of assets acquired in the liquidation of loans and debt securities should be charged to account No. 220—Prepaid expenses and deferred charges.

661—*Other expenses.*

This account will represent the amount of nonoperating expenses not specifically provided for in other accounts.

670—*Income taxes—net income.*

This account will include the balances in subaccounts Nos. 670.1, 670.2, etc.

670.1—*Federal income taxes—net income.*

This account will represent the amount of Federal income taxes applicable to net income for the current fiscal year.

670.2—*State income taxes—net income.*

This account will represent the amount of State income taxes applicable to net income for the current fiscal year.

MEMORANDUM RECORDS

Contingent Liabilities

CL–15—*Commitments outstanding.* This record will show the amount of loan commitments made and outstanding to small business concerns. When funds are advanced against commitments, appropriate entry will be made in this record.

CL–16—*Other contingent liabilities.* This record will show the amount of miscellaneous contingent obligations not otherwise classified.

Capital Stock Authorized, Unissued, and Optioned

CS–1—*Capital stock authorized.* This record will show the total par or stated value of the capital stock authorized, as provided for in the company's charter. A separate section should be provided for each type and class of capital stock authorized.

Upon authorization of an additional amount of capital stock, or upon completion of a reduction in the amount authorized, an adjustment will be made in the appropriate section(s) of this record to reflect the change.

(See memorandum record CS–2.)

CS–2—*Unissued Capital Stock.* This record will show the total par or stated value of unissued capital stock of the company. A separate section should be provided for each type and class of unissued capital stock.

Upon authorization of additional amounts of unissued capital stock or reduction of such authorized stock, upon retirement of capital stock, or upon the issuance of capital stock, an adjustment will be made in the appropriate Section (S) of this record to reflect the change.

(See accounts Nos. 400–404 and Memorandum Record CS–1.)

CS–3—*Option on company's stock.* This record will show details of outstanding options on the company's capital stock granted in lieu of salary or in payment for services actually rendered to the company. The following data will be included:

1. Identification of person or entity holding options.
2. Number of shares optioned.
3. Type and class of stock called for by options.
4. Dates of grant and of expiration of options.
5. Price or prices at which options exercisable, with dates they apply.
6. Fair market value, per share, of stock called for at date each option was granted.
7. Price of each option as percent of fair market value of optioned stock at date option was granted.
8. Provisions for termination of options in case of death or retirement of optionees, or other circumstances.
9. Details of authorization, shares reserved for, issuance, exercise, lapse, and forfeiture of options provided for under the company's stock option plan.

Actual Loss Experience

AL-1—*Actual (realized) losses.* This record will show for each fiscal year, and also accumulatively, the amount of actual (realized) losses incurred through disposition, writedown, or writeoff of loans and investments. Losses shall be stated in total for all loans and also separately for loans, assets acquired in liquidation of loans, and amounts due from debtors on sale of assets acquired in liquidation of loans. Losses realized shall be determined in relation to cost of the assets involved without regard to the existence or nonexistence of related allowances for losses.

Dated: November 20, 1975.

LOUIS F. LAUN,
Acting Administrator.

[FR Doc.75-33067 Filed 12-9-75;8:45 am]

federal register

WEDNESDAY, DECEMBER 10, 1975

PART III:

INTERSTATE COMMERCE COMMISSION

■

STANDARDS FOR DETERMINING RAIL SERVICE CONTINUATION SUBSIDIES

Miscellaneous Avoidable Costs

Title 49—Transportation

CHAPTER X—INTERSTATE COMMERCE COMMISSION

[Ex Parte No. 293 (Sub-No. 2)]

PART 1125—STANDARDS FOR DETERMINING RAIL SERVICE CONTINUATION SUBSIDIES

Miscellaneous Avoidable Costs

Present: Alan M. Fitzwater, Director, Rail Services Planning Office, to whom the matters under construction in this notice and order have been assigned.

This supplemental notice of Rulemaking and Order is issued pursuant to section 205(d)(3) of the Regional Rail Reorganization Act of 1973 (the "Act"), P.L. 93-236, 87 Stat. 985, which provides that the Rail Services Planning Office of the Interstate Commerce Commission (the "Office") shall—

—within 180 days after the date of enactment of this Act, determine and publish standards for determining the "revenue attributable to the rail properties", the "avoidable costs of providing service", and "a reasonable return on the value", as those phrases are used in section 304 of this Act, after a proceeding in accordance with the provisions of section 553 of title 5, United States Code.

On February 25, 1974, the Director of the Rail Services Planning Office (Office) of the Interstate Commerce Commission (Commission) issued a notice of proposed rulemaking and order (39 FR 7182), pursuant to the above quoted provisions, setting forth a proposed Part 1125 to Title 49 of the Code of Federal Regulations, containing standards for defining the quoted terms. After an extended period for public comment, the Office issued standards on July 1, 1974 (39 FR 24294). On July 30, 1974, the Office issued a notice announcing that petitions seeking amendment of the standards would be accepted if filed on or before August 19, 1974 (39 FR 28196).

In requesting amendment of the standards, several parties urged that the standards be tested on actual branch lines and that the time for filing be extended. On September 10, 1974, the Office issued a notice stating that the standards would be tested and that the time for filing pleadings was being extended to October 30, 1974 (39 FR 35444).

Following an in-depth analysis of the petitions and of the knowledge gained from the testing of the standards, the Office published revised standards for determining rail service continuation subsidies on January 8, 1975 (40 FR 1624). Since the revised standards reflected significant changes from the original version, the Office invited additional comments to be filed by February 18, 1975.

Following analysis of the comments filed in response to the January 8, 1975 revisions, the Office issued Miscellaneous Amendments to the standards on March 28, 1975 (40 FR 14186).

After the Final System Plan was issued, the Federal Railroad Administration established a Subsidy Program Implementation Task Force, comprised of representatives of the viewpoints of the trustees, ConRail, the solvent carriers, the states, and the involved federal agencies, to address the issues to be resolved in negotiating operating agreements for services to be continued under subsidy offers. This Task Force recognized that liability for personal injuries, deaths, and property damage is an issue which must be resolved in order for the rail service continuation provisions of the Act to be exercised by potential subsidizers. While there was basic agreement among the Task Force members that the costs of injuries, deaths, and property damage on a subsidized line were properly avoidable costs of operating the subsidized service, there was also a realization that potential subsidizers will be hesitant to expose themselves to multi-million dollar damage settlements arising from incidents which might occur on the subsidized line. Similarly, the operating railroads will be hesitant to expose themselves to such claims if they cannot be reimbursed for such costs.

The Task Force considers insurance coverage for such liabilities to be a reasonable solution to this problem. Most of the carriers which will be operating the subsidized services have liability insurance policies in force, and the subsidized lines could be included as properties covered under these policies. The additional premiums incurred for this extended coverage would be avoidable costs of operating the subsidized services.

However, the general liability policies of major carriers usually involve a deductible of over one million dollars, an amount which could also discourage potential subsidizers. To protect themselves, subsidizers may request the operating railroad to purchase additional insurance to cover the liability for the deductible amounts of the operating carrier's general policy. Policies similar to those carried by short line railroads should be available for many of the subsidized lines. These policies have lower deductible amounts and could be written to a maximum coverage which matches the operating railroad's deductible. If such "short line" coverage were obtained by the operating railroad, the premium costs for these coverages would be avoidable costs.

The standards as issued January 8, 1975 and amended March 28, 1975, did not define such insurance premiums as avoidable costs. Undoubtedly there will be other directly attributable items which are not specifically covered by the present standards. Therefore, the Office is amending the standards to provide for the inclusion of directly attributable costs which are not otherwise covered by the standards as avoidable costs of providing service on subsidized lines. All such costs must be identified separately and be incurred directly in the provision of the subsidized service.

All persons interested in filing statements of their views on the amendment which is a part of this notice, or in proposing for consideration an alternative amendment, are invited to do so. Statements should be submitted in writing to the Office on or before January 7, 1976. An original and three copies of any statement should be supplied. The Office shall review all submissions and if comments requiring change are received, the amendment will be modified at a future date. This amendment shall take effect as set forth below on January 22, 1976.

In light of the foregoing considerations:

It is ordered, That all interested persons be invited to participate in this proceeding by submitting written representations containing statements of fact or views. To be considered, the original and three copies of each representation must be filed on or before January 7, 1976, with:

Rail Services Planning Office,
Interstate Commerce Commission,
Washington, D.C. 20423

It is further ordered, That Part 1125 of Subchapter B of Chapter X of Title 49 of the Code of Federal Regulations, be amended by adding a new paragraph (l) as set forth below to § 1125.5 of the standards as adopted on January 8, 1975 and amended on March 28, 1975.

And it is further ordered, That this order shall become effective January 22, 1976.

By the Commission, Rail Services Planning Office.

[SEAL] ROBERT L. OSWALD,
Secretary.

The following new paragraph is added to § 1125.5:

§ 1125.5 Avoidable costs of providing service.

* * * * *

(l) *Miscellaneous avoidable costs.* The amounts assigned under this item shall be those identifiable costs directly related to the branch which are not otherwise assignable in this section.

[FR Doc.75-33252 Filed 12-9-75;8:45 am]

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