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THURSDAY, JULY 7, 1977



highlights

OFFICE OF THE FEDERAL REGISTER LEGAL DRAFTING WORKSHOPS

The Office of the Federal Register announces two additional four-day legal drafting workshops.

WHAT: The workshop covers the following areas:
1. Legal drafting techniques—Preferred usage, Organization, Clarity.
2. Legal drafting exercises—Regulations, Preambles.
3. Review and discussion of documents for the use of legal drafting techniques and for substance.
4. How to comply with new preamble requirements.
5. The regulatory process—Where has it been, Where is it going.

WHY: The workshop aims to improve the participant's ability to design and draft clear, usable documents for publication in the FEDERAL REGISTER.

WHO: Any person drafting or reviewing documents for publication in the FEDERAL REGISTER.

WHERE: 1100 L Street, NW, Room 9409, Washington, DC

WHEN: August 18, 19, 22, 23, 1977 or September 15, 16, 19, 20, 1977.

FOR MORE INFORMATION: Write to: Ms. Rose Anne Lawson, NARS, Office of the Federal Register, Washington, DC 20408. Reservations required.

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The six-month trial period ended August 6. The program is being continued on a voluntary basis (see OFR notice, 41 FR 32914, August 6, 1976). The following agencies have agreed to remain in the program:

Monday	Tuesday	Wednesday	Thursday	Friday
NRC	USDA/ASCS		NRC	USDA/ASCS
DOT/COAST GUARD	USDA/APHIS		DOT/COAST GUARD	USDA/APHIS
DOT/NHTSA	USDA/FNS		DOT/NHTSA	USDA/FNS
DOT/FAA	USDA/REA		DOT/FAA	USDA/REA
DOT/OHMO	CSC		DOT/OHMO	CSC
DOT/OPSO	LABOR		DOT/OPSO	LABOR
	HEW/ADAMHA			HEW/ADAMHA
	HEW/CDC			HEW/CDC
	HEW/FDA			HEW/FDA
	HEW/HRA			HEW/HRA
	HEW/HSA			HEW/HSA
	HEW/NIH			HEW/NIH
	HEW/PHS			HEW/PHS

Documents normally scheduled on a day that will be a Federal holiday will be published the next work day following the holiday.

Comments on this program are still invited. Comments should be submitted to the Day-of-the-Week Program Coordinator, Office of the Federal Register, National Archives and Records Service, General Services Administration, Washington, D.C. 20408.

ATTENTION: For questions, corrections, or requests for information please see the list of telephone numbers appearing on opposite page.

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List of Public Laws

This is a continuing listing of public bills that have become law, the text of which is not published in the FEDERAL REGISTER. Copies of the laws in individual pamphlet form (referred to as "slip laws") may be obtained from the U.S. Government Printing Office.

H.R. 1404 ... Pub. L. 95-59
For the relief of Smith College, Northampton, Massachusetts, and for other purposes. (June 30, 1977; 91 Stat. 255). Price $.35.

H.J. Res. 525 ... Pub. L. 95-60
To provide for a temporary extension of certain Federal Housing Administration mortgage insurance and related authorities and of the national flood insurance program, and for other purposes. (June 30, 1977; 91 Stat. 257). Price: $.35

H.R. 6823 ... Pub. L. 95-61
To authorize appropriations for the United States Coast Guard for fiscal year 1978, and for other purposes. (July 1, 1977; 91 Stat. 259). Price: $.35

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 7—Agriculture

CHAPTER IX—AGRICULTURAL MARKETING SERVICE (MARKETING AGREEMENTS AND ORDERS; FRUITS, VEGETABLES, NUTS), DEPARTMENT OF AGRICULTURE

[Valencia Orange Regulation 563]

PART 908—VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This regulation establishes the quantity of California-Arizona Valencia oranges that may be shipped to fresh market during the weekly regulation period July 8–14, 1977. This regulation is needed to provide for orderly marketing of fresh Valencia oranges for the regulation period because of the production and marketing situation confronting the orange industry.

EFFECTIVE DATE: July 8, 1977.

FOR FURTHER INFORMATION CONTACT:

Charles R. Brader, Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250 (202–447–3545).

SUPPLEMENTARY INFORMATION: (a) *Findings.* (1) Pursuant to the amended marketing agreement and Order No. 908, as amended (7 CFR Part 908), regulating the handling of Valencia organges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations and information submitted by the Valancia Orange Administrative Committee, established under the amended marketing agreement and order, and upon other available information, it is found that the limitation of handling of Valencia oranges, as provided in this regulation will tend to effectuate the declared policy of the act.

(2) The need for this regulation to limit the quantities of Valencia oranges that may be marketed from District 1, District 2, or District 3 during the specified week stems from the production and marketing situation confronting the Valencia orange industry.

(i) The committee has submitted its recommendation for the quantities of Valencia oranges that should be marketed during the specified week. The recommendation, designed to provide equity of marketing opportunity to handlers in all districts, resulted from consideration of the factors covered in the order. The committee further reports the fresh market demand for Valencia oranges continues to be dull. Average f.o.b. price was $3.87 per carton on 659 cars for the week ended June 30, as compared with $3.80 per carton on 664 cars the previous week. Track and rolling supplies at 350 cars were down 56 cars from last week.

(ii) Having considered the recommendation and information submitted by the committee, and other available information, the Secretary finds that the quantities of Valencia oranges which may be handled should be stablished as provided in this regulation.

(3) It is hereby further found that it is impractable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this regulation until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 553), because the time intervening between the date when information become available upon which this regulation is based and the time when this regulation must become effective in order to effectuate the declared policy of the act is insufficient. A reasonable time is permitted for preparation for such effective time; and good cause exists for making the regulation effective as specified. The committee held an open meeting during the current week, after giving due notice, to consider supply and market conditions for Valencia oranges and the need for regulation. Interested persons were afforded an opportunity to submit information and views at this meeting. The recommendation and supporting information for regulation during the period specified were prompty submitted to the Secretary after the meeting was held, and information concerning such provisions and effective time has been provided to handlers of Valencia oranges. It is necessary, to effectuate the declared policy of the act, to make this regulation effective during the period specified. The committee meeting was held on July 5, 1977.

§ 908.863 Valencia Orange Regulation 563.

(b) *Order.* (1) The quantities of Valencia oranges grown in Arizona and designated part of California which may be handled during the period July 8, 1977, through July 14, 1977, are hereby affixed as follows:

(i) District 1: 220,00 cartons;
(ii) District 2: 330,000 cartons;
(iii) District 3: Unlimited.

(2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in the amended marketing agreement and order.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674.)

Dated: July 6, 1977.

CHARLES R. BRADER,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc.77-19607 Filed 7-6-77;11:26 am]

CHAPTER XIV—COMMODITY CREDIT CORPORATION, DEPARTMENT OF AGRICULTURE

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

PART 1434—HONEY

Subpart—Honey Price Support Regulations for 1977 and Subsequent Crops

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Final rule.

SUMMARY: The purpose of this rule is to set forth the general requirements under which price support loans will be available to honey producers. Such rule is continuing and an annual crop supplement will be published showing program provisions applicable to a specific crop year. The need for this rule is to satisfy statutory requirements of Section 201 of the Agricultural Act of 1949 which provides that price support shall be available on honey.

EFFECTIVE DATE: July 7, 1977.

ADDRESSES: Grains, Oilseeds, and Cotton Division, ASCS, USDA, 3752-South Building, P.O. Box 2415, Washington, D.C. 20013.

FOR FURTHER INFORMATION CONTACT:

Dalton Ustynik (ASCS) 202–447–9224.

SUPPLEMENTARY INFORMATION: These regulations supersede the Honey Price Support Regulations for 1975 and Subsequent Crops (40 F.R. 30798, 32732) with respect to the honey price support program for the 1977 and subsequent crops of honey.

On January 14, 1977, a notice of proposed rulemaking was published in the FEDERAL REGISTER (42 FR 2980) regarding certain determinations for the 1977 crop of honey. Such determinations in-

cluded determining detailed operating provisions to carry out the program. Fifteen letters were received regarding the detailed operating provisions. All recommended reinstatement of the loan provisions of the program. After consideration of all responses, it has been determined that the loan provisions will be reinstated. Other operating procedures will remain basically same as those for the 1976 program. The material previously appearing in this subpart, §§ 1434.1 through 1434.24, remains in full force and effect as to the crops to which it was applicable. The revised regulations read as follows:

Subpart—Honey Price Support Regulations for 1977 and Subsequent Crops

Sec.

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1434.2 Administration.
1434.3 Eligible producers.
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1434.5 Miscellaneous requirements.
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1434.7 Eligible honey.
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1434.13 Liens.
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1434.16 Determination of quantity.
1434.17 Determination of quality.
1434.18 Interest rates.
1434.19 Transfer of producer's interest prohibited.
1434.20 Insurance.
1434.21 Loss or damage.
1434.22 Personal liability of the producer.
1434.23 Quantity for warehouse storage loan.
1434.24 Quantity for farm storage loan.
1434.25 Release of the honey under loan.
1434.26 Liquidation of farm storage loans.
1434.27 Liquidation of warehouse storage loans.
1434.28 Purchases from producers.
1434.29 Settlement.
1434.30 Foreclosure.
1434.31 Charges not to be assumed by CCC.
1434.32 Handling payments and collections not exceeding $3.
1434.33 Death, incompetency, or disappearance.
1434.34 Definitions.
1434.35 Prairie Village Commodity Office and Data Systems Field Office.

AUTHORITY: Sec. 4, 62 Stat. 1070, as amended (15 U.S.C. 714b); Sec. 5, 62 Stat. 1072 (15 U.S.C. 714c); secs. 201, 401, 63 Stat. 1052, 1054 (7 U.S.C. 1446, 1421).

§ 1434.1 General statement.

This subpart contains the regulations which set forth the requirements with respect to price support for the 1977 and each subsequent crop of extracted honey for which a price support program is authorized. Price support will be made available through loans on and purchases of eligible honey. Farm storage loans will be evidenced by notes and secured by chattel mortgages. Warehouse storage loans will be evidenced by notes and security agreements and secured by the pledge of warehouse receipts representing eligible honey in approved warehouse storage. The producer may also sell to CCC any or all of his eligible honey which is not security for a price support loan by delivering the honey to CCC. As used in this subpart "CCC" means the Commodity Credit Corporation and "ASCS" means the Agricultural Stabilization and Conservation Service of the U.S. Department of Agriculture.

§ 1434.2 Administration.

(a) *Responsibility.* The Grains Oilseeds, and Cotton Division, ASCS, will administer this subpart under the general direction and supervision of the Deputy Administrator, Programs, in accordance with program provisions and policy determined by the CCC Board of Directors and the Executive Vice President, CCC. In the field, this subpart will be administered by the various State and county Agricultural Stabilization and Conservation Committees (hereinafter severally called State committee and county committee), Prairie Village Commodity Office and the Data Systems Field Office.

(b) *Documents.* Any member of the county committee, the county executive director, or other employee of the county ASCS office designated by the county executive director to act in his behalf is authorized to approve documents in accordance with the provisions of this program except where otherwise specified in this subpart. Any such designation shall be in writing and a copy thereof shall be on file in the county office.

(c) *Limitation of authority.* The authority conferred by this subpart to administer the honey price support program does not include authority to modify or waive any of the provisions of this subpart.

(d) *State committee.* The State committee may take any action which is authorized or required by this subpart to be taken by the county committee but which has not been taken by such committee. The State committee may also (1) correct or require a county committee to correct any action which was taken by such county committee but which is not in accordance with this subpart or (2) require a county committee to withhold taking any action which is not in accordance with this subpart.

(e) *Executive Vice President, CCC.* No delegation of authority herein shall preclude the Executive Vice President, CCC, or his designee, from determining any question arising under this subpart or from reversing or modifying any determination made pursuant to a delegation of authority in this subpart.

§ 1434.3 Eligible producers.

(a) *Producer.* An eligible producer shall be a person (i.e., an individual, partnership, association, corporation, estate, trust, or other legal entity) who extracts honey produced by bees owned by him.

(b) *Estates and trusts.* A receiver of an insolvent debtor's estate, an executor or an administrator of a deceased person's estate, a guardian of an estate of a ward or an incompetent person, and trustee of a trust estate will be considered to represent the insolvent debtor, the deceased person, the ward, or incompetent, and the beneficiary of a trust respectively, and the production of the receiver, executor, administrator, guardian, or trustee shall be considered to be the production of the person he represents. Loan or purchase documents executed by such legal representative will be accepted by CCC only if they are legally valid and such person has the authority to sign the applicable documents.

(c) *Minors.* A minor who is otherwise an eligible producer shall be eligible for price support only if he meets one of the following requirements: (1) The right of majority has been conferred on him by court proceedings or statute; (2) a guardian has been appointed to manage his property and the applicable price support documents are signed by the guardian; (3) any note signed by the minor is cosigned by a financially responsible person; or (4) a bond is furnished under which a surety guarantees to protect CCC from any loss incurred for which the minor would be liable had he been an adult.

(d) *Approved cooperative.* A cooperative marketing association which is approved by the Executive Vice President, CCC, pursuant to Part 1425 of this chapter, to obtain price support on a crop of extracted honey, may obtain price support on the eligible production of such crop of the honey on behalf of its members. The term "producer" as used in this subpart and on applicable price support forms shall refer both to an eligible producer as defined in paragraphs (a), (b), and (c) of this section and to such an approved cooperative marketing association.

(e) *Approval by county committee.* If a producer has been convicted of a criminal act or has made a misrepresentation in connection with any price support program or has unlawfully disposed of any loan collateral or if the county committee has had difficulty in settling a loan with the producer because his failure to protect properly the mortgaged honey or for other reasons, the producer may be denied price support until the county committee is satisfied that CCC will be fully protected against any possible loss other than loss assumed by CCC under the regulations in this subpart.

(f) *Joint loans.* Two or more eligible producers may obtain a joint loan on eligible honey produced and extracted by them if stored in the same farm storage facility, or in the case of a warehouse storage loan, if the warehouse receipt is issued jointly to such producers. Each producer who is a party to a joint loan will be jointly and severally responsible and liable for the breach of the obligations set forth in the loan documents and in the applicable regulations in this subpart.

(g) *Warehouse storage loans to warehousemen.* Except as provided in § 1434.10, warehouse storage loans may be made to a warehouseman who in his capacity as a producer tenders to CCC warehouse receipts issued by him on

honey produced and extracted by him only in those States where the issuance and pledge of such warehouse receipts is valid under State law.

§ 1434.4 Eligibility requirements.

(a) *Requesting price support.* To obtain price support on eligible honey, a producer must request a loan on, or notify the county ASCS office of his intention to sell his eligible commodity by completing a Purchase Agreement (Form CCC-614), no later than the date specified in the crop year supplement.

(b) *Beneficial interest.* To be eligible for price support, the beneficial interest in the honey must be in the producer tendering it as security for a loan or for purchase and must have always been in him or in him and a former producer whom he succeeded as owner of the bees before the honey was extracted, except that heirs who (1) succeed to the beneficial interest of a deceased producer, (2) assume the decedent's obligation under a loan if a loan has already been obtained, and (3) assure continued safe storage of the honey if under farm storage loan, shall be eligible for price support as producers whether such succession occurs before or after extraction of the honey. A producer shall not be considered to have divested himself of the beneficial interest in the honey if he enters into a contract to sell, or gives an option to sell, his commodity if, under the contract or option, he retains control, risk of loss, and title to the honey subject to such agreements, and retains control of its production. If price support is made available through an approved cooperative marketing association, the beneficial interest in the honey must always have been in the producer members who delivered the honey to the approved cooperative or its member cooperatives or must always have been in them and former producers whom they succeeded before the honey was extracted, except as provided in the case of heirs of a deceased producer. Honey acquired by a cooperative marketing association shall not be eligible for price support if the producer members who delivered the honey to the cooperative or its member cooperatives do not retain the right to share in the proceeds from the marketing of the honey as provided in Part 1425 of this chapter.

(c) *Succession of interest.* To meet the requirements of succession to a former producer, the rights, responsibilities and interest of the former producer with respect to ownership of the bees which produced the honey shall have been substantially assumed by the person claiming succession. Mere purchase of the honey prior to extraction or its inheritance without acquisition of any additional interest in the production unit shall not constitute succession.

(d) *Doubtful cases.* Any producer or cooperative in doubt as to whether his interest in the honey complies with the requirements of this section should, before requesting price support, make available to the county committee, all pertinent information which will permit a determination to be made by CCC.

(e) *Redeemed loan collateral.* A producer may reoffer as security or repledge as collateral, for repayment of a CCC loan, any honey that has been previously mortgaged or pledged to secure the repayment of a CCC loan.

§ 1434.5 Miscellaneous requirements.

(a) *Security.* The county office shall file or record as required by State law all chattel mortgages which cover honey under loan and stored on leased premises or in leased bulk tanks, described in § 1434.9(a)(1). The cost of filing and recording shall be for the account of CCC.

(b) *Revenue stamps.* Farm Storage Note, Chattel Mortgage and Security Agreements, and Warehouse Storage Note and Security Agreements must have State and documentary revenue stamps affixed thereto where required by law.

(c) *Restrictions in use of agents.* A producer shall not delegate to any person (or his representative) who has any interest in storing, processing, or merchandising honey authority to exercise on behalf of the producer any of the producer's rights or privileges under this program or any note, chattel mortgage and security agreement, or other instrument executed in obtaining price support under this program, unless the person (or his representative) to whom authority is delegated is serving in the capacity of a farm manager for the producer. Any delegation of authority given in violation of this paragraph shall be without force and effect and shall not be recognized by CCC.

§ 1434.6 Availability, disbursement, and maturity of loans.

(a) *Where to request price support.* A producer shall request price support at the local county ASCS office of the county in which the honey is stored. An approved cooperative marketing association must request price support at the county ASCS office for the county in which the principal office of the cooperative is located unless the State committee designates some other county ASCS office. In the case of an approved cooperative marketing association having operations in two or more States, requests may be made at the county office for the county in which its principal office for each such State is located.

(b) *Availability and maturity date.* The availability and maturity date applicable to loans and purchases will be specified in the annual crop year supplement to the regulations in this subpart, except that whenever the final date of availability or the maturity date falls on a nonworkday for county ASCS offices, the applicable final date shall be extended to include the next workday.

(c) *Disbursements of loans.* Disbursement of loans will be made to producers by means of drafts drawn on CCC or by credit to the producer's account. The producer shall not present the loan document for disbursement unless the honey covered by the mortgage or pledge has been extracted and is in approved storage. If the honey was not either in existence or extracted at the time of disbursement, the total amount disbursed under the loan shall be refunded promptly by the producer.

§ 1434.7 Eligible honey.

Honey must meet the requirements of this section in addition to other applicable eligibility requirements of this subpart and the applicable annual supplement thereto in order to be eligible for a loan or for delivery under a loan or purchase. Honey described in § 1434.8 is not eligible.

(a) *Production.* The honey must have been produced and extracted in the United States by an eligible producer during the calendar year for which price support is requested.

(b) *Floral source.* Honey from the floral sources listed below and honey having similar flavor shall be eligible for price support and shall be classed as follows:

(1) *Table honey.* Table honey means honey having a good flavor of the predominant floral source which can be readily marketed for table use in all parts of the country. Such sources include alfalfa, bird's-foot trefoil, blackberry, brazil brush, catsclaw, clover, cotton, firewood, gallberry, huajillo, lima bean, mesquite, orange, raspberry, sage, saw palmetto, soybean, sourwood, star thistle, sweetclover, tupelo, vetch, western wild buckwheat, wild alfalfa, and similar mild flavors, or blends of mild flavored honeys, as determined by the Director, Grains, Oilseeds, and Cotton Division, ASCS.

(2) *Nontable honey.* Nontable honey means honey having a predominant flavor of limited acceptability for table use but which may be considered suitable for table use in areas in which it is produced. Such honeys include those with a predominant flavor of aster, athel, avocado, buckwheat (except western wild buckwheat), cabbage palmetto, dandelion, eucalyptus, goldenrod, heartsease (smartweed), horsemint, mangrove, manzanita, mint, partridge pea, rattan vine, safflower, salt cedar (Tamarix Gallica), spanish needle, spikeweed, titi-toyon (Christmas berry), tulippoplar, wild cherry, and similarly flavored honey or blends of such honeys, as determined by the Director, Grains, Oilseeds, and Cotton Division, ASCS.

(c) *Containers.* The honey must be packed in metal containers of a capacity of not less than 5 gallons or greater than 70 gallons and of a style used in normal commercial practice in the honey industry or stored in bulk tanks described in paragraph (c)(3) of this section. All containers and tanks shall meet the requirements of the Food, Drug, and Cosmetic Act, and regulations issued thereunder.

(1) *Five-gallon.* The 5-gallon containers must contain approximately 60 pounds of honey and shall be new, clean, sound, uncased, and free from apprecia-

ble dents and rust. The handle of each container must be firm and strong enough to permit carrying the filled can. The cover and can opening must not be damaged in any way that will prevent a tight seal. Cans which are punctured or have been punctured and resealed by soldering will not be acceptable.

(2) *Steel drums.* Steel drums must be open-end type, filled to their rated capacities and be new or used drums which have been reconditioned inside and outside. They must be clean, treated to prevent rusting and fitted with gaskets which provide a tight seal.

(3) *Tanks.* Tanks used for bulk storage shall be stainless steel or aluminum or steel tanks coated on the inside with a material which, (i) complies with the Food, Drug, and Cosmetic Act and regulations issued thereunder, (ii) is suitable for use in contact with honey, and (iii) shall not adulterate the honey, impart any off color, odor, taste, or any other characteristics which would otherwise change the value of the honey stored therein. Bulk tanks shall have equipment available for liquifying crystallized honey.

(d) *Moisture requirements for loan.* To be eligible for a warehouse storage loan, honey must not contain in excess of 18.5 percent moisture.

§ 1434.8 Ineligible honey.

(a) *Floral source.* Honey from the following floral sources is not eligible for price support regardless of whether it meets other eligibility requirements: Andromeda, bitterweed, broomweed, calcput, chinquapin, dog fennel, desert hollyhock, gumweed, mescal, onion, prickly pear, prune, queen's delight, rabbit brush, snowrush (Ceanothus), snow-on-the-mountain, tarweed, and similar objectionably flavored honey or blends of honey as determined by the Director, Grains, Oilseeds, and Cotton Division, ASCS. If any blends of honey contain such ineligible honey, the lot as a whole shall be considered ineligible for loan or delivery for purchase.

(b) *Contamination or poisonous substances.* Honey which is contaminated or which contains chemicals or other substances poisonous to man or animals is not eligible for price support.

(c) *Containers.* Honey packed in steel drums which have removable liners of polyethylene, or other materials is not eligible for price support regardless of whether it meets other eligibility requirements.

(d) *Commingled eligible and ineligible honey in bulk storage.* Except for honey for which a commingled warehouse receipt drawn on an approved warehouse is issued, if a quantity of eligible honey is commingled with a quantity of honey which is ineligible for price support, the entire quantity of honey will be ineligible for loan.

§ 1434.9 Approved storage.

(a) *Loans.* Loans will be made only on honey in approved storage as defined in this section.

(1) *Farm storage.* Approved farm storage shall consist of a storage structure located on or off the farm (excluding public or commercial warehouses) which is determined by the county committee to be under the control of the producer and to afford safe storage for honey. Producers may also obtain loans on honey packaged in eligible containers and stored on leased space in facilities owned by third parties in which the honey of more than one person is stored if the honey on such leased space to be placed under loan is segregated from all other honey, is identified by markings on each container of honey, and if the segregated quantity of honey is identified by a lot number and the name of the producer as owner thereof. In addition, producers may obtain loans on honey stored in bulk tanks owned by others if use of the bulk tank is obtained by a lease between the person using the bulk tank and the owner thereof. A copy of the lease shall be obtained by the county office before a loan is made. The lease shall authorize the producer and any person having an interest in the honey to enter on the premises to inspect and examine the honey and shall permit a reasonable time to such persons to remove the honey from the premises on its termination. Except as provided in § 1434.3(f) in the case of joint loans, only the producer lessee may obtain price support on such bulk stored honey and only eligible honey belonging to the producer lessee may be stored in the bulk tanks. The chattel mortgage and security agreement shall cover all the honey stored in the bulk tank.

(2) *Warehouse storage.* Approved warehouse storage or an approved warehouse shall consist of a public warehouse for which a CCC Honey Storage Contract is in effect and which is approved for price support purposes or a warehouse operated by an approved cooperative as defined in § 1434.3(d) and licensed to store honey under the United States Warehouse Act.

(b) *Segregation of loan collateral.* If the honey in storage structure is packaged in containers and secures more than one loan, the honey must be segregated so as to preserve the identity of the honey securing each loan. Honey in containers securing a loan must also be segregated from any non-loan honey in the same structure.

(c) *Purchases.* Purchases will be made by CCC without regard to whether the honey is in approved storage.

§ 1434.10 Warehouse receipts.

(a) *General.* Warehouse receipts representing honey to be placed under a warehouse storage loan, delivered in satisfaction of a farm storage loan or delivered for purchase, must meet the requirements of this section and any other requirements contained in the regulations in this subpart and in any supplement thereto. A separate warehouse receipt must be submitted for each class, color, floral source, quality, and grade of honey.

(b) *Manner of issuance and endorsement.* Warehouse receipts must be issued in the name of the eligible producer or CCC. If issued in the name of the eligible producer, the receipts must be properly endorsed in blank so as to vest title in the holder. Receipts must be issued by an approved warehouse and indicate whether the honey is stored identity preserved in eligible containers or commingled in bulk tanks. The receipts must be negotiable, must cover eligible honey actually in storage in the warehouse and must be registered or recorded with appropriate State or local officials when required by State law.

(c) *Entries.* Each warehouse receipt or extracted honey inspection and weight certificate properly identified with the warehouse receipt must be issued in accordance with the Honey Storage Contract or U.S. Warehouse Act, if applicable, and must show:

(1) Whether the honey is stored in bulk commingled or identity preserved in containers;

(2) Number of containers if stored in containers;

(3) Size of containers if stored in containers;

(4) Gross weight for container storage;

(5) Net weight for container and bulk storage;

(6) Lot number for container storage;

(7) Average moisture for quantity represented by the receipt;

(8) Class, color, floral source, and grade.

(d) *Extracted honey inspection and weight certificate.* When an extracted honey inspection and weight certificate is issued, it must show the following additional information:

(1) Warehouse receipt number;

(2) Lot number (if applicable);

(3) Number and size of containers (if applicable);

(4) Class, color, floral source, and grade; and

(5) Net weight.

(e) *Where warehouseman is also owner.* If the producer issued for honey which is owned by the warehouseman, either solely, jointly, or in common with others, the fact of such ownership shall be stated on the receipt. In States where the pledge of warehouse receipts issued by a warehouseman on his own honey is invalid under State law, the warehouseman may offer his honey to CCC for loan or purchase if such warehouse is licensed and operating under the U.S. Warehouse Act. In such States, if the warehouseman is not licensed and operating under the U.S. Warehouse Act, the warehouseman may deliver his honey to CCC for purchase if the warehouse receipt is issued in the name of CCC.

(f) *Insurance.* Each warehouse receipt representing honey stored in an approved warehouse which has a honey storage contract with CCC shall indicate that the honey is insured in accordance with such contract.

§ 1434.11 Warehouse charges.

Prior to the time that the honey is placed under warehouse storage loan, or acquired by CCC, the producer shall arrange for payment of storage, inspection, and all other charges (except receiving and loading out charges in the warehouse in which the honey is acquired by

CCC) accruing through the loan maturity date for the honey. Such charges shall include charges incident to weight and grade determinations on identity preserved honey. CCC will assume warehouse storage charges accruing after the maturity date for loans for honey acquired by CCC.

§ 1434.12 Applicable forms.

The forms for use in connection with this program shall be as follows: Form CCC-614, Purchase Agreement; Form CCC-677, Farm Storage Note, Chattel Mortgage and Security Agreement; Form CCC-678, Warehouse Storage Note and Security Agreement; Form CCC-679, Lien Waiver; Form CCC-681, Authorization for Removal of Farm Stored Collateral; Form CCC-687-1, Approval to Move Loan Collateral; Form CCC-691, Commodity Delivery Notice; Form CCC-692, Settlement Statement; Form CCC-693, Price Support Settlement Intention (Farm Storage); Form CCC-694, Price Support Settlement Intention (Warehouse Storage); and Form CCC-828, List Furnished to Cooperative Associations; and such other forms as may be prescribed by CCC. These forms may be obtained in State and county ASCS offices.

§ 1434.13 Liens.

If there are any liens or encumbrances on the honey, waivers that will fully protect the interest of CCC must be obtained even though the liens or encumbrances are satisfied from the loan or purchase proceeds. Notwithstanding the foregoing provisions, in lieu of waiving his prior lien on honey tendered as security for a loan, a lienholder may execute a Lienholder's Subordination Agreement (Form CCC-864) with CCC in which he subordinates his security interest to the rights of CCC in the honey subject to the loan or such other quantity of honey as is delivered in satisfaction of a loan under the provisions of this subpart. No additional liens or encumbrances shall be placed on the honey after the loan is approved.

§ 1434.14 Fees and charges.

(a) *Loan service fee.* A producer shall pay a loan service fee of $10 for each farm storage loan disbursed plus $1 for each lot over 1 and $6 for each warehouse storage loan disbursed. The loan service fee is not refundable.

(b) *Delivery charge.* A delivery charge of 1 cent per hundredweight in addition to the service charge shall be paid by producers on the quantity of honey delivered to CCC. In the case of farm storage loans, identity preserved warehouse storage loans, and purchases, such delivery charge shall be paid at time of settlement. In the case of commingled warehouse storage loans, such delivery charge shall be deducted from loan proceeds and will be credited to the producer's account on any quantity redeemed.

§ 1434.15 Setoffs.

(a) *Facility and drying equipment loans.* If any installments on any loan made by CCC on farm storage facilities or drying equipment are due and payable under the provisions of the note evidencing such loan out of any amount due the producer under these regulations, the amount due the producer, after deduction of applicable fees and charges and amounts due prior lienholders, shall be applied to such installment(s).

(b) *Producers listed on claims control record.* If a producer is indebted to CCC or to any other agency of the United States and such indebtedness is listed on the ASCS county claims control record, amounts due the producer under the program provided in this subpart, after deduction of amounts payable on farm storage facilities or drying equipment and other amounts provided in paragraph (a) of this section, shall be applied as provided in the Secretary's Setoff Regulations, Part 13 of this title, to such indebtedness.

(c) *Producer's right.* Compliance with the provisions of this section shall not deprive the producer of any right he might otherwise have to contest the justness of the indebtedness involved in the setoff action either by administrative appeal or by legal action.

§ 1434.16 Determination of quantity.

(a) *For loan purposes.* The estimated quantity of farm stored honey and the quantity of warehouse stored honey placed under loan shall be determined as provided in §§ 1434.23 and 1434.24. Estimates of quantity of farm stored honey shall be made on the basis of 12 pounds for each gallon of rated capacity of the container or bulk storage tank.

(b) *At time of acquisition—(1) Farm storage.* The quantity of honey acquired by CCC on delivery in liquidation of a loan or delivery for purchase shall be determined by weighing the honey delivered under the direction of the State committee. The quantity of honey acquired in 5-gallon cans shall be determined by using a tare weight of 2.5 pounds for each can. The quantity of honey acquired in 55-gallon drums shall be determined by using a tare weight of 53 pounds for each drum unless the producer can furnish evidence of a lesser tare weight.

(2) *Warehouse storage.* In the case of honey packaged in eligible containers, the quantity of honey acquired by CCC in approved warehouse storage in liquidation of a loan or delivery for purchase shall be the net weight shown on the warehouse receipt or on the weight certificate accompanying and identified to the warehouse receipt pledged to CCC or representing honey offered to CCC for purchase. In the case of honey acquired from bulk storage in an approved warehouse, the quantity shall be determined on the basis of the net weight shown on the warehouse receipt.

§ 1434.17 Determination of quality.

(a) *Quality for loan—(1) Farm storage.* Loans on farm stored honey will be made on the basis of the floral source, color, and class (table or nontable) of the honey as declared and certified by the producer on the Farm Storage Worksheet at the time the honey is placed under loan.

(2) *Warehouse storage.* Loans on warehouse stored honey will be made on the basis of the class and the floral source, grade, and color of the honey as shown on the warehouse receipt or on the extracted honey inspection and weight certificate accompanying the warehouse receipt representing such honey.

(b) *Quality for settlement—(1) Farm storage in eligible containers.* When honey is delivered to CCC in eligible containers from farm storage, its quality and color shall be determined by the Processed Products Standardization and Inspection Branch, Fruit and Vegetable Division, AMS, in accordance with U.S. Standards for Grades of Extracted Honey on the basis of samples drawn by ASCS representatives supervising delivery. Samples shall not be drawn until the producer has designated all lots. Single containers shall not be considered as lots unless necessitated by color or floral source. The cost of quality and color determination for a maximum of four lots shall be for the account of CCC.

(2) *Identity preserved warehouse stored.* When honey stored identity preserved in containers in an approved warehouse is delivered to CCC, its class, floral source, grade, and color shall be determined by the Processed Products Standardization and Inspection Branch, Fruit and Vegetable Division, AMS, in accordance with U.S. Standards of Grades of Extracted Honey on the basis of samples drawn by ASCS representatives supervising delivery. The cost of such determination shall be for the account of CCC.

(3) *Commingled warehouse bulk stored.* Settlement for eligible honey stored bulk commingled in an approved warehouse and acquired by CCC under a loan or by purchase shall be made on the basis of the class, color, floral source, and grade shown on the warehouse receipt. Settlement shall also be made on such a basis where an approved warehouse issues a commingled warehouse receipt for loan honey delivered into the warehouse from bulk farm storage pursuant instructions of the county office.

(c) *Segregation by color.* Table honey in eligible containers shall, insofar as is practicable, be segregated into lots by color to conform with the color catagories stated in the crops year supplement. If a lot of honey is not segregated so that it can be certified as one color in accordance with the U.S. Standards for Grades of Extracted Honey, the rate of settlement under a loan or purchase shall be based on the darkest color shown on the inspection certificate: *Provided*, That if the inspection certificate at time of delivery to CCC shows that a farm stored or identity preserved warehouse stored lot of honey contains more than two colors and if the number of samples of the darkest color shown on such certificate is not more than one-sixth of the total number of samples, the color for

the purpose of settlement shall be the next lighter color than the darkest color.

(d) *Segregation by classes.* If the honey in eligible containers is not segregated so that it can be classified as table honey, the rate for settlement under a loan or purchase shall be based on the support rate for nontable honey.

(e) *Blends.* In the case of blends of table and nontable honeys, the rate for settlement under a loan or purchase shall be based on the support rate for nontable honey.

§ 1434.18 Interest rate.

Loans shall bear interest at the rate announced in a separate notice published in the FEDERAL REGISTER.

§ 1434.19 Transfer of producer's interest prohibited.

(a) *Warehouse storage loans.* The producer shall not transfer either his remaining interest in or his right to redeem honey pledged as security for a warehouse storage loan, nor shall anyone acquire such interest or right. The producer's interest or right of redemption will not be deemed to have been transferred in violation of this paragraph if, under § 1434.25(c), he or his properly authorized agent has filed a statement with the county ASCS office authorizing the release of such warehouse receipts to others, and the loan is repaid within 15 days following the date of such authorization.

(b) *Farm storage loans.* The producer shall not transfer either his remaining interest in or his right to redeem honey mortgaged as security for a farm storage loan nor shall anyone acquire such interest or right. Subject to the provisions of § 1434.25, a producer who wishes to liquidate all or part of his loan by contracting for the sale of the honey must obtain written prior approval of the county office on a form prescribed by CCC to remove a specified quantity of the honey from storage. Any such approval shall be subject to the terms and conditions set out in the applicable form, copies of which may be obtained by producers or prospective purchasers at the county ASCS office.

§ 1434.20 Insurance.

CCC will not require the producer to insure the honey placed under a farm stored loan; however, if the producer insures such honey and an indemnity is paid thereon, such indemnity shall inure to the benefit of CCC to the extent of its interest, after first satisfying the producer's equity in the honey involved in the loss.

§ 1434.21 Loss or damage.

The producer is responsible for any loss in quantity or quality of the honey placed under a farm storage loan or identity preserved warehouse storage loan funds and prior to redemption or such loss occurring and reported to the county office after disbursement of the loan. Notwithstanding the foregoing, any delivery to CCC will be assumed by CCC to the extent of the settlement value at the time of destruction of the quantity of the honey destroyed up to a quantity not in excess of that required to secure the outstanding loan (or if the honey is not destroyed, in an amount equivalent to the extent of the loss or damage as determined by CCC), less any insurance proceeds to which CCC may be entitled and the salvage value of the honey, if the producer establishes to the satisfaction of CCC each of the following conditions: (a) The physical loss or damage occurred without fault or negligence on the part of the producer or any other person having control of the storage structure; (b) the loss resulted solely from an external cause (other than insect infestation, vermin, or animals) such as theft, fire, lightning, explosion, windstorm, cyclone, tornado, flood, or other act of God; (c) the producer gave the county office immediate notice of such loss or damage; and (d) the producer made no fraudulent representation in the loan documents or in obtaining the loan.

§ 1434.22 Personal liability of the producer.

(a) *Fraud relating to loans and unlawful disposition.*—The making of any fraudulent representation by a producer in the loan documents in obtaining a loan, or in connection with settlement or delivery under a loan, or the unlawful disposition of any portion of the honey by him will render the producer subject to criminal prosecution under Federal law. If a producer has made any such fraudulent representation or unlawful disposition, the loan shall become payable upon demand and the producer shall be personally liable, aside from any additional liability under criminal and civil frauds statutes, for the amount of the loan, for any additional amount paid to the producer in connection with the honey, and for all costs which CCC would not have incurred had it not been for the producer's fraudulent representation or unlawful disposition, together with interest on such amounts. Notwithstanding the provisions of section 6(b) of the Farm Storage Note, Chattel Mortgage and Security Agreement (Form CCC–677) and section 6(b) of the Warehouse Storage Note and Security Agreement (Form CCC–678), if a producer has made any such fraudulent representation or any unlawful disposition, the amount with which he shall be credited for any honey delivered to or removed by CCC will be, whichever is applicable, (1) the market value of the honey as determined by CCC as of date of delivery to or removal by CCC, or the loan settlement value, whichever is the lower, in the case of farm storage loans, (2) the market value of the commodity at the close of the market on the final date for repayment or the loan settlement value, whichever is the lower, in the case of warehouse storage loans, or (3) the sales price less any costs sustained by CCC, the honey is sold by CCC in order to determine its market value, or the loan settlement value, whichever is the lower. If the unlawful disposition of loan collateral is determined by CCC not to have been willful conversion, the value of the honey or part thereof delivered to CCC or removed by CCC shall be the same as the settlement value for eligible honey acquired by CCC as provided in this subpart.

(b) *Fraud relating to purchases.* If the producer has made a fraudulent representation in a price support purchase by CCC or in price support purchase documents, he shall be personally liable, aside from any additional liability under criminal or civil fraud statutes, for any loss which CCC sustains upon the honey delivered under the purchase. For the purpose of this program, such loss shall be deemed to be the price paid to the producer on the honey delivered under the purchase plus all costs sustained by CCC in connection with the honey together with interest on such amounts, less the lowest of the following: The market value, as determined by CCC, as of the close of the market on the date of delivery; the sales price of the honey if the honey is sold in order to determine its market value; or CCC's purchase price.

(c) *Overdisbursement.* If the amount disbursed under a loan or purchase exceeds the price support value of the honey upon settlement determined as authorized under this subpart, the producer shall be personally liable for the repayment of the amount of such excess.

(d) *Contamination or poisonous substances.*—A producer shall be personally liable for any damages resulting from delivery to CCC of contaminated honey, or honey containing chemicals, or other substances poisonous to man or animals.

(e) *Joint loans.* In the case of joint loans, the personal liability for the amounts specified in this section shall be joint and several one the part of each producer signing the note.

§ 1434.23 Quantity for warehouse storage loan.

(a) *Commingled bulk storage.* The amount of a loan on the quantity of eligible honey stored commingled in bulk in an approved warehouse shall be based on the net weight specified on the warehouse receipt representing such honey which is pledged as security for the loan. The support rate shall be adjusted as provided in § 1434.44.

(b) *Identity preserved in eligible containers.* The amount of a loan on the quantity of eligible honey packaged in eligible containers and stored identity preserved in an approved warehouse shall be based on a percentage of the net weight specified on the warehouse receipt representing such honey which is pledged as security for the loan. Such percentage shall not exceed 95 percent of the weight so specified.

§ 1434.24 Quantity for farm storage loan.

(a) *General.* Farm storage loans shall not be made on more than a percentage (hereinafter called the "loan percent-

age"), as established by the State committee, of the certified or measured quantity of the eligible honey stored in approved farm storage and covered by the note and security agreement. The maximum loan percentage shall not exceed 90 percent of the certified or measured quantity. The State committee shall establish the loan percentage each year on a statewide basis or for specified areas within the State. Prior to the establishment of a loan percentage, the State committee shall consider conditions in the State or areas within a State to determine if the loan percentage should be below the maximum loan percentage in order to provide CCC with the adequate protection. Loan percentages previously determined shall be lowered if warranted by changed conditions but new loan percentages shall apply only to new loans and not to loans already made. Factors to be considered by the State committee in determining the loan percentages are: (1) General crop conditions, (2) factors affecting quality peculiar to an area or State, and (3) climatic conditions affecting storage ability. The loan percentages established by the State committee may be lowered by the county committee on an individual farm or producer basis when determined to be necessary in order to provide CCC with adequate protection. Factors to be considered by the county committee are: (i) Condition or suitability of the storage structure, (ii) condition of the commodity, (iii) hazardous location of the storage structure, such as a location which exposes the structure to danger of flood, fire, and theft by a person not entrusted with possession of the honey and occurring without the knowledge and consent (express or implied) of the producer (when the percentage is lowered for one or more of these hazards, the producer shall be notified in writing that CCC will not assume any loss or damage to the loan collateral resulting from the particular hazards to which the structure was exposed), (iv) disagreement on the quantity, (v) producers who have been approved under § 1434.3(e), and (vi) factors peculiar to individual farms or producers as reported by the commodity loan inspector or as known to the county office which relate to the preservation or safety of the loan collateral. Farm storage loans may be made on less than the maximum quantity eligible for loan at the producer's request. In any event, the mortgage shall cover all of the honey in the lot on which the loan is made is stored.

(b) *Commingling eligible and ineligible commodity* Except when stored in an approved warehouse, if a quantity of an eligible commodity is commingled with a quantity of the commodity which is ineligible for price support, the entire quantity shall be ineligible for price support.

(c) *Transfer from farm storage loan to warehouse storage loans.* Upon request by the producer, the county committee may approve the transfer of a commodity or part thereof which is under a farm storage loan to a warehouse storage loan at any time during the loan period. In the case of emergency transfers, the producer must make the request in writing describing the emergency. Liquidation of the farm storage loan or part thereof shall be made through the pledge of warehouse receipts for the commodity placed under warehouse storage loan and the immediate payment by the producer of the amount by which the warehouse storage loan is less than the farm storage loan or part thereof plus interest. Any amounts due the producer shall be disbursed by the county office.

(d) *Bulk storage.* The amount of a loan on the quantity of eligible honey stored in bulk in approved farm storage shall be based on a percentage of the measured or certified quantity. Such percentage shall not exceed 85 percent. In the event delivery cannot be accepted in bulk, the producer must arrange for the honey to be packaged in eligible containers prior to its delivery to CCC. Such containers shall be marked to show net weight of the honey and name and address of the producer. Title to the containers shall vest in CCC.

(e) *Packaged in eligible containers.* Loans shall be made on not more than 90 percent of the estimated quantity of eligible honey packaged in eligible containers in approved farm storage.

(f) *Producer certification.* In addition to loan quantity determinations based on measurement, as provided in paragraph (a) of this section, in any county, State, or area designated by the Executive Vice President, CCC, such determinations may be made on the basis of the quantity of commodity which an eligible producer certifies in writing on Form CCC-666 is eligible, if in an approved farm storage and is available for loan purposes.

(g) *Producer incorrect certification.* (i) If the county committee determines, by measurement or otherwise, that the actual quantity serving as collateral for a loan based on certification by the producer is less than the loan quantity, the county committee shall call the loan. In addition, the county committee may refuse to approve any further farm-stored loans for the producer on any commodity through the end of the next crop year after the crop year in which the incorrect certification was made and, if the county committee feels the seriousness of the matter justifies such action, refer the case to the State committee which may request the Office of Investigation of the United States Department of Agriculture (hereinafter referred to as OI) to make an investigation.

(ii) If the producer has incorrectly certified such quantities on more than one occasion, the county committee shall call the loan or loans involved and approve no further farm stored loans for the producer on any commodity through the end of the next crop year after the crop year in which the incorrect certification was made. If the county committee feels the seriousness of the matter so justifies they may deny further farm stored loans to the producer for more than one year. They may also refer the case to the State committee which may request OI to make an investigation.

(h) *Unauthorized removal.* If there has been an unauthorized removal of any part of farm stored collateral, the county committee shall, on the first offense, call the loan involved. In addition, the county committee may refuse to approve any further farm stored loans for the producer on any commodity through the end of the next crop year after the crop year in which the unauthorized removal occurred, and if the county committee feels the seriousness of the matter justifies such action, refer the case to the State committee which may request an OI investigation by the Office of Investigation. If the unauthorized removal is the second offense, the county committee shall: Call the loan involved and approve no further farm stored loans for the producer on any commodity through the end of the next crop year after the crop year in which the unauthorized removal occurred. The county committee may also, if they feel the seriousness of the matter so justifies, deny farm stored loans to the producer for more than one year and may also refer the case to the State committee which may request an OI investigation.

§ 1434.25 Release of the honey under loan.

(a) *Obtaining release—farm storage.* A producer shall not remove any honey covered by a chattel mortgage until he has received prior written approval for such removal from the county committee on one of the applicable forms listed in § 1434.13. A producer may at any time obtain release of all or part of the honey remaining under loan by paying to CCC the amount of the loan made with respect to the quantity of the honey released plus interest. When the proceeds of a sale of honey are needed to repay all or part of the loan, see §§ 1434.19.

(b) *Release of chattel mortgage.* The chattel mortgage shall not be released until the loan has been satisfied in full. After satisfaction of a loan, the county executive director shall release CCC's security interest in the honey.

(c) *Obtaining release—warehouse storage loans.* The producer may arrange with the county office for release of all or part of the honey under warehouse storage loan on or prior to maturity by repayment of the amount of the loan with respect to the quantity of the honey to be released plus interest. Each partial release must cover all of the honey represented by one warehouse receipt. Subject to provisions of § 1434.5(c), warehouse receipts redeemed by repayment shall be released only to the producer or his authorized agent, except that redeemed warehouse receipts may be released to persons designated in a written authorization filed with the county office by the producer or his properly authorized agent and dated within 15 days prior to the date of repayment.

§ 1434.26 Liquidation of farm storage loans.

(a) *General.* In the cast of farm storage loans, the producer is required to pay off his loan or deliver the honey under loan to CCC. Deliveries shall be made in accordance with written instructions issued by the county office which shall set forth the time and place of delivery. In making delivery in liquidation of the loan, any quantity of eligible honey delivered in excess of the quantity necessary to settle the amount due on the loan may be delivered to CCC notwithstanding the provisions of § 1434.28 and settlement shali be made under § 1434.29. Delivery points shall be limited to those approved by the Prairie Village ASCS Commodity Office.

(b) *Notice to county committee.* If the producer desires to deliver the honey to CCC, he must give the county committee notice in writing of his intention to do so within a reasonable time prior to the applicable maturity date.

(c) *Honey going out of condition.* If, prior to delivery to CCC, the honey in approved farm storage is going out of condition, the producer shall so notify the county office and confirm such notice in writing. If the county committee determines that the honey is going out of condition or is in danger of going out of condition and that the honey cannot be satisfactorily conditioned by the producer, and delivery cannot be accepted within a reasonable length of time, the county committee shall arrange for an inspection and grade and quality determination. When delivery is completed, settlement shall be made subject to the provisions of §§ 1434.21 and 1434.22 on the basis of such grade and quality determination or on the basis of the grade and quality determination made at the time of delivery, whichever is higher, for the quantity actually delivered.

(d) *Delivery before maturity date.* When considered necessary to protect the interest of CCC or when requested by the producer, the county committee may call the loan and accept delivery of the honey prior to the loan maturity date.

(e) *Storage deduction for early delivery.* If the loan maturity date is accelerated upon request of the producer and the acceleration is approved by CCC, the settlement value of the honey shall be reduced by one-twelfth of a cent per pound per month or fraction thereof, from the date delivery is accomplished, or from the final date for delivery shown in the delivery instructions, whichever is earlier, to and including the original loan maturity date.

§ 1434.27 Liquidation of warehouse storage loans.

If a producer does not repay the loan indebtedness upon maturity of the loan, CCC shall have the right to sell or acquire title to the honey pledged as security for the loan inedbtedness.

§ 1434.28 Purchases from producers.

(a) *Quantity eligible for purchase.* An eligible producer may sell to CCC any or all of his eligible honey which is not mortgaged to CCC under a farm storage loan or pledged to CCC under a warehouse storage loan: *Provided*, That he executes and delivers to the county office prior to the maturity date a Purchase Agreement (Form CCC–614) indicating the approximate quantity of honey he will sell to CCC. The producer is not obligated, however, to complete the sale by delivery of any quantity of his honey to CCC. Delivery points for purchases from other than approved warehouse storage shall be limited to those approved by the Prairie Village ASCS Commodity Office.

(b) *Delivery period.* In the case of honey not in an approved warehouse, the producer must make delivery of the honey he desires to sell to CCC within the period of time after the loan maturity date shown in the applicable crop supplement, specified in delivery instructions issued by the county office. Delivery shall be made to the location specified in such instructions. Notwithstanding any other provisions of this § 1434.28, in the case of eligible honey not under loan, the county committee may, on request of a producer, purchase and accept delivery of such eligible honey prior to loan maturity date. In the event of such purchase and delivery, the settlement value of the honey shall be reduced as provided in paragraph (e) of § 1434.26.

§ 1434.29 Settlement.

(a) *General.* Except as provided in §§ 1434.21 and 1434.22 and paragraph (b) of this section, settlement with the producer for eligible honey acquired by CCC under loan or purchase will be made on the basis of the quantity, floral source, class, quality, grade, and color of such honey as provided in this section and other applicable provisions of this subpart. The settlement value of honey shall be the product of the support rate for the class, floral source, grade, and color times the quantity acquired at the time of settlement adjusted by the discounts contained in the annual crop supplement. The support rate per pound of honey at which settlement will be made shall be the rate for the State where the producer obtained price support.

(b) *Warehouse storage—(1) Identity preserved.* Settlement for eligible honey stored identity preserved in an approved warehouse and acquired by CCC shall be made on the basis of the net weight shown on the extracted honey inspection and weight certificate and the class, floral source, color, and grade shown on the inspection certificate.

(2) *Commingled bulk storage.* Settlement for eligible honey stored commingled bulk in an approved warehouse and acquired by CCC shall be made on the basis of the net weight, class, floral source, quality, grade, and color shown on the warehouse receipt.

(c) *Ineligible honey inadvertently accepted by CCC.* If ineligible honey is inadvertently accepted by CCC, the settlement value shall be the market value as of the date of delivery as determined by CCC. The provisions of § 1434.22 shall be applicable to settlement on ineligible honey where there has been a fraudulent representation on the part of the producer.

(d) *Payment of deficiency by producers.* If the settlement value of the honey is less than the amount due on the loan (excluding interest), the amount of any deficiency plus interest thereon shall be paid to CCC. If it is not promptly paid, CCC may, in addition to any of its other rights, satisfy the amount of such deficiency plus interest out of any payment which would otherwise be due the producer under any agricultural program administered by the Secretary of Agriculture or any other payments which are due or may become due the producer from CCC or any other agency of the United States.

(e) *Payments of amount due producer.* If the settlement value of the honey delivered exceeds the amount due on the loan (excluding interest), such excess amount shall be paid to the producer. Any payment due the producers on either a loan or purchase will be made by draft drawn on CCC by the county office.

(f) *Storage where CCC is unable to take delivery.* A producer may be required to retain the honey stored in other than an approved warehouse under loan or for sale to CCC for a period of 60 days after the maturity date without any cost to CCC. If CCC is unable to take delivery of the honey within the 60-day period after the loan maturity date, the producer shall be paid a storage payment upon delivery of the honey to CCC. The period for earning such storage payment shall begin the day following the expiration of the 60-day period after such maturity date and extend through the earlier of: (1) The final date of delivery, or (2) the final date for delivery as specified in the delivery instructions issued to the producer by the county office, whichever is earlier. The storage payment shall be computed at the storage rate stated in the applicable CCC storage agreement for honey in effect at the delivery point where he delivers.

§ 1434.30 Foreclosure.

(a) *Removal from storage.* If the loan indebtedness (i.e., the unpaid amount of the note, interest, and charges) is not satisfied upon maturity of the note, CCC may remove the honey from storage and assign, transfer, and deliver the honey or documents evidencing title thereto at such time, in such manner, and upon such terms as CCC may determine, at public or private sale. Any such disposition may similarly be effected without the prior removal of the honey from storage. The honey may be processed before sale. CCC may become the purchaser of the whole or any part of the honey hereunder at either a public or private sale.

(b) *When CCC takes title to honey.* Upon maturity and nonpayment of the producer's note, at CCC's election, title to all or any part of the unredeemed honey securing the note as CCC may designate shall, without .a sale thereof,

immediately vest in CCC. Whenever CCC acquires title to the unredeemed honey, CCC shall have no obligation to pay for any market value which such honey may have in excess of the loan indebtedness, i.e., the unpaid amount of the note plus interest and charges.

(c) *Payments to producer.* Nothing herein shall preclude the making of the following payments to the producer or to his personal representative of heirs who meet the conditions set forth in § 1434.4, without right of assignment to or substitution of any other party: (1) Any amount by which the proceeds of sale exceed the loan indebtedness including interest and charges if the collateral honey is sold to third persons as provided in paragraph (a) of this section instead of full title to such collateral honey being acquired by CCC as provided in paragraph (b) of this section.

(d) *Honey sold at less than amount due on loan.* If honey is removed from storage by CCC and is sold pursuant to paragraph (a) of this section at less than the amount due on the loan (excluding interest), the producer shall pay CCC the amount by which the settlement value (or, if higher, the sales proceeds) of the honey removed by CCC is less than the amount of the loan, plus interest on the amount of such deficiency. The amount of the deficiency may be setoff against any payment which would otherwise be due the producer under any agricultural program administered by the Secretary of Agriculture, or any other payments which are due or may become due the producer from CCC or any other agency of the United States.

§ 1434.31 Charges not to be assumed by CCC.

CCC will not assume any charges for insurance, storage, packaging, or processing.

§ 1434.32 Handling payments and collections not exceeding $3.

In order to avoid administrative costs of making small payments and handling small accounts, amounts of $3 or less which are due the producer will be paid only upon his request. Deficiencies of $3 or less, including interest, may be disregarded unless demand for payment is made by CCC.

§ 1434.33 Death, incompetency, or disappearance.

In case of the death, incompetency, or disappearance of any producer who is entitled to the payment of any sum in settlement of a loan or a purchase, payment shall, upon proper application to the county office which made the loan or purchase, be made to the persons who would be entitled to such producer's payment under the regulations contained in Part 707 of this title—Payments Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent.

§ 1434.34 Definitions.

As used in the regulations in this subpart, and in all instructions, forms, and documents in connection therewith, the words and phrases listed in this section shall have the meaning assigned to them herein unless the context or subject matter otherwise requires.

(a) *General.* The following words or phrases: "Person", "State committee", "State Executive Director", "county committee", "county executive director", and "farm", respectively, shall each have the same meaning as the definitions of such term in the Regulations Governing Reconstitution of Farms, Allotments, and Bases, Part 719 of this title and any amendment thereto.

(b) *Settlement value.* The term "settlement value" means the value at which settlement is made with the producer on the mortgaged or pledged honey or the honey offered for purchase, as determined under the provisions of the regulations in this part.

(c) *Charges.* The term "charges" means all fees, costs, and expenses incident to insuring, carrying, handling, storing, conditioning, and marketing the honey and otherwise protecting the interest in the loan collateral of CCC or the producer, including foreclosure costs.

(d) *County committee.* The term "county committee" means only the committee and not its representative.

(e) *Representative of the county committee and county committee representative.* The terms "representative of the county committee" and "county committee representative" means a member of the county committee, the county executive director or a person designated by the county executive director to act in his behalf.

(f) *The regulations in this subpart.* The term "the regulations in this subpart" means the regulations in Subpart—Honey Price Support Regulations for 1977 and Subsequent Crops, together with any supplements and amendments thereto.

(g) *Request for price support.* The term "request for price support" means a request for loan or execution of Purchase Agreement (Form CCC-614) as applicable.

(h) *Chattel mortgage.* The term "chattel mortgage" means any security instrument which secures a farm storage loan.

§ 1434.35 ASCS Commodity Office and Data Processing Center.

The Prairie Village ASCS Commodity Office serves all States for honey. Accounting, recording, and reporting for all States will be handled through the Data Systems Field Office, Post Office Box 205, Kansas City, Missouri 64141.

NOTE: The Commodity Credit Corporation has determined that this document does not contain a major proposal requiring preparation of an Inflationary Impact Statement under Executive Order 11821 and OMB Circular A-107.

Signed at Washington, D.C., on June 28, 1977.

VICTOR A. SENECHAL,
Acting Executive Vice President,
Commodity Credit Corporation.

[FR Doc.77-19240 Filed 7-6-77;8:45 am]

Title 13—Business Credit and Assistance

CHAPTER I—SMALL BUSINESS ADMINISTRATION

[Revision 13, Amdt. 15]

PART 121—SMALL BUSINESS SIZE STANDARDS

Definition of a Small Farm for Purpose of Financial Assistance

AGENCY: Small Business Administration.

ACTION: Final rule.

SUMMARY: This rule defines a small farm for purposes of receiving Small Business Administration financial assistance. This definition was necessary because of the difficulties encountered by farms in obtaining financing. This rule will enable SBA to provide financial assistance to a greater number of farms.

EFFECTIVE DATE: July 7, 1977.

FOR FURTHER INFORMATION CONTACT:

Harvey D. Bronstein, (202—653-6373).

SUPPLEMENTARY INFORMATION: The original proposal, establishing the $275,000 level for farms included in Schedule J which appeared in the FEDERAL REGISTER on December 17, 1976, (41 FR 55202) was based on the results from the usual economic analyses employed by this office.

Response to this proposal was extremely heavy, all stating that the $275,000 level was too low. Additionally, it was pointed out that the agriculture industry was unique in itself and that conventional statistical and economic analyses would prove inadequate in determining the proper size standard for farming.

Based on these comments and additional consultation with a number of agriculture experts, the latest proposal, published in the Federal Register (42 FR 26660) on May 25, 1977, was developed, establishing the farm size standard at the $1 million level.

The majority of comments received were favorable to the $1 million size

standard. The few comments adverse to the proposal were principally related to the fact that virtually all of the farms in some states would be included within the standard. They suggested that a state or area standard should be employed.

This issue, together with the possibility of setting the standard on a crop basis, was carefully considered prior to the May 25, 1977, proposal. At that time it was determined that crop or sectional size standards would prove difficult to administer and that a national uniform standard would be the most appropriate method of setting the farm size standard.

Accordingly, 13 CFR Part 121 is amended by revising § 121.3-10(j) to read as follows:

§ 121.3-10 Definition of small business for SBA loans.

* * * * *

(j) *Farms.* Any concern primarily engaged in agricultural production in an industry set forth in Major Groups 01 or 02 of the Standard Industrial Classification Manual is classified as small if its average annual receipts for its preceding 3 fiscal years do not exceed $1 million.

Dated: June 30, 1977.

A. VERNON WEAVER,
Administrator.

[FR Doc.77-19269 Filed 7-6-77;8:45 am]

Title 14—Aeronautics and Space

CHAPTER I—FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Docket No. 14682; Amdt. No. 11-14]

PART 11—GENERAL RULE-MAKING PROCEDURES

Procedural Requirements for Petitions for Exemptions

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment changes the lead-time for filing certain petitions for exemption from the present 60 days prior to the desired effective date to 120 days prior to that date. The intended effect is to expedite all regulatory actions, including exemptions, by providing for the orderly inclusion of exemption requests into the FAA's regulatory workload. This change is needed because of the increase in exemption petitions in recent years.

EFFECTIVE DATE: September 6, 1977.

FOR FURTHER INFORMATION CONTACT:

Mr. Richard C. Beitel, Air Carrier and General Operating Branch, Office of the Chief Counsel, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, D.C. 20591; telephone (202) 426-3080.

SUPPLEMENTARY INFORMATION:

HISTORY

This amendment is based on a notice of proposed rule making (Notice No. 75-24) published in the FEDERAL REGISTER on June 3, 1975 (40 FR 23897). That notice invited comments by all persons interested in the making of the proposed rule. All interested persons have been afforded an opportunity to participate in the making of this amendment, and due consideration has been given to all matters presented. Thirty-two commentators responded to Notice 75-24. Except for editorial revision, and as specifically discussed herein, this amendment and the reasons therefor are the same as those in Notice 75-24.

DISCUSSION OF COMMENTS

As stated in Notice 75-24, the purpose of the proposal is to allow orderly integration of exemption requests into the FAA regulatory workload and thereby reduce the disruptive effect of short notice exemption requests. Several commentators asserted that instead of amending Part 11 to increase the lead-time for filing exemption requests, the FAA should reduce the need for exemptions by improving the regulations and reviewing them more often. The FAA is committed to improving and maintaining the regulations to the state-of-the-art. The Airworthiness Review and Operations Review programs were established to provide a complete review and updating of the regulations covered by those programs. These review programs are undertakings of substantial magnitude which involve participation by numerous persons, including industry groups, foreign governments, and users of the aviation system. While the FAA anticipates that these review programs will eliminate the need for many of the current requests for exemptions, it is not believed that all exemptions will or should be eliminated. With respect to comments concerning frequency of review of the regulations, as noted above the FAA is committed to maintaining the regulations to the state-of-the-art. Future regulatory reviews should be conducted with sufficient regularity to achieve that goal.

A number of commentators asserted that the 180 day period would be too long. Several commentators expressed support for an increase in the 60 day period to either 90 or 120 days. The FAA has carefully considered the various comments relating to the length of the proposed 180 day period and has concluded that a modification is appropriate. With due regard for the needs of petitioners for exemptions on the one hand, and on the other hand, the need for the additional lead-time to allow for the orderly integration of exemption requests into the FAA's regulatory workload and to better enable the FAA to determine whether or not general rule making is appropriate, the FAA believes that a 120 day period should be adopted. The proposal has been revised accordingly. However, the FAA will periodically assess the impact of the 120 day lead-time on the processing of its regulations. In this connection, it was noted in the preamble to Notice 75-24 that the increase in exemption petitions experienced by the FAA absorbed more and more of the resources expended on the safety regulatory program. If the FAA regulatory review programs, including the current Airworthiness and Operations Reviews, significantly reduce the number of petitions for exemption, it may be possible to reduce the lead-time to 90 days, or even back to 60 days.

It should be noted that many petitions for exemption do not contain the supporting information specified in § 11.25. Failure to provide required information in a timely manner results in additional communication with the petitioner to secure the information needed by the FAA to consider the petition and can delay final action on the petition. The FAA expects all petitioners to support their petitions for exemption with all information required by § 11.25. The increase in lead-time to 120 days and compliance by petitioners or exemptions with the information requirements of § 11.25 will assist the FAA in scheduling exemptions and other rule-making actions with the result that all regulatory actions should be accelerated.

Several of the commentators were concerned with the term "priority handling" and with the standard to be used to determine whether priority handling should be granted. In this respect, the FAA stated in Notice 75-24 that the proposal would permit petitions for exemption to be submitted in less than the prescribed period before the desired effective date "where the petitioner demonstrates a need for earlier action by the FAA." This is the standard that has been applied in administering the "good cause" provision of the current regulation and no change in processing was intended. However, in view of the questions raised by some commentators regarding use of the term "priority handling", and to avoid any confusion, the proposal has been revised to retain the current "good cause" provision.

It was suggested by several commentators that the change proposed in Notice 75-24 should not apply to petitions for medical exemptions because unreasonable delay in consideration and disposition of such petitions might result. The FAA wishes to emphasize that the intent of the proposal to increase the lead-time was to expedite all regulatory actions, including exemptions, by providing for the orderly integration of exemption requests into the overall regulatory workload of the FAA. The FAA firmly believes that the 120 day lead-time will not delay processing of medical exemption petitions.

In response to comments concerning exemptions for transportation of hazardous materials, it should be noted that the authority to issue exemptions from the Department of Transportation's regulations governing transportation of hazardous materials is now vested in the Office of Hazardous Materials Operations of the Materials Transportation Bureau, Department of Transportation. Procedures for processing exemptions from those regulations are set forth in 49 CFR Part 107. Consequently, the change to

Part 11 of the Federal Aviation Regulations accomplished by this amendment does not apply to exemptions for transportation of hazardous materials.

One commentator urged that petitions for exemption be published in the Federal Register. In this respect, it should be noted that the FAA has under consideration a notice of proposed rule making which would include publication in the Federal Register of notice of the filing and disposition of petitions for exemption.

Various other comments were received in the nature of suggestions for other changes which the particular commentator believed would improve the exemption and rulemaking process. While these suggestions are beyond the scope of the notice and have not been specifically discussed herein, all comments are appreciated and they will be considered in connection with future rulemaking action.

DRAFTING INFORMATION

The principal author of this document is Richard C. Beitel, Office of the Chief Counsel.

Accordingly, paragraph (b)(1) of § 11.25 of Part 11 of the Federal Aviation Regulations is amended, effective September 6, 1977, to read as follows:

§ 11.25 Petitions for rulemaking or exemptions.

* * * * *

(b) Each petition filed under this section must—

(1) In the case of a petitioner for exemption, unless good cause is shown in that petition, be submitted at least 120 days before the proposed effective date of the exemption;

* * * * *

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

NOTE.—The Federal Aviation Administration has determined that this document does not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11821, as amended by Executive Order 11949, and OMB Circular A-107.

Issued in Washington, D.C., on June 30, 1977.

QUENTIN S. TAYLOR,
Acting Administrator.

[FR Doc.77-19285 Filed 7-6-77;8:45 am]

[Docket No. 73-WE-18-AD; Amdt. 39-2954]

PART 39—AIRWORTHINESS DIRECTIVE

AiResearch Model TPE331 and TSE331 Series Engines

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This airworthiness directive (AD) amends an old AD by providing for installation of parts which will make the initial and repetitive inspections of the old AD unnecessary.

DATES: Effective date—July 11, 1977.

ADDRESSES: The applicable service bulletins referenced in this AD may be obtained from the AiResearch Manufacturing Company of Arizona, P.O. Box 5217, Phoenix, Arizona 85010. Telephone: 602-267-3011. A copy of these service bulletins is contained in the Rules Docket in Room 916, 800 Independence Avenue, SW., Washington, D.C. 20591.

FOR FURTHER INFORMATION CONTACT:

Kyle L. Olsen, Executive Secretary, Airworthiness Directives Review Board, Federal Aviation Administration, Western Region, P.O. Box 92007, Worldway Postal Center, Los Angeles, California 90009. Telephone: 213-536-6351.

SUPPLEMENTARY INFORMATION: There had been numerous reported cases of wear of the fuel pump drive coupling shaft external spline teeth and the mating internal spline teeth in the fuel pump input shaft. Failure of this drive has resulted in the stoppage of the fuel pump and fuel starvation which causes an abrupt engine flame out and complete power loss. Since this condition was likely to develop in other engines of the same type design, AD 73-26-7 was issued to prescribe inspections and procedures to be accomplished after installation of the subject drive coupling. This amendment provides for termination of these inspections and procedures after modification of the engine to incorporate improved engine fuel pump alignment features.

Since this amendment relieves a restriction and imposes no additional burden on any person, notice and public procedure hereon are unnecessary and the amendment may be made effective in less than 30 days.

DRAFTING INFORMATION

The principal authors of this document are William Moring, Aircraft Engineering Division, and Richard G. Wittry, Office of the Regional Counsel.

ADOPTION OF THE AMENDMENT

Accordingly, and pursuant to the authority delegated to me by the Administrator (14 CFR 11.89) § 39.13 of Part 39 of the Federal Aviation Regulations (14 CFR 39.13) is amended, effective July 11, 1977, by amending AD73-26-7, in pertinent part, as follows:

(a) Amend the first sentence of paragraph (a) to read as follows:

"(a) Model TPE331-3, -5, -6, and TSE 331-3 Series engines which contain the grease lubricated fuel pump drive coupling spline configuration".

(b) Amend the first sentence of paragraph (b) to read as follows:

"(b) Model TPE331-1, -2, -25, -29, -43, -45, -47, -51, -55, -57, and -61 Series engines which contain the grease lubricated fuel pump drive coupling spline configuration".

(c) Amend paragraph (c) in its entirety to read:

"If either the fuel pump, oil pump, or couplings defined in (a)(1) or (b)(1) above are replaced for any reason, a serviceable Drive Coupling, P/N 869911-3, or later FAA approved designs must be installed."

(d) Add a new paragraph (d) which reads:

"(d) The initial and recurring cleaning, visual inspection and lubrication of the fuel pump and coupling shaft drive splines prescribed in paragraph (a) and (b) above may be discontinued after incorporation of improved fuel pump shaft alignment features described in AiResearch Service Bulletin TPE/TSE331-73-0051 dated April 29, 1977; TPE331-73-0054 dated April 29, 1977; or, TPE 331-73-0056 dated May 6, 1977; or later FAA approved revisions (as appropriate for various engine models)".

(e) Reidentify existing paragraph (d) to be paragraph "(e)".

(f) Add a new paragraph (f) which reads:

"(f) Special flight permits may be issued per FAR's 21.197 and 21.199 to authorize operation of aircraft to a base where these inspections or modifications required by this AD may be performed."

This amendment becomes effective July 11, 1977.

(Secs 313(a), 601, and 603, Federal Aviation Act of 1958, as amended (49 U.S.C. 1354(a), 1421, and 1423); Sec. 6(c) Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.89.)

NOTE.—The Federal Aviation Administration has determined that this document does not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11821, as amended by Executive Order 11949 and OMB Circular A-107.

Issued in Los Angeles, California on June 24, 1977.

JAMES V. NIELSEN,
Director,
FAA Western Region.

[FR Doc.77-19293 Filed 7-6-77;8:45 am]

[Docket No. 77-WE-10-AD; Amdt. 39-2956]

PART 39—AIRWORTHINESS DIRECTIVES

Lockheed-California Company Model L-1011-385 Series Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: An airworthiness directive (AD) was issued by the Federal Aviation Administration on June 10, 1977, as a result of occurrence of a second jamming of an elevator drive system on a L-1011-385 airplane. This AD requires conduct of visual checks of the elevator/stabilizer surface positions prior to take off to prevent a similar occurrence.

DATES: Effective date—July 11, 1977 for all persons except those to whom it was made effective by telegram dated June 11, 1977. Compliance schedule—As prescribed in the text of the AD.

ADDRESSES: The applicable service bulletin may be obtained from Lockheed-California Company, P.O. Box 551, Burbank, California 91520. Attention: Commercial Support Contracts, Dept. 63-11,

U33, B–7. A copy of the service bulletin is contained in the Rules Docket, Room 916, 800 Independence Avenue, S.W., Washington, D.C. 20591.

FOR FURTHER INFORMATION CONTACT:

Wallace M. Frei, Executive Secretary, Airworthiness Directive Review Board, Federal Aviation Administration, Western Region, P.O. Box 92007, Worldway Postal Center, Los Angeles, California 90009. Telephone: 213–536–6351.

SUPPLEMENTARY INFORMATION: As a result of first occurrence of jamming of one of the two elevator drive systems on the horizontal stabilizer of the primary pitch control system which resulted in degradation of the airplane controllability FAA issued emergency Airworthiness Directive Amendment 39–2898 (42 FR 24721), AD 77–10–04, which requires inspection of the functional integrity of the upper bearing, verification of the minimum operational clearance between the quadrant hub base and the elevator actuation pushrod, replacement of components as necessary, and conduct of repetitive inspections.

The recent second occurrence of jamming of one of the two elevator drive systems on the horizontal stabilizer of the primary pitch control system also resulted in degradation of the airplane controllability. This second occurrence of jamming was experienced on an aircraft which was reported to have been inspected in accordance with the requirements of the AD 77–10–04, consequently FAA concluded that additional mandatory safety action was necessary. This emergency amendment which requires exterior visual check on the elevator/stabilizer surface positions after full aft controls check and with the control column full forward to assure there is no obvious discrepancy between elevator surface positions is considered to provide the additional necessary safety action. This amendment is a new AD, and is in addition to those actions required by AD 77–10–04.

This AD includes editorial changes and minor changes for clarification from the telegraphic AD.

Since it was found that immediate corrective action was required notice and public procedure thereon was impracticable and contrary to the public interest and good cause existed for making the airworthiness directive effective immediately as to all known U.S. operators of airplanes by individual telegrams dated June 11, 1977. These conditions still exist and the airworthiness directive is hereby published in the FEDERAL REGISTER as an amendment to § 39.13 of Part 39 of the Federal Aviation Regulations (14 CFR 39.13) to make it effective as to all persons.

DRAFTING INFORMATION

The principal authors of this document are George E. Vasley, Aircraft Engineering Division, and Richard G. Wittry, Office of the Regional Counsel.

ADOPTION OF THE AMENDMENT

Accordingly, pursuant to the authority delegated to me by the Administrator, § 39.13 of the Federal Aviation Regulations (14 CFR 39.13) is amended, by adding the following new airworthiness directive:

LOCKHEED-CALIFORNIA COMPANY: Applies to Lockheed-California Company L–1011–385 series airplanes, certificated in all categories.

Compliance required as indicated.

To prevent take-off with a possible jammed elevator drive system on the horizontal stabilizer of the primary pitch control system which can result in degradation of the airplane controllability, accomplish the following:

(a) Initiate the following check program as soon as practicable but not later than 10 hours time in service after the receipt of this telegraphic airworthiness directive (AD):

(1) Prior to each take-off conduct an exterior visual check of the elevator/stabilizer surface positions after the full aft controls check and with the control column full forward to assure there is no obvious discrepancy between elevator positions. The pilot in command shall be informed of the results of this check.

(2) If obvious discrepancy noted, correct prior to further flight.

(3) No further full act control column movement may be performed prior to take-off.

NOTES.—(1) This check can be accomplished with any one single hydraulic system pressurized by any main hydraulic system pump. (2) FAA approved Lockheed-California Company Alert Service Bulletin 093–27–A158, dated April 13, 1977, covers the same subject.

This amendment becomes effective July 11, 1977, for all persons except those to whom it was more effective by telegram dated June 11, 1977, which contained this amendment.

(Secs. 313(a), 601, and 603, Federal Aviation Act of 1958, as amended (49 U.S.C. 1354(a), 1421, and 1423); Sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.89.)

NOTE.—The Federal Aviation Administration has determined that this document does not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11821, as amended by Executive Order 11949 and OMB Circular A–107.

Issued in Los Angeles, California on June 27, 1977.

ROBERT H. STANTON,
Director,
FAA Western Region.

[FR Doc.77-19294 Filed 7-6-77;8:45 am]

[Docket No. 15038, Amdt. 39-2957]

PART 39—AIRWORTHINESS DIRECTIVES

Hawker Siddeley Aviation, Ltd. Model DH–104 Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD) which requires an inspection of engine mounts for internal corrosion on Hawker Siddeley Model DH–104 airplanes to prevent possible separation of an engine from the airplane.

DATES: Effective—August 8, 1977. Compliance is required within the next 50 hours time in service after the effective date of this AD, unless already accomplished.

ADDRESSES: The applicable technical news sheet may be obtained from Hawker Siddeley Aviation, Ltd., Hatfield Hertfordshire, England, AL109TL, Attention: Technical Manuals Distribution Center. A copy of the technical news sheet is contained in the Rules Docket, Rm. 916, 800 Independence Avenue, SW., Washington, D.C. 20591.

FOR FURTHER INFORMATION CONTACT:

Mr. D. C. Jacobsen, Chief, Aircraft Certification Staff, AEU–100, Europe, Africa, and Middle East Region, Federal Aviation Administration, c/o American Embassy, Brussels, Belgium, Tel: 513.38.30.

SUPPLEMENTARY INFORMATION: A proposal to amend Part 39 of the Federal Aviation Regulations to include an airworthiness directive requiring an X-ray inspection, and if necessary, replacement of engine mount stay struts on Hawker Siddeley Model DH–104 airplanes was published in the FEDERAL REGISTER at 40 FR 46320. The proposal was prompted by reports of internal corrosion of the struts that could cause separation of an engine from the airplane.

Interested persons have been afforded an opportunity to participate in the making of the amendment. Although no objections were received, the FAA has reevaluated the need for the proposed amendment and determined that it should be adopted.

The principal authors of this document are Mr. F. J. Karnowski, Europe, Africa, and Middle East Region, Mr. J. F. Zahringer, Flight Standards Service, and Mr. R. J. Burton, Office of the Chief Counsel.

ADOPTION OF THE AMENDMENT

Accordingly, and pursuant to the authority delegated to me by the Administrator, § 39.13 of the Federal Aviation Regulations (14 CFR 39.13) is amended by adding the following new Airworthiness Directive:

HAWKER SIDDELEY AVIATION, LTD. Applies to DH–104 airplanes, certificated in all categories, that are not equipped with engine mount stay struts marked as Issue 7 or subsequent or marked "DOI No. 68639".

Compliance is required within the next 50 hours time in service after the effective date of this AD, unless already accomplished.

To detect internal corrosion of the engine mount stay strut, P/N 4 EM.357A and P/N 4 EM.359A, accomplish the following:

(a) Remove the stay struts from the aircraft and inspect in accordance with the X-ray procedure of Appendix 1 of Hawker Siddeley Technical News Sheet No. 229, dated March 19, 1973, or an FAA-approved equivalent.

(b) Replace any stay strut for which internal corrosion is detected by the inspection required by paragraph (a) of this AD with a new part or otherwise serviceable spare part of the same part number determined to be free of internal corrosion by the inspection required by paragraph (a) of this AD or an FAA-approved equivalent.

(c) It is requested that copies of the X-rays, or results of an FAA-approved equivalent inspection, be forwarded to the Chief, Aircraft Certification Staff, FAA, Europe, Africa, and Middle East Region, c/o American Embassy, APO New York, N.Y. 09667. (Reporting approved by the Office of Management and Budget under OBM No. 04-RO-174).

This amendment becomes effective August 8, 1977.

(Secs. 313(a), 601, 603, Federal Aviation Act of 1958, as amended (49 U.S.C. 1354(a), 1421, 1423); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); 14 CFR 11.89.)

NOTE.—The Federal Aviation Administration has determined that this document does not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11821, as amended by Executive Order 11949, and OMB Circular A-107.

Issued in Washington, D.C., on June 28, 1977.

R. P. SKULLY,
Director,
Flight Standards Service.

[FR Doc.77-19257 Filed 7-6-77;8:45 am]

[Docket No. 15756, Amdt. 39-2958]

PART 39—AIRWORTHINESS DIRECTIVES

Hawker Siddeley Aviation, Ltd. Model BH-125 Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD) which requires the installation of vortex generators on the leading edge of each wing on Hawker Siddeley Model BH-125 Series 600A airplanes to prevent excessive rolling moment when operated on autopilot at buffet onset speed that could result in loss of control due to unwanted rolling of the airplanes.

DATES: Effective August 8, 1977. Compliance required within the next 300 hours time in service after the effective date of this AD, unless already accomplished.

ADDRESSES: The applicable service bulletin may be obtained from Hawker Siddeley Aviation, Ltd., Hatfield Hertfordshire, England, AL109TL, Attention: Technical Manuals Distribution Center. A copy of the service bulletin and Revision 1, dated July 23, 1975, is contained in the Rules Docket, Rm. 916, 800 Independence Avenue, SW., Washington, D.C. 20591.

FOR FURTHER INFORMATION CONTACT:

Donald C. Jacobsen, Chief, Aircraft Certification Staff, AEU-100, Europe, Africa, and Middle East Region, Federal Aviation Administration, care of American Embassy, Brussels, Belgium. Tel. 513.38.30.

SUPPLEMENTARY INFORMATION: A proposal to amend Part 39 of the Federal Aviation Regulations (FAR's), 14 CFR Part 39, to include an airworthiness directive requiring the installation of vortex generators on the leading edge of each wing on certain Hawker Siddeley Aviation Ltd., Model BH-125 Series 600A airplanes was published in the FEDERAL REGISTER at 41 FR 22842. The proposal was prompted by reports of an excessive rolling moment when operated on autopilot at buffet onset speed that could result in loss of control due to unwanted rolling of the airplane.

Interested persons have been afforded an opportunity to participate in the making of the amendment. Although no objections were received, the airplane manufacturer requested that the proposal be withdrawn since all aircraft on the U.S. registry have the modification incorporated. However, to give the requirement regulatory status under Part 39 of the FAR's and to ensure that any airplane coming onto the United States registry, in the future, will be in compliance with the AD, the amendment is being adopted as proposed.

DRAFTING INFORMATION

The principal authors of this document are Mr. F. J. Karnowski, Europe, Africa, and Middle East Region, Mr. F. H. Kelley, Flight Standards Service, and Mr. R. J. Burton, Office of the Chief Counsel.

ADOPTION OF AMENDMENT

Accordingly, and pursuant to the authority delegated to me by the Administrator, § 39.13 of the Federal Aviation Regulations (14 CFR 39.13) is amended by adding the following Airworthiness Directive:

HAWKER SIDDELEY AVIATION, LTD. Applies to Model BH-125 Series 600A airplanes, S/N's 25/6001-6004, 6007, 6009-6011, 6013, 6014, 6016, 6018, 6020, 6022-6026, 6032, 6034, 6038, 6040, 6044, 6046, certificated in all categories.

Compliance is required within the next 300 hours time in service after the effective date of this AD, unless already accomplished.

To prevent possible unwanted rolling of the airplane when operating at buffet onset, add vortex generators to the leading edge of each wing by incorporating Hawker Siddeley Aviation, Ltd., Modification No. 252442 in accordance with Section 2 entitled "Accomplishment Instructions" of Hawker Siddeley Aviation, Ltd., Service Bulletin 57-48-(2442), dated June 25, 1975, including Revision 1, dated July 23, 1975, or an FAA-approved equivalent.

This amendment becomes effective August 8, 1977.

(Secs. 313(a), 601, 603, Federal Aviation Act of 1958, as amended, (49 U.S.C. 1354(a), 1421, 1423); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); 14 CFR 11.89)

NOTE.—The Federal Aviation Administration has determined that this document does not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11821, as amended by Executive Order 11949, and OMB Circular A-107.

Issued in Washington, D.C., on June 28, 1977.

R. P. SKULLY,
Director,
Flight Standards Service.

[FR Doc.77-19256 Filed 7-6-77;8:45 am]

[Docket No. 16995, Amdt. 39-2959]

PART 39—AIRWORTHINESS DIRECTIVES

SIAI Marchetti Model S205, S208, F260, and F260B Series Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD) which requires inspection for cracks in the propeller governor arm and replacement of the arm, if necessary, on SIAI Marchetti Model S205, S208, F260, and F260B series airplanes. This AD is directed at preventing breakage of the propeller governor arm and loss of propeller control. These failures have occurred in the past.

DATES: Effective July 21, 1977. Compliance is required within the next 25 hours time in service after the effective date of this AD, unless already accomplished within the last 25 hours time in service, and, thereafter, at intervals not to exceed 50 hours time in service from the last inspection.

ADDRESSES: The applicable service bulletins may be obtained from SIAI Marchetti Via Indipendenza, Sesto Calende, Varese, Italy. A copy of each of the service bulletins is contained in the Rules Docket, Rm. 916, 800 Independence Avenue, S.W., Washington, D.C. 20591.

FOR FURTHER INFORMATION CONTACT:

D.C. Jacobsen, Chief, Aircraft Certification Staff, AEU-100; Europe, Africa, and Middle East Region, Federal Aviation Administration, c/o American Embassy, Brussels, Belgium, Tel. 513.38.30.

SUPPLEMENTARY INFORMATION: There have been reports of cracks in the propeller governor arm on certain SIAI Marchetti Model S205, S208, F260, and F260B airplanes that resulted in breakage of the propeller governor arm and loss of propeller control. Since this condition is likely to exist or develop in other airplanes of the same type design, an airworthiness directive is being issued which requires periodic inspection for cracks and breaks in the propeller governor arm and replacement with a serviceable part, if necessary, on certain SIAI Marchetti Model S205, S208, F260, and F260B series airplanes.

Since a situation exists that requires immediate adoption of this regulation, it is found that notice and public procedure hereon are impracticable and good cause exists for making this amendment effective in less than 30 days.

DRAFTING INFORMATION

The principal authors of this document are Mr. M. E. Gaydos, Europe, Africa, and Middle East Region, Mr. N. S. Dobi, Flight Standards Service, and Mr. S. Podberesky, Office of the Chief Counsel.

ADOPTION OF THE AMENDMENT

Accordingly, and pursuant to the authority delegated to me by the Administrator, § 39.13 of Part 39 of the Federal Aviation Regulations (14 CFR 39.13) is amended by adding the following Airworthiness Directive:

SIAI MARCHETTI. Applies to Model S205/18 and S205/20 airplanes (S/Ns up through 5-406), S208 and S208A airplanes (S/Ns up through 4-64), and F260 and F260B airplanes (S/Ns 101 through 125, 2-26 through 2-61, 3-76 through 3-78, 3-80, 3-84, 502, 10-09, 20-01, and 237 through 284), certificated in all categories.

Compliance is required as indicated.

To detect cracks in the propeller governor arm and preclude possible loss of propeller control, accomplish the following:

(a) Within the next 25 hours time in service after the effective date of this AD, unless already accomplished within the last 25 hours time in service, and, thereafter, at intervals not to exceed 50 hours time in service from the last inspection, comply with paragraph (b).

(b) Visually inspect the propeller governor arm with a 5 power magnifier for cracks and breaks in accordance with the following:

(1) For the Model S205 and S208 series airplanes, with "Instructions" paragraph (a), steps 1 through 4, of SIAI Marchetti Service Bulletin No. 205B43 dated April 10, 1976, or an FAA-approved equivalent.

(2) For the Model F260 and F260B series airplanes, with "Instructions" paragraph (a), steps 1 through 4, of SIAI Marchetti Service Bulletin No. 260B18 dated April 10, 1976, or an FAA-approved equivalent.

(c) If a crack or break is detected as a result of an inspection required by paragraph (b) of this AD, before further flight, replace the propeller governor arm with a serviceable part in accordance with the following and, thereafter, continue to inspect in accordance with paragraph (b) of this AD at intervals not to exceed 50 hours time in service:

(1) For the Model S205 and S208 series airplanes, with "Instructions" paragraph (c), steps 1 through 10, of SIAI Marchetti Service Bulletin No. 205B43 dated April 10, 1976, or an FAA-approved equivalent.

(2) For the Model F260 and F260B series airplanes, with "Instructions" paragraph (c), steps 1 through 10, of SIAI Marchetti Service Bulletin No. 260B18 dated April 10, 1976, or an FAA-approved equivalent.

(d) The equivalent means of compliance specified in paragraphs (b) and (c) of this AD must be approved by the Chief, Aircraft Certification Staff, FAA, Europe, Africa, and Middle East Region, c/o American Embassy, APO New York, New York 09667.

This amendment becomes effective July 21, 1977.

(Secs. 313(a), 601, 603, Federal Aviation Act of 1958, as amended, (49 U.S.C. 1354(a), 1421, 1423); sec. 6(c) Department of Transportation Act (49 U.S.C. 1655(c)); 14 CFR 11.89.)

NOTE.—The Federal Aviation Administration has determined that this document does not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11821, as amended by Executive Order 11949, and OMB Circular A-107.

Issued in Washington, D.C., on June 29, 1977.

R. P. SKULLY,
Director,
Flight Standards Service.

[FR Doc.77-19255 Filed 7-6-77;8:45 am]

[Docket No. 77-SO-30, Admt. No. 39-2947]

PART 39—AIRWORTHINESS DIRECTIVES

Teledyne Continental Motors Models

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final Rule.

SUMMARY: This amendment adds a new Airworthiness Directive which requires a repetitive inspection of the crankcase on certain Teledyne Continental Motors Model IO-520-A, -B, -BA, -C, -D, -E, -F, -J, -K, -L, and -M; TSIO-520-B, -C, -D, -E, -G, -H, -J, -K, -L, and -N; and GTSIO-520-C, -D, -F, and -H engines. This inspection would detect cracks that may appear in the crankcase and would require replacement of these crankcases if cracks are found in certain critical areas or repair and continued monitoring of crack propagation in non-critical crankcase areas. The A. D. would require this continued inspection until the crankcase is replaced with a new strengthened crankcase design.

DATES: Effective Date: July 22, 1977.

Initial compliance required prior to fifty (50) hours time in service after the effective date of this A.D. Inspections are to be repeated every fifty (50) hours time in service if cracks are found or every one hundred (100) hours time in service if no cracks are found or if repaired in accordance with this A.D. until crankcase is replaced with improved design.

ADDRESSES: Teledyne Continental Motors Service Bulletin M77-14 may be obtained from Teledyne Continental Motors, Service and Safety Department, P.O. Box 90, Mobile, Alabama 36601. Copies of TCM Service Bulletin M77-14 are maintained in the A.D. Docket File and may be examined in Room 264, Federal Aviation Administration, Southern Region, 3400 Whipple Street, East Point, Georgia 30344.

FOR FURTHER INFORMATION CONTACT:

Clark Price, ASO-214, Propulsion Section, Engineering and Manufacturing Branch, Southern Region, P.O. Box 20636, Atlanta, Georgia 30320, telephone (404) 763-7435.

SUPPLEMENTAL INFORMATION: The Federal Aviation Administration has determined that the crankcase cracking problem described in the summary, if not inspected on a periodic basis, can lead to the development of an unsafe condition, and has done so on at least two occasions. Therefore, this periodic inspection is necessary to preclude the possibility of a crack progressing into a critical area or growing beyond safe limits in a non-critical area.

Since this condition is likely to exist or develop in other engines of the same type design, a situation exists that requires immediate adoption of this regulation. It is found that notice and public procedure hereon are impracticable and good cause exists for making this amendment effective in less than 30 days.

DRAFTING INFORMATION

The principal authors of this document are Clark Price, Flight Standards Division, and Richard Lewis Faber, Office of the Regional Counsel.

ADOPTION OF THE AMENDMENT

Accordingly, and pursuant to the authority delegated to me by the Administrator, § 39.13 of the Federal Aviation Regulations (14 CFR 39.13) is amended by adding the following new Airworthiness Directive:

TELEDYNE CONTINENTAL MOTORS: Applies to the following engine models: IO-520-A, -B, -BA, -C, -D, -E, -F, -J, -K, -L, and -M which do not incorporate the identification markings in Table 1.

TSIO-520-B, -C, -D, -E, -G, -H, -J, -K, -L, and -N which do not incorporate the identification markings in Table 1.

GTSIO-520-C, -D, -F, and -H which do not incorporate the identification markings in Table 1.

Note.—This A. D. does not apply to engines bearing the following serial numbers:

	New	TCM rebuilt
IO-520-A	550024 and up	112354-R and up.
IO-520-B, IO-520-BA.	562678 and up	122539-R and up.
IO-520-C	561476 and up	172903-R and up.
IO-520-D	563853 and up	174412-R and up.
IO-520-E	556319 and up	215510-R and up.
IO-520-F	564398 and up	195707-R and up.
IO-520-J	558005 and up	216505-R and up.
IO-520-K	557306 and up	224007-R and up.
IO-520-L	554919 and up	220537-R and up.
IO-520-M	565039 and up	227309-R and up.
TSIO-520-B	500457 and up	176235-R and up.
TSIO-520-C	509518 and up	178143-R and up.
TSIO-520-D	505004 and up	180043-R and up.
TSIO-520-E	510125 and up	182692-R and up.
TSIO-520-G	507057 and up	216007-R and up.
TSIO-520-H	506853 and up	217031-R and up.
TSIO-520-J	503582 and up	218621-R and up.
TSIO-520-K	504311 and up	224529-R and up.
TSIO-520-L	508311 and up	227611-R and up.
TSIO-520-N	509516 and up	No rebuilt.
GTSIO-520-C	602221 and up	135418-R and up.
GTSIO-520-D	601051 and up	219249-R and up.
GTSIO-520-F	603112 and up	224227-R and up.
GTSIO-520-H	600015 and up	218260-R and up.

TABLE 1.—*The improved design crankcase may be identified by the following table. This A. D. does not apply to engines so identified.*

APPLICABLE MODEL	RIGHT CRANKCASE HALF LOCATION	LEFT CRANKCASE HALF LOCATION
IO-520 A, D, E, F, J, K, L or both and logo	Aft of #1 Cylinder	Aft of #2 Cylinder
IO-520 B, BA, C, M both and logo	Between and Below #1 and #3 Cylinders	Between and Below #4 and #6 Cylinders
TSIO-520 C, G, H or both and logo	Aft of #1 Cylinder	Aft of #2 Cylinder
TSIO-520 B, D, E, J, K, L, N both and logo	Between and Below #1 and #3 Cylinders	Between and Below #4 and #6 Cylinders
GTSIO-520 C, D, F, H or both and logo	Aft of #1 Cylinder	FWD of #6 Cylinder

To prevent the possibility of undetected crankcase cracks progressing into a crankcase failure, accomplish the following:

(a) Within the next 50 hours time in service after the effective date of this A. D., visually inspect the engine crankcase for evidence of cracks. Particular attention during inspection should be given to the upper rear stud area of the number 2 and number 6 cylinders, the magneto pads and in the sections between the cylinder mounting bases.

(1) If no cracks are found, reinspect each 100 hours time in service thereafter, unless replaced by a crankcase described in Table 1.

(2) If cracks are found, proceed to paragraph (c).

(b) Critical (shaded) and non-critical (non-shaded) areas are illustrated in Figures 1, 2 and 3 below.

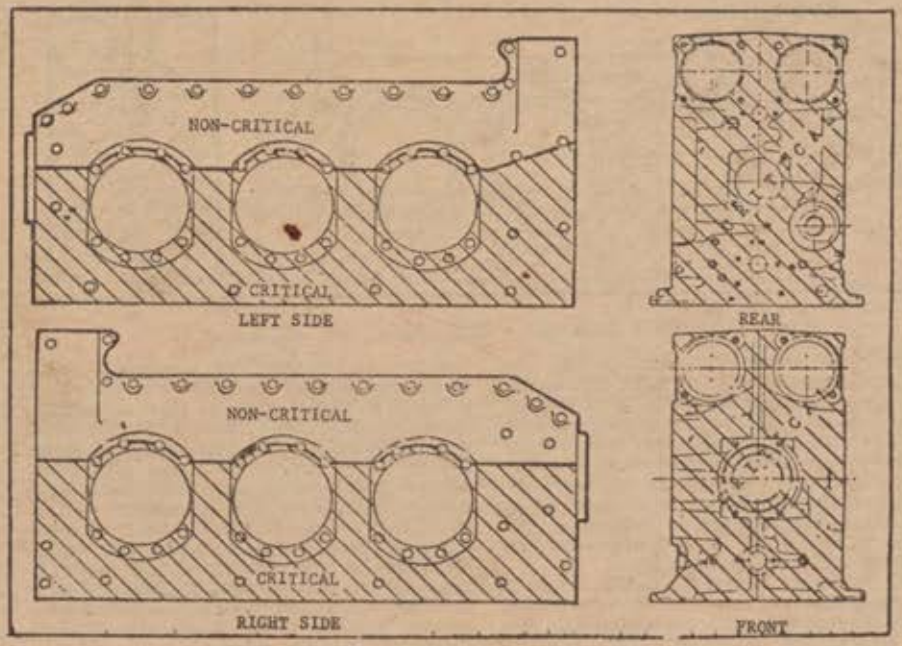


FIGURE 1 IO-520-A, -D, -E, -F, -J, -K, -L
TSIO-520-C, -G, -H

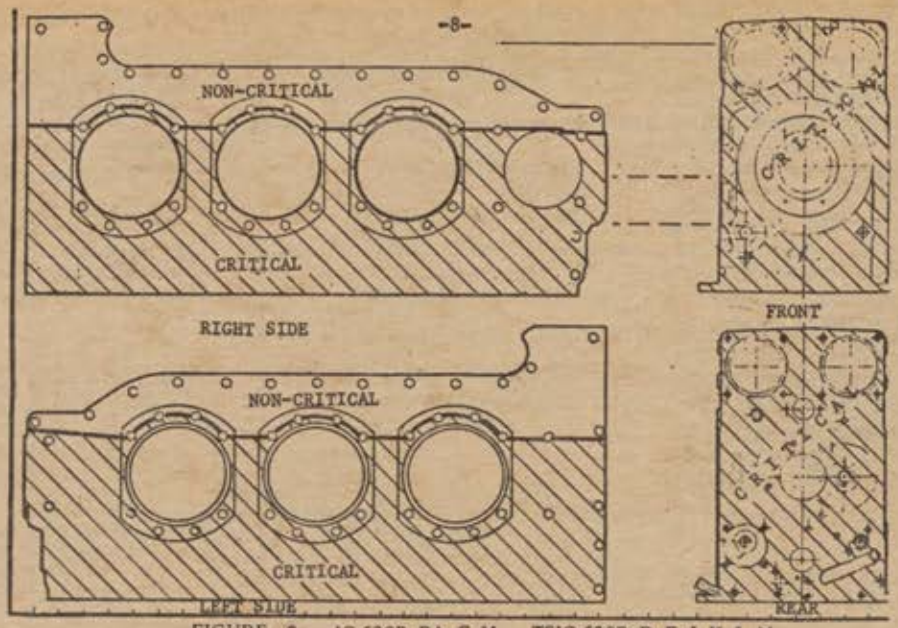


FIGURE 2 IO-520B, BA, C, M TSIO-520B, D, E, J, K, L, N

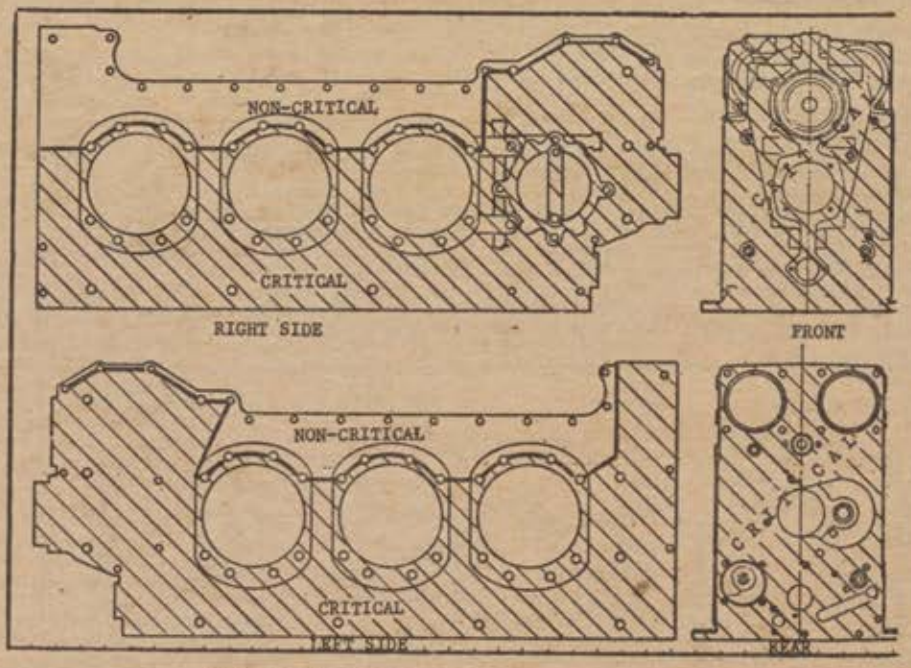


FIGURE 3 CRANKCASE - GTSIO-520-C, -D, -F, and -H

(c) If any crack is observed in the non-critical (non-shaded) area that exceeds two (2) inches in total length or is leaking oil, regardless of length, or if any cracks are observed in the critical (shaded) area, the engine crankcase must be replaced prior to further flight with a serviceable crankcase, except that the engine may be operated on an aircraft which is flown in accordance with FAR's 21.197 and 21.199 to a base where replacement may be accomplished.

(1) If a crack of two (2) inches or less in length is observed in any of the non-critical (non-shaded) areas, the creck extremity may be stop-drilled using a 3/32" drill bit (.0938"). Prior to drilling, identify the end of the crack using the dye penetrant method and locate the hole one-eighth (⅛) inch from the crack extremity. Do not stop-drill the end of any crack which would require the hole to intersect with a cylinder hold-down stud, require the hole to be placed in a heavy fillet area such as that which immediately surrounds the cylinder mount pad, or which would require the hole to be placed in an upper backbone bolt boss. (Cracks in these areas must be scribe marked at their extremities and reinspected at the intervals state in (c)(2) to check for progression.) Stop drill only those cracks which terminate in the crankcase wall sections. Coat the bit with beeswax or modeling clay to retain chips, and operate the drill at the slowest possible speed. Additionally, pressurization of the crankcase with vacuum cleaners outlet air or regulated shop air (not to exceed 5 psi) may be used to help prevent drilling chips from entering the crankcase. Thoroughly clean the immediate area surrounding the newly drilled hole. Fill the hole

with a small amount of freshy mixed epoxy adhesive such as Locktite brand, "Fast Cure" Epoxy Adhesive, Locktite P/N 44581 or 3M, "Scotch Weld" brand Structural Adhesive, 3M P/N 1838 B/A, or equivalent, being careful not to allow any epoxy to enter the interior of the crankcase. See Figures 4, 5, and 6 for additional details.

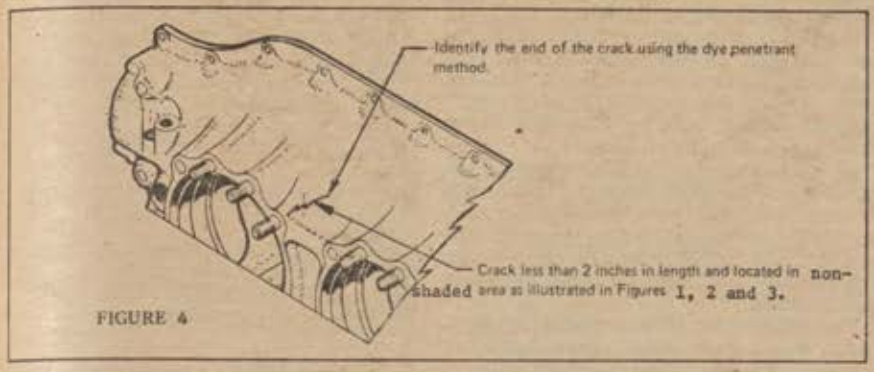


FIGURE 4

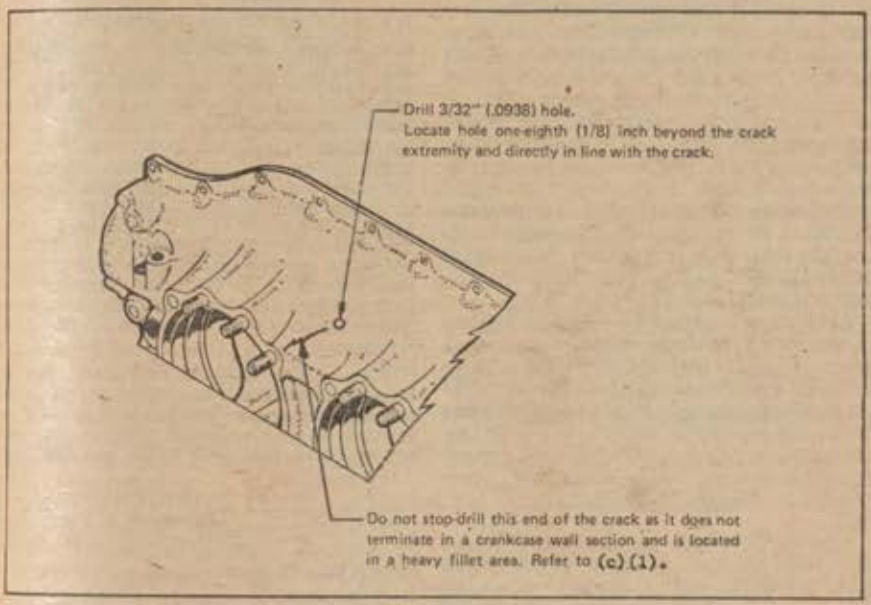


FIGURE 5

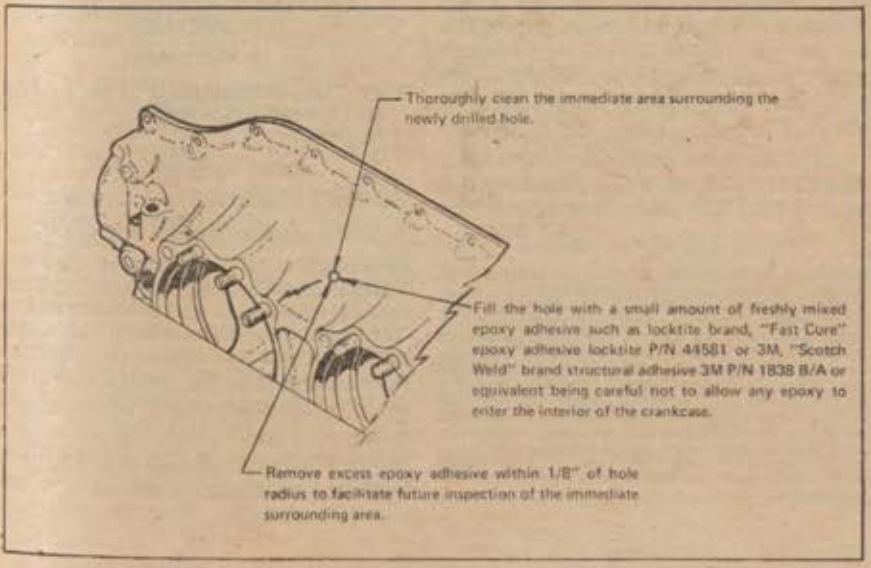


FIGURE 6

(2) Reinspect for crack progression and additional cracks within the next fifty (50) hours time in service. If no crack progression has taken place or no additional cracks are found, continue to reinspect at intervals not to exceed 100 hours time in service, until replace with a crankcase described in Table 1. If further crack progression is noted, or additional cracks are found, repeat Paragraph (c).

(d) In addition to the above inspections, accomplish the following on the Models IO-520-B, -BA, -C, and -M, and TSIO-520-B, -D, -E, -J, -K, -L, and -N engines:

(1) Within the next fifty (50) hours time in service after the effective date of this A.D., inspect the crankcase immediately above the backbone bolts to determine if the crankcase is of the design which incorporates raised backbone bolt bosses (bumps).

(i) If the crankcase incorporates the raised backbone bolt bosses, no further action is required.

(ii) If the crankcase does not incorporate the raised backbone bolt bosses, install Teledyne Continental Motors backbone bolt kit Number EQ 6541 in lieu of the current backbone bolts in accordance with steps (iii) and (iv) below.

(iii) Remove backbone bolts three (3) through ten (10) inclusive (counting from front to rear). *Caution:* Remove no more than two (2) bolts at a time and install replacement bolts prior to removing the next two (2) bolts, etc.

(iv) Install the longer bolts and thicker washers as shown in the instruction drawing included in kit Part Number EQ 6541. Torque to 160 to 180 in.-lbs.

NOTE.—Cracks found in the upper backbone boss area are acceptable; however, if cracks extend down into the crankcase wall, follow procedure outlined in Paragraph (c).

(e) Make a log book entry indicating compliance with applicable portions of this A.D. Include backbone kit installation, if applicable, and engine time in service.

Alternate methods of compliance must be approved by the Chief, Engineering and Manufacturing Branch, Federal Aviation Administration, Southern Region.

TCM Service Bulletin M77-14 pertains to this subject.

This amendment becomes effective July 22, 1977.

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

NOTE.—The Federal Aviation Administration has determined that this document does not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11821, as amended by Executive Order 11949, and OMB Circular A-107.

Issued in East Point, Georgia, on June 23, 1977.

GEORGE R. LA CAILLE,
Acting Director,
Southern Region.

[FR Doc.77-18961 Filed 7-6-77;8:45 am]

Title 15—Commerce and Foreign Trade

CHAPTER III—DOMESTIC AND INTERNATIONAL BUSINESS ADMINISTRATION, DEPARTMENT OF COMMERCE

PART 377—SHORT SUPPLY CONTROLS

Petroleum and Petroleum Products; Extension of Existing Export Controls With Certain Modifications

AGENCY: Department of Commerce, Office of Export Administration.

ACTION: Final rule.

SUMMARY: These regulations continue the present petroleum export controls, adopt as final the interim regulations relating to exports of petroleum asphalt and paving mixtures, and modify the country quotas for certain naphthas and intermediate oils to reflect the Department's audit of Exporters' Past Participation Statements.

EFFECTIVE DATE: July 1, 1977.

FOR FURTHER INFORMATION CONTACT:

John Shepard, Acting Director, Exporters' Service Staff, Office of Export Administration, Department of Commerce, Washington, D.C. 20230 (telephone: 202/377-4811).

SUPPLEMENTARY INFORMATION: After reviewing the current and prospective petroleum supply/demand situation and consulting with the Federal Energy Administration and other appropriate federal agencies, the Department has determined that controls currently in effect over the export of petroleum and petroleum products are consistent with the national interest and the purposes of the Energy Policy and Conservation Act (Pub. L. 94-163) and that such controls must be continued beyond June 30, 1977. Accordingly, the petroleum export controls, with the modifications contained herein, are continued.

The practice of extending these controls on a quarterly basis is being discontinued for reasons of administrative convenience and the controls will, accordingly, remain in effect until specifically modified or rescinded. However, the continued need for petroleum export controls or for modifications thereof will remain under continuing review by the Department in consultation with other appropriate federal agencies.

The country quotas for Petroleum Commodity Group N[1] (certain naphthas and intermediate oils) are revised to reflect the results of the Department's recent audit of Exporters' Past Participation Statements for that commodity group. Quotas applicable to the export of other petroleum products for each calendar quarter are contained in Supplement No. 2 to Part 377 of the Export Administration Regulations (15 CFR Part 377), and individual exporters will continue to be advised of their quota entitlements at the beginning of each quarter.

In response to the invitation to comment contained in Export Administration Bulletin No. 166 published in the FEDERAL REGISTER on April 7, 1977 (42 FR 18395), only one written comment was received by the Department. This comment, dealing with controls over exports of naphtha solvents, is under consideration and will be discussed in a future regulatory issuance.

No comments having been received regarding the interim regulations relating to exports of petroleum asphalt and paving mixtures published in Export Administration Bulletin No. 166, these regulations are adopted as final without modification.

The requirements for notice of proposed rulemaking and opportunity for comment are waived by the Department: (a) Because it has found, under the Energy Policy and Conservation Act, that compliance with such procedures would seriously impair the Department's ability to maintain effective and timely controls over exports of petroleum and petroleum products; (b) because it believes that notice and public comment on the extension of petroleum controls are both impracticable and unnecessary; (c) because Section 8 of the Export Administration Act provides an exemption from such requirements; and (d) as otherwise authorized in 5 U.S.C. 553.

Written comments on the regulations announced herein are solicited on a continuing basis. Interested parties and Government agencies are encouraged to submit written comments, views or data concerning these regulations to the U.S. Department of Commerce, Office of Export Administration, P.O. Box 7138, Ben Franklin Station, Washington, D.C. 20044.

Accordingly, the Export Administration Regulations (15 CFR Part 368 et seq.) are amended as follows: 1. Those portions of Part 377 and of Supplement No. 2 thereto which contain interim regulations relating to exports of petroleum asphalt and paving mixtures issued in Export Administration Bulletin No. 166 of April 1, 1977 (42 FR 18395, April 7, 1977) are adopted as final regulations.

2. The Country Quotas for Petroleum Commodity Group N[1] in Supplement No. 2 to Part 377 are revised as follows:

Country quotas for group N[1]

[Schedule B Nos. 332.9110; 512.0993; 521.4022; 521.4040; 569.9250 naphtha, naphtha solvents and other intermediate oils only, classified under the schedule B Nos. listed, which are (a) capable of being used as a fuel, either alone or when blended with other petroleum products, or (b) suitable for use in refinery processing or as a feedstock for petrochemical or synthetic natural gas production, but excluding (1) naphthas having a distillation dry point of 440° F or more, (2) naphthas having a Kauri-Butanol value of less than 35 as determined by the ASTM D1133 test method, and (3) naphthas normally packaged and shipped in drums or containers not exceeding 55 U.S. gallons per container and which will be exported in such drums or containers.][1]

Country	Quota	
	Barrels	Pounds
Argentina		70,472
Australia		2,567,324
Belgium	556	
Brazil		6,834,972
Canada	2,019	515,640
Colombia		202,672
Federal Republic of Germany	2,955	646,193
France	348	
Hong Kong	573	31,183
Liberia	392	
Malaysia		272,974
Mexico	1,764	1,097,732
Netherlands	15,647	2,511,902
New Zealand		309,033
Philippines		116,622
Singapore		143,211
South Africa		1,794,390
Switzerland	347	
Thailand		69,347
United Kingdom	26,191	
Venezuela		695,941
All other	802	76,229

[1] Report units of quantity as specified in schedule B.

(Sec. 4, Pub. L. 91-184, 83 Stat. 842 (50 U.S.C. App. 2403), as amended; E.O. 11533, 13 CFR 538 (1971), 50 U.S.C. App. 2403 nt. (Supp. IV, 1974), as amended by E.O. 11907, 41 FR 9065 (1976); sec. 103, Pub. L. 94-163, 89 Stat. 877 (42 U.S.C. 6212); sec. 2, E.O. 11912, 41 FR 15825 (1976); sec. 201, Pub. L. 94-258, 90 Stat. 309 (10 U.S.C. 7430); sec. 101, Pub. L. 93-153, 87 Stat. 576 (30 U.S.C. 185); sec. 2, E.O. 11940, 41 FR 43707 (1976); Department Organization Order 10-3, dated Nov. 17, 1975, 40 FR 58876 (1975), as amended; and Domestic and International Business Administration Organization and Function Order 46-1, dated November 17, 1975, 40 FR 59764 (1975), as amended.

NOTE.—The Office of Export Administration has determined that this document does not contain a major proposal requiring preparation of an economic impact statement under Executive Order 11949 and OMB Circular A-107.

RAUER H. MEYER,
Director, Office of Export Administration.

[FR Doc.77-19304 Filed 7-1-77;3:23 pm]

Title 16—Commercial Practices

CHAPTER I—FEDERAL TRADE COMMISSION

[Docket C-2893]

PART 13—PROHIBITED TRADE PRACTICES AND AFFIRMATIVE CORRECTIVE ACTIONS

Astor-Scott, Inc., et al.

AGENCY: Federal Trade Commission.

ACTION: Order to cease and desist.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair and deceptive acts and practices and unfair methods of competition, this consent order, among other things, requires a Fort Lauderdale, Fla., mail order firm to cease disseminating advertisements which misrepresent the effectiveness of Exogen Vitamin E Oil in improving, treating, relieving or preventing skin

health, or obesity problems. The firm must also cease disseminating advertisements which misrepresent the composition and efficacy of Phantom Roach Powder, and other insecticides. The order prescribes the circulation of deceptive or unsubstantiated product claims and requires the firm to maintain competent advertising substantiation files.

DATES: Complaint and order issued June 13, 1977.[1]

FOR FURTHER INFORMATION CONTACT:

Samuel E. Combs, Director, Atlanta Regional Office, Federal Trade Commission, 1718 Peachtree Street NW., Rm. 1000, Atlanta, Ga. 30309 (404–881–4836).

SUPPLEMENTARY INFORMATION: On Monday, April 11, 1977, there was published in the FEDERAL REGISTER (42 FR 18899) a proposed consent agreement with analysis In the Matter of Astor-Scott, Inc., a corporation, and Nelson Torelli, individually and as an officer of the corporation, for the purpose of soliciting public comment. Interested parties were given sixty (60) days in which to submit comments, suggestions, or objections regarding the proposed form of order. No comments having been received, the Commission has ordered the issuance of the complaint in the form contemplated by the agreement, made its jurisdictional findings and entred its order to cease and desist, as set forth in the proposed consent agreement, in disposition of this proceeding.

The prohibited trade practices and/or corrective actions, as codified under 16 CFR, are as follows:

Subpart—Advertising Falsely or Misleadingly: § 13.30 Composition of goods; § 13.135 Nature of product or service; § 13.170 Qualities or properties of product or service; 13.170–24 Cosmetic or beautifying; 13.170–39 Durability or permanance; 13.170–46 Insecticidial or repellant; 13.170–52 Medicinal, therapeutic, healthful, etc.; 13.170–68 Preserving; 13.170–70 Preventive or protective; 13.170–76 Rejuvenating; § 13.190 Results; § 13.205 Scientific or other relevant facts. Subpart—Corrective Actions and/or Requirements; § 13.533 Corrective actions and/or requirements; 13.533–45 Maintain records; 13.533–45(a) Advertising substantiation. Subpart—Disseminating Advertisements, etc. § 13.1043 Disseminating advertisements, etc. Subpart—Misrepresenting Oneself and Goods—Goods: § 13.1590 Composition; § 13.1685 Nature; § 13.1710 Qualities or properties; § 13.1730 Results; § 13.1740 Scientific or other relevant facts. Subpart—Neglecting, Unfairly or Deceptively, to Make Material Dislosure: § 13.1845 Composition; § 13.1870 Nature; § 13.1885 Qualities or properties; § 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.)

CAROL M. THOMAS,
Secretary.

[FR Doc.77-19315 Filed 7-6-77;8:45 am]

[1] Copies of the complaint, and the decision and order filed with the original document.

CHAPTER II—CONSUMER PRODUCT SAFETY COMMISSION

SUBCHAPTER C—FEDERAL HAZARDOUS SUBSTANCES ACT REGULATIONS

PART 1500—HAZARDOUS SUBSTANCES AND ARTICLES: ADMINISTRATION AND ENFORCEMENT REGULATIONS

PART 1507—FIREWORKS DEVICES

Confirming Order and Supplementary Findings

AGENCY: Consumer Product Safety Commission.

ACTION: Final rule.

SUMMARY: The Commission confirms its final rule banning from interstate commerce firecrackers in excess of 50 milligrams. This confirmation is required under an order of the United States Court of Appeals for the District of Columbia in the case of "National Society for the Prevention of Blindness, et al. v. Consumer Product Safety Commission."

EFFECTIVE DATE: June 30, 1977.

FOR FURTHER INFORMATION CONTACT:

Norman C. Barnett, 202–634–7770, Consumer Product Safety Commission, 1111 18th Street, NW., Washington, D.C. 20207.

SUPPLEMENTARY INFORMATION: On June 23, 1977 the United States Court of Appeals for the District of Columbia Circuit issued an order in "National Society for the Prevention of Blindness, et al. v. Consumer Product Safety Commission," Nos. 76–1495, 76–1723, 76–1788, remanding to the Commission the record in rulemaking action "In the Matter of Fireworks Devices," Docket 74–3, with instructions that the Commission clarify the factual basis for its final rules and take all actions necessary to bring its rules into full statutory compliance.

The Court's order indicates that the Commission's final order was deficient in that the Commission had not issued a final order by a majortiy vote on the decision to ban firecrackers in excess of 50 mg.[1] Subsequent to the issuance of the Court order the two Commissioners who were not members of the Commission on the date of the June 8, 1976 order began taking the necessary steps to inform themselves of the issues, evidence, testimony and the positions of the respective parties to the rulemaking with regard to firecrackers. The full Commission was also briefed on the matter and on June 30, 1977 the Commission met in Executive Session and again voted on the matter. It decided by a 3–2 vote to adopt the tentative decision dated March 4, 1976 as well as the enumerated and supplementary findings of fact and conclusions of law contained therein as the final decision of the Commission. At the same time the Commission also adopted the provisions of the final order dated May 6, 1976 with respect to the rulings on exceptions and the final order.

In its order of June 23, 1977 the Court has also expressed concern regarding finding of fact number 12 of the Commission's tentative decision (41 FR 9523) and the lack of explanation of a contrary ruling by the Commission's administrative law judge. The finding in question is as follows:

> 12. The nature and degree of the hazards posed by firecrackers containing pyrotechnic composition in excess of 50 milligrams (.772 grains) cannot be remedied through cautionary labeling.

This is basically an ultimate finding required under section 2(q)(1)B, FHSA[2] prior to any banning action. The determination as to whether labeling is adequate is generally a subjective determination and varies with the hazard posed by a product.

In the present case the administrative law judge recommended that labeling in addition to certain other requirements would provide adequate safety for some firecrackers. He also found labeling inadequate for certain other firecrackers. Specifically he recommended that blackpowder firecrackers up to 2 grains pyrotechnic composition and flashpowder firecrackers up to 1.2 grains of pyrotechnic composition would be safe if such firecrackers included a visibly burning fuse and included certain specific cautionary labeling. Although unstated, this recommendation, by necessity requires the conclusion that all flashpowder firecrackers in excess of 1.2 grains and up to 2 grains (permitted prior to the current regulation) were not capable of adequate cautionary labeling to protect against the hazards presented. The Commission in its tentative decision rejected the administrative law judge's recommendations insofar as they were applicable to blackpowder firecrackers on the ground that the evidence did not demonstrate those firecrackers to be any safer than flashpowder firecrackers. (See 41 FR 9519). The 1.2 flashpowder recommendation was rejected because it was not shown to be a common production unit and was based on a single staged demon-

[1] The Court's remand order did not effect any of the other provisions of the Commission's order of June 8, 1976 (41 FR 22932, et seq.).

[2] The necessity of making a finding concerning the inadequacy of cautionary labeling is largely due to the evolution of the FHSA. The law originally only applied to cautionary labeling for hazardous substances. The act was amended in 1966 to allow for a ban of those substances for which cautionary labeling was deemed inadequate to protect the public health and safety.

stration at the hearings. 41 FR 9519. Also, the Commission rejected the recommendation on the fusing requirement on the ground that the evidence did not demonstrate that the visibly burning fuse was available or would work in firecrackers. See 41 FR 9519, 9520.

The Commission was also concerned with the special labeling recommended by the administrative law judge in that it was not based on any expert psychological evidence and was possibly procedurally deficient in that it had not been proposed in the original regulation (41 FR 9522). The Commission did agree to adopt the administrative law judge's labeling recommendations to the extent that they complied with the statutory labeling requirements of section 2(p), FHSA and regulations issued thereunder. 41 FR 9522.

It is apparent from the report of the administrative law judge on firecrackers that his recommendation was not based solely on the ground that labeling was adequate, but that labeling in addition to the blackpowder, visibly burning fuse and reduction of flashpowder were adequate. As indicated above the underpinnings of the recommendation with respect to blackpowder, 1.2 grains of flashpowder [3] and the visibly burning fuse provision were simply not supported by sufficient evidence to be included as mandatory Federal safety requirements.

The Commission also believes that cautionary labeling standing alone, either that suggested by the administrative law judge or other potential label warnings are not adequate to protect the public from the hazards posed by firecrackers over 50 mg. The administrative law judge was of the view that proper supervision and education particularly by children along with specific labeling and his other recommendations would reduce the hazards posed by firecrackers. While the Commission does not disagree that proper supervision and education can to some degree reduce fireworks injuries, the overwhelming evidence of record indicates that firecracker injuries are caused by misuse and indeed abuse, particularly by children. The Commission obviously has no power to deal with problems of parental supervision and education. However, it cannot ignore the natural tendencies of children and their attraction to firecrackers which is poignantly depicted in the record of this case. The Commission simply sees no practical way in which labeling can be structured so as to prevent misuse of firecrackers by children. The suggestions by the administrative law judge that labels include various warnings [4] do not appear to be adequate to remedy the misuse problem. Those suggested warnings that are primarily directed to adults will not solve the problem with respect to children. Moreover, it is unrealistic to believe that children will not obtain and misuse firecrackers. The overwhelming evidence of record as well as common experience suggests otherwise. The fact that warnings are ignored by children is further demonstrated from the fact that firecrackers have included cautionary labeling which is similar to that suggested by the administrative law judge for several years under the statutory labeling requirements of section 2(p), FHSA and yet injuries to children from misuse persist.[5] As the foregoing demonstrates the Commission is of the view that cautionary labeling is inadequate to reduce the hazard posed by firecrackers in excess of 50 mg.

As a result of the Court's determination regarding the validity of the Commission's June 8, 1976 order, the Commission is concerned about the effective date of its ban on firecrackers containing pyrotechnic composition in excess of 50 mg. Since the Court did not specifically set the Commission's banning order aside, it is believed that the ban remains in effect. To eliminate any question concerning the effective date as a result of the Court's June 23, 1977 order, the Commission believes that emergency conditions exist within the meaning of section 701(e) of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 371(e) requiring the ban to be effective immediately. In this regard there is no reason at this time to permit a 90-day lead period prior to the effective date of the regulation. All parties as well as the general public have been on notice for over a year (since June 8, 1976) of the ban on 50 mg. firecrackers. In its June 8, 1976 order the Commission not only permitted the 90-day statutory lead period but also extended the period for an additional 90 days to allow for an orderly and enforceable transition to the new regulation. Any further delay in the effective date at this time would not further the statutory purpose of the 90-day lead provision. More importantly, however, since the peak period for sale of fireworks, the Fourth of July season, is now in progress, there is a potential for large scale sales of firecrackers in excess of 50 mg., which the Commission has found sufficiently hazardous to ban from the channels of interstate commerce, unless the Commission takes the necessary steps to make the ban effective immediately. Accordingly, the Commission finds that emergency conditions exist within the meaning of section 701(e) so as to warrant an immediate effective date for the ban on firecrackers in excess of 50 mg.

FINDINGS OF FACT

Pursuant to the requirements of section 701(e), FFDCA, (21 U.S.C. 371(e)) and 21 CFR 2.98 the Commission adopts and incorporates herein as its final decision findings of fact numbered 9–11, 14–16, 18–21 and supplementary findings thereto of the Commission's tentative decision, 41 FR 9516–9523, and supplementary findings contained herein.

CONCLUSION OF LAW

Pursuant to the requirements of section 701(e), FFDCA, (21 U.S.C. 371(e)) and 21 CFR 2.98, the Commission adopts and incorporates herein as its final decision conclusion of law numbered 5 of the Commission's tentative decision, 41 FR 9524.

Therefore, pursuant to provisions of the Federal Hazardous Substances Act (secs. 2(q)(1)(B), 2(q)2, 3(b), 74 Stat. 374–375 as amended 80 Stat. 1304–1305; (15 U.S.C. 1261, 1262), the Federal Food, Drug, and Cosmetic Act (sec. 701(e), 52 Stat. 1055, as amended; (21 U.S.C. 371(e)), and under authority vested in the Commission by the Consumer Product Safety Act (sec. 30(a), 86 Stat. 1231; (15 U.S.C. 2079(a)), Subchapter C of Title 16, Chapter II is amended by amending §§ 1500.14, 1500.17, 1500.85, and by revising Part 1507 as set forth at 41 FR 22934.

(Secs. 2(q)(1)(B), 2(q)(2), (3)(b), 74 Stat. 374–375 as amended, 80 Stat. 1304–1305; (15 U.S.C. 1261, 1262); sec. 701(e), 52 Stat. 1055 as amended (21 U.S.C. 371(e)); sec. 30(a), 86 Stat. 1231; (15 U.S.C. 2079(a)).)

Effective date: This order is effective June 30, 1977.

Dated: June 30, 1977.

RICHARD E. RAPPS,
Secretary, Consumer Product Safety Commission.

[FR Doc.77-19202 Filed 6-30-77;6:07 pm]

[3] The decision of the Commission in the tentative order and adopted herein not to ban firecrackers under 50 mg. of powder is based on reasoning similar to the rationale of the administrative law judge on flashpowder firecrackers, namely that a reduction in powder content would reduce the hazard.

[4] The warnings recommended by the administrative law judge include:

Danger—misuse may cause serious injury.
Attach firecracker string to pole, light fuse and slowly lower into wire basket or cage away from spectators.
For use only by adults or under close adult supervision. Do not hold in hand—light fuse—throw on ground away from spectators—get away.

[5] The cautionary labeling used in firecrackers pursuant to section 2(p) reads as follows:

Caution—explosive.
Do not hold in hand.
Lay on ground—light fuse.
Get away.
Use only under adult supervision.
See Exhibit S.C. 51.

Title 26—Internal Revenue

CHAPTER I—INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY

SUBCHAPTER A—INCOME TAX

[T.D. 7497]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Definition of Banking, Financing, or Similar Business of Controlled Foreign Corporations

AGENCY: Internal Revenue Service, Treasury.

ACTION: Final regulations.

SUMMARY: This document provides final regulations relating to the definition of a banking, financing, or similar business of a controlled foreign corporation. The definition has been changed to achieve substantial uniformity with other regulations that define the same terms. These regulations affect United States shareholders of controlled foreign corporations.

DATE: The regulations are effective generally for taxable years of United States shareholders of controlled foreign corporations ending after December 31, 1962.

FOR FURTHER INFORMATION CONTACT:

Karl P. Fryzel of the Legislation and Regulations Division, Office of the Chief Counsel, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, D.C. 20224 (Attention: CC:LR:T) (202-566-3294).

SUPPLEMENTARY INFORMATION:

BACKGROUND

On Tuesday, January 7, 1975, the FEDERAL REGISTER published proposed amendments to the Income Tax Regulations (26 CFR Part 1) under section 954 of the Internal Revenue Code of 1954, 40 FR 1250. The amendments were proposed in order to revise the definition of a banking, financing, or similar business of a controlled foreign corporation. After consideration of all comments regarding the proposed amendments, those amendments are adopted as revised by this Treasury decision.

STATUTE

Section 954(c)(3)(B) of the Code provides that foreign personal holding company income of a controlled foreign corporation does not include dividends, interest, or gains from the sale or exchange of stock or securities if such dividends, interest, or gains are derived in the conduct of a banking, financing, or similar business. Section 954(c)(4)(B) of the Code provides further that foreign personal holding company income does not include interest received in the conduct of a banking, financing, or similar business from a related person engaged in such a business if the businesses of the recipient and payer are predominantly with unrelated persons.

PRIOR REGULATION

Section 1.954-2(d)(2)(ii) of the Income Tax Regulations defines the term "banking, financing, or similar business" for purposes of determining foreign personal holding company income. This definition is also used as a cross-reference in § 1.954-2(e)(2) of the Income Tax Regulations.

CHANGES

To achieve more uniformity among the definitions of similar terms in the Code, these proposed amendments conform the existing definition under section 954 to the definition of the same term contained in §§ 1.864-4(c)(5)(i) and 1.904-4(c) of the Income Tax Regulations.

NEW RULE

The proposed rule in § 1.954-2(d)(2)(ii)(G) relating to the carrying on of certain underwriting activities has been changed. The new rule includes those underwriting activities in which no stock, debt obligations, or other securities are purchased, such as the offering of such securities in connection with a public distribution thereof, or participation in any such undertaking.

DRAFTING INFORMATION

The principal author of this regulation was Karl P. Fryzel of the Legislation and Regulations Division of the Office of Chief Counsel, Internal Revenue Service. However, personnel from other offices of the Internal Revenue Service and Treasury Department participated in developing the regulation, both on matters of substance and style.

ADOPTION OF AMENDMENTS TO THE REGULATIONS

Accordingly, 26 CFR Part 1 is amended as follows:

Paragraph (d)(2)(ii) as set forth in the appendix to the notice of proposed rule making is changed by revising (G). This revised provision to read as set forth below.

(Sec. 7805, Internal Revenue Code of 1954 (68A Stat. 917; (26 U.S.C. 7805).))

JEROME KURTZ,
Commissioner of Internal Revenue.

Approved: June 30, 1977.

LAURENCE N. WOODWORTH,
Assistant Secretary of the Treasury.

§ 1.954-2 Foreign personal holding company income.

* * * * *

(d) *Certain income received from unrelated persons in the active conduct of a trade or business.* * * *

(2) *Dividends, interest, and gains on securities, received in banking or other financing business from unrelated persons.* * * *

(ii) *Definition of banking, financing, or similar business.* A controlled foreign corporation will be considered to be engaged in the conduct of a banking, financing, or similar business for purposes of this subparagraph if it is engaged in business, whether in the United States or in a foreign country or possession of the United States, and the activities of that business consist of any one or more of the following activities carried on in transactions with persons situated within or without the United States—

(A) Receiving deposits of money from the public,

(B) Making personal, mortgage, industrial, or other loans to the public,

(C) Purchasing, selling, discounting, or negotiating for the public on a regular basis, notes, drafts, checks, bills of exchange, acceptances, or other evidences of indebtedness,

(D) Issuing letters of credit to the public and negotiating drafts drawn thereunder,

(E) Providing trust services for the public,

(F) Financing foreign exchange transactions for the public, or

(G) Purchasing stock, debt obligations, or other securities from an issuer or holder with a view to the public distribution thereof; or offering or selling stock, debt obligations, or other securities for an issuer or holder in connection with the public distribution thereof, or participating in any such undertaking. Although the fact that the controlled foreign corporation is subjected to the banking and credit laws of a foreign country or possession of the United States shall be taken into account in determining whether it is engaged in the conduct of a banking, financing, or similar business in that country or possession, the character of the business actually carried on during the taxable year therein shall determine whether it is conducting a banking, financing, or similar business therein. A controlled foreign corporation which acts merely as a financing vehicle for borrowing funds for its parent corporation or a related person, as defined in paragraph (e)(1) of § 1.954-1, shall not be considered to be engaged in the conduct of a banking, financing, or similar business. If, in addition to conducting a banking, financing, or similar business, a controlled foreign corporation carries on other business activities, for example, the business of selling or manufacturing goods or merchandise from which it realizes income, gain, or loss, only those dividends, interest, and excess of gains over losses from sales or exchanges of stock or securities, derived in the conduct of the banking, financing, or similar business shall be excluded from foreign personal holding company income of the controlled foreign corporation under section 954(c)(3)(B).

(iii) *Incidental income.* If securities or shares of stock are acquired as an ordinary and necessary incident to the conduct of a banking, financing, or similar business, as defined in paragraph (d)(2)(ii) of this section, the dividend and interest income from, and the excess of gains over losses from sales or exchanges of, such securities or stock will be considered to be derived in the conduct of a banking, financing, or similar business for purposes of this subparagraph but only so long as the retention of such property remains an ordinary or necessary incident to the conduct of such business. Thus, the acquisition of a security or stock acquired as the result of, or in order to prevent, a loss in a banking, financing, or similar business upon a loan contracted in the ordinary course of such business will be considered ordinary and necessary to the conduct of such business, but dividends, interest, gain, or loss on such security or stock will be considered derived or incurred

in the conduct of a banking, financing, or similar business only so long as the holding of such security or stock remains an ordinary and necessary incident to the conduct of such business. The term "security," as used in this subdivision, means any bill, note, bond, debenture, or other evidence of indebtedness, or any evidence of an interest in, or right to subscribe to or purchase, any of the foregoing.

* * * * *

(e) *Certain income received from related persons.* * * *

(2) *Interest received in banking, financing, or similar business from a related person.* Foreign personal holding company income of a controlled foreign corporation does not include interest received in the conduct of a banking, financing, or similar business if such interest is received from a related person, as defined in paragraph (e)(1) of § 1.954–1, if the related person is engaged in the conduct of a banking, financing, or similar business, and if the business of the recipient and the payer are predominantly with unrelated persons, as defined in paragraph (e)(2) of § 1.954–1. See section 954(c)(4)(B). For purposes of the subparagraph, the businesses of the recipient and the payer of interest will be considered to be predominantly with unrelated persons for a taxable year if both the recipient and the payer each receive more than 70 percent of their gross income for the taxable year from unrelated persons. Determinations as to compliance with such 70-percent test shall be made for the taxable year of the controlled foreign corporation in which the interest is received and for the taxable year of the related person in which the interest is paid. The rules provided in paragraph (d)(2) of this section shall apply under this subparagraph for purposes of determing whether a person is engaged in the conduct of a banking, financing, or similar business and whether interest is received in the conduct of such business. The application of this subparagraph may be illustrated by the following example:

Example. Controlled foreign corporation M is organized under the banking laws of foreign country X. M's sole business activity consists of transactions with the public in which it receives deposits of money and makes loans. In 1974, in the conduct of its banking business M receives 5 percent of its gross interest income from payments made in such year by foreign corporation N, a related person incorporated under the laws of foreign country Y. Both M and N use the calendar year as the taxable year. For 1974, N is engaged in the conduct of a financing business. M and N each derive more than 70 percent of their gross income for 1974 from unrelated persons. Interest income of M received from N in 1974 is excluded from M's foreign personal holding company income under section 954(c)(4)(B).

* * * * *

[FR Doc.77–19284 Filed 7–6–77;8:45 am]

Title 30—Mineral Resources

CHAPTER I—MINING ENFORCEMENT AND SAFETY ADMINISTRATION, DEPARTMENT OF THE INTERIOR

SUBCHAPTER O—COAL MINE HEALTH AND SAFETY

PART 75—MANDATORY SAFETY STANDARDS—UNDERGROUND COAL MINES

Installation of Canopies or Cabs

AGENCY: Mining Enforcement and Safety Administration, Interior.

ACTION: Indefinite suspension of time periods.

SUMMARY: The dates of July 1, 1977, and July 1, 1978, specified in §§ 75.1710–1(a)(5)(ii) and 75.1710–1(a)(6), respectively, for the installation of canopies or cabs on self-propelled electric face equipment used in underground coal mines where mining heights are less than 30 inches (actual height from bottom to top less than 42 inches) are suspended indefinitely pending development of technology for cab and canopy compartment configuration to resolve human engineering problems.

EFFECTIVE DATE: July 1, 1977.

FOR FURTHER INFORMATION CONTACT:

Mr. Joseph O. Cook, Deputy Assistant Administrator—Coal Mine Health and Safety, Room 818, Ballston Tower No. 3, 4015 Wilson Boulevard, Arlington, Virginia 22203, 703–235–1140.

SUPPLEMENTARY INFORMATION:

DRAFTING INFORMATION

The primary authors of this document are: Mr. John McCormick, Chief of Division of Safety Technology, Pittsburgh Technical Support Center, 4800 Forbes Avenue, Pittsburgh, Pennsylvania, 15213, Phone: 412–892–2400, Ext. 379, and Mr. Robert H. McPhillamey, Assistant Solicitor, Coal Mine Health and Safety, Ballston Tower No. 3, 4015 Wilson Boulevard, Arlington, Virginia 22203, Phone: 703–235–1157.

In accordance with the provisions of section 317(j) of the Federal Coal Mine Health and Safety Act of 1969 (30 U.S.C. 877(j)) and pursuant to the authority under section 101 of the Act, there was published in the FEDERAL REGISTER for October 3, 1972 (37 FR 20689), mandatory safety standards contained in 30 CFR 75.1710–1 pertaining to the installation of canopies or cabs on self-propelled electric face equipment. These mandatory standards were made effective on January 1, 1973. Time periods for operators to design and install substantially constructed canopies or cabs based upon the mining height were prescribed in §§ 75.1710–1 (a)(1) through (a)(6).

As required by section 101(g) of the Act, the Secretary of the Interior made findings of fact which were also published on October 3, 1972, which reflected the need for canopies or cabs on self-propelled electric face equipment, including shuttle cars.

In addition to finding that there was a need for canopies and cabs it was also recognized that human engineering problems remained in mining heights less than 72 inches and that these problems might affect the timetables for canopy or cab installation.

In the interim between October, 1972, and June, 1976, considerable research and study had been performed by the Bureau of Mines, the Mining Enforcement and Safety Administration (MESA), coal mine operators and manufacturers of mining equipment. The results of these efforts, as well as experience gained in the course of MESA enforcement, indicated that practical technology was available to design and construct a substantial canopy or cab for all mining heights.

It was found, however, that in lower mining heights, particularly those below 30 inches, certain human engineering problems had not been fully solved. While these problems varied depending upon the particular mining equipment, they included impaired operator vision, and operator cramping and fatigue. Because of these unsolved engineering problems the Secretary determined that certain dates should be extended on and after which coal mines having specific mining heights must install canopies or cabs. The action was considered necessary in order to permit development of additional technology on canopy or cab design, in conjunction with accomplishing equipment design changes to adapt canopies or cabs.

Therefore, on Wednesday, June 9, 1976, the Secretary published in the FEDERAL REGISTER (41 FR 23199) a notice extending the time periods for installation of canopies or cabs in coal mines having certain specified mining heights. The time periods were extended as follows:

(1) On and after January 1, 1976, in coal mines having mining heights of 30 inches or more, but less than 36 inches;

(2) On and after July 1, 1977, in coal mines having mining heights of 24 inches or more, but less than 30 inches; and

(3) On and after July 1, 1978, in coal mines having mining heights of less than 24 inches.

Thus, as presently written, cabs or canopies will be required on July 1, 1977, in coal mines having mining heights of 24 inches but less than 30 inches (actual height from bottom to top of 36 inches, but less than 42 inches), and on July 1, 1978, in coal mines having mining heights less than 24 inches (actual height from bottom to top of less than 36 inches).

As stated in the FEDERAL REGISTER for June 9, 1976, this action was considered necessary "* * * in order to permit development of additional technology on cab or canopy design in conjunction with accomplishing equipment design changes to adapt canopies or cabs

* * *" in lower mining heights, particularly those below 30 inches.

Subsequent to the amendments made on June 9, 1976, to §§ 75.1710–1 (a)(5) and (a)(6) and in order to evaluate the effect of those amendments and to keep abreast of the general progress in the installation of cabs and canopies on electric face equipment, the Administrator, MESA, in November, 1976, directed that MESA personnel update a study which had been made of compliance experience in all mining heights. In addition, he established a Joint Industry, Government, Labor Committee to study possible solutions to the problems being encountered, particularly with respect to those related to human engineering in mining heights less than 30 inches.

The results of the compliance study indicate that considerable progress has been made in meeting the requirements of the standards, except in mining heights less than 30 inches. Of 12,910 pieces of equipment reported to be affected by the requirements in mining heights of 36 inches and above (actual height from bottom to top of 48 inches or more) 9,631 pieces of equipment (approximately 75 percent) were in compliance with the standards. In mining heights of 30 inches or more, but less than 36 inches (actual height from bottom to top of 42 inches, but less than 48 inches) 581 of 2,137 pieces of equipment required to meet the standards were reported to be in compliance (approximately 27 percent). Compliance in mines with mining heights below 30 inches (actual height from bottom to top of less than 42 inches) was negligible.

This study also revealed that cabs or canopies continue to have a tremendous impact on the reduction of injuries or fatalities involving operators of self-propelled electric face equipment, including shuttle cars. Reports indicate that from 1974 through 1976, at least 111 equipment operators have been saved from certain death or serious injury because a cab or canopy protected the operator from falls of roof, face, or rib. Sixty of these "saves" occurred during 1976. Moreover, an analysis of haulage fatalities indicates that the number of equipment operators killed due to being pinned, squeezed, or crushed against the roof, rib, or other equipment, and dislodged posts have also been significantly reduced.

Meetings of the Joint Industry, Government, Labor Committee revealed that considerable new technology has been developed and is being applied successfully in mining heights of 30 inches and above (actual height from bottom to top of 42 inches and above). However, because of lack of communication within the industry, many were not aware of these developments. It was also apparent that even though existing technology might be applicable to some equipment used in mining heights below 30 inches (actual height from bottom to top of less than 42 inches), substantial amounts of existing equipment could not be retrofitted and brought into compliance at this time.

Comments were made during the course of the Joint Committee meetings concerning the fact that equipment design changes necessary to adapt canopies or cabs had not been developed in conjunction with the technology on cab and canopy design, particularly with regard to machines to be used in the lower mining heights. As a result, mine operators have been forced to attempt to retrofit new equipment, which in many cases involves major changes and alterations in the design of the operator's compartment and the machine to resolve human engineering problems. To meet and correct this situation, NESA is developing specifications for cab and canopy compartment configuration for new mining equipment pursuant to section 318(i) of the Federal Coal Mine Health and Safety Act of 1969. These regulations and specifications, when completed, will be processed and promulgated in accordance with section 101 of the Act.

Operators are advised that although the dates for compliance specified in §§ 75.1710–1(a)(5)(ii) and 75.1710–1(a)(6) are suspended the authority provided in the statutory standard § 75.1710 [Sec. 317(j) of the Act] will be utilized to the fullest extent possible consistent with the technology, designs, and human engineering developed and available from time-to-time for mining heights below 30 inches. Section 75.1710 provides as follows:

§ 75.1710 Canopies or cabs; electric face equipment

An authorized representative of the Secretary may require in any coal mine where the height of the coalbed permits that electric face equipment, including shuttle cars, be provided with substantially constructed canopies, or cabs, to protect the miners operating such equipment from roof falls and from rib and face rolls.

Because of the increased compliance and resulting benefits in terms of lives saved and injuries prevented by installation of canopies or cabs on mining equipment used in mining heights of 30 inches or more (actual height from bottom to top of 42 inches or more), the Secretary has determined that the requirements contained in § 75.1710–1(a)(1), (2), (3), (4), and (5)(i) shall remain in effect and will continue to be enforced.

In view of the foregoing circumstances and determinations and in accordance with 5 U.S.C. 553(b) it is found that notice and public procedure are impracticable and unnecessary, and in accordance with 5 U.S.C. 553(d)(1) publication for not less than 30 days before the effective date is not required.

Therefore, the dates of July 1, 1977, and July 1, 1978, provided in §§ 75.1710–1(a)(5)(ii) and 75.1710–1(a)(6), respectively, are hereby indefinitely suspended effective July 1, 1977.

Dated: June 30, 1977.

JOAN M. DAVENPORT,
Assistant Secretary of the Interior.

[FR Doc.77–19335 Filed 7–6–77;8:45 am]

Title 32—National Defense

CHAPTER XVIII—DEFENSE CIVIL PREPAREDNESS AGENCY

PART 1800—ORGANIZATION, ACTIVITIES, AND GENERAL STATEMENTS OF POLICY

AGENCY: Defense Civil Preparedness Agency (DCPA), Department of Defense.

ACTION: Final rule.

SUMMARY: Sections 1800.1–1800.8 provide an informative, current description, for the information of the public, of where, how, and by what authority DCPA performs its functions. This is provided so that the public may deal effectively with DCPA. DCPA is principally engaged in the furnishing of financial and technical assistance and guidance to State governments and to local governments, in most cases through the States. The assistance is provided so that these governmental units may develop comprehensive civil defense preparedness. Normally, individuals are not the direct, immediate beneficiaries of DCPA assistance. However, DCPA publications usually can be obtained by anyone on request (32 CFR 1800.7).

Section 1800.20 describes the use of Civil Preparedness Guides and Circulars as methods of presenting civil defense policy and operational guidance to governmental officials and the public.

EFFECTIVE DATE: June 30, 1977.

FOR FURTHER INFORMATION CONTACT:

Walter A. Girstantas, Assistant Director, Administrative Services Directorate, The Pentagon, Room 1D487, Washington, D.C. 20301, phone 202–695–3402.

SUPPLEMENTARY INFORMATION: Subpart A is designed to respond to 5 U.S.C. 552(a)(1)(A) and (B) which provide that each agency shall separately state and currently publish in the FEDERAL REGISTER for the guidance of the public a description of its organization and the methods by which it conducts its functions. The Administrative Conference of the United States recommends (1 CFR 305.76–2) that these descriptions be preserved in the Code of Federal Regulations.

Subpart B of Part 1800 is designed to respond to the requirement of 5 U.S.C. 552(a)(1)(D), which provides that agencies separately state and currently publish in the FEDERAL REGISTER for the guidance of the public the substantive rules and statements of general policy or interpretations which it has formulated or adopted. Other parts of Chapter XVIII of this title contain a number of substantive rules applicable to specific DCPA programs and particular rules which are to be applied in carrying out these programs. Subpart B of Part 1800 sets out statements of general policy applicable to DCPA programs and certain rules interpreting requirements or provisions common to these programs. The Administrative Conference of the United States also recommends that agencies

should take necessary measures to assure the publication in the FEDERAL REGISTER of these statements.

DCPA is a component of the Department of Defense and, for purposes of the Administrative Procedure Act, is an agency (see 32 CFR Part 296.6). Under authority in the Federal Civil Defense Act delegated to the Secretary of Defense by Executive Order 10952 of July 20, 1961, and redelegated to the Director, DCPA, in 37 FR 18636, and in accordance with other authority delegated in 37 FR 18636, the Director has authority to prescribe rules and regulations to carry out the purposes of the Federal Civil Defense Act.

In view of the above, DCPA plans to amend Chapter XVIII of Title 32, CFR, which deals with civil defense regulations. Subpart A will provide the codified organization and functions description and Subpart B will provide a convenient part for publication of general policy statements in the future. One of these is published. Section 1800.20 describes a practice by which DCPA publishes, through its publications channels, guidance and information to Federal, State and local officials to be used in connection with civil defense programs.

As the matter published below relates solely to rules of agency organization, procedure and practice, it is determined that notice and public procedure are unnecessary and the part shall become effective immediately.

This document does not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11321, as amended, and OMB Circular A-107.

32 CFR Chapter XVIII is amended by adding a new Part 1800 as follows:

Subpart A—Organization, Activities, and Delegations of Authority

Sec.

1800.1 Establishment and location.
1800.2 Mission.
1800.3 Activities.
1800.4 Headquarters organization.
1800.5 Field organization.
1800.6 Delegations of authority.
1800.7 Sources of information.
1800.8 Submittals, requests, and decisions.

Subpart B—Statements of General Policy and Interpretive Rules

1800.20 Civil preparedness guides and circulars.

Appendix A—Field Organization Addresses.

AUTHORITY: The provisions of this Part 1800, Subpart A issued under 5 U.S.C. 552(a); 32 CFR 296; 50 U.S.C. App 2251-2297; Executive Order 10952, 3 CFR 1959-1963 Comp., p. 479; DOD Directive 5105.43; 37 FR 18636; Executive Order 11795, 39 FR 25939.

Subpart A—Organization, Activities, and Delegations of Authority

§ 1800.1 Establishment and location.

(a) The Defense Civil Preparedness Agency (DCPA) was established by direction of the Secretary of Defense as a separate agency of the Department of Defense under the direction, authority, and control of the Secretary of Defense. The Director of DCPA reports directly to the Secretary of Defense.

(b) DCPA consists of a Director, who operates and controls the activities and facilities of DCPA and specifies the organizational structure and functional assignments, a Deputy Director, a headquarters establishment, regional offices, and other subordinate facilities described herein.

(c) DCPA headquarters is located at the Pentagon, Washington, D.C. 20301. Phone 202-697-4484. Regional offices and other subordinate facilities are located as described in Appendix A.

§ 1800.2 Mission.

The mission of DCPA is to discharge and perform the civil defense functions delegated to the Secretary of Defense by the President. Its efforts and operations are designed to provide, in accordance with the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App 2251 et seq.), Executive Order 10952 of July 20, 1961 and Executive Order 11795 of July 11, 1974, an effective and viable national civil defense program to minimize the effects on the United States of an enemy attack.

§ 1800.3 Activities.

(a) DCPA, working as necessary or appropriate through other agencies as well as State and local leaders, is responsible for the development and execution of:

(1) A shelter program including evacuation and movement to shelter;

(2) A radiological fallout warfare defense program;

(3) Steps to warn the population of enemy attack upon the United States;

(4) All functions pertaining to civil defense communications, including an appropriate warning network and radiological monitor reporting capability;

(5) Emergency assistance to State and local governments in a postattack period.

(6) Protection and emergency operational capability of State and local government agencies in keeping with plans for the continuity of government;

(7) Programs for making financial contributions to the States for civil defense purposes;

(8) Plans and the operation of systems to undertake a nationwide postattack assessment of the nature and extent of the damage resulting from enemy attack and the surviving resources;

(9) Arrangements for the donation of Federal surplus property for civil defense purposes. (This function terminates October 17, 1977).

(10) Use of a civil defense communications system for warning the affected population of impending natural disasters;

(11) Planning assistance to State and local governments in connection with adaptation and use of preparedness plans and capabilities to other than enemy caused disasters.

(12) Supporting programs including training and education, research and development, emergency public information, participation by industry and national organizations, and foreign civil defense liaison.

(b) The organizational structure for civil defense is to be effectively utilized, without adversely affecting the basic civil defense objectives, to provide relief and assistance in areas of the United States struck by disaster other than disasters caused by enemy attack.

§ 1800.4 Headquarters organization.

(a) *Director.* (1) The authority to operate and control the activities and facilities of DCPA, and to discharge and perform the civil defense functions delegated to the Secretary of Defense pursuant to Section 1 of Executive Order 10952, July 20, 1961, "Assigning Civil Defense responsibilities to the Secretary of Defense and others," has been further delegated to the Director, Defense Civil Preparedness Agency. Also, the authority to discharge and perform the disaster warning function delegated to the Secretary by section 1(c), Executive Order 11575, has been redelegated to the Director.

(2) The Director is assisted by the Deputy Director and by the headquarters establishment described herein. Formal delegations of authority to members of the staff are described in § 1800.8.

(3) In the absence of the Director, the Deputy Director exercises and discharges the functions of the Director.

(b) *Assistant Director, Administrative Services Directorate.* The function is to assist the Director in the internal administration of DCPA, including that relating to procurement of materials, supplies, equipment, and services and providing data automation support.

(c) *Comptroller.* The function is to administer the performance of programming and financial management functions of DCPA, including planning, programming, budgeting, distribution, and use of financial resources; progress and statistical reporting and analysis; financial accounting services and field audit and internal review services.

(d) *Assistant Director, Information Services Directorate.* The function is to plan, develop, and disseminate all types of materials for informing the general public, government officials, and special audiences about the civil defense program, and to plan, develop and disseminate industrial preparedness guidance.

(e) *Assistant Director, Research Directorate.* The function is to plan and direct continuing research and development in civil defense techniques.

(f) *Assistant Director, Plans and Operations Direc orate.* The function is to develop plans and procedures for implementation, through the Regional Directors, of overall concepts, guidance, planning and direction of activities in areas of State and local planning and operations, develop guidance and procedures for nuclear civil protection planning, State and local financial assistance, operation and maintenance of shelters, and emergency operating centers; operate national warning and radiological monitoring systems; develop guidance and procedures for development and dissemination of information and instruction in emergencies; coordinate assignment

of military reservists assigned to civil defense activities, and manage a continuing program to maintain a readiness capability for DCPA to continue to operate in emergency conditions.

§ 1800.5 **Field organization.**

(a) *Regional Directors, DCPA Regions.* The function is, with respect to the respective region and the States therein, as outlined in Appendix A, to implement the policies, programs, and procedures of DCPA in support of National Program Objectives, to furnish leadership and guidance to the States, localities, and Federal agency offices in the region, evaluate progress in the development of civil defense programs, and administer and operate the regional facility.

(b) *Director, DCPA Staff College.* The function is to educate and train selected federal, State and local officials to enhance their professional competence in planning, developing and coordinating civil defense activities, and to serve as overall program coordinator for the DCPA training and education program.

(c) *Director, Computer Center.* The function is to develop, implement and operate all automatic data processing systems in support of DCPA programs and to operate and maintain DCPA equipment for this purpose.

§ 1800.6 **Delegations of authority.**

Pursuant to the authority granted, the Director, DCPA, by this section, redelegates certain of his authority. Other than those dealing with internal management matters not of interest to the general public, the redelegations to DCPA officials or, in their absence, the persons acting for them, are set out herein. Exercise of this redelegated authority is subject to the direction, control, and authority of the Secrtary of Defense and the Director, Defense Civil Preparedness Agency, and is to be in accordance with law and Federal agency regulations applicable to DCPA programs and assistance, DCPA regulations, DoD policies, directives, and instructions. Except as otherwise provided herein, or as is limited by law, directive, regulation or prior delegation, the powers and authorities delegated may be further redelegated in writing.

(a) *Assistant Director, Administrative Services Directorate.* Power and authority, including the taking of final action required in the administration and operation of DCPA with respect to the following described matters:

(1) Invitational travel to persons serving DCPA without compensation;

(2) Property management and accountability;

(3) Records management;

(4) Procurement of materials, supplies, equipment, and services and the making of necessary findings and determinations with respect thereto.

(b) *Comptroller.* Power and authority, including the taking of final action as is required in the administration and operation of DCPA with respect to the following described matters:

(1) Allotment and control of funds or appropriations made available to the Defense Civil Preparedness Agency within apportionments including, without limitation, certification of reports of obligations and preparation of requests for apportionments;

(2) Post auditing and correction of any transaction or agreement of the Defense Civil Preparedness Agency involving the receipt or payment of funds;

(c) *Regional Directors.* Power and authority, with regard to the respective region, including the taking of final action as is required in the administration and operation of DCPA with regard to the following described matters:

(1) Approval, disapproval, modification or amendment of requests from the States related to financial contributions for civil defense materials and facilities and personnel and administrative expenses pursuant to sections 201(i) and 205 of the Federal Civil Defense Act of 1950, as amended.

(2) With respect to Federal surplus personal property, determination, on an individual case basis, of surplus property which does not so appear in the representative lists of categories of property (presently known as the "U&N" list and contained in Civil Preparedness Guide 1-3) to be usable and necessary for the civil defense program of a specific proposed donee for the purposes of donation under the Federal Property and Administrative Services Act of 1949, as amended.

(3) With respect to Federal surplus personal property donated for civil defense purposes under section 203(j) of the Federal Property and Administrative Services Act of 1949, as amended, 40 U.S.C. 494(j), and having an original single item acquisition cost to the United States of two thousand five hundred dollars ($2,500) or more but less than one hundred thousand dollars ($100,000), subject to the disapproval of the Administrator of General Services within 30 days after notice to him of any action to be taken—(i) Determining and enforcing compliance with the terms, conditions, reservations, and restrictions contained in any instrument by which such property was transferred;

(ii) Reforming, correcting, or amending any such instrument; and

(iii) Granting releases from any of the terms, conditions, reservations, and restrictions contained in, and releasing to the donee any right or interest reserved to the United States by such instrument, if the Regional Director determines that the property so transferred no longer serves the purpose for which it was donated or that the release will not prevent accomplishment of such purpose: *Provided*, That any such release may be granted on, or made subject to, such terms and conditions as the Regional Director shall deem necessary to protect or advance the interests of the United States.

(4) Procurement of materials, supplies, equipment, and services, including the making of necessary findings and determinations with respect thereto for the following DCPA programs for the States:

(i) Radiological System Maintenance (RSM);

(ii) National Communications System (Radio) Agreements (NACOM II) or Civil Defense National Radio System (CDNARS) Agreements;

(iii) State Training Seminars (STS);

(iv) Nuclear Civil Protection Planning Contracts (NCP);

(v) Regional Training Program;

(vi) Shelter Survey and Marking; and

(vii) On a case-by-case basis, Emergency Broadcast Station Protection Program (EBS).

(5) Procurement of supplies and services other than personal for civil defense purposes not in excess of $10,000 per order from governmental or nongovernmental sources. Established government sources shall be utilized to the maximum extent possible in the procurement of supplies and services.

(6) Issuance of U.S. Government Bills of Lading not to exceed $2,500 per order; arranging for and acquiring through General Services Administration of space and facilities for regional and field offices not to exceed $10,000 per order.

(7) Approving of invitational travel to persons serving without compensation whose consultative, advisory, or other highly specialized technical services are required in a capacity that is directly related to, or in connection with, assigned civil defense activities.

(8) Determining, on a case basis, that the loan of Federal personal property to a Defense Civil Preparedness Agency financial assistance program applicant will result in a reduction in cost to the government or enhancement of the civil defense capability accruing from the project, either or both, as the case may be; entering into and executing agreements (DCPA Form 251) for the loan of Federal personal property to fulfill civil defense contributions program objectives; and taking such other action necessary to carry out the loan program, as provided in Civil Preparedness Guide (CPG) 1-3 and DCPA Instruction 9560.2.

The authorities and functions herein delegated in this section cannot be further redelegated. However, without being relieved of his responsibility therefor, each Regional Director is authorized to exercise and perform any of the above powers and authorities through such personnel of his region as he may in writing designate.

(d) *Director, Staff College.* Power and authority to:

(1) Procure supplies or services not in excess of $10,000 per order.

(2) Procure supplies and services available from GSA, Federal Supply Service, government depots as appropriate, or from Federal Supply Service contracts, not in excess of $10,000 per order.

(3) Issue U.S. Government Bills of Lading not to exceed $2,500 per order.

(4) Approve invitational travel to persons serving without compensation whose consultative, advisory, or other

specialized technical services are required in a capacity that is directly related to, or in connection with, assigned civil defense activities.

§ 1800.7 Sources of information.

(a) DCPA prepares and disseminates informational materials for use by the general public, Federal, State, and local governmental officials and staff members, and technical and specialized audiences.

(b) *Publications.* DCPA publications of interest to all people, including the general public, other Federal agencies, organizations, educational institutions, etc., may be obtained without charge. These publications are available from State and local civil preparedness agencies, from the national DCPA headquarters at the Pentagon, from the eight DCPA regions, and also from the U.S. Army Publications Center, 2800 Eastern Boulevard, Baltimore, Md. 21220.

(c) *Freedom of Information Act.* DCPA procedures for requests for information under the Freedom of Information Act are set out in Part 1813 of Title 32, Code of Federal Regulations. Initial requests are to be directed to the Assistant Director, Administrative Services Directorate, The Pentagon, Room 1D487, Washington, D.C. 20301.

(d) *Privacy Act.* DCPA procedures for requests for information under the Privacy Act are set out in Part 1814 of Title 32, Code of Federal Regulations. Initial requests are to be directed to the Assistant Director, Administrative Services Directive, The Pentagon, Room 1D487, Washington, D.C. 20301.

§ 1800.8 Making submittals, requests and obtaining decisions.

(a) Submittals or requests by States on matters related to financial contributions under subsection 201(i) and under section 205 of the Federal Civil Defense Act of 1950, as amended and for loans of property to fulfill civil defense contributions program objectives are to be made to the respective Regional Directors. DCPA makes such financial contributions only to States even where the contribution is for the benefit of a political subdivision. Political subdivisions should make submittals or requests to the State for submission to DCPA. Where procurement is to be performed by the political subdivision, it should join in the State's application to DCPA.

(b) Enrollment in courses conducted by DCPA Staff College is accomplished by completing DCPA Form 435, which can be obtained from DCPA Regional Offices, or State and local civil defense offices. The form is forwarded to Staff College through the local or State agency, and the DCPA Regional Office, for approval or disapproval by the Director, Staff College.

(c) Other forms of technical assistance (other than information material) can be obtained from DCPA Regional Offices by States or local governments in accordance with practices set out in CPG 1-3, copies of which are available from DCPA Regional Offices or the U.S. Army Publications Center, 2800 Eastern Boulevard, Baltimore, Md. 21220.

(d) Complaints of discrimination in Federally assisted programs on grounds of race, color, or national origin are made in accordance with the provisions of Part 1811 of Title 32, Code of Federal Regulations. Information about complaints of discrimination on grounds of age, sex, handicapped status and other non-merit matter by applicants for employment is also to be contained in Part 1811.

Subpart B—Statements of General Policy and Interpretative Rules

§ 1800.20 Civil preparedness guides and circulars.

(a) The Federal Civil Defense Guide (FCDG) and publications keyed to the FCDG are being replaced by the Civil Preparedness Guide (CPG) and the Civil Preparedness Circular (CPC) series which will be used for presenting national civil defense policy and operational guidance to Federal, State, and local government officials and staff members and to representatives of industry and organizations. References to DCPA guidance material (including the Federal Civil Defense Guide) contained in DCPA regulations as set forth in Chapter XVIII of Title 32 of the Code of Federal Regulations are interpreted to include portions of the CPG and CPC issuances which have been promulgated as replacing Federal Civil Defense Guide and other prior issuances.

(b) The following types of material are published in the CPG series:

CPG-1 Series—Guidance intended for all State and local civil preparedness directors and for others with emergency responsibilities. An example of material published, or to be published, in this series is CPG 1-3 Federal Assistance Handbook. This book furnishes guidance and information on Federal assistance made available by DCPA to States and through States to local governments. Another example is CPG 1-9 Nondiscrimination in Federally Assisted Programs. This book contains information about DCPA implementation of Title VI of the Civil Rights Act of 1964.

CPG-2 Series—Guidance intended for limited distribution to special audiences. However, distribution of this series will always be made to the civil preparedness directors of the States, Territories and possessions. Material published contains planning and operating instructions for communications, warning, RADEF emergency information and similar items.

CPC Series—A circular is used to issue information, notices, and announcements which are transitory, and instructions requiring a one-time action. Circulars may also be used to announce DCPA program and procedural changes pending issuance in the CPG series. A circular is cancelled after the action has been taken or the event takes place. CPC issuances are numbered in chronological order by year; for example, CPC 77-7 would be the seventh circular issued in calendar year 1977.

APPENDIX A—FIELD ORGANIZATION ADDRESSES

DEFENSE CIVIL PREPAREDNESS AGENCY

Region and Address

1. Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, Puerto Rico, Virgin Islands, Connecticut. Field Office: New Jersey, New York. Federal Regional Center, Maynard, MA 01754. DCPA Region One Field Office, Room 2351, 26 Federal Plaza, New York, NY 10007.

2. Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, West Virginia. Federal Regional Center, Olney, MD 20832.

3. Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, Canal Zone. Federal Regional Center, Thomasville, GA 31792.

4. Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin. Federal Center, Battle Creek, MI 49016.

5. Arkansas, Louisiana, New Mexico, Oklahoma, Texas. Federal Regional Center, Denton, TX 76201.

6. Colorado, North Dakota, South Dakota, Utah, Wyoming, Montana. Field Office: Iowa, Kansas, Missouri, Nebraska. Federal Regional Center, Denver, CO 80225. DCPA Region Six Field Office, 1125 Grand Ave., Kansas City, MO 64101.

7. Arizona, California, Hawaii, Nevada, American Samoa, Guam, Mariana Islands. DCPA Regional Office, P.O. Box 7287, Santa Rosa, CA 95401.

8. Alaska, Idaho, Oregon, Washington. Federal Regional Center, Bothell, WA 98011.

Training Facility: Staff College, Federal Center, Battle Creek, MI 49016.

Computer Facility: Computer Center, Federal Regional Center, Olney, MD 20832.

BARDYL R. TIRANA,
Director.

[FR Doc.77-19361 Filed 7-6-77;8:45 am]

Title 33—Navigation and Navigable Waters

CHAPTER I—COAST GUARD, DEPARTMENT OF TRANSPORTATION

[CGD 76-43]

PART 110—ANCHORAGE REGULATIONS

Special Anchorage Area, Camden Harbor, Maine

AGENCY: Coast Guard, DOT.

ACTION: Final Rule.

SUMMARY: This amendment revises the regulations by establishing a special anchorage in Camden Harbor, Maine. The anchorage is needed to provide for the safety of pleasure craft anchoring in this vicinity. In Special Anchorage Areas, vessels under 65 feet in length, when at anchor, are not required to carry or exhibit anchor lights.

EFFECTIVE DATE: August 4, 1977.

FOR FURTHER INFORMATION CONTACT:

Captain George K. Greiner, Marine Safety Council (G-CMC/81), Room 8117, Department of Transportation, Nassif Building, 400 Seventh Street, SW., Washington, D.C. 20590 (202) 426-1477.

SUPPLEMENTARY INFORMATION: On December 13, 1976, the Coast Guard published a proposed rule (41 FR 54199) concerning this amendment. Interested

persons were given until January 27, 1977 to submit comments.

DRAFTING INFORMATION

The principal persons involved in drafting this rule are: LCDR H. E. Snow, Project Manager, Office of Marine Environment and Systems, and Mr. S. D. Jackson, Project Attorney, Office of the Chief Counsel

DISCUSSION OF MAJOR COMMENTS

The U.S. Army Corps of Engineers commented that the proposal encompassed a "Federal channel". Therefore, the proposal has been modified to allow for the channel.

In consideration of the foregoing, Part 110 of Title 33 Code of Federal Regulations is amended by adding a new § 110.2a to read as follows:

§ 110.2a Camden Harbor, Maine.

The water area enclosed by a line drawn from a point on Dillingham Point at latitude 44°12'10.5" N., longitude 69°-03'19" W.; thence, by a line bearing 039° T; to a point at latitude 44°12'19.5" N., longitude 69°03'09" W.; thence by a line bearing 280° T to a point of land on the southwest shore of Camden Harbor at latitude 44°12'23.4" N., longitude 69°03'39.1" W.

The water area enclosed by a line drawn from a point on Northeast Point at latitude 44°12'32" N., longitude 69°-02'51" W.; thence, by a line bearing 197° T to a point at latitude 44°12'22.5" N., longitude 69°02'54.5" W.; thence, by a line bearing 291° T to a point on Eaton Point at latitude 44°12'33.4" N., longitude 69°03'31" W.

(Sec. 1, 30 Stat. 98, as amended, (33 U.S.C. 180); sec. 6(g)(1)(B), 80 Stat. 937; (49 U.S.C. 1655(g)(1)(B)); 49 CFR 1.46(c)(2)).

NOTE.—The Coast Guard has determined that this document does not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11821 as amended and OMB Circular A-107.

Dated: June 27, 1977.

E. L. PERRY,
Vice Admiral, U.S. Coast Guard,
Acting Commandant.

[FR Doc.77-19347 Filed 7-6-77;8:45 am]

Title 41—Public Contracts and Property Management

CHAPTER 101—FEDERAL PROPERTY MANAGEMENT REGULATIONS

SUBCHAPTER H—UTILIZATION AND DISPOSAL

[FPMR Amendment H-101]

PART 101-45—SALE, ABANDONMENT, OR DESTRUCTION OF PERSONAL PROPERTY

Subpart 101-45.8—Mistakes in Bids

Correction

In FR Doc. 77-17588 appearing in the issue of Tuesday, June 21, 1977 on page 31455, § 101-45.803(b) should read as follows:

§ 101-45.803 Other mistakes disclosed before award.

* * * * *

(b) Heads of executive agencies may delegate to one central authority in their agencies, without power of redelegation, authority to make the determinations under paragraph (a) (2), (3), and (4) of this § 101-45.803. The authority to make determinations to permit withdrawal of bids as provided in paragraph (a) (1) and (3) of this section may be delegated, without power of redelegation, to any sales activity having legal counsel available.

* * * * *

Title 46—Shipping

CHAPTER II—MARITIME ADMINISTRATION, DEPARTMENT OF COMMERCE

SUBCHAPTER K—REGULATIONS UNDER PUBLIC LAW 91-469

PART 390—CAPITAL CONSTRUCTION FUND

Amendment of Certain Investment Limitations on Deposits

AGENCY: Maritime Administration, Department of Commerce.

ACTION: Final Rule.

SUMMARY: This final rule amends the regulations governing the Capitol Construction Fund (CCF), 46 CFR Part 390, by removing one of the maximum percentage limitations applicable to the investment of monies deposited in a CCF. Experience has demonstrated that the fifty percent limitation on the amount of the total CCF assets that may be invested in certain high-rated, interest bearing securities of any one issuer is unnecessarily restrictive and potentially counterproductive.

EFFECTIVE DATE: July 7, 1977.

FOR FURTHER INFORMATION CONTACT:

Ronald S. Parson, Office of Subsidy Administration, Maritime Administration, Washington, D.C. 20230. (202) 377-4400.

SUPPLEMENTARY INFORMATION: This final rule amends 46 CFR § 390.8 of the Maritime Administration's CCF regulations to remove the fifty percent limitation on the amount of total CCF assets that may be invested in the securities of any one issuer of bankers' acceptances, certificates of deposit (CD), or short-term commercial obligations.

Section 607 of the Merchant Marine Act of 1936, as amended, allows a party that has entered into a CCF Agreement to defer Federal income taxes on certain income, if the party uses the deferred funds as required by the Act. According to subsection (c) of section 607, the monies on deposit in the fund may be invested in interest-bearing securities approved by the Secretary of Commerce. Section 390.8 restricts these investments to high-rated securities, limits the maximum percentage of the fund that may be invested in the securities of any one issuer, and prohibits the purchase of securities of a related company or of securities on margin or short sale.

The maximum percentage limitations deleted by this amendment is the fifty percent limitation applicable to bankers' acceptances, CDs, and short-term commercial obligations contained in § 390.8 (c)(1)(ii). This limitation means that the securities of any single issuer of any of these three types of securities cannot represent more than 50% of the total CCF assets. For example, the limitation would prohibit a fundholder from investing in three CDs issued by the same bank if those CDs represented 51% or more of the fund's total assets. But if the three CDs were issued by more than one bank, then the percentage limitation would be inapplicable.

The maximum percentage limitations in § 390.8 were designed to limit investment risk. However, in view of the considerations discussed below for each type of security, it has been determined that the fifty percent limitation is no longer necessary and, in fact, potentially counterproductive.

A bankers' acceptance is an interest-bearing note used in financing import/export transactions. It is denominated "accepted" when a bank unconditionally guarantees payment to the noteholder at maturity. Although the term of the note may be as much as six months, the usual period is thirty to sixty days. The high level of security of bankers' acceptances is based upon the credit of the issuing bank. They are so secure that the Federal Reserve System has authorized the purchase of bankers' acceptances by member banks for their own account. In light of this high degree of security, it has been determined that the fifty percent per issuer limitation on bankers' acceptances is unnecessary for this type of security and restricts the fundholder's investment possibilities.

A certificate of deposit is a deposit evidenced by an interest-bearing negotiable or non-negotiable instrument which provides, on its face, an amount payable to the bearer or a designated party on a specific date or after a specified period of time. CDs are high security investments and, like bankers' acceptances, reflect the credit of the issuer. Even upon the failure of teh issuer, losses are unusual. For example, we have been advised by the Federal Deposit Insurance Corporation that no holder of a CD issued by Franklin National Bank lost either the principal or the interest on a CD when that bank failed. Thus, restricting fundholders to no more than fifty percent of their fund's monies in the CDs of any one issuer adds only marginal additional security to the CCF.

Furthermore, this marginal protection against risk is outweighed by the decrease in the profitability and flexibility of CD investments caused by the fifty percent limitation. For example, fundholders with a CCF balance of less than $200,000

are adversely affected by this restriction, inasmuch as the interest rates on all CDs of less than $100,000 are regulated. Above $100,000, interest rates are negotiable and generally higher than the regulated rates. Consequently, it is clear that the disadvantages of the fifty percent per issuer limitation on CDs exceed any advantages provided by the limitation.

A short-term commercial obligation is an unsecured promissory note used to finance short-term commercial requirements. It is a simple discount note that is sold to a financial house, and then to investors and bankers. The credibility of the note is based solely on the credibility of the issuer, which is usually a large manufacturer with good credit and adequate working capital. Short-term commercial obligations are graded by private securities rating services. In addition to the percentage limitations on this type of security, § 390.8 also stipulates that CCF assets may be invested only in short-term commercial obligations that are rated in the highest grade by Moody's Commercial Paper Service or in one of the two highest grades by Standard & Poors Corporation. Because of this additional protective requirement, the slight additional security afforded by a percentage limitation cannot justify the adverse effect of this restriction on the fundholder's investment possibilities.

For the above reasons, it has been determined that the fifty percent per issuer limitation on CCF investments in bankers' acceptances, CDs, and short-term commercial obligations is unnecessary as well as unduly restrictive. Because the fifty percent limitation applies only to these securities, the provision establishing the limitation has been deleted in its entirety.

This amendment is being adopted without prior notice of proposed rulemaking because the establishment of a CCF is a matter of public contract and, nonsequently, exempted from the requirements of 5 USC 553.

NOTE.—It has been determined that this amendment does not represent a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11821, as amended, and OMB Circular A-107.

Accordingly, 46 CFR Part 390 is amended as follows:

Paragraph (c)(1) of § 390.8 is amended to read as follows:

§ 390.8 Investment of the Fund.

* * * * *

(c) *Limitations on investments*—(1) *Interest bearing securities.* The value of securities of any one issuer held in the Fund compared to the value of the total assets of the fund shall not exceed 10 percent in the case of nongovernmental securities referred to in paragraph (b)(2)(i) of this section.

* * * * *

(Sec. 204(b), 49 Stat. 1987, as amended, 46 USC 1114; Sec. 21(a), 84 Stat. 1026, 46 USC 1177.)

Dated: June 29, 1977.

By Order of the Assistant Secretary of Commerce for Maritime Affairs.

JAMES S. DAWSON, Jr.,
Secretary, Maritime Administration.

[FR Doc.77-19207 Filed 7-6-77;8:45 am]

Title 47—Telecommunication

CHAPTER I—FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 19528; FCC 77-396]

PART 68—CONNECTION OF TERMINAL EQUIPMENT TO THE TELEPHONE NETWORK

Interstate and Foreign Message Toll Telephone Service (MTS) and Wide Area Telephone Service (WATS)

Correction

In FR Doc. 77-14890 appearing at page 32234 in the issue for Friday, June 24, 1977, make the following corrections:

(1) In the second column of page 32245, in § 68.304 in the paragraph labeled "Notes," in the fifth line of that paragraph the word "operation" should read "operational."

(2) In the third column of page 32246, in the second line following the table, "dBBV" should read "dBV."

(3) In the third column of page 32246, in the seventh line following the table, "Figure 63.309" should read as "Figure 63.308."

(4) In the third column of page 32246, in § 68.310, in the tenth line of paragraph (a), "200<f<400 Hertz)" should read as "200<f<4000 Hertz)."

[Docket No. 21191; RM-2618]

PART 73—RADIO BROADCAST SERVICES

TV Broadcast Stations in Fayetteville, Little Rock, and Harrison, Arkansas, and Tulsa, Oklahoma; Changes Made in Table of Assignments

AGENCY: Federal Communications Commission.

ACTION: Report and Order.

SUMMARY: This action substitutes UHF television Channel 29 for 36 at Fayetteville, Arkansas, at the request of Noark Investment Company which could provide service to the area more quickly using Channel 29. Noark, recently acquired by George Hernreich, plans to operate the Fayetteville station as a satellite of UHF Station KFPW-TV at Fort Smith, Arkansas, to provide a first local commercial television service to Fayetteville. The requested change also requires substitution of unoccupied and unapplied for UHF channels at Little Rock, Arkansas; Harrison, Arkansas; and Tulsa, Oklahoma.

EFFECTIVE DATE: August 10, 1977.

ADDRESS: Federal Communications Commission, Washington, D.C. 20554.

FOR FURTHER INFORMATION CONTACT:

James J. Gross, Broadcast Bureau, 202-632-7792.

SUPPLEMENTARY INFORMATION:

In the matter of amendment of § 73.606(b), Table of Assignments, Television Broadcast Stations. (Fayetteville, Arkansas); Docket No. 21191, RM-2618; report and order (Proceeding Terminated) (42 FR 19491).

Adopted: June 24, 1977.

Released: July 1, 1977.

1. The Commission now considers the record in the above captioned docket after giving notice [1] of its proposal to substitute Channel 29 for Channel 36 at Fayetteville, Arkansas, in the Television Table of Assignments contained in § 73.606(b) of the Commission's Rules. This assignment change would also require substitutions for three vacant and unapplied for UHF channels at Little Rock, Arkansas (Channel *36 for *29); Harrison, Arkansas (Channel *31 for *14); and Tulsa, Oklahoma (Channel 47 for 29). The proposal was a result of a petition for rule making filed by Noark Investment Company, licensee of Station KTVP (TV) of Fayetteville (Channel 36). George Hernreich, licensee of UHF Station KFPW-TV at Forth Smith, Arkansas, recently acquired 100% control of Noark. A complete history of this proceeding including its relation to other Commission proceedings, is contained in the *Notice* and need not be repeated here.

2. Fayetteville (1970 pop. 30,729) is the seat of Washington County (1970 pop. 77,370) located in northwestern Arkansas. Noark's station has been off the air since 1973, because of financial difficulties, and Fayetteville has had no local commercial television service. (It does have a local noncommercial educational station, KAFT(TV).) Noark states that Fayetteville is an educational and cultural center and home of the University of Arkansas, and has need of a first commercial television service.

3. Noark states that it intends to operate KTVP(TV) in Fayetteville as a satellite of KFPW-TV in Fort Smith, in hopes that both stations can be viable. Due to a loss of equipment for Channel 36, and availability of equipment for Channel 29, Noark asks that its channel assignment be switched at Fayetteville. This would facilitate a prompt restoration of service and conserve start up capital which could then be used for operational funds. Noark filed the only comments in this proceeding, and there were no oppositions.

4. In view of the foregoing, we conclude that it would promote the public interest to make the requested assignment changes for the purpose of prompt restoration of local commercial television service to Fayetteville. Noark has stated its intention to begin construction, if au-

[1] *Notice of Proposed Rulemaking*, 42 FR 19491 (pub. April 14, 1977)

thorized, and since it has requested the substitution and no other party has expressed interest, the Noark license can be modified to specify the new channel.

5. Accordingly, it is ordered, that effective August 10, 1977, the Television Table of Assignments, § 73.606(b) of the Commission's Rules and Regulations, is amended with regard to the cities listed below, as follows:

City	Channel No.
Arkansas:	
Fayetteville	*13—, 29+
Little Rock	*2—, 4, 7—, 11+, 16+, *36
Harrison	*31+
Oklahoma:	
Tulsa	2+, 6+, 8—, *11—, 23, *35—, 41+, 47

6. Authority for the above action taken herein is contained in sections 4(i), 5(d)(1), 303(g) and (r), and 307(b) of the Communications Act of 1934, as amended, and Section 0.281 of the Commission's Rules and Regulations.

7. It is further ordered, that effective August 10, 1977, and pursuant to section 316 of the Communications Act of 1934, as amended, the outstanding license of Noark Investment Company is modified to specify operation on Channel 29 in lieu of Channel 36 at Fayetteville, Arkansas, and that:

(a) The licensee shall inform the Commission in writing by no later than August 10, 1977, of its acceptance of this modification;

(b) The licensee shall submit to the Commission by August 10, 1977, all necessary information complying with the applicable technical rules for modification of authorization to cover the operation of Station KTVP(TV) on Channel 29 at Fayetteville, Arkansas;

(c) Ten days prior to commencing operation on Channel 29 the licensee shall submit the same measurement data normally required in an application for a TV broadcast station license.

(d) The licensee shall not commence operation on Channel 29 until the Commission specifically authorizes it to do so.

8. It is further ordered, that this proceeding is terminated.

(Secs. 4, 5, 303, 48 Stat., as amended, 1066, 1068, 1082; 47 U.S.C. 154, 155, 303)

FEDERAL COMMUNICATIONS COMMISSION,
WALLACE E. JOHNSON,
Chief, Broadcast Bureau.

[FR Doc.77-19310 Filed 7-6-77;8:45 am]

Title 49—Transportation

CHAPTER X—INTERSTATE COMMERCE COMMISSION

SUBCHAPTER A—GENERAL RULES AND REGULATIONS

[Service Order No. 1269]

PART 1033—CAR SERVICE

Missouri Pacific Railroad Co. and Atchison, Topeka and Santa Fe Railway Co.

AGENCY: Interstate Commerce Commission.

ACTION: Emergency Order (Service Order No. 1269).

SUMMARY: Service Order No. 1269 authorizes the Missouri Pacific to operate over tracks of The Atchison, Topeka and Santa Fe Railway between Winfield, Kansas, and Arkansas City, Kansas. The line of the Missouri Pacific between those points cannot be used because of severe damage from flooding at two locations. Operation of Missouri Pacific trains over tracks of The Atchison, Topeka and Santa Fe between these stations enables the Missouri Pacific to continue to provide rail transportation to shippers served by it at Arkansas City.

DATES: Effective 12:01 a.m., July 1, 1977. Expires 11:59 p.m., September 30, 1977.

FOR FURTHER INFORMATION CONTACT:

C. C. Robinson, Chief, Utilization and Distribution Branch, Interstate Commerce Commission, Washington, D.C. 20423, Telephone 202-275-7840, Telex 89-2742.

SUPPLEMENTARY INFORMATION: The order is reprinted in full below.

At a Session of the Interstate Commerce Commission, Railroad Service Board, held in Washington, D.C., on the 30th day of June 1977.

It appearing, That the Missouri Pacific Railroad Company (MP) is unable to operate over its lines between Winfield, Kansas, Dexter, Kansas, and Arkansas City, Kansas, because of track damage caused by flooding; that the MP will continue service at Dexter over its own line between Dexter and Coffeyville; that the MP has no other route to Arkansas City; that The Atchison, Topeka and Santa Fe Railway Company (ATSF) has consented to use of its line between Winfield and Arkansas City by the MP; that operation over these tracks of the ATSF by the MP is necessary to enable the MP to continue service to shippers located adjacent to its tracks in Arkansas City; that such operation by the MP over these tracks of the ATSF is necessary in the interest of the public and the commerce of the people. Accordingly, the Commission finds that notice and public procedure herein are impracticable and contrary to the public interest, and that good cause exists for making this order effective upon less than thirty days' notice.

It is ordered, That:

§ 1033.1269 Service Order No. 1269.

(a) *Missouri Pacific Railroad Company authorized to operate over tracks of the Atchison, Topeka and Santa Fe Railway Company.* The Missouri Pacific Railroad Company (MP) be, and it is hereby, authorized to operate over tracks of the Atchison, Topeka and Santa Fe Railway Company (ATSF) between Winfield, Kansas, and Arkansas City, Kansas, a distance of approximately thirteen (13) miles.

(b) *Application.* The provisions of this order shall apply to intrastate, interstate, and foreign traffic.

(c) *Effective date.* This order shall become effective at 12:01 a.m., July 1, 1977.

(d) *Expiration date.* The provisions of this order shall expire at 11:59 p.m., September 30, 1977, unless otherwise modified, changed, or suspended by order of this Commission.

(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 copies of this order 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, members Joel E. Burns, Robert S. Turkington, and John R. Michael. Member John R. Michael not participating.

H. G. HOMME, Jr.,
Acting Secretary.

[FR Doc.77-19359 Filed 7-6-77;8:45 am]

SUBCHAPTER B—PRACTICE AND PROCEDURE

[Ex. Parte No. 55 (Sub-No. 24)]

PART 1100—RULES OF PRACTICE

AGENCY: Interstate Commerce Commission.

ACTION: Correction.

SUMMARY: In the FEDERAL REGISTER notice in the above-entitled proceeding (42 FR 23806) published May 11, 1977, a clerical error was made in amended § 1100.247, appearing at page 23829. This error is corrected as set forth under "Supplementary Information."

EFFECTIVE DATE: July 19, 1977.

FOR FURTHER INFORMATION CONTACT:

Michael Erenberg (Operating Rights), 202-275-7292.

SUPPLEMENTARY INFORMATION: On page 23829, paragraph (e)(3) of amended § 1100.247 contains an inadvertent inclusion, to wit: "* * * Protestants shall name the carrier(s) with whom interline operations shall be performed thereunder."

The above-quoted phrase should be excised from the amended rule so that, as corrected, paragraph (e)(3) of § 1100.247 reads as follows:

§ 1100.247 Special rules governing notice of filing of applications by motor carriers of property or passengers and brokers under sections 206 (except section 206(a)(6) relating to certificates of registration), 209 and 211, by water carriers under sections 302(e), 303, and 309, and by freight forwarders under section 410 of the Interstate Commerce Act, and certain other procedural matters with respect thereto. (Rule 247)

* * * * *

(e) * * *

(3) A protest against any application shall set forth specifically the grounds upon which it is made and contain a detailed statement of the protestant's interest in the proceeding (including a copy of only the specific portions of its pertinent authority and including direct operations held by virtue of the gateway elimination regulations either published in the FEDERAL REGISTER as letter-notices or granted in separate gateway elimination certificates) which protestant believes to be in conflict with that sought in the application, and describing in detail 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), shall request an oral hearing if one is desired, and shall specify with particularity the facts, matters, and things relied upon, but shall not include issues or allegations phrased generally. Protests phrased in general terms and not complying with these specifications may be rejected.

* * * * *

H. G. HOMME,
Acting Secretary.

[FR Doc.77-19367 Filed 7-6-77;8:45 am]

[Ex Parte No. 55 (Sub-No. 24)]

PART 1100—RULES OF PRACTICE

AGENCY: Interstate Commerce Commission.

ACTION: Correction.

SUMMARY: In the FEDERAL REGISTER notices in the above-entitled proceeding (42 FR 23806 and 42 FR 29311) published respectively, May 11, 1977 and June 8, 1977 clerical errors were made in the Table of Contents, § 1100.249 and in Appendix B. Additionally, certain references in § 1100.247 do not conform to the terminology employed in the Rules as revised. These errors are hereby corrected as set forth under "Supplementary Information".

EFFECTIVE DATE: July 1, 1977.

FOR FURTHER INFORMATION CONTACT:

Janice M. Rosenak (Rates) (202-275-7693)
Philip Israel (Finance) (202-275-7245)
Michael Erenberg (202-275-7292)

SUPPLEMENTARY INFORMATION:

P-23807—(1) Delete the word "Special" from the listing of §§ 1100.200, 1100.240, 1100.245, 1100.246, 1100.247, 1100.249, and 1100.250 in the Table of Contents.

P-23832—(2) Add to § 1100.249 "(c) (3) *Copies; service.* The original and six copies of each order or determination issued under this section shall be filed with the Commission, and one copy of the order or determination simultaneously shall be served upon the motor carrier specified therein and upon any other person known to be interested, in such a manner so as to be received on the date the original is filed with the Commission, and a copy also should be simultaneously deposited with the Director, Office of the Federal Register, for publication therein as notice to all other interested persons. A certificate shall be executed by an authorized official of the Postal Service, showing upon whom simultaneous service has been made. The order or determination filed with the Commission and the envelope of transmittal to the Commission should be clearly marked; "Mail Transportation Service Order (or Determination)."

(d) *Protests seeking termination of Postal Service orders or determinations, and replies thereto*—(1) *General.* A motor carrier subject to an order or determination of the Postal Service, or any of the carrier's other customers, may protest to the Commission and request termination of the order or determination. Such protests shall be restricted to the matter of showing that performance by the carrier, of the required mail transportation service would be detrimental to the carrier or to its other customers, or that the carrier does not operate equipment suitable for the transportation of mail, and shall conform to the provisions of subparagraphs (2), (3), and (4) of this paragraph.

(2) *Content.* The protest for termination of an order or determination filed under this section must identify the issued order or determination (i) by reference to the name and address of the motor carrier shown in the order or determination, (ii) the order number or other identification assigned thereto by the Postal Service, and (iii) specific citation to the volume, page, and date of publication in the FEDERAL REGISTER, i.e., _____ F.R. _____ 197__." Facts relied upon in support of the protest must be verified as provided in Rule 50 of the Commission's General Rules of Practice.

(3) *When filed.* Protests requesting termination of an order or determination filed under this section will not be considered unless made in writing and filed with the Commission at Washington, D.C. within 15 days of the date of publication of the order or determination in the FEDERAL REGISTER.

(4) *Replies.* Replies confined to rebuttal of such protests may be filed within 10 days of the date on which the protest was filed with the Commission.

(5) *Copies; service.* The original and *six* copies of each protest or reply shall be filed with the Commission, and one copy simultaneously shall be served on the opposing party(ies). A certificate shall be executed stating that simultaneous service has been made. The protest or reply and the envelope of transmittal to the Commission should be clearly marked: "Protest (Reply)—Mail Transportation Service Order (or Determination)," and be delivered free of all charges. (Copies for service on the Postal Service shall be addressed to the Assistant General Counsel.

P-23832—Delete (d) * * *.

P-23838—Add to Appendix C—"7. The Commission may censure, suspend, or dismiss, or institute proceedings for the suspension or dismissal of any Commission employee who knowingly and willfully violates the foregoing prohibitions or requirements."

P-23835—Delete "No. 1 Complaint[3]". Add "No. 1 Complaint[1]".

P-23835—Delete "[4] See Rules 26 to 33, inclusive." Add "[4] See Rules 24 to 31, inclusive."

P-23836—Delete "(Complainant's signature[4])". Add "(Complainant's signature[5])".

P-23836—Delete "[4] See footnote to Verification." Add "[4] See footnote to Verification."

P-23836—Delete "Verification[5]". Add "Verification[3]".

P-23836—Delete "[5] Signature and verification by complainant unnecessary if complaint is signed by a practitioner. See Rule 17." Add "[3] Signature and verification by complainant unnecessary if complaint is signed by a practitioner. See Rule 15."

P-23836—Delete "No. 2 Answers[6]". Add "No. 2 Answers[4]".

P-23836—Delete "[6] See Rules 35 to 37, inclusive." Add "[4] See Rules 33 to 35, inclusive."

P-23836—Delete "By[7]". Add "By[5]".

P-23836—"[7] See Rule 17." Add "[5] See Rule 15."

P-23836—Delete "No. 3 Certificate of Service[8]". Add "No. 3 Certificate of Service[6]".

P-23836—Delete "[8] See Rule 22." Add "[6] See Rule 20."

P-23837—Delete "Concurred[10]". Add "Concurred[1]".

P-23837—Delete "[10] For concurring certificate in case collecting carrier is not a defendant." Add as footnote to Form No. 5 "[1] For concurring certificate in case collecting carrier is not a defendant."

P-23837—Delete "Collecting Carrier, Defendant[11]". Add "Collecting Carrier, Defendant[2]".

P-23837—Delete "[11] If not a defendant, strike out the word "defendant"." Add as footnote to Form No. 5 "[2] If not a defendant, strike out the word "defendant"."

P-23837—Delete "No. 6. Verification for Statement of Fact filed under Modi-

fied Procedure [12]". Add "No. 6. Verification for Statement of Fact filed under Modified Procedure [6]".

P-23837—Delete "[5] See Rule 50." Add "[5] See Rule 48."

P-23828—Rule 247 title—Delete "Special", "notice of filing of", and "Interstate Commerce Act, and certain other procedural matters with respect thereto." Add "act."

P-23828—(a) lines 3 and 4—delete "Interstate Commerce Act". Add—"act."

P-23828—(a) iii last sentence—delete "General Rules of Practice". Add "rules of practice."

P-23829—(e)(3) first sentence—delete "General Rules of Practice". Add "rules of practice."

P-23830-1—Delete everything in Rule 247 after section (1).

H. G. Homme, Jr.,
Acting Secretary.

[FR Doc.77-19198 Filed 7-6-77;8:45 am]

CHAPTER V—NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Docket No. FE 76-1; Notice 5]

PART 531—PASSENGER AUTOMOBILE AVERAGE FUEL ECONOMY STANDARDS

Final Rule

Correction

In FR Doc. 77-18787 appearing at page 33534 in the issue of Thursday, June 30, 1977 the following corrections should be made:

1. On page 33535, third column, seventh line from the bottom of the last paragraph the word, "the" should be deleted.

2. On page 33546, second column, third line from the bottom of the second full paragraph the figure "0.1" should read, "1".

3. On page 33550, first column, fourteenth line down, the word, "manufacturer's" should read, "manufacturers' ".

Title 50—Wildlife and Fisheries

CHAPTER I—UNITED STATES FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR

PART 91—MIGRATORY BIRD HUNTING AND CONSERVATION STAMP CONTEST

Procedures

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Final Rule.

SUMMARY: This rule amends 50 CFR Part 91 to change the name of the Migratory Bird Hunting Stamp Contest to the Migratory Bird Hunting and Conservation Stamp Contest in order to comply with the Wetlands Loan Extension Act of 1976 (Pub. L. 94-215). This document also amends the contest rules to: (1) Clarify that a living species of North American migratory ducks or geese must be the dominant feature of any design; (2) Notify contestants that the Service and Department of the Interior are not responsible for any entry damaged in the mail or loss by fire or theft; and (3) provide deadlines for selection of a winner and return of entries.

EFFECTIVE DATE: This rule is effective on July 7, 1977.

ADDRESS: A copy of contest regulations and Reproduction Rights Agreement may be obtained by writing to Director (FWS/AV), U.S. Fish and Wildlife Service, Department of the Interior, Washington, D.C. 20240.

FOR FURTHER INFORMATION CONTACT:

Bob Hines, Chief, Office of Audio Visual, U.S. Fish and Wildlife Service, Department of the Interior, Washington, D.C. 20240, (201-343-5611).

SUPPLEMENTARY INFORMATION: The Migratory Bird Hunting Stamp was authorized and required by the Migratory Bird Hunting Stamp Act of 1934, as amended (16 U.S.C. 718a). The name was changed to the Migratory Bird Hunting and Conservation Stamp by the Wetlands Loan Extension Act of 1976.

The annual contest held by the Service to select the stamp design is the only art contest regularly sponsored by the Federal Government. These colorful stamps constitute the longest running annually issued series of stamps in revnue or postage stamp history. Popularly known as the "Duck Stamp," they are sold through post offices and must be carried by every migratory waterfowl hunter 16 years of age or older. All of the stamp revenues beyond printing and handling costs are used for the acquisition of refuge land for migratory birds.

On June 15, 1977, the Service published for public comment a proposed rule stating these changes (42 FR 30524). The Service received no comments on the proposal.

Because of the rapidly approaching July 1 opening of the contest, the Service has determined that to allow an effective date of 30 days after publication of this rule would be impractical and contrary to the public interest (5 U.S.C. 553 (d)(3)).

NOTE.—The Service has determined that this document does not contain a major rule requiring preparation of an Economic Impact Statement under Executive Order 11949 and OMB Circular A-107.

Bob Hines is the principal author of this final rule.

Accordingly, Part 91 of Title 50 of the Code of Federal Regulations is amended as follows:

1. Amend the heading of Part 91 to read as set forth above.

2. Amend §§ 91.1, 91.11, 91.14, 91.16, 91.17 and 91.31 by deleting the present text of each section and substituting instead the following language:

§ 91.1 Purpose of regulations.

The regulations contained in this part set forth the rules and procedures governing the annual Migratory Bird Hunting and Conservation Stamp Contest through which a design is chosen for the Migratory Bird Hunting and Conservation Stamp.

§ 91.11 Contest deadlines.

The contest to select the design for the annual Federal Migratory Bird Hunting and Conservation Stamp will officially open on July 1 of each year. All persons intending to submit an entry in the contest shall notify the Fish and Wildlife Service and request a copy of the contest's regulations and Reproduction Rights Agreement. Requests for the contest's regulations and Reproduction Rights Agreement should be sent to the Office of Audio Visual, U.S. Fish and Wildlife Service, Department of the Interior, Washington, D.C. 20240. Entries may be received any time after July 1, but must be received or postmarked no later than midnight of October 15.

§ 91.14 Restrictions on subject matter of entry.

A living species of North American migratory ducks or geese must be the dominant feature of any design. No such species shall be portrayed which has been selected for the Migratory Bird Hunting and Conservation Stamp during the preceding 5 years. The design must be the contestant's own original creation and may not be copied or duplicated from previously published art, including photographs. An entry submitted in a prior contest which was not selected for the stamp design may be resubmitted in the present contest at the contestant's discretion.

§ 91.16 Submission procedure for entry.

The lower, detachable portion of the contestant's Reproduction Rights Agreement must be attached to the back of the entry. The name of the species depicted shall also be printed on the back of the entry. Each entry shall be mounted on a mat and protected by a covering of acetate or cellophane. Entries will not be accepted that are in wooden frames or are under glass. Each entry should be protectively wrapped and mailed first class registered mail to "Migratory Bird Hunting and Conservation Stamp Contest," Office of Audio Visual, U.S. Fish and Wildlife Service, Department of the Interior, Washington, D.C. 20240. Entries will be promptly processed when received. Each contestant must also sign and submit in the same envelope, the top portion of the Reproduction Rights Agreement.

§ 91.17 Property insurance for entries.

All contestants are hereby notified of the advisability of obtaining adequate property insurance coverage for their respective entry. The Department of the Interior will not so insure the entries it receives. The Department and the Fish and Wildlife Service are not responsible for damage in the mails or loss by fire or theft.

§ 91.22 Date and location of contest.

The selection of the winning entry will take place as soon as possible after the

closing date of the contest but in no event will it be later than November 10 of each year. The exact date, time and location of the contest will be announced a reasonable period of time prior to November 10 through the publication of a notice in the FEDERAL REGISTER.

§ 91.31 Return of entries after contest.

All entries will be returned, certified, to the participating artists within 60 days of completion of the contest.

Dated: June 30, 1977.

LYNN A. GREENWALT,
Director, U.S. Fish and Wildlife Service.

[FR Doc.77-19205 Filed 7-6-77;8:45 am]

Title 10—Energy

CHAPTER I—NUCLEAR REGULATORY COMMISSION

PART 21—REPORTING OF DEFECTS AND NONCOMPLIANCE

Reports to the Commission Concerning Defects and Noncompliance

Correction

In FR Doc.77-15987 appearing in the issue for Monday, June 6, 1977 on page 28891, on page 28894 § 21.3(d)(1) should read as follows:

§ 21.3 Definitions.

* * * * *

(1) A deviation (see § 21.3(e)) in a basic component delivered to a purchaser for use in a facility or an activity subject to the regulations in this part if, on the basis of an evaluation (see § 21.3(g)), the deviation could create a substantial safety hazard; or

* * * * *

PART 2—RULES OF PRACTICE

PART 21—REPORTING OF DEFECTS AND NONCOMPLIANCE

PART 31—GENERAL LICENSES FOR BYPRODUCT MATERIAL

PART 34—LICENSES FOR RADIOGRAPHY AND RADIATION SAFETY REQUIREMENTS FOR RADIOGRAPHIC OPERATIONS

PART 35—HUMAN USES OF BYPRODUCT MATERIAL

PART 40—LICENSING OF SOURCE MATERIAL

PART 70—SPECIAL NUCLEAR MATERIAL

Reports to the Commission Concerning Defects and Noncompliance; Extension of Effective Date

AGENCY: U.S. Nuclear Regulatory Commission.

ACTION: Change of effective date of final rule.

SUMMARY: The Nuclear Regulatory Commission is changing from July 6, 1977 to August 10, 1977, the effective date of its recently published regulations which require directors and responsible officers of firms and organizations building, operating or owning NRC-licensed facilities, or conducting NRC-licensed activities, or supplying safety related components to report failures to comply with regulatory requirements and defects in components which may result in a substantial safety hazard. No change is being made in those portions of the regulations now subject to the deferred effective date of January 6, 1978. This change in effective date will give persons subject to the rule additional time to establish implementing procedures.

EFFECTIVE DATE: August 10, 1977. Certain obligations under the effective rule are not imposed until January 6, 1978.

FOR FURTHER INFORMATION CONTACT:

Mr. W. E. Campbell, Jr., Office of Standards Development, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555. (phone: 301-443-6917).

SUPPLEMENTARY INFORMATION: On June 6, 1977, the Nuclear Regulatory Commission published in the FEDERAL REGISTER (42 FR 28891-28896, FR Doc. 77-15937) amendments to 10 CFR Parts 2, 31, 34, 35, 40 and 70 of its regulations and a new Part 21—Reporting of Defects and Noncompliance to implement section 206 of the Energy Reorganization Act of 1974, as amended (Public Law 93-438, 88 Stat. 1246-1247). As stated in the FEDERAL REGISTER notice, the effective date of the final rule was July 6, 1977, thirty days after the date of publication, except for certain portions of the rule for which the effective date was specifically deferred until January 6, 1978. The purpose of the deferred effective date was to allow organizations to establish and implement procedures to comply with certain provisions of the rule. On June 9, 1977, the NRC staff announced that five public meetings, hosted by each of its five regional offices, would be held during the period July 12 through July 26, 1977, for the purpose of explaining the provisions of the rule and answering any questions which might be raised concerning its implementation. As the effective date of the rule approached, several organizations expressed concern that they would not be able to have adequate interim procedures in place before the rule became effective, that they needed clarification of certain provisions of the rule and that it would be particularly helpful if the effective date of the rule were deferred for a period of approximately sixty days after the date of the last scheduled regional meeting.

As noted in the recently expanded delegation of authority to the Commission's Executive Director for Operations (42 FR 33390-3339f, June 30, 1977, FR Doc. 77-18988) there are at the present time only two qualified members of the Nuclear Regulatory Commission. Since the Commission lacks a quorum for the transaction of business, the requests of organizations to postpone the effect date of 10 CFR Part 21 must be addressed, if they are to be addressed at all, by the Executive Director for Operations. Upon review of the final rule in the light of the concerns expressed and after consultation with the incumbent Commissioners in accordance with the provisions of his delegated authority, the Executive Director for Operations has determined that it would be in the public interest to postpone the effective date of the final rule until August 10, 1977. This extension would give persons and organizations affected by the rule an additional fifteen days after the date of the last NRC public informational meeting in which to put interim implementing procedures in place. The Executive Director for Operations has also determined that this change in the effective date of the final rule is a minor amendment which does not substantially modify existing regulations affecting the public health and safety, the common defense and security, or substantive or procedural rights and that he has been delegated authority to issue it. Since the purpose of this change in the effective date of the final rule is to allow organizations to obtain more information about its provisions prior to implementation, the Executive Director for Operations also finds that notice and public procedure thereon are contrary to the public interest and that there is good cause to make this change in the effective date of the final rule effective immediately upon publication in the FEDERAL REGISTER without the customary thirty day notice.

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974, as amended, and sections 552 and 553 of title 5 of the United States Code, the following change in the effective date of Title 10, Code of Federal Regulations, Part 21 is published as a document subject to codification.

1. In FR Doc. 77-15937 appearing at page 28891 in the FEDERAL REGISTER of June 6, 1977, the Ecective Date paragraph appearing on page 28892 in column 1 is revised to read as follows:

EFFECTIVE DATE: August 10, 1977. Certain obligations under the effective rule are not imposed until January 6, 1978.

(Sec. 161, Pub. L. 83-703, 68 Stat. 948 (42 U.S.C. 2201); Sec. 201, as amended, Pub. L. 93-438, 88 Stat. 1242, Pub. L. 94-79, 89 Stat. 413 (42 U.S.C. 5841).)

Dated at Bethesda, Md., this 6th day of July 1977.

For the Nuclear Regulatory Commission.

LEE V. GOSSICK,
Executive Director for Operations.

[FR Doc.77-19559 Filed 7-6-77;10:47 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 AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 923]

SWEET CHERRIES GROWN IN DESIGNATED COUNTIES IN WASHINGTON

Correction

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Correction.

SUMMARY: This document corrects a proposed rule that appeared on page 31797 in the FEDERAL REGISTER on Thursday, June 23, 1977.

FOR FURTHER INFORMATION CONTACT:

Charles R. Brader, Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C 20250 (202-447-3545).

SUPPLEMENTARY INFORMATION: In FR Doc. 77-17878, appearing on page 31797 in the FEDERAL REGISTER of June 23, 1977, the date by which written comment must be received by the Hearing Clerk was given as "June 6, 1977." That date is hereby changed to read "July 22, 1977."

Dated: June 30, 1977.

CHARLES R. BRADER,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc.77-19251 Filed 7-6-77;8:45 am]

[7 CFR Part 930]

CHERRIES GROWN IN MICHIGAN, NEW YORK, WISCONSIN, PENNSYLVANIA, OHIO, VIRGINIA, WEST VIRGINIA AND MARYLAND

Expenses and Rate of Assessment for the 1977-78 Fiscal Period

AGENCY: Agricultural Marketing Service.

ACTION: Proposed rule.

SUMMARY: This notice invites written comment on proposed expenses of $88,900 and a rate of assessment of $1.00 per ton of cherries for the functioning of the Cherry Administrative Board for the 1977-78 fiscal period. The Board locally administers a Federal marketing order regulating the handling of cherries grown in eight States. The regulation would enable the Board to collect assessments from first handlers on all assessable cherries handled and to use the resulting funds for its expenses.

DATES: Comments must be received by July 22, 1977. Proposed effective dates: May 1, 1977, through April 30, 1978.

ADDRESSES: Comments may be addressed to: Hearing Clerk, United States Department of Agriculture, Room 1077, South Building, Washington, D.C. 20250. Two copies of all written comments shall be submitted, and they will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

FOR FURTHER INFORMATION CONTACT:

Charles R. Brader, Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250, 202-447-3545.

SUPPLEMENTARY INFORMATION: The proposal under consideration was submitted by the Cherry Administrative Board, established under marketing Order No. 930 (7 CFR Part 930), regulating the handling of cherries in designated States, under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), as the agency to administer its terms and conditions. The proposal is as follows:

(1) Expenses that are reasonable and likely to be incurred by the Cherry Administrative Board during the fiscal period May 1, 1977, through April 30, 1978, will amount to $88,900.

(2) The rate of assessment for the fiscal period, payable by each handler in accordance with § 930.41, is fixed at $1.00 per ton of cherries.

Dated: July 1, 1977.

CHARLES R. BRADER,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc.77-19338 Filed 7-6-77;8:45 am]

[7 CFR Part 946, 980]

IRISH POTATOES GROWN IN WASHINGTON

VEGETABLES: IMPORT REGULATIONS

Proposed Handling Regulation

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rule.

SUMMARY: This proposed regulation would require fresh market shipments of potatoes grown in Washington to be inspected and meet minimum grade, size, maturity and pack requirements. The regulation should promote orderly marketing of such potatoes by keeping less desirable quality and sizes from being shipped to consumers.

DATE: Comments due July 22, 1977.

ADDRESSES: Comments should be sent to: Hearing Clerk, Room 1077 South Building, U.S. Department of Agriculture, Washington, D.C. 20250. Two copies of all written comments shall be submitted, and they will be made available for public inspection at the office of the Hearing Clerk during regular business hours.

FOR FURTHER INFORMATION CONTACT:

Charles R. Brader, Deputy Director, Fruit and Vegetable Division, AMS, U.S. Department of Agriculture, Washington, D.C. 20250, Telephone: 202-447-3545.

SUPPLEMENTARY INFORMATION: Marketing Agreement No. 113 and Order No. 946, both as amended, regulate the handling of Irish potatoes grown in the State of Washington. It is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674). The State of Washington Potato Committee, established under the order, is responsible for its local administration.

This notice is based upon the recommendations made by the committee at its public meeting in Port Ludlow, Washington, on June 22, 1977.

The recommendations of the committee reflect its appraisal of the composition of the 1977 crop of Washington potatoes and the marketing prospects for this season. Shipments are expected to begin in late July. The grade, size, cleanliness, maturity and pack requirements proposed herein, which are the same as those currently in effect through July 31, 1977, are necessary to prevent potatoes of lesser maturities, low quality, or undesirable sizes from being distributed in fresh market channels. They will also provide consumers with good quality potatoes consistent with the overall quality of the crop.

The committee recommended retaining the additional 10 percent tolerance for damage due to internal defects for potatoes packed in 50-pound cartons. This problem usually occurs in the larger size potatoes—the predominant ones packed in cartons. Without this tolerance these larger potatoes would have to be shipped in bags which provide less protection to the potatoes and less ease of handling.

Exceptions are proposed to certain of these requirements to recognize special

situations in which such requirements would be inappropriate or unreasonable.

Shipments would be allowed to certain special purpose outlets without regard to minimum grade, size, cleanliness, maturity and pack requirements provided that safeguards are used to prevent such potatoes from reaching unauthorized outlets. Seed would be exempted because requirements for this outlet differ greatly from those for fresh market. Shipments for use as livestock feed would likewise be exempt. Potatoes grown in the production area could be shipped without regard to the aforesaid requirements to specified locations in Morrow and Umatilla Counties, Oregon, for grading and storing. Since no purpose would be served by regulating potatoes used for charity purposes, such shipments would be exempt. Exemption of potatoes used for charity purposes, such shipments would be exempt. Exemption of potatoes for most processing uses is mandatory under the legislative authority for this part. Therefore, shipments to processing outlets are exempt.

Requirements for export shipments differ from those for domestic markets. Quality requirements may differ in foreign markets and smaller sizes are more acceptable. Because of this, export shipments are exempt. In commercial prepeeling, operators remove the surface defects from potatoes which would be undesirable for the tablestock market, and smaller sizes are acceptable. For these reasons potatoes for prepeeling are exempt.

The proposal is as follows:

§ 946.332 Handling regulation.

During the period July 25, 1977, through July 31, 1978, no person shall handle any lot of potatoes unless such potatoes meet the requirements of paragraphs (a), (b), (c), and (g) of this section or unless such potatoes are handled in accordance with paragraphs (d) and (e) or (f) of this section.

(a) *Minimum quality requirements.*—(1) *Grade: All varieties*—U.S. No. 2, or better grade.

(2) *Size:* (i) *Round varieties*—1⅞ inches minimum diameter.

(ii) *Long varieties*—2 inches minimum diameter or 4 ounces minimum weight.

(3) *Cleanliness:* All varieties and grades—as required in the United States Standards for Grades of Potatoes.

(b) *Minimum maturity requirements.* (1) *Round and White Rose varieties:* Not more than "moderately skinned."

(2) *Other long varieties (including but not limited to Russet Burbank and Norgold):* Not more than "slightly skinned."

(c) *Pack.* Potatoes packed in 50-pound cartons shall be U.S. No. 1 grade or better, except that potatoes which fail to meet the U.S. No. 1 grade only because of internal defects may be shipped provided the lot contains not more than 10 percent damage by any internal defect or combination of internal defects but not more than 5 percent serious damage by any internal defects or combination of internal defects.

(d) *Special purpose shipments.* The minimum grade, size, cleanliness, maturity, and pack requirements set forth in paragraphs (a), (b), and (c) of this section shall not be applicable to shipments of potatoes for any of the following purposes: (1) Livestock feed; (2) Charity; (3) Seed; (4) Prepeeling; (5) Canning, freezing, and "other processing" as hereinafter defined; or (6) Grading or storing at any specific location in Morrow and Umatilla Counties in the State of Oregon; and (7) Export, except to Alaska or Hawaii.

Shipments of potatoes for the purposes specified in subparagraphs (1) through (7) of this paragraph shall be exempt from inspection requirements specified in paragraph (g) of this section except shipments pursuant to subparagraph (6) shall comply with inspection requirements of (e)(2) of this section. Shipments specified in (1), (2), (3), and (5) shall be exempt from assessment requirements specified in § 946.41.

(e) *Safeguards.*—(1) Handlers desiring to make shipmnets of potatoes for prepeeling shall:

(i) Notify the committee of intent to ship potatoes by applying on forms furnished by the committee for a certificate applicable to such special purpose shipments;

(ii) Prepare on forms furnished by the committee a special purpose shipment report on each such shipment. The handler shall forward copies of each such special purpose shipment report to the committee office and to the receiver with instructions to the receiver that he sign and return a copy to the committee office. Failure of the handler or receiver to report such shipments by promptly signing and returning the applicable special purpose shipment report to the committee office shall be cause for cancellation of such handler's certificate applicable to such special purpose shipments and/or the receiver's eligibility to receive further shipments pursuant to such certificate. Upon cancellation of such certificate, the handler may appeal to the committee for reconsideration. Such appeal shall be in writing.

(iii) Before diverting any such special purpose shipment from the receiver of record as previously furnished to the committee by the handler such handler shall submit to the committee a revised special purpose shipment report.

(2) Handlers desiring to make shipments for grading or storing at any specified location in Morrow and Umatilla Counties in the State of Oregon shall:

(i) Notify the committee of intent to so ship potatoes by applying on forms furnished by the committee for a certificate applicable to such special purpose shipment. Upon receiving such application, the committee shall supply to the handler the appropriate certificate after it has determined that adequate facilities exist to accommodate such shipments and that such potatoes will be used only for authorized purposes;

(ii) If reshipment is for any purpose other than as specified in paragraph (d) of this section, each handler desiring to make reshipment of potatoes which have been graded or stored shall, prior to reshipment, cause each such shipment to be inspected by an authorized representative of the Federal-State Inspection Service. Such shipments must comply with the minimum grade, size, cleanliness, maturity, and pack requirements specified in paragraphs (a), (b), and (c) of this section.

(iii) If reshipment is for any of the purposes specified in paragraph (d) of this section, each handler making reshipment of potatoes which have been graded or stored shall do so in accordance with the applicable safeguard requirements specified in paragraph (e) of this section.

(3) Each person desiring to transport potatoes for grading or storing to points in District No. 5 or to Spokane County in District No. 1 shall apply to the committee for and obtain a special purpose certificate authorizing such movement.

(4) Each handler making shipments of potatoes for canning, freezing, or "other processing" pursuant to paragraph (d))of this section shall:

(i) First apply to the committee for and obtain a Certificate of Privilege to make shipments for processing;

(ii) Make shipments only to those firms whose names appear on the committee's list of canners, freezers, or other processors of potato products maintained by the committee, or to persons not on the list provided the handler furnishes the committee, prior to such shipment, evidence that the receiver may reasonably be expected to use the potatoes only for canning, freezing, or other processing.

(iii) Upon request by the committee, furnish reports of each shipment pursuant to the applicable Certificate of Privilege;

(iv) Mail to the office of the committee a copy of the bill of lading for each Certificate of Privilege shipment promptly after the date of shipment.

(v) Bill each shipment directly to the applicable processor.

(5) Each receiver of potatoes for processing pursuant to paragraph (d) of this section shall:

(i) Complete and return an application form for consideration of approval as a canner, freezer, or other processor of potato products;

(ii) Certify to the committee and to the Secretary that potatoes received from the production area for processing will be used for such purpose and will not be placed in fresh market channels;

(iii) Report on shipments received as the committee may require and the Secretary approve.

(6) Each handler desiring to make shipments of potatoes for export shall:

(i) Notify the committee of intent to so ship potatoes by applying on forms furnished by the committee for a certificate applicable to such special purpose shipment. Such information shall

include the quantity of potatoes to be shipped and the name and address of the exporter;

(ii) After the certificate is approved and the shipment is made, furnish the committee with a copy of the on-board bill of lading applicable to such shipment;

(iii) Before diverting any such special purpose shipment from the receiver of record as previously furnished to the committee by the handler such handler shall submit to the committee a revised special purpose shipment report.

(f) *Minimum quantity exemption.* Each handler may ship up to, but not to exceed 5 hundredweight of potatoes to any person without regard to the inspection and assessment requirements of this part, but this exemption shall not apply to any shipment over 5 hundredweight of potatoes.

(g) *Inspection.* Except when relieved by paragraphs (d) or (f) of this section, no handler may handle any potatoes regulated hereunder unless an appropriate inspection certificate has been issued by an authorized representative of the Federal-State Inspection Service with respect thereto and the certificate is valid at the time of shipment.

(h) *Definitions.* The terms "U.S. No. 2," "fairly clean," "slightly skinned" and "moderately skinned" shall have the same meaning as when used in the United States Standards for Grades of Potatoes (§§ 51.1540–51.1566 of this title), including the tolerances set forth therein. The term "prepeeling" means potatoes which are clean, sound, fresh tubers prepared commercially in the prepeeling plant by washing, removal of the outer skin or peel, trimming, and sorting preparatory to sale in one or more of the styles of peeled potatoes described in § 52.2422 (United States Standards for Grades of Peeled Potatoes §§ 52.2421–52.2433 of this title). The term "other processing" has the same meaning as the term appearing in the act and includes, but is not restricted to, potatoes for dehydration, chips, shoestrings, starch and flour. It includes the application of heat or cold to such an extent that the natural form or stability of the commodity undergoes a substantial change. The act of peeling, cooling, slicing, or dicing, or applying material to prevent oxidation does not constitute "other processing." Other terms used in this section have the same meaning as when used in the marketing agreement, as amended and this part.

(i) *Applicability to imports.* Pursuant to § 8e of the act and § 980.1 "Import regulations" (7 CFR 980.1), Irish potatoes of the red skinned round type imported during the months of July and August in the effective period of this section shall meet the minimum grade, size, quality and maturity requirements for round varieties specified in paragraphs (a) and (b) of this section.

Dated: July 1, 1977.

CHARLES R. BRADER,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc.77-19337 Filed 7-6-77;8:45 am]

[7 CFR Part 948]

IRISH POTATOES GROWN IN COLORADO—AREA NO. 3

Proposed Expenses and Rate of Assessment

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rule.

SUMMARY: This notice invites written comments on proposed expenses of $2,389.00 and an assessment of one-half cent per hundredweight on potatoes for the functioning of the Colorado Area No. 3 Potato Committee. The regulation would enable the committee to collect assessments from first handlers on all assessable potatoes handled and to use the resulting funds for its expenses.

DATES: Comments due July 22, 1977.

ADDRESSES: Comments should be sent to: Hearing Clerk, Room 1077 South Building, U.S. Department of Agriculture, Washington, D.C. 20250. Two copies of all written materials shall be submitted, and they will be made available for public inspection at the office of the Hearing Clerk during regular business hours.

FOR FURTHER INFORMATION CONTACT:

Charles R. Brader, Deputy Director, Fruit and Vegetable Division, AMS, U.S. Department of Agriculture, Washington, D.C. 20250. Telephone (202) 447–3545.

SUPPLEMENTARY INFORMATION: Marketing Agreement No. 97 and Order No. 948, both as amended, regulate the handling of potatoes grown in designated counties of Colorado. It is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674). The Area No. 3 Committee, established under the order, is responsible for its local administration in Area 3, consisting of certain counties in Northern Colorado.

The proposals are as follows:

§ 948.277 Expenses and rate of assessment.

(a) The reasonable expenses that are likely to be incurred during the fiscal period ending June 30, 1978, by the Area No. 3 Committee for its maintenance and functioning, and for such purpose as the Secretary determines to be appropriate will amount to $2,389.00.

(b) The rate of assessment to be paid by each handler in accordance with this part shall be $0.005 per hundredweight or equivalent quantity of assessable potatoes handled by him as the first handler during the fiscal period.

(c) Unexpected income in excess of expenses for the fiscal period may be carried over as a reserve to the extent authorized in § 948.78.

(d) Terms used in this section have the same meaning as when used in the marketing agreement and this part.

Dated: July 1, 1977.

CHARLES R. BRADER,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc.77-19339 Filed 7-6-77;8:45 am]

[7 CFR Parts 948, 980]

IRISH POTATOES GROWN IN COLORADO—AREA NO. 3

VEGETABLES: IMPORT REGULATIONS

Notice of Proposed Handling Regulation

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rule.

SUMMARY: This proposed regulation would require fresh market shipments of potatoes grown in Colorado—Area No. 3 to be inspected and meet minimum grade, size and maturity requirements. The regulation should promote orderly marketing of such potatoes by keeping less desirable qualities and sizes from being shipped to consumers.

DATE: Comments due July 22, 1977.

ADDRESSES: Comments should be sent to: Hearing Clerk, Room 1077 South Building, U.S. Department of Agriculture, Washington, D.C. 20250. Two copies of all written comments shall be submitted, and they will be made available for public inspection at the office of the Hearing Clerk during regular business hours.

FOR FURTHER INFORMATION CONTACT:

Charles R. Brader, Deputy Director, Fruit and Vegetable Division, AMS, U.S. Department of Agriculture, Washington, D.C. 20250. Telephone: (202) 447–3545.

SUPPLEMENTARY INFORMATION: Marketing Agreement No. 97 and Order No. 948, both as amended, regulate the handling of potatoes grown in designated counties of Colorado Area No. 3. It is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674). The Colorado Area No. 3 Potato Committee, established under the order, is responsible for its local administration.

This notice is based upon recommendations made by the committee at its public meeting in Greeley, Colorado, on June 15, 1977.

The grade, size, maturity and inspection requirements recommended herein are the same as those which have been issued during past seasons. They are necessary to prevent potatoes of poor quality or undesirable sizes from being distributed to fresh market outlets. The specific proposals, hereinafter set forth, would benefit consumers and producers by standardizing and improving the quality of the potatoes shipped from the production area.

Exceptions would be provided to certain of these requirements to recognize special situations in which such requirements would be inappropriate or unreasonable.

Shipments would be permitted to certain special purpose outlets without regard to the grade, size, maturity and inspection requirements, provided that safeguards were met to prevent such potatoes from reaching unauthorized outlets. Certified seed would be exempt because requirements for this outlet differ greatly from those for fresh market. Shipments for use as livestock feed would likewise be exempt. Since no purpose would be served by regulating potatoes used for charity purposes, such shipments would be exempt. Also potatoes for most processing uses are exempt under the legislative authority for this part.

Potatoes for prepeeling would be handled without regard to maturity requirements since skinning of such potatoes would be of no consequence.

The proposal is as follows:

§ 948.377 Handling regulation.

During the period August 1, 1977, through June 30, 1978, no person shall handle any lot of potatoes grown in Area No. 3 unless such potatoes meet the requirements of paragraphs (a), (b), and (c) of this section, or unless such potatoes are handled in accordance with paragraphs ((d), (e), or (f) of this section.

(a) *Grade and size requirements—All varieties.* U.S. No. 2, or better grade, 1⅝ inches minimum diameter or 4 ounces minimum weight. However, Size B may be handled if U.S. No. 1 or better grade.

(b) *Maturity (skinning) requirements—All varieties.* For U.S. No. 2 grade, not more than "moderately skinned," and for all other grades, not more than "slightly skinned."

(c) *Inspection.* (1) No handler shall handle any potatoes for which inspection is required unless an appropriate inspection certificate has been issued with respect thereto and the certificate is valid at the time of shipment. For purpose of operation under this part it is hereby determined pursuant to paragraph (d) of § 948.40, that each inspection certificate shall be valid for a period not to exceed five days following the date of inspection as shown on the inspection certificate.

(2) No handler may transport or cause the transportation by motor vehicle of any shipment of potatoes for which an inspection certificate is required unless each shipment is accompanied by a copy of the inspection certificate applicable thereto and the copy is made available for examination at any time upon request.

(d) *Special purpose shipments.* (1) The grade, size, maturity and inspection requirements of paragraphs (a), (b), and (c) of this section shall not be applicable to shipments of potatoes for:

(i) Livestock feed;

(ii) Charity;

(iii) Canning, freezing, and "other processing" as hereinafter defined; and

(iv) Certified seed potatoes (§ 948.6).

(2) The maturity requirements set forth in paragraph (b) of this section shall not be applicable to shipments of potatoes for prepeeling.

(e) *Safeguards.* Each handler making shipments of potatoes pursuant to paragraph (d) of this section shall:

(1) Prior to shipment, apply for and obtain a Certificate of Privilege from the committee;

(2) Furnish the committee such reports and documents as required, including certification by the buyer or receiver on the use of such potatoes; and

(3) Bill each shipment directly to the applicable buyer or receiver.

(f) *Minimum quantity.* For purposes of regulation under this part, each person may handle up to but not to exceed 1,000 pounds of potatoes per day without regard to the requirements of paragraphs (a) and (b) of this section, but this exception shall not apply to any shipment of over 1,000 pounds of potatoes.

(g) *Definitions.* The terms "U.S. No. 1," "U.S. No. 2," "Size B," "moderately skinned" and "slightly skinned," shall have the same meaning as when used in the United States Standards for Grades of Potatoes (§§ 51.1540–51.1566 of this title) including the tolerances set forth therein. The term "prepeeling" means the commercial preparation in a prepeeling plant of clean, sound, fresh potatoes by washing, peeling or otherwise removing the outer skin, trimming, sorting, and properly treating to prevent discoloration preparatory to sale in one or more of the styles of peeled potatoes described in § 52.2422 United States Standards for Grades of Peeled Potatoes (§§ 52.2421–52.2433 of this title). The term "other processing" has the same meaning as the term appearing in the act and includes, but is not restricted to, potatoes for dehydration, chips, shoe-strings, starch, and flour. It includes only that preparation of potatoes for market which involves the application of heat or cold to such an extent that the natural form or stability of the commodity undergoes a substantial change. The act of peeling, cooling, slicing, dicing, or applying material to prevent oxidation does not constitute "other processing." All other terms used in this section shall have the same meaning as when used in Marketing Agreement No. 97, as amended, and this part.

(h) *Applicability to imports.* Pursuant to § 8e of the act and § 980.1, "Import regulations" (7 CFR 980.1), round white varieties of Irish potatoes, except certified seed potatoes, imported into the United States during the period August 1, 1977, through June 4, 1978, shall meet the minimum grade, size, quality, and maturity requirements specified in paragraphs (a) and (b) of this section.

Dated: July 1, 1977.

CHARLES R. BRADER,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc.77-19340 Filed 7-6-77;8:45 am]

NUCLEAR REGULATORY COMMISSION

[10 CFR Parts 70, 73]

PHYSICAL PROTECTION OF PLANTS AND MATERIALS

Performance Oriented Safeguards Requirements

Correction

In FR Doc. 77–19051 appearing at page 34310 in the issue for Tuesday, July 5, 1977, the following material was omitted from § 73.26 on page 34314:

§ 73.26 Transportation Physical Protection Systems, Subsystems, Elements, Components, and Procedures.

* * * * *

(b) * * *

(4) * * *

(v) Security arrangements at point where escorts accept responsibility for import shipment.

(5) A licensee who imports formula quantities of strategic special nuclear material shall make arrangements to assure that such material will be protected in transit as follows:

(i) An individual designated by the licensee or his agent, or as specified by a contract of carriage, shall confirm the container count and examine locks and/or seals for evidence of tampering, at the first place in the United States at which the shipment is discharged from the arriving carrier.

(ii) The shipment shall be protected from the last foreign terminal until it arrives in the United States and subsequently as provided in this section and §§ 73.25 and 73.27.

(6) A licensee who exports formula quantities of strategic special nuclear material shall comply with the requirements of this section and §§ 73.25 and 73.27, as applicable, up to the first point where the shipment is taken off the transport outside the United States.

(7) Hand-to-hand receipts shall be completed at origin and destination and at all points enroute where there is a transfer of custody.

(8) Plutonium and U–233 shall be shipped only in containers approved by the NRC. The containers shall be hardened to withstand high velocity impacts, explosives, and small arm fire without release of contents.

* * * * *

FEDERAL ENERGY ADMINISTRATION

[10 CFR Part 430]

ENERGY CONSERVATION PROGRAM FOR APPLIANCES

Delay in Publication of Proposed Test Procedures for Furnaces

AGENCY: Federal Energy Administration.

ACTION: Delay in publication of proposed test procedures for furnaces.

SUMMARY: This document delays publication of proposed test procedures in accordance with the requirements of subsection 323(b) of the Energy Policy and Conservation Act.

FOR FURTHER INFORMATION CONTACT:

James A. Smith (Program Office), Room 307, Old Post Office Building, 12th and Pennsylvania Avenue NW., Washington, D.C. 20461 (202-566-4635).

Robert de Sugny (Office of General Counsel), Room 5116, Federal Building, 12th and Pennsylvania Avenue NW., Washington, D.C. 20461, (202-566-9750).

SUPPLEMENTARY INFORMATION: The Federal Energy Administration (FEA) hereby gives notice, pursuant to subsection 323(b) of the Energy Policy and Conservation Act (Act) (Pub. L. 94-163), that it cannot, within the statutory time period publish proposed test procedures for furnaces.

Section 323(a)(3) of the Act requires that, not later than June 30, 1977, FEA shall publish proposed test procedures for furnaces. Section 323(a)(6) of the Act, however, provides that FEA may delay the publication of proposed test procedures for a type of covered product (or class thereof) beyond the required date if it determines that it cannot, within the applicable time period, publish proposed test procedures applicable to such type (or class thereof) which meet the requirements of subsection 323(b) and publishes such determination in the FEDERAL REGISTER.

FEA is today giving notice of its determination that it cannot by June 30, 1977, publish proposed test procedures applicable to furnaces which meet the requirements of subsection 323(b). FEA will issue these proposed test procedures as soon as practicable, which the agency expects to be no later than July 28, 1977.

Issued in Washington, D.C., June 29, 1977.

ERIC J. FYGI,
Acting General Counsel,
Federal Energy Administration.

[FR Doc.77-19326 Filed 7-6-77;8:45 am]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 71]

[Airspace Docket No. 77-SO-19]

FEDERAL AIRWAY

Proposed Alteration

Correction

In FR Doc. 77-17742, appearing on page 31806 in the issue of Thursday, June 23, 1977, the Airspace Docket No. should read as set forth above.

[14 CFR Part 71]

[Airspace Docket No. 77-RM-2]

TRANSITION AREA

Proposed Alteration

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of Proposed Rule Making.

SUMMARY: This notice proposes to alter the Durango, Colorado, 700 foot transition area. The proposal is necessary because the existing 700 foot transition area was found to be inadequate to accommodate the VOR Runway 2 approach.

DATES: Comments must be received on or before August 5, 1977.

ADDRESSES: Send comments on the proposal to: Chief, Air Traffic Division, Attn: ARM-500, Federal Aviation Administration, 10455 East 25th Avenue, Aurora, Colorado 80010.

A public docket will be available for examination by interested persons in the office of the Regional Counsel, Federal Aviation Administration, 10455 East 25th Avenue, Aurora, Colorado 80010.

FOR FURTHER INFORMATION CONTACT:

Joseph T. Taber, Airspace Specialist, Operations, Procedures and Airspace Branch (ARM-537), Air Traffic Division, Federal Aviation Administration, Rocky Mountain Region, 10455 East 25th Avenue, Aurora, Colorado 80010; telephone (303) 837-3937.

SUPPLEMENTARY INFORMATION:

COMMENTS INVITED

Interested persons may participate in the proposed rulemaking by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Division, Federal Aviation Administration, 10455 East 25th Avenue, Aurora, Colorado 80010. All communications received will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

AVAILABILITY OF NPRM

Any person may obtain a copy of this notice of proposed rulemaking (NPRM) by submitting a request to the Federal Aviation Administration, Office of Public Affairs, Attention: Public Information Center, APA-430, 800 Independence Avenue, SW., Washington, D.C. 20591, or by calling (202) 426-8058. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRMs should also request a copy of Advisory Circular No. 11-2 which describes the application procedures.

THE PROPOSAL

The Federal Aviation Administration is considering an amendment to Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) to alter the 700 foot transition area at Durango, Colorado. The present 700 foot transition area was found to be inadequate to contain the VOR Runway 2 approach to La Plata County Airport. Accordingly, the Federal Aviation Administration proposes to amend Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) as follows:

By amending § 71.181 so as to alter the following transition area to read:

DURANGO, COLORADO

That airspace extending upward from 700 feet above the surface within a 7 mile radius of the La Plata County Airport (latitude 37°09'12" N., longitude 107°45'04" W.) and within 5 miles each side of the Durango VOR 224° T radial, extending from the 7 mile radius area to 17.5 miles southwest of the VOR * * *

DRAFTING INFORMATION

The principal authors of this document are Joseph T. Taber, Air Traffic Division, and Daniel J. Peterson, Office of the Regional Counsel, Rocky Mountain Region.

This amendment is proposed under authority of section 307(a) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1348(a)), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

NOTE.—The Federal Aviation Administration has determined that this document does not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11821 and OMB Circular A-107.

Issued in Aurora, Colo., on June 21, 1977.

M. M. MARTIN,
Director, Rocky Mountain Region.

[FR Doc.77-19101 Filed 7-6-77;8:45 am]

CONSUMER PRODUCT SAFETY COMMISSION

[16 CFR Part 1150]

LEAD-CONTAINING PAINT AND CERTAIN CONSUMER PRODUCTS BEARING LEAD-CONTAINING PAINT

Banned Hazardous Products; Extension of Date for Issuing Rule or Withdrawing Proposed Rule

AGENCY: Consumer Product Safety Commission.

ACTION: Extension of date for issuing or withdrawing proposed rule.

SUMMARY: In this document the Consumer Product Safety Commission announces the extension until September 2, 1977, of the period of time within which it is required to either issue or withdraw the consumer product safety rule proposed on August 10, 1976, regarding the banning of lead-containing paint and certain articles intended for use by children and other articles of furniture bearing such paint. The present date for issuing or withdrawing the proposed rule is July 14, 1977. The Commission is taking this action because of the comprehensive nature of the rulemaking and the necessity of resolving many issues raised during the comment period.

DATE: The comment period for the proposed rule expired October 26, 1976. No further comments are requested.

ADDRESS: Comments received on the August 10, 1976, proposal and other available information may be inspected at the Office of the Secretary, Consumer Product Safety Commission, 1111 18th Street NW., Third floor, Washington, D.C. 20207.

FOR FURTHER INFORMATION CONTACT:

Carole Roth, Office of the General Counsel, Consumer Product Safety Commission, Washington, D.C. 20207 (202-634-7770).

SUPPLEMENTARY INFORMATION: In the FEDERAL REGISTER of August 10, 1976 (41 FR 33637), the Commission proposed to establish a regulation (16 CFR Part 1150) under sections 8 and 9 of the Consumer Product Safety Act (15 U.S.C. 2057, 2058) to declare as banned hazardous products (1) lead-containing paint and similar surface-coating materials containing more than a safe level of lead, (2) toys and other articles intended for use by children bearing lead-containing paint or other similar surface-coating materials containing more than a safe level of lead, and (3) articles of furniture bearing lead-containing paint or other similar surface-coating materials containing more than a safe level of lead. An oral hearing on the matter at which all interested persons were given the opportunity to speak was conducted on September 13, 1976. The last date for filing written comments on the proposal was extended by notice published October 6, 1976 (41 FR 44126) from September 9, 1976, to October 26, 1976. The Commission anticipates that the maximum permissible level of lead for the purpose of this proposed regulation will be established at 0.06 percent, which is the level in the definition of the term "lead-based paint," under the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4801 et seq. (as amended by Pub. L. 94-317).

As provided in section 9 of the Consumer Product Safety Act, whenever the Commission proposes a rule declaring a product to be a banned hazardous product, it must, within 60 days after publication of the proposal, (1) promulgate the consumer product safety rule if the appropriate findings are made, or (2) withdraw the proposal if it determines that the rule is not reasonably necessary or not in the public interest. The 60-day period, however, may be extended for good cause if the Commission publishes its reasons for the extension in the FEDERAL REGISTER. In the FEDERAL REGISTER of October 6, 1976 (41 FR 44126), the Commission published its reasons for extending the period of time for either promulgating the rule or withdrawing the proposal from October 9, 1976, to April 1, 1977. This period was further extended until July 14, 1977, by notice published in the FEDERAL REGISTER on March 28, 1977 (42 FR 16445).

The Commission now announces a further extension of the period of time for promulgation or withdrawal of the consumer product safety rule proposed on August 10, 1976, for the reasons set forth below.

The Commission staff has been considering the comments received in response to the proposed regulation, the comments received in response to a draft environmental impact statement on the proposed regulation (the availability of the final impact statement was announced in the FEDERAL REGISTER of June 10, 1977 (42 FR 29948)), and other available information. Because of the comprehensive and complex nature of the proposal, many difficult questions regarding its scope and application have been raised which must be resolved. Since it has now become evident that, with existing Commission resources, resolution of these issues will require several more weeks than anticipated when the July 14 date was announced, an additional extension is necessary.

Accordingly, pursuant to provisions of the Consumer Product Safety Act (secs. 8, 9, 86 Stat. 1215-17; 15 U.S.C. 2057, 2058) the Commission, for good cause as stated above, extends the period of time within which it must promulgate or withdraw the consumer product safety rule (16 CFR Part 1150) proposed in the FEDERAL REGISTER of August 10, 1976 (41 FR 33637), until September 2, 1977. This period may be further extended by a notice published in the FEDERAL REGISTER showing good cause.

Dated: July 1, 1977.

RICHARD E. RAPPS,
Secretary, Consumer Product Safety Commission.

[FR Doc.77-19325 Filed 7-6-77;8:45 am]

[16 CFR Part 1205]

POWER LAWN MOWERS

Extension of Comment Period

AGENCY: Consumer Product Safety COMMISSION.

ACTION: Extension of comment period.

SUMMARY: The Consumer Product Safety Commission extends the time for submission of written comments on the proposed Safety Standard for Power Lawn Mowers (42 FR 23052; May 5, 1977) from July 5, 1977 to August 12, 1977. Persons who submit written comments by that time will be given a further opportunity, until September 6, 1977, to comment on written or oral comments that have been submitted by others. The Commission is extending the time to provide interested persons an adequate opportunity to comment on the proposed standard.

ADDRESSES: Written comments should be submitted to the Secretary, Consumer Product Safety Commission, 1111 18th Street, NW., Washington, D.C. 20207.

FOR FURTHER INFORMATION CONTACT:

Dr. Alan M. Ehrlich, Office of Program Management, Consumer Product Safety Commission, Washington, D.C. 20207. (301-492-6453).

SUPPLEMENTARY INFORMATION: On May 5, 1977, the Consumer Product Safety Commission proposed a Safety Standard for Power Lawn Mowers (16 CFR 1205, 42 FR 23052). The proposal specified that written comments should be submitted on or before July 5, 1977, and an opportunity to make oral presentations of data, views, or arguments was scheduled for June 13, 1977.

By a letter dated June 2, 1977, Consumers Union requested that the Commission reimburse it for the cost of reviewing the proposed standard, submitting written comments on it, and attending the meeting at which oral comments would be presented. Con- request for reimbursement in accordance with the Commission's proposed Procedures for Financial Compensation of Participants in Informal Rulemaking Proceedings, 16 CFR 1050, 42 FR 15711. Consumers Union also stated that its ability to comment was contingent upon the Commission providing it with 60 days from the date of notification that it would be reimbursed to submit the comments.

After evaluating Consumers Union's request for reimbursement in accordance with the criteria set forth in its proposed Procedures for Financial Compensation of Participants in Informal

Rulemaking Proceedings, the Commission agreed to reimburse Consumers Union in the amount requested with the exception of overhead expenses.

In order to provide Consumers Union and other interested persons an adequate opportunity to comment on the proposed standard, the Commission extends the written comment period, until August 12, 1977. Written comments, preferably in five (5) copies, must be received in the Office of the Secretary by that date. Persons who file written comments by August 12, 1977, will also have until September 6, 1977, to comment on written or oral comments of other persons. If the Commission believes that further comment on any specific issue is desirable, it may solicit such additional comment by a notice in the FEDERAL REGISTER. The Commission will decide at a later time whether it believes it would be appropriate to provide an additional opportunity for oral presentation on the proposed standard or on specific issues raised by the proposal.

The Commission also received a request, dated May 13, 1977, from the J. I. Case Company to delay the oral presentation of data, views, and arguments from June 13, 1977, to August 15, 1977. The company stated that the June 13 date did not allow sufficient time to adequately analyze, interpret, and present its opinions on the proposal. The Commission determined that it would not be beneficial to delay the oral presentation beyond June 13, 1977 and therefore denied the requested delay. As mentioned previously, however, the Commission will decide at a later date whether it believes it would be appropriate to provide an additional opportunity for an oral presentation.

Dated: July 1, 1977

RICHARD E. RAPPS,
Secretary,
Consumer Product Safety Commission.

[FR Doc.77-19243 Filed 7-6-77;8:45 am]

DEPARTMENT OF DEFENSE

Office of the Secretary

[32 CFR Part 260]

VENDING FACILITY PROGRAM FOR THE BLIND ON FEDERAL PROPERTY

Employment Provisions

AGENCY: Office of the Secretary of Defense.

ACTION: Proposed Rule.

SUMMARY: This proposed rule updates Department of Defense policies to reflect in greater depth and detail the intent and purpose of the amended Randolph-Sheppard Vending Stand Act which is to provide blind persons with employment and thereby to encourage them to become self-supporting.

DATES: Comments must be received on or before August 8, 1977.

ADDRESSES: Comments to Captain Carl P. Vogel, SC, USN, Assistant Director, Personnel Services, ODASD (MPP), OASD(MRA&L), Pentagon, Room 3C980, Washington, D.C. 20301.

FOR FURTHER INFORMATION CONTACT:

Captain Carl P. Vogel, SC, USN, Assistant Director, Personnel Services, ODASD(MPP), OASD(MRA&L), Pentagon, Room 3C980, Washington, D.C. 20301, (202) 697-9191

SUPPLEMENTARY INFORMATION: On August 28, 1963, there was published in the FEDERAL REGISTER (28 FR 9434) a final rule adoption effective August 15, 1963 which established certain policies for assuring preference to blind persons in operating vending stands on Federal property under the jurisdiction of the Department of Defense. This proposed rule extends and amplifies the original Parts 260 (28 FR 9434) and 149 (21 FR 870).

Accordingly, Part 260 is revised as follows:

Sec.
260.1 Purpose.
260.2 Applicability.
260.3 Policy.
260.4 Responsibilities.
260.5 Definitions.

AUTHORITY: 49 Stat. 1559, as amended by Act of August 3, 1954, Pub. L. 83-565, 68 Stat. 663, as further amended by Pub. L. 93-516, 88 Stat. 1622, 20 U.S.C. 107.

§ 260.1 Purpose.

This Part establishes (a) uniform policies for implementation of the amended Act's priority accorded the blind to operate vending facilities; (b) requirement for suitable vending facility sites in Department of Defense (DOD) Component-owned or occupied buildings, and, (c) vending machine income-sharing requirements on property under the jurisdiction of a DOD Component in the 50 states, the District of Columbia, Puerto Rico, American Samoa, the Canal Zone, Guam and the Virgin Islands.

§ 260.2 Applicability.

The provisions of this Part apply to the Office of the Secretary of Defense, the Military Departments, and the Defense Agencies (hereinafter referred to as "DOD Components").

§ 260.3 Policy.

(a) DOD Components will take necessary action, within their areas of responsibility, to insure that the requirements set forth below are implemented.

(b) The blind have a priority right to operate vending facilities and cafeterias on property subject to the control of a DOD Component. The priority extended is to allow blind licensees to be gainfully employed; accordingly, it is a responsibility of the on-site official to insure that the operator is in fact a State licensed blind person and that sighted employees or assistants are utilized only to the extent reasonably necessary.

(1) This priority will not be accorded when the on-site official determines, after conferring with the head of the DOD Component, that the interests of the United States would be adversely affected if the priority was accorded, e.g., where the location involved is in an area restricted for security reasons, where the according of this priority would require a significant reduction in the local morale, welfare and recreation programs at the location involved, etc.

(2) Any determination that according the priority would be adverse to interests of the United States, must be fully justified in writing through the Component head (who will consult with the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics) (ASD (MR&L)), to the Secretary of the Department of Health, Education and Welfare (HEW) who has authority to determine whether the failure to accord the priority is justified by the circumstances. This determination by the Secretary of HEW must be published in the FEDERAL REGISTER and is binding upon the DOD Component.

(3) Applications for permits by the State licensing agency to operate vending facilities on property subject to DOD Component control must be submitted in writing to the head of the Component involved through the on-site official. When an application is not approved, the head of the Component will advise the State licensing agency in writing and will indicate the reasons for the disapproval. When issued, permits shall describe the location of the vending facility and shall be subject to the following requirements:

(i) The permit shall be issued in the name of the applicant State licensing agency.

(ii) The permit shall be issued for an indefinite period of time subject to suspension or termination upon failure to comply with agreed upon terms.

(iii) The permit shall provide that:

(A) No charge will be made by the DOD Component to the State licensing agency for normal repair and maintenance of the building, or for cleaning areas adjacent to the designated vending facility boundaries;

(B) The State licensing agency will be responsible for cleaning and maintaining the appearance of the vending facility including removal of all trash resulting from vending operation and for all costs of every kind in conjunction with vending facility equipment except as provided in paragraph (b) (3) (iii) (E) of this section.

(C) Articles sold at such vending facilities may consist of newspapers, periodicals, publications, confections, tobacco products, foods, nonalcoholic beverages, or other articles or services as are determined by the State licensing agency in consultation with the on-site official, to be suitable for a particular location;

(D) Vending facilities shall be operated in compliance with applicable health, sanitation and building codes or ordinances;

(E) Installation, modification, relocation, removal and renovation of vending facilities shall be subject to the prior approval of the on-site official and the State licensing agency. Costs of relocations initiated by the State licensing

agency shall be paid by that agency, and costs of relocations initiated by the DOD Component shall be borne by the DOD Component.

(iv) The permit will contain:

(A) The fee or commission payable to the DOD Component negotiated with the State licensing agency, if any;

(B) The rental charges negotiated with the State licensing agency by the DOD Component, if any; and

(C) Appropriate requirements for reimbursement or direct payment for utilities, telephone service, etc.

(v) In the event the blind licensee fails to provide satisfactory service or otherwise fails to comply with the requirements of the permit issued to the State licensing agency, the on-site official shall, after coordinating with the head of the DOD Component, notify the State licensing agency of this deficiency in writing and request corrective action within a specified reasonable time. The notice shall indicate that failure to correct the deficiency will result in temporary suspension or termination of the permit, as appropriate. Any actual suspension or termination action will be taken by the head of the DOD Component after consultation with ASD(MRA&L).

(c) The blind have a priority right to operate cafeterias on property subject to the control of a DOD Component.

(1) This priority applies only—

(i) Where the cafeteria operation involved is contracted (as distinguished from directly operated by a DOD Component activity); and

(ii) If the Secretary of HEW determines, on an individual basis after consulting with the on-site official, that the blind licensee can satisfactorily operate the cafeteria while providing food at a reasonable cost and of a high quality comparable to that currently provided.

(2) This priority can be accorded in one of two ways.

(i) Procuring activity solicitations can be issued which establish basic requirements and the criteria for judging proposals. One copy of each solicitation must be provided to the State licensing agency for the blind. If the State licensing agency submits a proposal and it is within the competitive range established by the contracting officer, the contract will normally be awarded to the State licensing agency. To make an award to other than the State licensing agency, the on-site official, after coordinating with the head of the Component, must obtain the approval of the Secretary of HEW. The criteria upon which proposals will be evaluated may include factors such as sanitation practices, personnel, staffing, menu pricing and portion sizes, variety, budget and accounting practices, fee, and other relevant considerations.

(ii) Direct negotiations may be undertaken with State licensing agencies whenever the on-site official has determined that the State licensing agency, through its blind licensee, can provide the cafeteria services required at a reasonable cost, with food of a high quality comparable to that currently being provided. In the event direct negotiations fail to result in a contract with the State licensing agency, the procedures prescribed in § 260.3(c)(2)(i) will be followed.

(3) The operation of a cafeteria by a blind vendor shall be governed by contractual agreement; not by a permit. Normal contract administration procedures will apply except that termination actions will not be taken without prior coordination with the head of the DOD Component.

(4) All contracts for the operation of cafeterias on property under DOD Component control with other than State licensing agencies shall, upon expiration, be processed under the above paragraph unless the State licensing agency informs the on-site official that it is not prepared to exercise its priority at this time.

(d) Effective March 23, 1977, any DOD Component acquired (purchased, rented, or leased), constructed, or substantially altered or renovated building is required to have one or more satisfactory sites (as defined in § 260.5) for a blind-operated vending facility except as provided in paragraph § 260.3(1)(iii), below. "Substantial alteration or renovation" means a permanent material change in the floor area of a building which would render it appropriate for the location and operation of a vending facility by a blind vendor.

(1) A determination that a building contains a satisfactory site or sites is presumed made if the State licensing agency and the on-site official consult and agree that the site or sites provided are satisfactory.

(i) DOD Components must notify the appropriate State licensing agency of buildings to be acquired or occupied by certified or registered mail, return receipt requested, at least 60 days in advance of the intended acquisition date or the initiation of actual construction, alteration, or renovation. This notification shall indicate that a satisfactory site or sites for the location and operation of a blind vending facility is included in the plans for the building, shall forward a copy of a single line drawing for each floor level indicating the proposed location of such site or sites, and shall assure the State licensing agency that, subject to the approval of the DOD Component involved, it shall be offered the opportunity to select the location and type of vending facility to be operated by a blind vendor prior to completion of the final space layout of the building. As a practical matter the State licensing agency should be contacted early in the planning or design stage of a project.

(ii) The State licensing agency must respond within 30 days acknowledging receipt of the correspondence from the DOD Component and indicating whether it is interested in establishing a vending facility and if interested, indicating its agreement or alternate selection of a location and its selection of type of vending facility. A copy of the written notice to the State licensing agency and the State licensing agency's acknowledgement and response shall be provided to the Secretary of HEW.

(iii) If the State licensing agency indicates that it does not desire to establish and operate a vending facility or does not timely reply within the 30 day period prescribed in paragraph (d)(1)(ii) of this section, there is no requirement to incorporate a satisfactory site.

(2) The Secretary of HEW has determined that the requirement to provide a satisfactory site does not apply—

(i) When fewer than 100 Federal employees (as defined in § 260.5) will be located in the building during normal working hours; or

(ii) When the building contains less than 15,000 square feet to be used for Federal Government purposes in the case of a building in which services are to be provided to the general public.

(3) When a DOD Component is leasing all or part of a privately owned building in which the lessor or any of its tenants have an existing restuarant or other food facility in a part of the building not covered by the lease and operation of a vending facility would be in substantial direct competition with such restaurant or other food operation, the requirements of § 260.3(d) do not apply.

(e) Effective January 2, 1975, vending machine income generated by DOD Components must be shared with State licensing agencies for the blind and/or blind vendors as set forth below. The on-site official is responsible for the collection of, and accounting for, such vending machine income and for otherwise insuring compliance with the requirements of this paragraph.

(1) The vending machine income-sharing requirements are as follows:

(i) One hundred percent (100%) of the vending machine income (as defined in § 260.5) from vending machines in direct competition with blind-operated vending facilities must be provided to the State licensing agency for distribution of all or part thereof to the blind.

(ii) Fifty percent (50%) of the vending machine income (as defined in § 260.5) from vending machines not in direct competition with blind-operated vending facilities must be provided to the State licensing agency for distribution of all or part thereof to the blind.

(iii) Thirty percent (30%) of the vending machine income (as defined in § 260.5) from vending machines not in direct competition with blind-operated vending facilities and located where 50% of the machine hours are available for patronage during other than normal working hours (as defined in § 260.5) must be provided to the State licensing agency for distribution of all or part thereof to the blind.

(2) The determination of whether a vending machine is in direct competition with the blind-operated vending facility is the responsibility of the on-site official subject to the concurrence of the State licensing agency.

(3) These vending machine income-sharing requirements do not apply to—

(i) Income from vending machines operated by or for the military exchanges or ships' stores systems; or

(ii) Income from vending machines not in direct competition with blind-operated vending facility at any individual location, installation, or facility (as defined in § 260.5) where the total vending machine net income from all such machines at such location, installation, or facility does not exceed $3,000 annually.

(4) The payment of income to State licensing agencies to be shared under these income-sharing requirements must be made quarterly. The first payment of income to be shared will be made within 60 days after the end of the calendar quarter in which the request for payment for the State licensing agency for the blind is received. Where the State licensing agency was established prior to or on March 23, 1977 the first payment will cover period March 23, 1977 through end of calendar quarter in which request for payment is received. Where the State licensing agency was established after March 23, 1977 the first payment will cover period beginning with effective date of establishment of the State licensing agency through the end of the calendar quarter in which the request for payment is received. All subsequent quarterly payments will also be made within 60 days after expiration of the applicable quarter.

(f) Whenever any State licensing agency for the blind determines that any activity of DOD is failing to comply with the provisions of the Act and all informal attempts to resolve the issues have been unsuccessful, the State licensing agency may file a complaint with the Secretary of HEW who will convene an ad hoc arbitration panel in accordance with the provisions of 45 CFR 1369.37.

§ 260.4 **Responsibilities.**

(a) Within 90 days after the end of each fiscal year, each DOD Component shall forward to the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics) the total number of applications for vending facility locations received from State licensing agencies, the number approved, the number denied, the number still pending, the total amount of vending machine revenue-sharing income collected, and the amount of such vending machine income disbursed to the State licensing agency in each State.

(b) The reporting requirements of § 260.4(a), have been assigned Interagency Report Control Number 1270–HEW–AN.

§ 260.5 **Definitions.**

(a) *Blind Licensee* means a blind person licensed by the State licensing agency to operate a vending facility on Federal or other property.

(b) *Cafeteria* means a food dispensing facility which can provide a broad variety of prepared foods and beverages (including hot meals) primarily through the use of a serving line where the customer serves or selects for himself from displayed selections. A cafeteria may be fully automatic, self-service, or have limited waiter or waitress service. Table or booth seating facilities are always provided. DOD Component food dispensing facilities which conduct cafeteria-type food operations during part of their normal operating day and full table-service operations during the remainder of their normal operating day are not "cafeterias" for purposes of this Part.

(c) *Direct Competition* means the presence and operation of a DOD Component vending machine on the same premises as a vending facility operated by a blind vendor. Vending machines operated in areas serving employees, the majority of whom normally do not have direct access (in terms of uninterrupted ease of approach and the amount of time required to patronize the vending facility) to the vending facility operated by a blind vendor, shall not be considered to be in direct competition with that vending facility.

(d) *Federal Property* means any building, land, or other real property owned, leased, or occupied by any department, agency, or instrumentality of the United States.

(e) *Individual Location, Installation, or Facility* means a single building or a self-contained group of buildings. A self-contained group of buildings means two or more buildings which are in close proximity to each other and between which a majority of the Federal employees working in such buildings regularly move from one building to another in the normal course of their official business during a normal working day.

(f) *Federal Employees* means civilian appropriated fund and nonappropriated fund employees of the United States.

(g) *License* means a written instrument issued by a State licensing agency to a blind person, authorizing that person to operate a vending facility on Federal or other property.

(h) *Normal Working Hours* means an 8 hour work period between the hours of 0800 and 1800 hours, Monday through Friday.

(i) *On-Site Official* means the individual in command of an installation or separate facility or location.

(j) *Permit* means the official written approval to establish and operate a vending facility requested by and issued to a State licensing agency by a DOD Component.

(k) *Satisfactory Site* means an area fully accessible to vending facility patrons and having sufficient electrical, plumbing, heating, and ventilation outlets for the location of a vending facility in accordance with applicable health and building requirements. Effective March 23, 1977, a "satisfactory site" will have a minimum of 250 square feet available for sale of items and for storage of articles necessary for the operation of a vending facility unless the head of the DOD Component and the State licensing agency agree that a smaller or larger facility is appropriate.

(l) *State* means a State, territory, possession, Puerto Rico, or the District of Columbia.

(m) *State Licensing Agency* means the State agency designated by the Department of Health, Education, and Welfare, Commissioner of the Rehabilitation Services Administration to issue licenses to blind persons for the operation of vending facilities on Federal and other property.

(n) *Vending Facility* means automatic vending machines, cafeterias, snack bars, cart services, shelters, and counters, which sell such items as newspapers, periodicals, confections, tobacco products, foods, nonalcoholic beverages, and other articles and services to be dispensed automatically or manually and which are prepared on or off the premises in accordance with applicable health laws and further including the vending or exchange of chances for any lottery authorized by State law and conducted by an agency of a State within such State. "Vending facility" does not include food operations of open messes/military clubs that provide full table service.

(o) *Vending Machine*, for the purpose of assigning vending machine income, means a coin or currency operated machine which dispenses articles or services, except that machines providing services of a recreational nature, commonly referred to as amusement machines (e.g., jukeboxes, pinball machines, electronic game machines, pool tables, shuffle boards, etc.) and telephones are not considered to be vending machines.

(p) *Vending Machine Income* means DoD Component receipts from DoD Component vending machine operations on Federal property, after deducting all applicable costs incurred (costs of: goods, service, maintenance, repair, cleaning, depreciation, supervisory and administrative personnel, normal accounting, accounting for income-sharing, and so forth) where the machines are operated by any DoD Component activity; or commissions received (less applicable DoD Component costs) to any DoD Component activity by a commercial vending firm which provides vending machines on Federal property for, or with the approval of, any DoD Component activity.

q. *Vendor* means a blind licensee who is operating a vending facility on Federal or other property.

Dated: July 1, 1977.

MAURICE W. ROCHE,
Director, Correspondence and Directives, OASD(C).

[FR Doc.77-19364 Filed 7-6-77;8:45 am]

DEPARTMENT OF TRANSPORTATION

Coast Guard

[33 CFR Parts 154, 155, 156, and 157]

[46 CFR Part 162]

OIL POLLUTION PREVENTION

Correction

On the cover of the separate Part III appearing at page 32669, in the issue for Monday, June 27, 1977, the last heading now reading "Air Pollution Preven-

tion" should have read "Oil Pollution Prevention".

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Part 64]

COMPUTER INQUIRY

Extension of Comment Period

AGENCY: Federal Communications Commission.

ACTION: Extension of time.

SUMMARY: Additional time for the filing of reply comments in the Computer Inquiry rulemaking proceeding is sought by a participant. The Commission granted additional time to allow an adequate opportunity for review of the comments and preparation of reply comments.

DATE: Reply comments must be received on or before September 12, 1977.

ADDRESSES: Send Comments to: Federal Communications Commission, Washington, D.C. 20554.

FOR FURTHER INFORMATION CONTACT:

James K. Smith, Common Carrier Bureau, 202-632-9342.

SUPPLEMENTARY INFORMATION:

Adopted: June 30, 1977.

Released: July 1, 1977.

Order. In the matter of amendment of § 64.702 of the Commission's rules and regulations (Computer Inquiry), Docket No. 20828.

1. On June 20, 1977 the Independent Data Communications Manufacturers Association, Inc. (IDCMA), pursuant to § 1.46 of the Commission's rules, filed a motion for extension of time for the filing of reply comments in Docket No. 20828. IDCMA has requested that the time for filing reply comments be extended from July 25, 1977 to October 25, 1977.[1]

2. In support of its motion IDCMA cites the fact that over fifty parties filed comments. It states that the comments are complex and voluminous and that an extension of time until October 25, 1977 will enable it to carefully analyze other parties' positions and to file appropriate responsive comments. In addition, mention is made of the time that will be required of counsel and representatives of IDCMA in the near future to review rate and data filings made pursuant to Commission decisions in Dockets 18128, 20288, and 19419.

3. Because a large number of comments have been filed in this proceeding, an extension of the date for filing reply comments appears to be in order. However, an extension for an additional ninety days, as requested, appears to be an unduly long and unreasonable timeframe for filing reply comments in this proceeding. To the extent that a further extension for filing reply comments may be warranted, we will grant IDCMA's request in part, and extend the date for filing reply comments from July 25, 1977 to September 12, 1977. This will allow the participants in excess of three months to review the comments and to prepare reply comments. This should be more than enough time for all concerned to adequately address the issues raised in the initial comments.

4. Accordingly, the Motion for Extension of Time filed by IDCMA is granted in part. The time for all parties to file reply comments in Docket No. 20828 is hereby extended from July 25, 1977 to September 12, 1977.

5. This action is taken under delegated authority pursuant to § 0.303(c) of the Commission's rules and regulations.

FEDERAL COMMUNICATIONS COMMISSION,
PHILIP V. PERMUT,
Acting Chief,
Common Carrier Bureau.

[FR Doc.77-19297 Filed 7-6-77;8:45 am]

[1] Comsat General Corporation and GTE Service Corporation filed comments in support of IDCMA's request, see 42 FR 27971, June 1, 1977.

INTERSTATE COMMERCE COMMISSION

[49 CFR Part 1056]

[Ex Parte No. MC-19 (Sub-No. 31)]

TRANSPORTATION OF HOUSEHOLD GOODS IN INTERSTATE OR FOREIGN COMMERCE

Practices of Motor Common Carriers of Household Goods

(Insurance for Third-Proviso Shipments)

AGENCY: Interstate Commerce Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Interstate Commerce Commission is proposing to amend the regulations governing household transportation of household goods in 49 CFR 1056.15 to permit carriers to sell insurance to shippers of household goods as defined in 49 CFR 1056.1(a)(3) (the so-called "third-proviso" shipments of household goods).

DATES: Comments are due on or before August 1, 1977.

ADDRESSES: Send comments to: Secretary, Interstate Commerce Commission, Washington, D.C. 20423.

FOR FURTHER INFORMATION CONTACT:

Michael Erenberg, Assistant Deputy Director, Office of Proceedings, Interstate Commerce Commission, Washington, D.C. 20423, 202-275-7292.

SUPPLEMENTARY INFORMATION:

The Interstate Commerce Commission is proposing to amend Part 1056 of Title 49 of the Code of Federal Regulations by modifying section 1056.15 of those regulations. Section 1056.15 now provides that no motor common carrier of household goods in interstate or foreign commerce shall sell, offer to sell, or procure for any shipper, any kind of insurance, under any type of policy, covering loss or damage to shipments of household goods. Nothing in that section precludes any carrier from obtaining in its own name insurance covering its liability for any loss or damage to shipments.

The Commission's regulation prohibiting the sale of insurance by motor common carriers of household goods was adopted in Ex Parte No. MC-19, *Practices of Motor Common Carriers of Household Goods*, 95 M.C.C. 138, 178 (1964). That regulation, originally 49 CFR 176.7, was subsequently renumbered 49 CFR 1056.15. By prohibiting the sale of insurance by carriers, the Commission eliminated the frustration and confusion arising from the co-responsibility feature found in many policies issued by carriers and from the inability of the individual shipper to understand the extent to which a shipment was actually covered by the carrier-issued policy. The purposes of the prohibition were to protect the individual household goods shipper from deception and to ensure that household goods carriers assumed full responsibility for the value of items lost or destroyed in transit.

The protection of the individual household goods shipper was further assured by the issuance of Released Rates Order No. MC-505, which essentially established released values and liability limitations for household goods shipments.

The provisions of § 1056.15 now apply to all types of household goods as defined in 49 CFR 1056.1(a)(1)-(3), including (1) shipments tendered by individual householders (first-proviso shipments of household goods), (2) furniture, fixtures, and equipment of stores, offices, hospitals, and similar institutions (second-proviso shipments), and (3) articles, including machinery, displays, and exhibits, which because of their unusual nature or value require the specialized handling and equipment usually employed in moving household goods (third-proviso shipments).

A question has arisen whether the prohibition contained in § 1056.15 is necessary for the protection of those who utilize the services of household goods carriers for transportation of third-proviso household goods shipments. Commodities tendered under the third-proviso of the definition of household goods include computers and computer accessories, various electronic machinery, displays, and other manufactured items tendered by commercial shippers. Shipments of third-proviso household goods are typically tendered to household goods carriers by sophisticated shippers who are generally in a position to understand the terms of an insurance policy and to protect themselves against any unscrupulous practices which may be encountered if carriers were to offer to sell insurance for their shipments.

Accordingly, the Commission proposes to amend § 1056.15 to permit carriers to sell insurance to shippers of third-proviso household goods.

By specifying that the prohibition contained in § 1056.15 extends only to shippers of household goods under the first and second provisos, that section would permit carriers to sell insurance to third-proviso shippers. Third-proviso household goods are those which, although they require the specialized handling associated with household goods transportation, are not of the type to be tendered by the individual householder. If the proposed amendment is adopted, only those parties who would be in the best position to understand the terms of the insurance purchased and to protect themselves from any of the abuses against which § 1056.15 is directed would be able to purchase insurance from carriers.

The treatment of individual consumers would not be affected by the proposed amendment, because amended § 1056.15 would continue to prohibit the sale of insurance by carriers to those shippers. Accordingly, we believe that the proposed amendment to § 1056.15 would be consonant with this Commission's decision in Ex Parte No. MC-19, *Practices of Motor Common Carriers of Household Goods, supra*, and with the goals of Released Rates Order No. MC-505.

Oral hearings do not appear to be necessary at this time, and none are contemplated. Anyone wishing to present views and evidence, either in support of, or in opposition to, the action proposed in this notice may do so by the submission of written data, views, or arguments on or before August 1, 1977. An original and 15 copies (wherever possible) of such data, views, or arguments shall be filed with:

Secretary, Interstate Commerce Commission, Washington, D.C. 20423.

All written submissions will be available for public inspection during regular business hours at the offices of the Interstate Commerce Commission, 12th and Constitution Avenue, NW., Washington, D.C.

This notice of proposed rulemaking is issued under the authority of part II of the Interstate Commerce Act (49 U.S.C. 301 et seq.) and of 5 U.S.C. 552, 553, and 559 (the Administrative Procedure Act).

Issued in Washington, D.C., on the 24th day of June, 1977.

H. G. Homme, Jr.
Acting Secretary.

Accordingly, it is proposed to amend 49 CFR 1056.15 to read as follows:

§ 1056.15 Selling of insurance to shippers.

No such common carrier or any employee, agent, or representative thereof, shall sell, or offer to sell, or procure for any shipper, any kind of insurance, under any type of policy, covering loss or damage to a shipment or shipments of household goods as defined in 49 CFR 1056.1 (a)(1) or (2) to be transported in interstate or foreign commerce by such carrier. Nothing in this section shall preclude any carrier from procuring in its own name insurance covering its liability for such loss or damage.

[FR Doc.77-19351 Filed 7-6-77;8:45 am]

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[50 CFR PART 25]

PERMITS

Appeals Procedure

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Proposed rule.

SUMMARY: This proposed rule sets forth the procedures for an aggrieved person to appeal an adverse action of the Service within the National Wildlife Refuge System, with respect to that person's permit granted by the Service, or application therefor. Procedures for such appeals on a comprehensive basis have not been provided before and this proposal will clearly establish the guidelines for filing an appeal with the agency.

DATE: Comments must be received on or before August 1, 1977.

ADDRESS: Comments to Director, U.S. Fish and Wildlife Service, Department of the Interior, Washington, D.C. 20240.

FOR FURTHER INFORMATION:

James J. Hubert, Division of National Wildlife Refuge, U.S. Fish and Wildlife Service, Washington, D.C. 20240, Telephone number 202-343-5458.

SUPPLEMENTARY INFORMATION: Notice is hereby given that it is proposed to modify 50 CFR Part 25.

Pursuant to the authority of 16 U.S.C. § 668dd, as redelegated to the Director of the United States Fish and Wildlife Service by DM 242.1.1, the Director may amend by addition, revision, or revocation, regulations contained in Chapter I, 50 CFR. It is the purpose of this proposed rule to provide an aggrieved person with a procedure whereby an appeal may be filed on adverse actions of the Service within the National Wildlife Refuge System concerning that person's permit granted by the Service, or application therefor.

Such a procedure has heretofore been provided only for rights-of-way (50 CFR 29.22). The rights-of-way regulations are currently undergoing extensive revision, and the appeals procedure for rights-of-way will remain in that subject. While few problems in the appeals area of administration have existed in the past it has been determined that the public should be provided with a procedure that clearly and simply allows for filing an appeal which will be justly and fairly reviewed by the proper authorities.

It has been determined that this proposal does not constitute a major federal action significantly affecting the quality of the human environment under the terms of the National Environmental Policy Act of 1969 (42 U.S.C. § 4332(2)(C)).

The policy of the Department of the Interior is to afford the public, whenever practical, the opportunity to participate in the rulemaking process. Therefore, interested persons may submit written comments, suggestions, or objections regarding the proposal to the Director, U.S. Fish and Wildlife Service, Department of the Interior, Washington, D.C. 20240, on or before August 1, 1977. All timely relevant comments received will be considered by the Director prior to the issuance of the final rule.

Mr. James J. Hubert is the primary author of this document.

NOTE: The Service has determined that this document does not contain a major proposal which would require the preparation of an economic impact Statement under Executive Order 11949 and OMB Circular A-107.

Accordingly, it is proposed to amend 50 CFR Chapter I, Subchapter C by inserting in Part 25 Subpart D, a new § 25.44, as follows:

§ 25.44 Appeal of adverse action.

A person aggrieved by an adverse action taken by the Service within the National Wildlife Refuge System with respect to that person's Service permit, or application therefor, excepting rights-of-ways, may appeal such action in writing within 15 days to the appropriate area manager's decision may be appealed in writing within 15 days to the regional director. The regional director's decision may be appealed in writing within 15 days to the Director. The Director's decision in any such matter shall be appealable to the Secretary of the Interior in accordance with the procedures set forth in 43 CFR 4G. The addresses for each level of appeal may be obtained from the refuge manager. Notwithstanding the provisions of 43 CFR 4.21(a), any decision from which an appeal is taken shall be in full force and effect during the pendency of the appeal.

Dated: July 1, 1977.

Lynn A. Greenwalt,
Director, U.S. Fish and Wildlife Service.

[FR Doc.77-19254 Filed 7-6-77;8:45 am]

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[50 CFR Part 20]

MIGRATORY GAME BIRD REGULATIONS

Public Hearing

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Public hearing on proposed hunting regulations.

SUMMARY: The Service gives notice that a public hearing on proposed hunting regulations for waterfowl and other species for which hunting seasons begin on or about October 1 will be held in the Auditorium, General Services Building, 18th and F Streets NW., Washington, D.C.

DATE: August 2, 1977, at 9 a.m.

ADDRESS: To participate in this public hearing, notify the Director (FWS/MBMO), U.S. Fish and Wildlife Service, Department of the Interior, C Street between 18th and 19th Streets NW., Washington, D.C. 20240, or call 202-343-8827.

FOR FURTHER INFORMATION CONTACT:

John P. Rogers, Chief, Office of Migratory Bird Management, U.S. Fish and Wildlife Service, Department of the Interior, Washington, D.C. 20240, 202-343-8827.

SUPPLEMENTARY INFORMATION: This public hearing will be held in accordance with Part 455 of the Departmental Manual (Hearings).

The purpose of this hearing is to review information on population status and proposed hunting regulations for waterfowl and other species of migratory birds for which framework regulations for the 1977-78 hunting season have not yet been finalized, and to receive public comments on these matters for consideration by the Director, U.S. Fish and Wildlife Service.

Statements from interested persons should be presented in writing in duplicate to the Hearing Officer at the public hearing or forwarded to the U.S. Fish and Wildlife Service (FWS/MBMO) at the above address prior to the meeting.

Minutes of the hearing will be available for purchase from a public stenographic services company.

Dated July 1, 1977.

HARVEY K. NELSON,
Acting Director,
U.S. Fish and Wildlife Service.

[FR Doc.77-19333 Filed 7-6-77;8:45 am]

[50 CFR Part 32]

HUNTING

Proposed Rulemaking

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Proposed rule.

SUMMARY: Notice is hereby given that it is proposed to add Savannah National Wildlife Refuge, South Carolina, to the list of refuge areas open for the hunting of big game. The Director has determined that a harvestable surplus of big game exists, that there is public demand for additional recreational opportunity, and that this action is compatible with the major purposes for which this refuge was established. The proposed hunting program will provide for the harvest of a renewable resource and for additional public recreational opportunity.

DATES: Comments must be received on or before July 31, 1977.

ADDRESS: Comments may be addressed to the Director, U.S. Fish and Wildlife Service, Department of the Interior, Washington, D.C. 20240.

FOR FURTHER INFORMATION CONTACT:

Ralph H. Town, Division of National Wildlife Refuges, U.S. Fish and Wildlife Service, Washington, D.C. 20240, Telephone 202-343-2374.

SUPPLEMENTARY INFORMATION: Ralph H. Town is also the primary author of this proposed rule. Pursuant to the requirements of § 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)), an environmental assessment has been prepared on this proposal, and is available for public inspection and copying at Room 2024, Department of the Interior, 18th and C Streets, NW., Washington, D.C. 20240, or by mail, addressing the Director at the address given above. On the basis of this assessment, the Director has determined that this rulemaking does not constitute a major Federal action significantly affecting the human environment.

NOTE.—The U.S. Fish and Wildlife Service has also determined that this document does not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11949 and OMB Circular A-107.

Accordingly, it is proposed to amend 50 CFR 32.31 as follows:

§ 32.31 **List of open areas: big game.**

SOUTH CAROLINA

Savannah National Wildlife Refuge

Dated: June 27, 1977.

HARVEY K. NELSON,
Acting Director,
Fish and Wildlife Service.

[FR Doc.77-19334 Filed 7-6-77;8:45 am]

notices

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SELECT COMMITTEE ON EX PARTE COMMUNICATIONS IN RULEMAKING

Meeting

Pursuant to the Federal Advisory Committee Act (Pub. L. 92–463), notice is hereby given of a meeting of the Committee on Ex Parte Communications in Rulemaking of the Administrative Conference of the United States, to be held at 10:00 a.m., July 13, 1977 in the offices of the Administrative Conference of the United States, 2120 L Street, NW, Washington, D.C.

The Committee will meet to consider Professor Nathanson's draft Committee report and the formulation of a proposed recommendation on the subject of treatment of ex parte communications to agency officials in informal rulemaking.

Attendance is open to the interested public, but limited to the space available. Persons wishing to attend are requested to notify this office the day preceding the meeting. 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 Richard K. Berg (202) 254–7020. Minutes of the meeting will be available on request.

RICHARD K. BERG,
Executive Secretary.

JUNE 29, 1977.

[FR Doc.77–19306 Filed 7–6–77;8:45 am]

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

BYLAWS OF CORPORATION

The bylaws of the Commodity Credit Corporation, amended June 3, 1977, are as follows:

OFFICES

1. The principal office of the Corporation shall be in the City of Washington, District of Columbia, and the Corporation shall also have offices at such other places as it may deem necessary or desirable in the conduct of its business.

SEAL

2. There is impressed below the official seal which is hereby adopted for the Corporation. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced.



MEETINGS OF THE BOARD

3. Regular meetings of the Board shall be held, whenever necessary, on Wednesdays at 9:30 a.m. in the Board meeting room in the U.S. Department of Agriculture in the City of Washington, D.C. Notice of such meetings shall be provided in the same manner as is specified for special meetings in Paragraph 4. No regular meetings of the Board shall be held except in accordance with provisions of the Government in the Sunshine Act (5 U.S.C. 552b).

4. Special meetings of the Board may be called at any time by the Chairman, the Vice Chairman, or by the President, or the Executive Vice President and shall be called by the Chairman, the Vice Chairman, the President, or the Executive Vice President at the written request of any five Directors. Notice of special meetings shall be given either personally or by mail (including the intradepartmental mail channels of the Department of Agriculture or interdepartmental mail channels of the Federal Government) or by mailgram, and notice by telephone shall be personal notice. Any Director may waive in writing such notice as to himself, whether before or after the time of the meeting, and the presence of a Director at any meeting shall constitute a waiver of notice of such meeting. No notice of an adjourned meeting need be given. Any and all business may be transacted at any special meeting unless otherwise indicated in the notice thereof. No special meetings of the Board shall be held except in accordance with provisions of the Government in the Sunshine Act (5 U.S.C. 552b).

5. The Secretary of Agriculture shall serve as Chairman of the Board. The Deputy Secretary of Agriculture shall serve as Vice Chairman of the Board and, in the absence or unavailability of the Chairman, shall preside at meetings of the Board. In the absence or unavailability of the Chairman and the Vice Chairman, the President of the Corporation shall preside at meetings of the Board. In the absence or unavailability of the Chairman, the Vice Chairman, and the President, the Directors present at the meeting shall designate a Presiding Officer.

6. At any meeting of the Board a quorum shall consist of five Directors. The act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board.

7. The General Counsel of the Department of Agriculture, whose office shall perform all legal work of the Corporation, and the Assistant General Counsel in the Office of the General Counsel who is in immediate charge of legal work for the Corporation shall, as General Counsel and Assistant General Counsel of the Corporation, respectively, attend meetings of the Board.

8. The Executive Vice President, the Vice President who is the Associate Administrator of the Agricultural Stabilization and Conservation Service, and the Secretary shall attend meetings of the Board. Each of the other Vice Presidents and Deputy Vice Presidents, and the Controller shall attend meetings of the Board during such times as the meetings are devoted to consideration of matters as to which they have responsibility.

9. Other persons may attend meetings of the Board upon specific authorization by the Chairman, Vice Chairman, or President.

COMPENSATION OF BOARD DIRECTORS

10. The compensation of each Director shall be prescribed by the Secretary of Agriculture. Any Director who holds another office or position under the Federal Government, the compensation for which exceeds that prescribed by the Secretary of Agriculture for such Director, may elect to receive compensation at the rate provided for such other office or position in lieu of compensation as a Director.

OFFICERS

11. The officers of the Corporation shall be a President, Vice Presidents, and Deputy Vice Presidents as hereinafter provided for, a Secretary, a Controller, a Treasurer, a Chief Accountant, and such additional officers as the Secretary of Agriculture may appoint.

12. The Assistant Secretary of Agriculture for International Affairs and Commodity Programs shall be ex officio President of the Corporation.

13. The following officials of the Agricultural Stabilization and Conservation Service (referred to as ASCS), the Office of the General Sales Manager (referred to as OGSM), Foreign Agricultural Service (referred to as FAS), Food and Nutrition Service (referred to as FNS), Food Safety and Quality Service (referred to as FSQS), and the Agricultural Marketing Service (referred to as AMS) shall be ex officio officers of the Corporation.

Administrator, ASCS; Executive Vice President.
General Sales Manager, OGSM; Vice President.
Administrator, FAS; Vice President.
Administrator, AMS; Vice President.
Administrator, FNS; Vice President.
Administrator, FSQS; Vice President.
Associate Administrator, ASCS; Vice President.
Deputy Administrator, Programs, ASCS; Deputy Vice President.
Deputy Administrator, Commodity Operations, ASCS; Deputy Vice President.
Deputy Administrator, Management, ASCS; Deputy Vice President.
Executive Assistant to the Administrator, ASCS; Secretary.
Director, Fiscal Division, ASCS; Controller.
Deputy Director, Fiscal Division, ASCS; Treasurer.
Chief, Accounting Systems Branch, Fiscal Division, ASCS; Chief Accountant.

The person occupying, in an acting capacity, the office of any person designated ex officio by this paragraph 13 as an officer of the Corporation shall, during his occupancy of such office, act as such officer.

14. Officers who do not hold office ex officio shall be appointed by the Secretary of Agriculture and shall hold office until their respective appointments shall have been terminated.

THE PRESIDENT

15. (a) The President shall have general supervision and direction of the Corporation, its officers and employees.

(b) The President shall establish and direct an Office of the Secretariat. Such office shall be responsible for obtaining or developing, as the President determines, information on major program or policy proposals submitted to the Board.

THE VICE PRESIDENTS

16. (a) The Executive Vice President shall be the chief executive officer of the Corporation and shall be responsible for submission of all Corporation policies and programs to the Board. Except as provided in paragraphs (b), (c), (d), (e), and (f) below, the Executive Vice President shall have general supervision and direction of the preparation of policies and programs for submission to the Board, of the administration of the policies and programs approved by the Board, and of the day-to-day conduct of the business of the Corporation and of its officers and employees.

(b) The Vice President who is the Administrator, Foreign Agricultural Service, shall be responsible for preparation for submission by the Executive Vice President to the Board of those policies and programs of the Corporation which are for performance through the facilities and personnel of the Foreign Agricultural Service. He shall also have responsibility for the administration of those operations of the Corporation, under policies and programs approved by the Board, which are carried out through facilities and personnel of the Foreign Agricultural Service. He shall also perform such special duties and exercise such powers as may be prescribed, from time to time, by the Secretary of Agriculture, the Board, or the President of the Corporation.

(c) The Vice President who is Administrator, Agricultural Marketing Service, shall be responsible for the administration of those operations of the Corporation, under policies and programs approved by the Board, which are carried out through facilities and personnel of the Agricultural Marketing Service. He shall also perform such special duties and exercise such powers as may be prescribed, from time to time, by the Secretary of Agriculture, the Board, or the President of the Corporation.

(d) The Vice President who is the General Sales Manager of the Office of the General Sales Manager shall be responsible for preparation for submission by the Executive Vice President to the Board of policies and programs of the Corporation which are for performance through the facilities and personnel of the Office of the General Sales Manager. He shall also have responsibility for the administration of those operations of the Corporation, under the policies and programs approved by the Board, which are carried out through facilities and personnel of the Office of the General Sales Manager. He shall also perform such special duties and exercise such powers as may be prescribed, from time to time, by the Secretary of Agriculture, the Board, or the President of the Corporation.

(e) The Vice President who is the Administrator, Food and Nutrition Service, shall be responsible for the administration of those operations of the Corporation, under policies and programs approved by the Board, which are carried out through facilities and personnel of the Food and Nutrition Service. He shall also perform such special duties and exercise such powers as may be prescribed, from time to time, by the Secretary of Agriculture, the Board, or the President of the Corporation.

(f) The Vice President who is the Administrator, Food and Safety and Quality Service, shall be responsible for the Administration of those operations of the Corporation, under policies and programs approved by the Board, which are carried out through facilities and personnel of the Food Safety and Quality Service. He shall also perform such special duties and exercise such powers as may be prescribed, from time to time, by the Secretary of Agriculture, the Board, or the President of the Corporation.

17. The Vice President who is the Associate Administrator, Agricultural Stabilization and Conservation Service, and the Deputy Vice Presidents shall assist the Executive Vice President in the performance of his duties and the exercise of his powers to such extent as the President or the Executive Vice President shall prescribe, and shall perform such special duties and exercise such powers as may be prescribed from time to time by the Secretary of Agriculture, the Board, the President of the Corporation, or the Executive Vice President of the Corporation.

THE SECRETARY

18. The Secretary shall attend and keep the minutes of all meetings of the Board; shall attend to the giving and serving of all required notices of meetings of the Board; shall sign all papers and instruments to which his signature shall be necessary or appropriate; shall attest the authenticity of and affix the seal of the Corporation upon any instrument requiring such action and shall perform such other duties and exercise such other powers as are commonly incidental to the Office of Secretary as well as such other duties as may be prescribed from time to time by the President or the Executive Vice President.

THE CONTROLLER

19. The Controller shall have charge of all fiscal and accounting affairs of the Corporation, including all borrowings and related financial arrangements, claims activities, and formulation of prices in accordance with established policies; and shall perform such other duties as may be prescribed from time to time by the President or the Executive Vice President.

THE TREASURER

20. The Treasurer, under the general supervision and direction of the Controller, shall have charge of the custody, safekeeping and disbursement of all funds of the Corporation; shall designate qualified persons to authorize disbursement of corporate funds; shall direct the disbursement of funds by disbursing officers of the Corporation or by the Treasurer of the United States, Federal Reserve Banks and other fiscal agents of the Corporation; and shall issue instructions incidental thereto; shall be responsible for documents relating to the general financing operations of the Corporation, including borrowings from the United States Treasury, commercial banks and others; shall arrange for the payment of interest on and the repayment of such borrowings; shall arrange for the payment of interest on the capital stock of the Corporation; shall coordinate and give general supervision to the claims activities of the Corporation and shall have authority to collect all monies due the Corporation, to receipt therefor and to deposit same for the account of the Corporation; and shall perform such other duties relating to the fiscal and accounting affairs of the Corporation as may be prescribed from time to time by the Controller.

THE CHIEF ACCOUNTANT

21. The Chief Accountant, under the general supervision and direction of the Controller, shall have charge of the gen-

eral books and accounts of the Corporation and the preparation of financial statements and reports. He shall be responsible for the initiation, preparation and issuance of policies and practices related to accounting matters and procedures, including official inventories, records, accounting and related office procedures where standardized, and adequate subsidiary records of revenues, expenses, assets and liabilities; and shall perform such other duties relating to the fiscal and accounting affairs of the Corporation as may be prescribed from time to time by the Controller.

OTHER OFFICIALS

22. Except as otherwise authorized by the Secretary of Agriculture or the Board, the operations of the Corporation shall be carried out through the facilities and personnel of the Agricultural Stabilization and Conservation Service, the Office of the General Sales Manager, the Foreign Agricultural Service, the Food and Nutrition Service, the Food Safety and Quality Service, and the Agricultural Marketing Service in accordance with any assignment of functions and responsibilities made by the Secretary of Agriculture and, within his respective agency or office, by the Administrators of the Agricultural Stabilization and Conservation Service, Foreign Agricultural Service, Food and Nutrition Service, Food Safety and Quality Service, Agricultural Marketing Service, or the General Sales Manager of the Office of the General Sales Manager.

23. The Directors of the divisions and commodity offices of the Agricultural Stabilization and Conservation Service shall be contracting officers and executives of the Corporation in general charge of the activities of the Corporation carried out through their respective divisions or offices. The responsibilities of such Directors in carrying out activities of the Corporation, which shall include the authority to settle and adjust claims by and against the Corporation arising out of activities under their jurisdiction, shall be discharged in conformity with these bylaws and applicable programs, policies, and procedures.

CONTRACTS OF THE CORPORATION

24. Contracts of the Corporation relating to any of its activities may be executed in its name by the Secretary of Agriculture or the President. The Vice President,s the Deputy Vice Presidents, the Controller, the Treasurer, and the Directors of the divisions and commodity offices of the Agricultural Stabilization and Conservation Service may execute contracts relating to the activities of the Corporation for which they are respectively responsible.

25. The Executive Vice President who is the Administrator of ASCS and, subject to the written approval by such Executive Vice President of each appointment, the Vice Presidents, the Deputy Vice Presidents, the Controller, and the Directors of the divisions and commodity offices of the Agricultural Stabilization and Conservation Service may appoint, by written instrument or instruments, such Contracting Officers as they deem necessary, who may, to the extent authorized by such instrument or instruments, execute contracts in the name of the Corporation. A copy of each such instrument shall be filed with the Secretary.

26. Appointments of Contracting Officers may be revoked by written instrument or instruments by the Executive Vice President or by the official who made the appointment. A copy of each such instrument shall be filed with the Secretary.

27. In executing a contract in the name of the Corporation, an official shall indicate his title.

ANNUAL REPORT

28. The Executive Vice President shall be responsible for the preparation of an anuual report of the activities of the Corporation, which shall be filed with the Secretary of Agriculture and with the Board.

AMENDMENTS

29. These bylaws may be altered or amended or repealed by the Secretary of Agriculture, or subject to his approval by action of the Board at any regular meeting of the Board or at any special proposed alteration, amendment, or remeeting of the Board, if notice of the peal be contained in the notice of such special meeting.

APPROVAL OF BOARD ACTION

30. The actions of the Board shall be subject to the approval of the Secretary of Agriculture.

I, James E. McMahon, Acting Secretary, Commodity Credit Corporation, do hereby certify that the above is a full, true, and correct copy of the bylaws of Commodity Credit Corporation, as amended June 3, 1977.

In witness whereof I have officially subscribed my name and have caused the corporate seal of the said Corporation to be affixed this June 16, 1977.

JAMES E. MCMAHON,
Acting Secretary,
Commodity Credit Corporation.

[FR Doc.77-19288 Filed 7-6-77;8:45 am]

Farmers Home Administration

[Designation No. A488]

GEORGIA

Designation of Emergency Areas

The Secretary of Agriculture has determined that farming, ranching, or aquaculture operations have been substantially affected in certain Georgia Counties as a result of various adverse weather conditions shown in the following chart:

GEORGIA COUNTIES BEING RECOMMENDED BECAUSE OF DROUGHT—130 COUNTIES

[NOTE.—Another list attached shows counties which had natural disasters in addition to drought]

Appling	Jenkins
Atkinson	Johnson
Bacon	Jones
Baker	Lamar
Baldwin	Lanier
Banks	Laurens
Barrow	Lee
Ben Hill	Liberty
Berrien	Lincoln
Bibb	Long
Bleckley	Lowndes
Brooks	McDuffie
Bryan	McIntosh
Burke	Macon
Butts	Madison
Calhoun	Marion
Candler	Meriwether
Carroll	Miller
Chatham	Mitchell
Chattahoochee	Monroe
Cherokee	Montgomery
Clarke	Morgan
Clay	Murray
Clayton	Newton
Clinch	Oconee
Cobb	Oglethorpe
Coffee	Peach
Colquitt	Pierce
Columbia	Pike
Cook	Pulaski
Coweta	Putnam
Crawford	Quitman
Crisp	Randolph
Decatur	Richmond
DeKalb	Rockdale
Dodge	Schley
Dooly	Screven
Dougherty	Seminole
Douglas	Spalding
Early	Stewart
Echols	Sumter
Effingham	Talbot
Elbert	Taliaferro
Emanuel	Tattnall
Evans	Taylor
Fayette	Telfair
Franklin	Terrell
Fulton	Thomas
Glascock	Toombs
Glynn	Treutlen
Grady	Troup
Greene	Turner
Gwinett	Twiggs
Hall	Upson
Hancock	Walton
Harris	Ware
Hart	Warren
Heard	Washington
Henry	Wayne
Houston	Webster
Irwin	Wheeler
Jackson	Whitfield
Jasper	Wilkes
Jeff Davis	Wilkinson
Jefferson	Worth

Georgia counties recommended for natural disasters shown below which are in addition to drought

County	Disasters	Incidence period
Appling	Hail	May 26, 1977.
Bacon	Rainfall	Oct. 15, 1976 through Mar. 25, 1977.
Banks	do	Mar. 1, 1977 through Apr. 30, 1977.
Barrow	Below normal temperatures	Jan. 1, 1977 through Feb. 28, 1977.
Carroll	do	Dec. 1, 1976 through Jan. 31, 1977.
Chatam	do	Feb. 28, 1977 through Apr. 30, 1977.
Cherokee	do	Jan. 1, 1977 through Feb. 28, 1977.
		Apr. 1, 1977 through May 31, 1977.
Cobb	do	Oct. 16, 1976 through Mar. 31, 1977.
Coffee	Above normal temperatures	Apr. 1, 1977 through May 31, 1977.
Columbia	Below normal temperatures	Oct. 1, 1976 through Jan. 31, 1977.
Coweta	do	Jan. 1, 1977 through Jan. 31, 1977.
De Kalb	do	Jan. 1, 1977 through Feb. 28, 1977.
Douglas	do	Do.
Echols	do	Apr. 1, 1977 through Apr. 15, 1977.
Effingham	do	Apr. 1, 1977 through Apr. 30, 1977.
Franklin	Rainfall	Mar. 1, 1977 through Mar. 31, 1977.
Fulton	Below normal temperatures	Oct. 15, 1976 through Mar. 31, 1977.
Glascock	do	Apr. 23, 1977 through May 20, 1977.
Greene	do	Jan. 1, 1977 through Feb. 28, 1977.
Gwinnett	do	Do.
Hall	Flooding	Apr. 4, 1977.
Hancock	Below normal temperatures	Apr. 28, 1977 through May 20, 1977.
Hart	do	Nov. 1, 1976 through Feb. 7, 1977.
Jackson	do	Nov. 1, 1976 through Jan. 31, 1977.
Laurens	Above normal temperatures	Apr. 1, 1977 through May 31, 1977.
Lowndes	Below normal temperatures, above normal temperatures.	Apr. 1, 1977 through Apr. 15, 1977. Apr. 16, 1977 through May 31, 1977.
Macon	Below normal temperatures	Dec. 1, 1976 through Feb. 28, 1977.
Murray	Below normal temperatures, tornado	Oct. 1, 1976 through Fed. 28, 1977. Apr. 4, 1977.
Oglethorpe	Below normal temperatures	Nov. 1, 1976 through Feb. 28, 1977.
Pike	do	Oct. 1, 1976 through Feb. 28, 1977.
Richmond	Below normal temperatures, excessive rain	Oct. 1, 1976 through Jan. 1, 1977. Sept. 1, 1976 through Dec. 31, 1976.
Schley	Below normal temperatures	Nov. 1, 1976 through Jan. 1, 1977.
Taliaferro	do	Jan. 1, 1977 through Feb. 28, 1977.
Taylor	do	Nov. 1, 1976 through Jan. 30, 1977.
Upson	do	Oct. 20, 1976 through Jan. 31, 1977.
Washington	do	Nov. 1, 1976 through Jan. 31, 1977.
Whitfield	Below normal temperatures, tornado	Oct. 25, 1976 through Feb. 28, 1977. Apr. 3, 1977.

(NOTE.—Much of below normal temperatures included extremely cold and/or freezing weather)

Therefore, the Secretary has designated these areas as eligible for emergency loans pursuant to the provisions of the Consolidated Farm and Rural Development Act, as amended by Pub. L. 94-68, and the provisions of 7 CFR 1832.3(b) including the recommendation of Governor George Busbee that such designation be made.

Applications for emergency loans must be received by this Department no later than August 19, 1977, for physical losses and March 20, 1978, for production losses, except that qualified borrowers who receive initial loans pursuant to this designation may be eligible for subsequent loans. The urgency of the need for loans in the designated areas makes it impracticable and contrary to the public interest to give advance notice of proposed rulemaking and invite public participation.

Done at Washington, D.C., this 28th day of June, 1977.

GORDON CAVANAUGH,
Administrator,
Farmers Home Administration.

[FR Doc.77-19253 Filed 7-6-77;8:45 am]

[Designation No. A484]

LOUISIANA

Designation of Emergency Areas

The Secretary of Agriculture has determined that farming, ranching, or aquaculture operations have been substantially affected in Acadia Parish, Louisiana, as a result of excessive rainfall and flooding April 19 through April 21, 1977.

Therefore, the Secretary has designated this area as eligible for emergency loans pursuant to the provisions of the Consolidated Farm and Rural Development Act, as amended by Public Law 94-68, and the provisions of 7 CFR 1832.3(b) including the recommendation of Governor Edwin Edwards that such designation be made.

Applications for emergency loans must be received by this Department no later than August 8, 1977, for physical losses and March 9, 1978, for production losses, except that qualified borrowers who receive initial loans pursuant to this designation may be eligible for subsequent loans. The urgency of the need for loans in the designated area makes it impracticable and contrary to the public interest to give advance notice of proposed rulemaking and invite public participation.

Done at Washington, DC, this 28th day of June, 1977.

GORDON CAVANAUGH,
Administrator,
Farmers Home Administration.

[FR Doc.77-19252 Filed 7-6-77;8:45 am]

Forest Service

MANAGEMENT OF PRAIRIE DOGS ON LANDS ADMINISTERED BY THE SUPERVISOR OF THE NEBRASKA NATIONAL FOREST

Availability of Draft Environmental Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, the Forest Service, Department of Agriculture has prepared a draft environmental statement for the Management of Prairie Dogs on Lands Administered by the Supervisor of the Nebraska National Forest. The Forest Service report number is USDA-FS-R2-DES (Adm) FY-77-04.

The environmental statement concerns a proposal to implement a management plan for prairie dogs on the public lands administered by the Supervisor of the Nebraska National Forest. These lands are located in southwestern South Dakota and northwestern Nebraska.

This draft environmental statement was transmitted to CEQ on June 28, 1977.

Copies are available for inspection during regular working hours at the following locations:

USDA, Forest Service, So. Agriculture Bldg., Room 3230, 12th St. & Independence Ave., SW, Washington, D.C. 20250.

USDA, Forest Services, 11177 West 8th Avenue, P.O. Box 25127, Denver, Colorado 80225.

USDA, Forest Service, Nebraska National Forest, 270 Pine Street, Chadron, Nebraska 69337.

A limited number of single copies are available upon request to Lawrence C Sutton, Forest Supervisor, USDA Forest Service, 270 Pine Street, Chadron, Nebraska 69337.

Copies of the environmental statement 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 repsect 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 Lawrence C. Sutton, Forest Supervisor, USDA Forest Service, 270 Pine Street, Chadron, Nebraska 69337. Comments must be received by August 29, 1977, in order to be considered in the preparation of the final environmental statement.

LAWRENCE C. SUTTON,
Forest Supervisor.

JUNE 28, 1977.

[FR 77-19241 Filed 7-6-77; 8:45 am]

Soil Conservation Service

UPPER CLINCH VALLEY WATERSHED, VIRGINIA

Availability of Negative Declaration

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969; the Council on Environmental Quality Guidelines (40 CFR Part 1500); and the Soil Conservation Service Guidelines (7 CFR Part 650); the Soil Conservation Service, U.S. Department of Agriculture, gives notice that an environmental impact statement is not being prepared for a portion of the Upper Clinch Valley Watershed in Tazewell County, Virginia.

The environmental assessment of this Federal action indicates that this portion of the project will not create significant adverse local, regional, or national impacts on the environment, and that no significant controversy is associated with this portion of the project. As a result of these findings, Mr. David N. Grimwood, State Conservationist, Soil Conservation Service, USDA, 400 North Eighth Street, Room 9201, Richmond, Virginia 23240, has determined that the preparation and review of an environmental impact statement is not needed for this portion of the project.

The project concerns a plan for watershed protection, municipal water storage, and flood prevention. The planned works of improvement as described in the negative declaration include conservation land treatment supplemented by one multiple-purpose structure for municipal and industrial water supply and flood-water storage.

The negative declaration is being filed with the Council on Environmental Quality and copies are being sent to various Federal, State, and local agencies. The basic data developed during the environmental assessment is on file and may be reviewed by interested parties at the Soil Conservation Service, 400 North Eighth Street, Room 9201, Richmond, Virginia 23240. A limited number of copies of the negative declaration is available from the same address to fill single copy requests.

No administrative action on implementation of the proposal will be taken until July 20, 1977.

Dated: June 28, 1977.

(Catalog of Federal Domestic Assistance Program No. 10.904, Watershed Protection and Flood Prevention Program—Pub. L. 83-566 (16 U.S.C. 1001-1008))

JOSEPH W. HAAS,
Assistant Administrator for Water Resources, Soil Conservation Service, United States Department of Agriculture.

[FR Doc.77-19307 Filed 7-6-77;8:45 am]

COMMISSION ON CIVIL RIGHTS

OHIO ADVISORY COMMITTEE

Amendment

Notice is hereby given, pursuant to the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Ohio Advisory Committee (SAC) of the Commission a notice previously published in the FEDERAL REGISTER, Tuesday, June 28, 1977, (FR Doc. 77-18425) on page 32823 is hereby amended. The meeting will be held on July 30, 1977 instead of July 23, 1977. The time and place of the meeting will remain the same.

Dated at Washington, D.C., June 30, 1977.

JOHN I. BINKLEY,
Advisory Committee Management Officer.

[FR Doc.77-19286 Filed 7-6-77;8:45 am]

DEPARTMENT OF COMMERCE

Domestic and International Business Administration

UNIVERSITY OF CALIFORNIA—BERKELEY

Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Education, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651, 80 Stat. 897) and the regulations issued thereunder as amended (15 CFR Part 301).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Import Programs, Department of Commerce, Washington, D.C. 20230.

Docket Number: 77-00162. Applicant: University of California—Lawrence Berkeley Laboratory, One Cyclotron Road, Berkeley, California 94720. Article: 3 (Three) Amplifier electron tubes, Model TH-515, 200 MHz R.F. Manufacturer: Compagnie Generale de Telegraphie, France. Intended use of article: The articles are to be used as spares to identical tubes now in service in a proton-deuteron accelerator complex (the Bevatron) to furnish power at approximately 200 MHz for the second of three stages of acceleration, a 50 MeV linear accelerator.

COMMENTS: No comments have been received with respect to this application.

DECISION: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, is being manufactured in the United States.

REASONS: The application relates to accessories for an instrument that had been previously imported for the use of the applicant institution. The article is being furnished by the manufacturer which produced the instrument with which the article is intended to be used and is pertinent to the applicant's purposes. The National Bureau of Standards (NBS) advises in its memorandum dated May 16, 1977, that it knows of no domestic instrument of equivalent scientific value to the article for its intended uses.

The Department of Commerce knows of no other similar accessories being manufactured in the United States, which is interchangeable with or can be readily adapted to the instrument with which the foreign article is intended to be used.

(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.77-19308 Filed 7-6-77;8:45 am]

UNIVERSITY HOSPITAL AND CLINICS

Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651, 80 Stat. 897) and the regulations issued thereunder as amended (15 CFR Part 301).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Import Programs, Department of Commerce, Washington, D.C. 20230.

Docket Number: 77-00157. Applicant: The University Hospital and Clinics, 800 North East 13th Street, Post Office Box 25606, Oklahoma City, Oklahoma 73125. Article: Linear Accelerator, Model 40 MEV and accessories. Manufacturer: Atomic Energy of Canada, Ltd., Canada. Intended use of article: The article is intended to be used to treat patients with cancer; as part of clinical protocol studies to allow an efficient and economical means for conducting cooperative multidisciplinary clinical trials with the rapid integration of new biological concepts into clinical care with ultimately improved cancer therapy. The article will also be used for educational purposes in the courses RADI 6950, Research Methods in Radiological Sciences, and RADI 6980 Research for Doctor's Dissertation.

COMMENTS: No comments have been received with respect to this application.

DECISION: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article for such purposes as this article is intended to be used, could have been made available to the applicant without excessive delay within the meaning of § 301.11(c) of the regulations at the time the foreign article was ordered (June 24, 1975).

REASONS: Excessive delivery time is described in § 301.11(c) of the regulations as follows:

Excessive delivery time. Duty-free entry of the article shall be considered justified without regard to whether there is being manufactured in the United States an instrument, apparatus, or accessory of equivalent scientific value for the purposes described in response to question 7 of the application form, if the delay in obtaining such domestic instrument, apparatus, or accessory (as indicated by the difference between the delivery times quoted by domestic manufacturer and foreign manufacturer) will seriously impair the accomplishment of the purposes. In determining whether the difference in delivery times is excessive, the Deputy Assistant Secretary shall take into account the relevancy of the applicant's program to other research programs with respect to timing, the applicant's need to have such instrument, apparatus, or accessory available at the scheduled time for the course(s) in which the article is intended to be used, and other relevant circumstances.

The applicant requested a Quotation from Varian Associates/Radiation Divi-

sion (Varian) and the foreign manufacturer after site visits on April 14, 1975, and April 9, 1975, respectively. Varian quoted its model Clinac 35 with a delivery time of 21 months after receipt of order. In a letter dated September 17, 1975, the foreign manufacturer quoted delivery on site by July 1, 1976. This delivery date is approximately 12 months after the article was ordered. The applicant identified important projects which would be seriously impaired by this delay. The Department of Health, Education, and Welfare (HEW) advises in its memorandum dated June 8, 1977, that the delay in delivery if the needed instrument had been purchased from the domestic source would have seriously impaired the timely accomplishment of the applicant's programs. Moreover, HEW advises that the foreign article provides maximum homogeneity of the energy in the electron beam and a 40 million electron volt capability both of which are pertinent to the applicant's intended purposes and are not provided in the domestic Clinac 35.

The Department of Commerce knows of no other instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, which was being manufactured in the United States at the time the article was ordered.

Accordingly, we find that (1) the difference between the delivery time of the article and the comparable domestic instrument to be excessive within the meaning of § 301.11(c) as it would seriously impair the accomplishment of the applicant's purposes at the time the article was ordered and (2) no instrument or apparatus of equivalent scientific value to the foreign article for its intended purposes was being manufactured in the United States at the time the foreign article was ordered.

(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.77-19309 Filed 7-6-77;8:45 am]

Economic Development Administration

PROSPECTS FOR ADJUSTMENT ASSISTANCE FOR FIRMS IN THE CAST IRON COOKING WARE INDUSTRY

Summary

The Department of Commerce has conducted a study of the firms in the cast iron cooking ware industry pursuant to section 264 of the Trade Act of 1974. Such a study is required whenever the U.S. International Trade Commission makes an industry investigation under Section 201 of the Act.

In its report on May 24, 1977, the Commission determined (by a 4-to-1 vote) that increased imports of cast iron cooking ware are not causing or threatening to cause serious injury to the domestic industry.

The cast iron cooking ware included in the Commission's investigation includes all nonelectric cooking utensils, wholly or almost wholly of cast iron and includes cast iron cooking ware with noniron parts, such as wooden handles.

There are three domestic producers of cast iron cooking ware and each of the firms also produces substantial amounts of other products.

Shipments of cast iron cooking ware by the domestic producers declined steadily from 7.27 million units in 1972 to 3.72 million units in 1975. In 1976, shipments increased only slightly to 3.73 million units. The value of domestic shipments totaled $9.2 million in 1976.

The average number of production and related workers producing cast iron cooking ware declined each year from 487 employees in 1973 to 289 workers in 1976.

Imports of cast iron cooking ware increased from 654,000 pieces in 1972 to 2.1 million pieces in 1975 and then jumped to 8.4 million pieces in 1976 when such imports from designated beneficiary developing countries became eligible for duty-free treatment for purposes of the Generalized System of Preferences. Eighty-five percent of cast iron cooking ware imports entered the U.S. duty-free in 1976.

To be certified eligible to apply for trade adjusment assistance, a firm must petition the Department of Commerce and demonstrate that increased imports of articles like or directly competitive with those produced by the firm contributed importantly to declines in sales or production, or both, and to the separation, or threat of separation, of a significant number or proportion of the firm's workers. A trade-impacted producing firm may petition the Department for certification at any time regardless of a prospective Commission finding or its results. For firms in the cast iron cooking ware industry that are considering petitioning for certification, the first requirement of the qualifying criteria apparently has been met, since U.S. imports of cast iron cooking ware increased in both 1975 and 1976. None of the three firms producing cast iron cooking ware has petitioned the Department of Commerce for certification, although two of the firms appear to meet the requisite eligibility criteria of declines in their total corporate sales or production and employment.

However, even in those instances where data are available and the firms have experienced the requisite declines, without an investigation of each individual firm there is no basis for determing whether imports contributed importantly to those declines. Under such circumstances, the Department is unable to determine the number of firms that are "likely to be certified as eligible" until the firms have actually submitted acceptable petitions.

Under the program of trade adjustment assistance for firms authorized by the Trade Act and administered by the Economic Development Administration ("EDA") in the Department of Commerce, a certified firm may apply for adjustment assistance to carry out its recovery plan. However, the fact that a firm is certified does not imply that such assistance will be furnished. Whether the firm obtains any financial assistance will depend upon the firm's adjustment proposal meeting all of the statutory criteria essential for approval. Adjustment assistance may consist of financial assistance, technical assistance, or both. Financial assistance, in the form of direct loans and loan guarantees, may be used for the acquisition, construction, installation, modernization, expansion or conversion of fixed assets, or for working capital necessary for a firm to implement its adjustment plan. Technical assistance may be used for management and operational assistance, feasibility studies and related research to aid in developing and implementing a firm's recovery plan.

The Trade Act also provides for certification of communities located in trade-impacted areas or in areas where a firm or subdivision has transferred to a foreign country. Certified communities are eligible for public works grants loans, and loan guarantees—all of which can be directed towards assisting affected firms. Under the Public Works and Economic Development Act of 1965 ("PWEDA"), as amended, direct and indirect assistance to firms is available without Trade Act certification. Firms located in EDA-designated "redevelopment areas" and "economic development centers" can benefit indirectly from grants to the designated places and related entities for financing public works, and directly from business development loans and guarantees.

Under PWEDA, neither loans nor guarantees can be used to assist firms relocating from one area to another or to expand production in an industry found to have long-term overcapacity. However, firms could obtain assistance under PWEDA for purposes of assuring the retention of existing capacity and employment. Moreover, PWEDA does authorize technical assistance to firms regardless of location and grants of loanable funds to communities with actual or threatened unemployment.

The Small Business Administration ("SBA") administers three programs of potential assistance to cooking ware firms: a management assistance program for small business; a loan program for local development companies; and a business loan program of direct, participating, and guaranteed loans. Eligibility is limited to independently owned and operated firms that are not dominant in their field and do not have over 500 average employment. The amount of the guaranteed loan, however, cannot exceed $500,000, and participating and direct loans have even lower limits.

The Farmers Home Administration ("FmHA") of the Department of Agriculture has two programs that could benefit firms in the cooking ware industry. Some companies may be able to participate in a program of loan guarantees

to businesses located in areas other than cities of over 50,000 population. As with EDA business loans, however, these guarantees are not available to firms in industries found to have long-term overcapacity. FmHA also can make grants and loans to public bodies, such as local development organizations and governments, in areas other than cities of over 10,000 population. These funds can be used for public works projects, such as utility extensions and access roads, that would benefit industry.

Additional information about the adjustment assistance program and copies of the report Prospects for Adjustment Assistance for Firms in the Cast Iron Cooking Ware industry, are available from the Office of Public Affairs, Economic Development Administration, Room 7019, U.S. Department of Commerce, Washington, D.C. 20230, telephone 202-377-5113.

JACK W. OSBURN, Jr.,
Chief, Trade Act Certification Division, Office of Planning and Program Support.

[FR Doc.77-19242 Filed 7-6-77;8:45 am]

Maritime Administration

[Docket No. S-562]

PACIFIC FAR EAST LINE, INC.

Notice of Application for Approval of Certain Cruises

Notice is hereby given that Pacific Far East Line, Inc. has applied for approval, pursuant to section 613 of the Merchant Marine Act, 1936, as amended, of the following cruises for the carriage of passengers and cargo not in direct competition with other United States flag operators:

Ship	Approximate cruise dates, 1978	Area of cruise (all cruises commence and terminate at California)
SS Mariposa..	Jan. 3 to Jan. 21. Jan. 22 to Feb. 9. Feb. 10 to Feb. 28. Mar. 1 to Mar. 19. Mar. 20 to Apr. 7.	(Each cruise) Hawaiian Islands.

Any person, firm or corporation having any interest in the foregoing, within the meaning of section 613 of the Merchant Marine Act, 1936, as amended, who desires to offer data, views, or arguments should submit the same in writing, in triplicate, to the Secretary, Maritime Subsidy Board, Washington, D.C. 20230, by the close of business on July 18, 1977.

In the event an opportunity to present oral argument is also desired, specific reason for such request should be included. The Maritime Subsidy Board will consider these comments and views and take such action with respect thereto as in its discretion it deems warranted.

(Catalog of Federal Domestic Assistance Program No. 11.504, Operating-Differential Subsidies (ODS).)

By Order of the Maritime Subsidy Board.

Dated: June 30, 1977.

JAMES S. DAWSON, Jr.,
Secretary.

[FR Doc.77-19208 Filed 7-6-77;8:45 am]

National Oceanic and Atmospheric Administration

COASTAL ZONE MANAGEMENT ADVISORY COMMITTEE

Change in Agenda of Public Meeting

Notice is hereby given of a change in the meeting notice of the Coastal Zone Management Advisory Committee published in the FEDERAL REGISTER, Vol. 42, No. 122, on June 24, 1977. The meeting location and date remain the same: Page Building I Penthouse, 2001 Wisconsin Avenue, NW., Washington, D.C., July 15, 1977. The agenda is changed as follows:

8:30 a.m.—Call to Order: Approval of Minutes: Report on Action Items.
9:00 a.m.—Legislative Review: OCS Amendments, 404 Amendments, CEIP/Revenue Sharing.
11:30 a.m.—Preliminary Comments on Advisory Committee Functions.
11:45 a.m.—Oral Statements (if any) from Interested Person(s).
12:00 noon—Break.
12:15 p.m.—Lunch (Luncheon Discussion on Fall Meeting Agenda and Activities).
1:30 p.m.—Report on Coastal Awareness Activities and White House Conference.
2:00 p.m.—Recommendations on Priorities in Research and Beach Access.
2:45 p.m.—CZM Concerns: Coastal States Organization, American Petroleum Institute, Natural Resources Defense Council.
4:30 p.m.—Adjourn.

Dated: June 30, 1977.

T. P. GLEITER,
Assistant Administrator for Administration.

[FR Doc.77-19289 Filed 7-6-77;8:45 am]

COD FISHERY

Closing of the Commercial Directed Fishery for Cod in the Gulf of Maine

Notice is hereby given pursuant to 50 CFR 651.8(a)(2) that the Director, National Marine Fisheries Service, has determined that United States vessels fishing in the Gulf of Maine have reached the accumulative and estimated propective 5,000 metric ton commercial quota of Cod for 1977. The quota is described in § 651.3 of the FEDERAL REGISTER published on June 10, 1977, page 29877.

I hereby announce that the season for taking the commercial catch of Cod in the Gulf of Maine in a directed fishery by persons and vessels subject to the jurisdiction of the United States will terminate on July 8, 1977. This restriction will remain in effect until 0001 hours, local time, January 1, 1978.

During such time as the directed fishery is closed no person or vessel in the commercial fishery shall land more than 5,510 pounds (2.5 metric tons) or 10 per cent by weight of all other fish on board, per trip, which ever is greater of Cod taken in the Gulf of Maine.

Issued at Washington, D.C., and dated July 1, 1977.

WINFRED H. MEIBOHN,
Associate Director, National Marine Fisheries Service.

[FR Doc.77-19290 Filed 7-6-77;8:45 am]

MARINE MAMMAL PERMIT

Notice of Receipt of Application

On June 3, 1977, notice was published in the FEDERAL REGISTER (42 F.R. 28566) that Dr. Donald B. Siniff, Professor, Department of Ecology and Behavioral Biology, University of Minnesota, Minneapolis, Minnesota 55455 had applied in due form for a permit to take by tagging and specimen sampling up to 500 crabeater seals (*Lobodon carcinophagus*), 50 leopard seals (*Hydrurga leptonyx*), 25 Weddell seals (*Leptonychotes weddelli*), 10 Ross seals (*Ommatophoca rossii*), 10 southern elephant seals (*Mirounga leonina*), and 20 southern fur seals (*Arctocephalus* sp.) and to take by killing 110 crabeater seals (*Lobodon carcinophagus*), 10 leopard seals (*Hydrurga leptonyx*), 5 Weddell seals (*Leptonychotes weddelli*), 2 Ross seals (*Ommatophoca rossii*), 2 southern elephant seals (*Mirounga leonina*), and 2 southern fur seals (*Arctocephalus sp.*) in the Antarctic Peninsula area for scientific research as authorized by the Marine Mammal Protection Act of 1972 and the Regulations Governing the Taking and Importing of Marine Mammals.

The Applicant desires to amend his application in the following manner: A total of 830 Weddell seals (*Leptonychotes weddelli*) will be taken, including:

(1) 25 seals to be taken by tagging and specimens sampling in the Antarctic Peninsula area;

(2) 3 seals to be taken by killing in the Antarctic Peninsula area;

(3) 800 seals to be taken by tagging and specimen sampling in the McMurdo Sound area; and

(4) 2 seals to be taken by killing in the McMurdo Sound area.

Of the 825 seals to be tagged, 35 will be radio-tagged.

Documents submitted in connection with this application as amended, are available in the following offices:

Director, National Marine Fisheries Service, 3300 Whitehaven Street, N.W., Washington, D.C.; and

Regional Director, National Marine Fisheries Service, Northeast Region, Federal Building, 14 Elm Street, Gloucester, Massachusetts 01930.

Concurent with the publication of this notice in the FEDERAL REGISTER the Secretary of Commerce is sending copies of the Amendment to the Marine Mammal Commission and the Committee of Scientific Advisors.

Written data or views, or request for a public hearing on this application, as amended, should be submitted to the Director, National Marine Fisheries Serv-

ice, Department of Commerce, Washington, D.C. 20235, within 30 days of the publication of this notice. Those individuals requesting a hearing should set forth the specific reasons why a hearing on this particular amendment would be appropriate. The holding of such hearing is at the discretion of the Director.

All statements and opinions that may be contained in this notice in support of this amendment are summaries of those of the Applicant and do not necessarily reflect the views of the National Marine Fisheries Service.

Dated: June 30, 1977.

ROBERT J. AYERS,
Acting Assistant Director for Fisheries Management, National Marine Fisheries Service.

[FR Doc.77-19291 Filed 7-6-77;8:48 am]

MARINE MAMMALS

Issuance of Permit

On September 17, 1976, notice was published in the FEDERAL REGISTER (41 FR 40205), that an application had been filed with the National Marine Fisheries Service by Six Flags Over Texas, 2201 Road to Six Flags, P.O. Box 191, Arlington, Texas 76010, for a permit to take eight (8) California sea lions (*Zalophus californianus*) and two (2) Atlantic bottlenosed dolphins (*Tursiops truncatus*) for the purpose of public display.

Notice is hereby given that on June 28, 1977, and as authorized by the provisions of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1361-1407), the National Marine Fisheries Service issued a Permit for the above taking to Six Flags Over Texas subject to certain conditions set forth therein. The Permit is available for review by interested persons at the following offices:

Director, National Marine Fisheries Service, 3300 Whitehaven Street, NW., Washington, D.C.;

Regional Director, National Marine Fisheries Service, Southeast Region, Duval Building, 9450 Candy Boulevard, St. Petersburg, Florida 33702; and

Regional Director, National Marine Fisheries Service, Southwest Region, 300 South Ferry Street, Terminal Island, California 90731.

Dated June 28, 1977.

WINFRED H. MEIBOHM,
Associate Director National Marine Fisheries Service.

[FR Doc.77-19292 Filed 7-6-77;8:45 am]

DEPARTMENT OF DEFENSE

Defense Logistics Agency

PRIVACY ACT OF 1974

Systems of Records

The Defense Logistics Agency (DLA) systems of records notices as prescribed by the Privacy Act of 1974 have been published in the FEDERAL REGISTER as follows:

FR Doc 75-22781 (40 FR 36045) August 18, 1975.
FR Doc 75-76296 (41 FR 2970) January 20, 1976.
FR Doc 75-26296 (41 FR 3045) January 20, 1976.
FR Doc 76-21185 (41 FR 31002) July 26, 1976.
FR Doc 76-21185 (41 FR 31142) July 26, 1976.
FR Doc 76-22251 (41 FR 32249) August 2, 1976.
FR Doc 76-7056 (41 FR 13339 March 10, 1977.

By notice of change of title on February 15, 1977, (42 FR 9200) wherever the title "Defense Supply Agency (DSA)" appeared in a system notice was changed to read "Defense Logistics Agency (DLA)".

The Defense Logistics Agency, for administrative purposes, is reidentifying certain systems of records subject to the Privacy Act of 1974, all of which were published in the FEDERAL REGISTER. Those systems of records affected are identified below along with the new identification assigned. The substantive contents of these systems remain unchanged.

Former identification	*New identification*
S111.11DSAH-K (40 FR 36047) Aug. 18, 1975	S111.11DLA-K
S111.11DSAH-KP (41 FR 31002) July 26, 1976	S111.11DLA-KP
S111.11DSAH-KS (41 FR 31003) July 26, 1976	S111.11DLA-KS
S111.11DSAH-XA (41 FR 31003) July 26, 1976	S111.11DLA-XA
S120.05DSAH-K (41 FR 31003) July 26, 1976	S120.05DLA-K
S120.05DSAH-KP (41 FR 31004) July 26, 1976	S120.05DLA-KP
S150.20DSAH-T (41 FR 3045) Jan. 20, 1976	S150.20DLA-T
S153.10DSAH-T (41 FR 3045) Jan. 20, 1976	S153.01DLA-T
S153.20DSAH-T (40 FR 36049) Aug. 18, 1975	S153.20DLA-T
S155.051DCAS-NS (40 FR 36049) Aug. 18, 1975	S155.051DLA-NS
S155.052DCAS-NS (40 FR 36050) Aug. 18, 1975	S155.052DLA-NS
S155.53DCAS-NS (42 FR 13339) Mar. 19, 1977	S155.53DLA-NS
S160.50DSAH-T (41 FR 3046) Jan. 20, 1976	160.50DLA-T
S161.20DSAH-T (40 FR 36052) Aug. 18, 1975	S161.20DLA-T
S161.25DSAH-T (40 FR 36052) Aug. 18, 1975	S161.25DLA-T
S161.30DSAH-T (40 FR 36052) Aug. 18, 1975	S161.30DLA-T
S161.40DSAH-T (40 FR 36053) Aug. 18, 1975	S161.40DLA-T
S161.50DSAH-T (40 FR 36053) Aug. 18, 1975	S161.50DLA-T
S161.60DSAH-T (40 FR 36053) Aug. 18, 1975	S161.60DLA-T
S161.70DSAH-T (40 FR 36054) Aug. 18, 1975	S161.70DLA-T
S162.60DSAH-T (40 FR 36054) Aug. 18, 1975	S162.60DLA-T
S214.20DSAH-L (41 FR 31004) July 26, 1976	S214.20DLA-L
S233.10DSAH-K (40 FR 36055) Aug. 18, 1975	S233.DLA-K
S233.20DSAH-L (41 FR 31005) July 26, 1976	S233.20DLA-L
S243.30DSAH-K (40 FR 36056) Aug. 18, 1975	S243.30DLA-K
S252.50DSAH-G (40 FR 36056) Aug. 18, 1975	S252.50DLA-G
S253.10DSAH-G (40 FR 36057) Aug. 18, 1975	S253.10DLA-G
S253.30DSAH-G 1 (40 FR 36057) Aug. 18, 1975	S253.30DLA-G 1
S253.30DSAH-G 2 (40 FR 36057) Aug. 18, 1975	S253.30DLA-G 2
S253.40DSAH-G (40 FR 36058) Aug. 18, 1975	S253.40DLA-G
S255.01DSAH-G (40 FR 36058) Aug. 18, 1975	S255.01DLA-G
S257.10DSAH-G (40 FR 36058) Aug. 18, 1975	S257.10DLA-G
S259.05DSAH-G (41 FR 2970) Jan. 20, 1976	S259.05DLA-G
S270.10DSAH-K (40 FR 36059) Aug. 18, 1975	S270.10DLA-K
S270.30DSAH-B (40 FR 36059) Aug. 18, 1975	S270.30DLA-B
S322.15DSAH-M (40 FR 36060) Aug. 18, 1975	S322.15DLA-M
S322.35DSAH-M (40 FR 36060) Aug. 18, 1975	S322.35DLA-M
S322.45DSAH-M (40 FR 36060) Aug. 18, 1975	S322.45DLA-M
S322.70DSAH-M (40 FR 36061) Aug. 18, 1975	S322.70DLA-M
S322.01DSAH-KS (40 FR 36062) Aug. 18, 1975	S322.01DLA-KS
S333.10DSAH-G (40 FR 36063) Aug. 18, 1975	S333.10DLA-G
S344.05DSAH-K (40 FR 36063) Aug. 18, 1975	S334.05DLA-K
S334.10DSAH-KT (41 FR 31005) July 26, 1976	S334.10DLA-KT
S335.01DSAH-K (41 FR 31005) July 26, 1976	S335.01DLA-K
S335.80DCAS-Q (41 FR 31006) July 26, 1976	S335.80DLA-Q
S336.60DSAH-KM (40 FR 36065) Aug. 18, 1975	S336.60DLA-KM
S337.01DSAH-K (41 FR 31007) July 26, 1976	S337.01DLA-K
S337.25DSAH-K (41 FR 31007) July 26, 1976	S337.25DLA-K
S339.10DSAH-C (40 FR 36066) Aug. 18, 1975	S339.10DLA-C
S339.10DSAH-K (40 FR 36066) Aug. 18, 1975	S339.10DLA-K
S339.50DSAH-K (41 FR 2970) Jan. 20, 1976	S339.50DLA-K
S352.10DSAH-K (40 FR 36067) Aug. 18, 1975	S352.10DLA-K
S370.20DSAH-KH (40 FR 36067) Aug. 18, 1975	S370.20DLA-KH
S380.01DSAH-K (41 FR 31008) July 26, 1976	S380.01DLA-K
S380.20DSAH-K (41 FR 2971) Jan. 20, 1976	S380.20DLA-K
S390.01DSAH-KS (40 FR 36068) Aug. 18, 1975	S390.01DLA-KS
S431.15DSAH-C (40 FR 36068) Aug. 18, 1975	S431.15DLA-C
S434.15DSAH-C (40 FR 36069) Aug. 18, 1975	S434.15DLA-C
S434.15DSAH-KP (41 FR 31008) July 26, 1976	S434.15DLA-KP
S434.20DSAH-C (40 FR 36070) Aug. 18, 1975	S434.20DLA-C
S434.87DSAH-C (40 FR 36071) Aug. 18, 1975	S434.87DLA-C
S491.10DSAH-M (40 FR 36071) Aug. 18, 1975	S491.10DLA-M
S493.10DSAH-K (40 FR 36071) Aug. 18, 1975	S493.10DLA-K
S672.70DSAH-X (40 FR 36072) Aug. 18, 1975	S672.70DLA-X
S690.10DSAH-W (40 FR 36072) Aug. 18, 1975	S690.10DLA-W

S810.50DSAH–P–1 (40 FR 36072) Aug. 18, 1975	S810.50DLA–P–1
S850.10DCAS–Q–1 (40 FR 36073) Aug. 18, 1975	S850.10DLA–Q–1
S850.DCAS–Q–2 (40 FR 36073) Aug. 18, 1975	S850.10DLA–Q–2

WILLIAM A. SMITH,
Chief, Administrative Management Division, Office of Administration.

JUNE 30, 1977.

MAURICE W. ROCHE,
Director, Correspondence and Directives Office of Assistant Secretary of Defense (Comptroller).

[FR Doc.77–19235 Filed 7–6–77;8:45 am]

ENVIRONMENTAL PROTECTION AGENCY

[FRL 757–3]

STATE OF GEORGIA

Determination of Primary Enforcement Responsibility

This public notice is issued pursuant to section 1413 of the Safe Drinking Water Act, Pub. L. 93–523, December 16, 1974, and 142.10 of the National Interim Primary Drinking Water Regulations, published in the FEDERAL REGISTER on January 20, 1976.

An application, dated May 5, 1977, has been received from the Director of the Environmental Protection Division requesting that the Environmental Protection Division of the Georgia Department of Natural Resources be granted primary enforcement responsibility for water systems in the State of Georgia, in accordance with the provisions of this Act.

In response, I have determined that the Environmental Protection Division has met all conditions of the Safe Drinking Water Act and subsequent regulations for the assumption of primary enforcement responsibility for water systems in the State of Georgia. The State—

(1) Has adopted drinking water regulations which are no less stringent than the National Interim Primary Drinking Water Regulations;

(2) Has adopted and will implement adequate procedures for the enforcement of such State regulations, including adequate monitoring and inspections;

(3) Will keep such records and make such reports as required;

(4) If it permits variances or exemptions from the requirements of its regulations, will issue such variances and exemptions in accordance with the provisions of the National Interim Primary Drinking Water Regulations;

(5) Has adopted and can implement an adequate plan for the provision of safe drinking water under emergency circumstances.

All documents relating to this determination are available for public inspection between the hours of 8 a.m. and 4:30 p.m., Monday through Friday, at the following offices:

Environmental Protection Division, Department of Natural Resources, 270 Washington Street SW., Atlanta, Georgia 30334.

Regional Administrator, Environmental Protection Agency, Region IV, 345 Courtland Street NE., Atlanta, Georgia 30308.

All interested parties are invited to submit written comments on this determination and may request a public hearing. Written comments and/or a request for a public hearing must be submitted within 30 days after publication in the FEDERAL REGISTER. A request for a public hearing shall include the following information:

(1) The name, address, and telephone number of the individual, organization, or other entity requesting a hearing.

(2) A brief statement of the requesting person's interest in the Regional Administrator's determination and of information that the requesting person intends to submit at such hearing.

(3) The signature of the individual making the request; or, if the request is made on behalf of an organization or other entity, the signature of a responsible official of the organization or other entity.

Frivolous or insubstantial requests for a hearing may be denied by the Regional Administrator. However, if a substantial request for a public hearing is made within thirty (30) days after publication in the FEDERAL REGISTER, a public hearing will be held. The Regional Administrator will give further notice in the FEDERAL REGISTER and in a newspaper or newspapers of general circulation in the State of Georgia of any hearing to be held pursuant to a request submitted by an interested person, or on his own motion. Notice of the hearing shall be given not less than fifteen (15) days prior to the time scheduled for the hearing. In addition to publication as described above, notice will be sent to the person requesting a hearing and to the State. Notice of the hearing will include a statement of the purpose of the hearing, information regarding the time and location for the hearing, and the address and telephone number of an office at which interested persons may obtain further information concerning the hearing.

After receiving the record of the hearing, the Regional Administrator will issue an order affirming or rescinding his determination. If the determination is affirmed, it shall become effective as of the date of this order.

If no timely and appropriate request for a hearing is received and the Regional Administrator does not elect to hold a hearing on his own motion, this determination shall become effective thirty (30) days after publication in the FEDERAL REGISTER.

Please bring this notice to the attention of any persons known by you to have an interest in this determination.

Dated: June 24, 1977.

JOHN A. LITTLE,
Acting Regional Administrator, Environmental Protection Agency, Region IV.

[FR Doc.77–19236 Filed 7–6–77;8:45 am]

[FRL 756–8; OPP–180125]

CLEMSON UNIVERSITY

Issuance of a Specific Exemption To Use Terramycin to Control Bacterial Spot on Peaches

The Environmental Protection Agency (EPA) has granted a specific exemption to the Division of Regulatory and Public Service Programs, College of Agricultural Sciences, Clemson University (hereafter referred to as the "Applicant"), to use no more than 146,000 pounds of Terramycin to control bacterial spot on 10,720 acres of peaches in South Carolina. This exemption was granted in accordance with, and is subject to, the provisions of 40 CFR Part 166, which prescribes requirements for exemption of Federal and State agencies for use of pesticides under emergency conditions.

This notice contains a summary of certain information required by regulation to be included in the notice. For more detailed information, interested parties are referred to the application on file with the Registration Division (WH–567), Office of Pesticide Programs, EPA, 401 M Street, SW., Room E–315, Washington, D.C. 20460.

According to the Applicant, bacterial spot is caused by the bacterium *Xanthomonas pruni;* this plant pathogen infects leaves, twigs, and fruit. Fruit infected early in the growing season develop cracks in the skin; fruit infected later in the season develop a mottled appearance. Both conditions render the fruit unacceptable for marketing. The presence of open wounds on twigs and branches render them susceptible to other plant diseases. The Applicant stated that peach crop loss caused by bacterial spot disease has been prevalent for many years throughout South Carolina. The development of the disease has depended on host resistance and local weather conditions. The Applicant further stated that growers have been applying ineffective pesticides to the environment, suffering loss of total or partial crop failure, planting more acreage than is necessary to compensate for crop loss, and experiencing leaf loss that may be contributing to short tree life.

The Applicant stated that the currently registered fungicides—copper hydroxide, dodine, and basic zinc sulfate—are ineffective for adequate control of bacterial spot. Zinc sulfate, for instance, has been used commercially for more than 30 years, but has provided poor pro-

tection under severe disease conditions; in addition, this product is incompatible with benomyl, which is commonly applied to peaches for the control of other diseases such as brown rot, scab, and powdery mildew. Copper hydroxide is not recommended for use in South Carolina because it causes phytotoxicity under southeastern environmental conditions.

The Applicant proposed to use the product Myco Shield Agricultural Terramycin, manufactured by Pfizer Chemical Division, at the rate of 11.33 ounces of formulation/100 gallons water by ground spray application. There will be a maximum of 8 spray applications/orchard. Applications will be made by peach growers. A Plant Pathologist at Clemson University will examine orchards to make an initial recommendation of Terramycin application based on past history of bacterial spot disease and on local weather conditions.

The value of the peach crop in South Carolina is approximately 35–40 million dollars; the anticipated loss, however, under severe disease conditions, could be valued at approximately 5–8 million dollars. This loss could be reduced to ½ million dollars or less, according to the Applicant, if Terramycin is used to prevent the development of the disease.

EPA has determined that, under heavy inoculum pressure, Terramycin (the calcium complex of oxytetracycline) would be needed to prevent large scale losses of peaches infected with bacterial spot. Tolerances for oxytetracycline hydrochloride were previously established at 0.35 ppm on pears; currently, a tolerance of 0.1 ppm in or on pears for the calcium complex of oxytetracycline has been proposed. Tolerances for peaches are pending. The use of this pesticide for this exemption is not expected to have any adverse effects to either man or the environment. Therefore, a residue level not exceeding 0.1 ppm has been determined by EPA to be adequate to protect the public health.

After reviewing the application and other available information, EPA had determined that (a) a pest outbreak of bacterial spot on peaches has or is about to occur; (b) there is no pesticide presently registered and available for use to control the bacterial spot in South Carolina; (c) there are no alternative means of control, taking into account the efficacy and hazard; (d) significant economic problems may result if the bacterial spot is not controlled; and (e) the time available for action to mitigate the problems posed is insufficient for a pesticide to be registered for this use. Accordingly, the Applicant has been granted a specific exemption to use the pesticide noted above until July 31, 1977, to the extent and in the manner set forth in the application. The specific exemption is also subject to the following conditions:

1. Myco Shield Agricultural Terramycin (calcium complex of oxytetracycline), manufactured by Pfizer Chemical Division, is authorized;

2. Application rate shall be at 11.33 ounces Terramycin/100 gallons of water (2 ounces actual Terramycin/100 gallons water) by ground spray application;

3. A maximum of 8 spray applications per orchard shall be made;

4. A maximum of 146,000 pounds of Terramycin is authorized to be applied;

5. A maximum of 10,720 acres of peach crop shall be treated;

6. The duration of the Terramycin application period shall be from April 28, 1977 until July 31, 1977;

7. Application of Terramycin shall be made by peach growers;

8. The Division of Regulatory and Public Service Programs (Clemson University) shall inform Niagara (a subsidiary of FMC), sole distributor of this material, that records of the sale shall be kept and made available to that Division. These records shall include the name and address of purchaser, and the quantity of material purchased;

9. Dr. Walker Miller, Plant Pathologist, Clemson University, shall examine peach orchards, and shall make an initial recommendation of Terramycin application based on past history of bacterial spot disease and local weather conditions favorable to development of the disease; he shall make periodic examinations of the orchards. He will instruct county agricultural agents about disease symptoms, dosages, application techniques, and other program criteria. After the initial program recommendations by Dr. Miller, county agents will implement the program in their areas after consultation with

10. A residue level of oxytetracycline not exceeding 0.1 ppm has been deemed adequate to protect the public health. The Food and Drug Administration of the U.S. Department of Health, Education, and Welfare has been advised of this action;

11. There will be a preharvest interval of no less than 21 days;

12. Workers shall not be allowed to enter orchards after Terramycin application until foliage is dry;

13. All label precautions shall be followed;

14. A final report shall be submitted to EPA by the end of 1977, summarizing the results of this program; and

15. The Applicant shall notify EPA immediately of any adverse effects resulting from this program.

(Sec. 18, Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended (86 Stat. 973; 89 Stat. 751; (7 U.S.C. 136(a) et seq.)).)

Dated: June 29, 1977.

EDWIN L. JOHNSON,
Deputy Assistant Administrator for Pesticide Programs.

[FR Doc.77-19222 Filed 7-6-77;8:45 am]

[FRL 756-7; PFT23A]

FOOD ADDITIVE PETITION

Filing; Correction

In FR Doc. 77-17467 appearing at page 31181 in the issue of June 20, 1977, the name of the fungicide is corrected to read "tricyclazole 5-methyl-1,2,4-triazolo * * *" and the metabolite name is corrected to read "1,2,4-triazolo * * *"

Dated: June 28, 1977.

DOUGLAS D. CAMPT,
Acting Director, Registration Division.

[FR Doc.77-19225 Filed 7-6-77;8:45 am]

[FRL 757-1; OPP-180130]

NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION

Issuance of a Specific Exemption To Use Terramycin To Control Bacterial Spot on Peaches

The Environmental Protection Agency (EPA) has granted a specific exemption to the New Jersey Department of Environmental Protection (hereafter referred to as the "Applicant") to use no more than 90,000 pounds of Terramycin to control bacterial spot on 16,000 acres of peaches in Gloucester and Camden counties in New Jersey. This exemption was granted in accordance with, and is subject to, the provisions of 40 CFR Part 166, which prescribes requirements for exemption of Federal and State agencies for use of pesticides under emergency conditions.

This notice contains a summary of certain information required by regulation to be included in the notice. For more detailed information, interested parties are referred to the application on file with the Registration Division (WH-567), Office of Pesticide Programs, EPA, 401 M Street, S.W., Room E-315, Washington, D.C. 20460.

According to the Applicant, bacterial spot is caused by the bacterium *Xanthomonas pruni*; this plant pathogen infects leaves, twigs, and fruit. The direct loss from fruit infection has been estimated as 15 percent in 1975 and as 10 percent in 1976. In addition to fruit loss resulting from the disease, continued defoliation year after year debilitates the trees and predisposes them to winter injury; the Applicant stated that the indirect loss as a result of defoliation is more difficult to predict but loss from peach decline was approximately 10 percent during the winter of 1974 and 15 percent during the winter of 1975–76. Approximately 60 percent of the 16,000 acres of peaches in New Jersey are susceptible to bacterial spot. During years with favorable weather conditions for the disease, losses from bacterial spot approach 75–80 percent, valued at approximately $9.1 million; during years with unfavorable conditions for the disease, losses may not exceed 5 percent, valued at approximately $608,000.

The Applicant stated that the currently registered fungicides—copper hydroxide, dodine, and basic zinc sulfate—are ineffective for adequate control of bacterial spot. Zinc sulfate, for instance, has been used commercially for more than 30 years, but has provided poor protection under severe disease conditions; in addition, this product is incompatible

with benomyl, which is commonly applied to peaches for the control of other diseases such as brown rot, scab, and powdery mildew.

The Applicant proposed to use the product Myco Shield Agricultural Terramycin, manufactured by Pfizer Chemical Division, at the rate of 10 ounces actual Terramycin per acre (2 ounces actual Terramycin/100 gallons water) per application by ground spray. There will be a maximum of 9 applications made from mid-April until the end of July. Applications will be made by both custom applicators and growers. Extension agents in Gloucester and Camden counties will determine the number of acres being treated, and that application is made in accordance with all the provisions outlined in this exemption request. Applications will be limited to those that will be required for proper control; these determinations will be made based on the following criteria:

(a) Past history of development of bacterial spot disease in a given orchard or area; and

(b) The prevalent weather conditions are favorable to the development of the disease.

EPA had determined that, under heavy inoculum pressure, Terramycin (the calcium complex of oxytetracycline) would be needed to prevent large scale losses of peaches infected with bacterial spot. Tolerances for oxytetracycline hydrochloride were previously established at 0.35 ppm on pears; currently, a tolerance of 0.1 ppm in or on pears for the calcium complex of oxytetracycline has been proposed. Tolerances for peaches are pending. The use of this pesticide for this exemption is not expected to have any adverse effects to either man or the environment. Therefore, a residue level not exceeding 0.1 ppm has been determined by EPA to be adequate to protect the public health.

After reviewing the application and other available information, EPA has determined that (a) a pest outbreak of bacterial spot on peaches has or is about to occur; (b) there is no pesticide presently registered and available for use to control the bacterial spot in New Jersey; (c) there are no alternative means of control, taking into account the efficacy and hazard; (d) significant economic problems may result if the bacterial spot is not controlled; and (e) the time available for action to mitigate the problems posed is insufficient for a pesticide to be registered for this use. Accordingly, the Applicant has been granted a specific exemption to use the pesticide noted above until July 31, 1977, to the extent and in the manner set forth in the application. The specific exemption is also subject to the following conditions:

1. Myco Shield Agricultural Terramycin (containing the calcium complex of oxytetracycline), manufactured by Pfizer Chemical Division, is authorized;

2. Application rate shall be 56.65 ounces/acre or 10 ounces actual Terramycin/acre (2 ounces actual Terramycin/100 gallons water) per application by ground spray;

3. A maximum of 9 applications of Terramycin shall be made;

4. The duration of the application period shall be from mid-April until the end of July;

5. A maximum of 16,000 acres in New Jersey may be treated;

6. A maximum of 90,000 pounds of actual Terramycin is authorized;

7. Applications will be made by both custom applicators and growers;

8. Niagara (a subsidiary of FMC), sole distributor of this material, shall be informed that records of the sale shall be kept and made available to the Applicant. These records shall include the name and address of the purchaser, his certification number, and the quantity of material sold;

9. The extension agents in Gloucester and Camden counties shall determine the number of acres to be under treatment and that the application is made in accordance with all the provisions of this exemption. Application of this material will be limited to those that will be required for proper control of bacterial spot. Those determinations will be based on the following criteria: (a) A high inoculum level of bacterial spot is present and (b) the weather conditions are conductive to development of bacterial spot;

10. A residue level of oxytetracycline not exceeding 0.1 ppm has been deemed adequate to protect the public health. The Food and Drug Administration, of the U.S. Department of Health, Education, and Welfare, has been advised of this action;

11. There will a preharvest interval of not less than 21 days;

12. All label precautions must be followed;

13. A final report shall be submitted to EPA by the end of 1977, summarizing the results of this program; and

14. The EPA shall be informed immediately of any adverse effects resulting from this program.

(Sec. 18, Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended (86 Stat. 973; 89 Stat. 751; (7 U.S.C. 136(a) et seq.).)

Dated: June 29, 1977.

EDWIN L. JOHNSON,
Deputy Assistant Administrator for Pesticide Programs.

[FR Doc.77-19226 Filed 7-6-77;8:45 am]

[FRL 757-2; OPP-180132]

NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION

Issuance of a Specific Exemption To Use Guthion To Control the Carrot Weevil

The Environmental Protection Agency (EPA) has granted a specific exemption to the New Jersey Department of Environmental Protection (hereafter referred to as the "Applicant"). Azinphos methyl (Guthion) will be used on 600 acres of commercial processing carrots for the control of the carrot weevil in Burlington, Camden, Gloucester, and Salem counties in southern New Jersey. This exemption was granted in accordance with, and is subject to, the provisions of 40 CFR Part 166, which prescribes requirements for exemption of Federal and State agencies for use of pesticides under emergency conditions.

This notice contains a summary of certain information required by regulation to be included in the notice. For more detailed information, interested parties are referred to the application on file with the Registration Division (WH-567), Office of Pesticide Programs, EPA, 401 M Street, S.W., Room E-315, Washington, D.C. 20460.

According to the Applicant, the Carrot Weevil (*Listronotus oregonensis*) damage to commercial carrots in southern New Jersey has been increasing in severity in recent years. Carrot weevil larvae tunnel in the tap root of carrots, leaving rust-colored feeding trails. Larval feeding early in the season results in mortality of seedling carrots, reducing the row-density. Later injury reduces the quality of market carrots, rendering many unmarketable. Further losses occur when carrots are placed in cold storage due to increased incidence of storage rot disease organisms (fungi and bacteria) which enter the carrots through weevil larvae feeding tunnels.

There appear to be neither alternative registered pesticides nor non-chemical methods of control available to control this insect. The Applicant proposed to apply azinphos methyl (Guthion) to commercial carrots grown for processing under contract to the Campbell Soup Company, Camden, New Jersey. The pesticide will be applied at the rate of one-half (½) pound of actual insecticide per acre, either as an emulsifiable concentrate, or a 50 percent wettable powder. Up to six (6) applications may be applied at ten day intervals during the growing season, with a thirty-five (35) day preharvest interval. The Campbell Soup Company has agreed to use their agricultural field force to instruct growers on appropriate use of azinphos methyl on carrots, to closely monitor applications to ensure that directions for use are followed, and to provide the State of New Jersey appropriate pesticide application records. The Applicant will monitor the azinphos methyl applications also, and will enforce any restrictions EPA requires. Farmers who would be involved with the use of azinphos methyl on carrots are all New Jersey-registered applicators and are familiar with the safe use of various pesticides, including azinphos methyl.

The combination of stand loss, yield loss, and storage loss is estimated to cost the New Jersey carrot farmers about $10.00 per ton on a crop valued at $44.00 per ton, or an economic loss of about 23 percent of the gross value of the carrot crop. Carrot crop loses can be as high as 73 percent if the carrot weevil is not controlled, according to the Applicant.

The Fish and Wildlife Service of the U.S. Department of the Interior has advised EPA that no significant effects on fish and wildlife populations are expected from this limited use of azinphos methyl.

After reviewing the application and other available information, EPA has determined that (a) a pest outbreak of carrot weevils has or is about to occur; (b) there is no pesticide presently registered and available for use to control the carrot weevil in New Jersey; (c) there are no alternative means of control, taking into account the efficacy and hazard; (d) significant economic problems may result if the carrot weevils are not controlled; and (e) the time available for action to mitigate the problems posed is insufficient for a pesticide to be registered for this use. Accordingly, the Applicant has been granted a specific exemption to use the pesticide noted above until August 31, 1977, to the extent and in the manner set forth in the application. The specific exemption is also subject to the following restrictions:

1. Azinphos methyl applications are limited to commercial carrots grown under contract to the Campbell Soup Company and located in the four counties identified above;

2. The azinphos methyl (Guthion) will be applied by ground equipment;

3. The dosage rate may not exceed one-half (½) pound of actual azinphos methyl per acre per application;

4. The number of applications may not exceed six (6);

5. A thirty-five (35) day preharvest interval must be observed;

6. Carrot tops treated with azinphos methyl may not be used for feed, food, or forage;

7. All applicable directions and precautions on the registered label will be observed;

8. A residue level not to exceed 0.5 ppm on carrot roots used for processing has been determined to be adequate to protect the public health. The Food and Drug Administration of the U.S. Department of Health, Education, and Welfare, has been advised of this action; and

9. The Applicant is responsible for ensuring that the restrictions pursuant to this specific exemption are met.

(Sec. 18, Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended (86 Stat. 973; 89 Stat. 751; 7 U.S.C 136 (a) et seq.).)

Dated: June 29, 1977.

EDWIN L. JOHNSON,
Deputy Assistant Administrator for Pesticide Programs.

[FR Doc.77-19227 Filed 7-6-77;8:45 am]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 21313; FCC 77-445]

AM STEREOPHONIC BROADCASTING

Inquiry

Adopted: June 22, 1977.

Released: July 6, 1977.

In the matter of AM Stereophonic Broadcasting, Docket No. 21313, RM-2646, RM-2717.

INTRODUCTION

1. The Commission has before it two petitions requesting the institution of rulemaking porceedings looking toward the adoption of rules for the transmission of stereophonic programing by AM broadcast stations.[1] One petition, RM-2717, was filed by Kahn Communications, Inc. (hereafter identified as Kahn), a New York corporation engaged in research and manufacturing of electronic communications, telephone, and broadcasting equipment, that has developed and tested a system for transmitting binaural stereophonic signals for the AM broadcast service. The second petitioner is the Association for AM Stereo, Inc. (identified as AAMSI), a non-profit corporation of 26 licensees of broadcast stations and one equipment manufacturer, founded for the purpose of encouraging the adoption of standards for stereophonic transmission by AM stations. The National AM Stereophonic Radio Committee ("NAMSRC") filed comments requesting that no action be taken on the Kahn petition, to which Kahn filed a reply.

OBJECTIVE

2. The object of this Notice is to determine if there is an interest and need for a service of stereophonic broadcasting by AM stations, and if so to develop a record that will assist the Commission in proceeding with the issuance of a Notice of Proposed Rulemaking, proposing standards for such a service.

BACKGROUND

3. Following the development of two channel stereophonic recordings in the mid 1950's, there was considerable interest in providing a broadcast service to transmit stereophonic programming. Several experimental broadcast systems were tried, including AM-FM and FM-FM techniques using the facilities of two stations. Although research has been conducted on both AM and FM single station systems of stereophonic transmissions, the primary attention was directed toward FM station stereophony because FM was considered to be a high-fidelity program service less subject to noise and interference, and stereophonic transmission could be more readily implemented in the developing FM broadcast service. At the present time, nearly 45% of all radio broadcast stations are FM stations, and a large majority of those FM stations transmit stereophonic programming. For a number of years all music recordings (except for reissues of performances of historical interest) have been made in the stereophonic mode. A major segment of the electronics industry is involved in the supplying of equipment for reproducing stereophonic programs in homes and automobiles. The stereophonic recording, transmission, and reproduction of music and other programming has been fully developed and in use for some time, except in the AM and television[2] broadcast services.

4. During the period from 1958 to 1960, Kahn and two others had previously petitioned the Commission to institute rule making directed at establishing stereophonic transmissions by AM broadcast stations. In a *Memorandum Opinion and Order* released on October 2, 1961 (FCC 61-1154, 21 R.R. 1616C), the Commission denied the petitions. In denying the petitions, the Commission stated that at the time there was little evidence of interest in an AM stereophonic broadcast service, that providing a dual channel transmission system with the requisite separation and without deleterious side effects in AM broadcasting presented greater problems than in FM broadcasting, that a carefully conducted study program similar to the FM studies and field tests would be required, and that because of a host of other current problems requiring attention, effort directed toward AM stereo was not in the public interest. In January, 1962, the Commission denied petitions for reconsideration of its previous denial to institute rule making proceedings (FCC 62-68, 21 R.R. 1616d). However, in doing so, it recognized that consideration could be given in the future to AM stereophonic broadcasting in light of development of stereophonic broadcasting in the FM band.

DESCRIPTION OF PENDING PETITIONS

5. Kahn states that the technology for compatible stereophonic transmissions by AM broadcast stations has been fully developed and tested over the past 16-year period, and that permitting use of this technology would allow radio listeners to enjoy stereophonic reception with little or no additional investment in receiving equipment. Kahn claims that his system for AM stereophonic transmissions is completely compatible with existing station transmitting equipment and with monophonic receivers, causes no additional interference to other stations, will provide stereo reception using two conventional receivers, and could provide high quality stereo with receivers designed for AM stereo reception.

6. AAMSI states that "AM stereo is an idea whose time has come" and requests that the Commission take a posture of leadership and active measures to promote the adoption of AM stereo standards. AAMSI acknowledges the development of at least two systems for AM stereophonic transmissions without endorsing a specific technology, but does state that AM stations are now at a competitive disadvantage as compared with the FM service that transmits stereo.

[1] For the purpose of this proceeding, AM stereophonic broadcasting is defined as the transmission of a stereophonic program by a single AM broadcast station utilizing complex modulation of the carrier wave within the authorized bandwidth.

[2] The question of television stereo is being addressed in another proceeding.

The Association also believes that the public interest would be served by AM stereo even though recognizing such service may not have the full fidelity of FM.

7. The National AM Stereophonic Radio Committee (NAMSRC), an organization sponsored by the Institute of Electrical and Electronics Engineers, the Electronics Industries Association, the National Association of Broadcasters and the National Radio Broadcasters Association, has opposed Kahn's request for a rule making proceeding. NAMSRC states that it is in the process of planning and conducting a series of extensive tests on several systems, which have been submitted to it, for transmitting stereophonic signals by AM broadcast stations, and that the results of such tests will provide valuable information concerning the establishment of standards for an effective AM stereophonic broadcast service. NAMSRC believes that it would be premature to proceed with rule making based on the limited information available on the petitioner's AM stereophonic broadcast system. Kahn responded to NAMSRC's objections by stating that extensive field tests of effective AM stereo have been accomplished,[3] that it is the Commission's obligation in the public interest to expeditiously proceed to make this already developed technology available to radio listeners, and that the Commission should neither recognize, nor depend on the work of, committees such as NAMSRC which may not be truly representative in its rule making process. Kahn contends that such committees eliminate the rights of small petitioners, who, for various reasons, cannot or believe they should not participate in them. Such committees, Kahn argues, result in unnecessary delays in implementing proven technology.

8. Presently we have little quantitative technical data on the desirable or necessary standards for an AM stereophonic broadcast service, or the performance attainable by the various modulation techniques that are available. Since we do not wish to necessarily accept the rather broad performance standards in the existing rules for monophonic AM broadcasting, we believe that the test data that NAMSRC proposes to develop would be of great assistance in the preparation of technical rules for an AM stereo service, should there be sufficient interest to do so. To proceed directly with the issuance of a Notice of Proposed Rule Making at this time, without having available a multiformity of information on AM stereophony that NAMSRC and others could provide, would be premature. We therefore encourage Kahn, NAMSRC and any others who may have additional technical information or suggested performance standards for AM stereophonic broadcasting to participate in this proceeding to the extent possible.

[3] In 1975, Radio Station WFBR, Baltimore, Maryland, was authorized to conduct experimental transmissions using the Kahn system of AM stereophonic broadcasting. The station's report of the test results is being made a part of the record in this proceeding. Reports of other authorized experimental AM stereophonic testing including those from Station WKDC, Elmhurst, Illinois using the Motorola system, and WFWR, Ft. Wayne, Indiana, using the Magnevox System received by the Commission will also be made part of the record.

THE INQUIRY

9. The Commission now believes that a Notice of Inquiry should be issued to determine the interest on the part of the public for stereophonic programming by AM broadcast stations, licensee interest in providing such service, the electronic manufacturing and marketing industries desire to meet that interest, and the technical considerations for a fully compatible and effective AM stereophonic broadcast system. In opening this proceeding, the Commission's first concern is whether there is an interest or need on the part of the public for stereophonic programming by AM broadcast stations that is not or cannot be met by the FM service. We are also concerned as to whether the AM service has technical limitations, susceptibility to interference, or other factors that will limit the quality of the stereophonic transmissions, and what differences the listener may experience between stereophonic AM and FM transmissions.

10. Kahn suggests several requirements for a compatible AM stereophonic broadcast service:

(a) No increase in adjacent or co-channel interference.

(b) No loss of AM monophonic coverage; *i.e.*, full modulation capability.

(c) No increase in distortion when received by conventional monophonic receivers.

(d) Compatibility with conventional AM broadcast transmitters.

(e) Capable of good quality stereo reception in the home and in the car. (Up to 30 dB of stereo separation.)

(f) Allows stereo reception without the purchase of special receivers.

Others may believe different requirements should be considered or that some requirements should be given greater relative importance.

11. The Commission believes that there are basic public interest issues that it must consider prior to proceeding with rulemaking to establish technical standards for an AM stereophonic radio broadcast service. Among the Commission's concerns are the following:

(a) The actual interest and need on the part of the public for an AM stereophonic broadcast service.

(b) The extent the broadcasting industry and the manufacturers of home and automobile receivers are interested in meeting the public's interest in AM stereophonic radio.

(c) The impact an AM stereophonic service would have on the continuing development of FM broadcasting.

(d) The cost impact on broadcasters for installation of equipment and stereophonic programming and on the public for receiving equipment.

(e) The compatibility of AM stereophonic transmissions with all existing international radio regulations, terms of the North American Radio Broadcast Agreement (NARBA) and any other international agreements to which the United States is a party.

(f) The extent to which the Commission should regulate stereophonic broadcast system performance from studio through radiated signal to insure that the public is provided with a quality program service.

(g) The possibility of a "standard" response characteristic for AM stereo receivers to avoid the present problem in AM broadcasting where the stations use special processing of their audio signals to overcome limitations in many receivers.

We believe that the public, broadcasters and manufacturers of both broadcasting and receiving equipment should now have the opportunity to comment on the recommendations by Kahn, to respond to our questions, and to submit any additional information they believe should be considered in this proceeding.

12. Before continuing with our considerations, a brief discussion concerning Kahn's suggested requirement that AM stereophonic transmissions cause no increase in adjacent or co-channel interference is in order. There seems to be some misunderstanding within the broadcast industry concerning limitations on the audio frequency bandwidth that AM stations can transmit under the Commission's technical standards. Although carrier frequencies within the AM broadcast band are assigned at 10 kilohertz steps, this does not indicate that a station's allocated channel is restricted to a 10 kilohertz bandwidth. If this were the case, audio frequency components of the program signal exceeding 5 kilohertz could not be transmitted. The RF spectrum bandwidth a station may use, and thus the audio frequency bandwidth that may be transmitted, is determined by the requirement that any transmitted emission between 15 and 30 kHz from the carrier frequency be attenuated 25 dB below the unmodulated carrier and emissions between 30 and 75 kHz from the carrier be attenuated 35 dB. Thus, depending on the distortion products generated and radiated, a station could transmit program material with audio frequency components extending to 15 kHz. We recognize that many AM stations currently do not have an audio frequency response extending beyond 5 to 7.5 kHz due to limitations of the studio equipment, common carrier lines conneoting the studio to the transmitter, or the transmitter itself. The AM antenna system bandwidth (Q) also may place limitations on the audio response characteristics of the station transmission. The present standards of allocations for AM stations are based on the possible use of 30 kHz bandwidth with spurious emissions attenuated in accordance with the requirements discussed above. Should AM stations modify their transmitting systems for either monophonic or stereophonic broadcasting to

occupy a larger bandwidth within the existing standards, the amount of adjacent channel interference experienced by many stations, particularly at nighttime, may possibly increase.

OTHER CONSIDERATIONS

13. U.S. licensed broadcast stations are subject to international radio agreements to which the United States is a party. Any proposed use of a new type of AM signal transmission must conform to the provisions of these agreements and the United States cannot unilaterally modify the agreement provisions. Accordingly, any proposed transmission for AM stereophonic broadcasting not in accordance with these provisions would require negotiations to obtain necessary modifications. For example, the U.S.-Mexico bilateral agreement concerning AM broadcasting, effective April 18, 1970, Part 3, Article V, Paragraph A, specifies the class of emission for AM broadcast stations as "A3." [4] The North American Regional Broadcast Agreement 1950, Annex 2, B, 6, specifies: "The form of modulation for broadcasting stations is amplitude modulation of an unsuppressed carrier of constant amplitude yielding two symmetrical sidebands."

14. In November, 1975, a specialized ITU Conference concluded that all Medium Frequency stations in Regions 1 and 3 would, effective November, 1978, change to a 9 kHz channel separation. Region 2, including North and South American, did not participate in this conference. Hence, Region 2 countries will continue to adhere to the present 10 kHz channel separation [5] until otherwise altered by a Regional Conference sponsored by ITU. We are unaware of any serious proposals at this time within Region 2 that consideration be given to a reduction in channel spacing. However, in the event that such a proposal is made by a Region 2 administration and receives support by a majority of Region 2 countries, the effect, technically, on AM stereophonic transmissions at 9 kHz separation should be considered. We do not seek comments on the advantages or disadvantages of 10 kHz vs. 9 kHz channel separation. We seek comments along these lines—assume AM stereo is eventually authorized with the present 10 kHz separation and further assume that Region 2 adopts a 9 kHz separation.

15. If there is a sufficient interest and need for stereophonic AM broadcasting to proceed with the issuance of a Notice of Proposed Rule Making, we must consider, in addition to the technical matters, appropriate administrative procedures for implementing the service. It would be our desire to permit AM licensees to begin using stereophonic transmitting equipment on an optional basis through a simple notification to the Commission, or at the most, through an informal authorization request. The procedure would depend on the degree of technical changes in the transmitter or antenna system that may be required in converting the station for stereophonic broadcasting.

16. In connection with the preparation of any proposed rules for stereophonic AM broadcasting, it would be necessary for us to have information on the transmitter and antenna modifications that may be required, whether new transmitters designed for stereophonic transmissions would be required, or if conversion equipment could be used. If existing transmitters can be used, licensees may be interested in knowing what may be involved in modifications and testing of the transmitter and antenna systems they are using. Should field modifications of existing transmitters for stereophonic transmissions be practical, we would anticipate establishing authorization procedures such as type acceptance to insure that modified transmitters would comply with all the technical requirements for licensing. Similarly, if changes in station antenna systems are required, particularly in directional antennas, new proof of performance and impedance measurements of the antenna may be required. We believe the broadcast industry should consider these matters in responding to this *Inquiry*.

FILING OF RESPONSES TO INQUIRY

17. In light of the above, we now put forth a series of questions as shown in the Appendix concerning the economic, operational, and technical aspects of establishing stereophonic program transmission service for AM broadcast stations to elicit information to determine whether such a service is practical and if the issuance of a Notice of Proposed Rule Making in this matter would be in the public interest. It must be recognized that stereophonic AM broadcasting may have both an operational and technical impact on existing AM service in such areas as signal coverage and monophonic signal quality. The information sought by a number of the questions in the Appendix will be needed in attempting to balance this potential impact on AM radio service and the public interest and need for a new AM stereophonic broadcasting service. Those filing comments in this proceeding should key their responses to the numbered questions in the attached Appendix. If there are other considerations which are not addressed by the specific questions listed in the Appendix, respondents are requested to bring them to our attention. We urge the radio listening public, broadcasters, radio equipment manufacturers, and all other interested parties to make known their interests and to contribute relevant information to assist the Commission in this proceeding.

18. Pursuant to applicable procedures set forth in § 1.415 of the Commission's rules, interested parties may file comments on or before October 15, 1977, and reply comments on or before November 15, 1977. All relevant and timely comments will be considered by the Commission before further action is taken in this proceeding.

19. In accordance with the provisions of § 1.419 of the Commission's rules and regulations, an original and 5 copies of all comments, replies, or other documents filed in this proceeding shall be furnished to the Commission. Participants filing the required copies who also wish each Commissioner to have a personal copy of the comments may file an additional 6 copies. Members of the general public who wish to express their interest by participating informally in this proceeding may do so by submitting one copy of their comments, without regard to form, provided that the Docket Number is specified. Such informal participants who wish responsible members of the staff to have a personal copy and to have an extra copy available for the Commissioners, may file an additional 5 copies. Responses will be available for public inspection during regular business hours in the Commission's Public Reference Room (Room 239) at its headquarters in Washington, D.C. (1919 M Street, N.W.).

FEDERAL COMMUNICATIONS COMMISSION
VINCENT J. MULLINS,
Secretary.

APPENDIX

1. (a) Does the public have sufficient interest in stereophonic broadcasting by AM stations for the Commission to proceed with a Notice of Proposed Rule Making looking toward such a service?

(b) Is there a need for additional stereophonic broadcasting that cannot be met by the FM broadcast service?

(c) Are AM licensees interested in having available a stereophonic broadcast system, considering the possible effect on their existing coverage areas and monophonic reception of their signals?

(d) To what extent would stereophonic service by AM broadcast stations impact on the continuing development of FM broadcasting?

2. What audio performance characteristics are essential for a stereophonic AM transmission system with respect to frequency response, distortion, channel separation, etc.?

3. Can a satisfactory stereophonic AM broadcast signal be transmitted within the existing AM allocation standards (protection ratios, authorized bandwidth, emission designation), both domestic and international?

4. (a) What changes in occupied bandwidth (spectral density) could be expected from stereophonic AM transmissions?

(b) How much RF bandwidth is essential for AM stereophonic broadcasting and what trade-offs in signal quality (audio frequency response, distortion, and channel separation) would result from possible use of less than the authorized bandwidth?

(c) Would the RF bandwidth required for stereophonic AM transmissions be such as to foreclose future opportunities to achieve more efficient use of the spectrum through reductions in either the presently authorized 30 KHz bandwidth or spurious emissions falling outside of the 30 KHz channel?

(d) What would be the effect on stereophonic AM transmissions, both at the transmitter with encoding devices and in receivers containing decoding devices, based on 10

[4] An A3 emission is generally defined as amplitude modulation double sideband telephony.

[5] Some administrations in Region 2 permit transmissions in the band 535–1605 kHz on channels not in conformity with the normally accepted 10 kHz separation commencing at 540 kHz.

KHz channel separation, if Region 2 adopts a 9 KHz channel separation standard?

5. (a) Assuming that stereophonic AM signals will meet the existing technical RF spectrum bandwidth and allocation requirements, will the transmission of such signals result in an increase in actual interference experienced in the reception of both monophonic AM and stereophonic AM stations? (This would be caused by existing stations transmitting an expanded bandwidth.)

(b) What effects will adjacent or co-channel carrier interference have on the reception of stereophonic AM transmissions as received on either monophonic or stereophonic receivers?

6. (a) What, if any, will be the effect of stereophonic AM operation on the useful service area of a station, both daytime and nighttime?

(b) What could be the possible effects of the use of AM stereophonic transmissions on the quality of recepion by listeners who depend on skywave signals?

(c) What effect could stereophonic AM transmissions have on reception in the fading zone between areas of groundwave and skywave propagation?

7. Should the Commission set standards for the overall broadcast system performance for stereophonic AM transmissions from studio to radiated signal?

8. (a) What equipment performance tests would be desirable or necessary for stations transmitting stereophonic AM signals?

(b) What special monitoring and test equipment would be required to operate and maintain a stereophonic transmission system?

9. What impact would stereophonic AM transmissions have on the operation and use of existing frequency measuring equipment, modulation monitors, antenna monitors, and other ancillary equipment?

10. (a) To what extent may the various types of AM transmitters now in use require modifications for stereophonic transmissions?

(b) What antenna characteristics are critical to the satisfactory performance of stereophonic AM transmission systems, and what modifications may licensees be required to make in their antenna systems?

(c) What changes in the quality and quantity of line (common carrier or telephone company) program circuits between studios and transmitters would be required by stations interested in converting to stereophonic transmission services?

(d) If microwave systems are employed for STL's, what transmission techniques could be used by AM broadcasters to carry the stereophonic program signals from the studio to the transmitter?

(e) In light of(c) and (d) above, would licensees expect to increase their use of microwave STL's in lieu of line program circuits?

(f) What would be the range of estimated costs for modifying an AM station for stereophonic operation?

(g) If stereophonic AM broadcasting were to be authorized, how many stations would be interested in converting to its use, and what costs would be willing to expend for necessary modifications?

(h) Among AM licensees not interested in stereophonic transmission, do they expect any effects on their operations if stereophonic broadcasting is allowed?

11. (a) Would stereophonic AM transmission systems place special limitations on the carrier wave amplitude modulation levels?

(b) What type, if any, of special audio processing equipment, such as limiting amplifiers, may be desirable or required for the transmission of stereophonic AM programming?

12. (a) What compromises in the audio quality of reception using existing monophonic AM receivers may be necessary or acceptable to achieve a quality stereophonic AM broadcast service?

(b) Will there be any problems for the listener having an existing monophonic AM receiver, in tuning in or keeping properly tuned to a station transmitting stereophonic signals?

13. (a) Is it desirable that the stereophonic AM signal be receivable in stereo using two conventional monophonic AM broadcast receivers?

(b) To what extent would two conventional monophonic receivers be used instead of a single stereophonic receiver?

(c) Would the use of two monophonic receivers for stereophonic reception be limited because of excessive adjacent channel interference?

14. What price differential may the public expect between stereophonic AM and monophonic AM receivers for use in homes, vehicles, and portable applications?

[FR Doc.77-19299 Filed 7-6-77;8:45 am]

[FCC 77-448]

BROADCAST RATINGS

Broadcast Licensees Cautioned Against Furnishing False Information to Audience Rating Service or Improperly Influencing Persons Receiving Rating Diaries

JUNE 24, 1977.

The Commission has received information indicating that some broadcast licensees have attempted to distort audience ratings by furnishing false information to an audience rating service or improperly influencing the recipients of survey diaries. The contexts in which the complaints arose are as follows:

(1) Employees and an officer of a licensee received rating diaries. Although there was no evidence to suggest that the receipt of the diaries was improper, the persons involved submitted the diaries to a secretary at the station who completed the diaries to show falsely that their households watched the licensee's station exclusively from sign-on to sign-off every day of the week. The falsely completed diaries were thereafter submitted to the reating company.

(2) Information coming to the attention of the Commission also indicates that some licensees may have purchased diaries from persons to whom they are sent, or have paid recipients of rating diaries to complete them favorably to the licensees.

We have been asked to set forth guidelines regarding such practices.

We have issued several statements concerning broadcast ratings. See *Broadcast Ratings*, 1 FCC 2d 1078 (1965). We have recently indicated that we shall still consider complaints about the misuse of rating results, but that we shall ordinarily refer complaints as to the distortion of audience ratings by unusual promotional activities ("hypoing") to the Federal Trade Commission. *Distortion of Audience Ratings*, 58 FCC 2d 513 (1976).

Unlike typical "hypoing" cases, the practices described above involve licensee participation in a deliberate attempt to alter the outcome of a rating survey by providing, or encouraging others to provide, false information so as to make questionable the validity of the sampling process itself. We believe that these practices raise questions as to whether a licensee that engages in them is qualified to remain a licensee. In a case coming to our attention, raising the question for the first time, we granted a probationary, short-term renewal of license to the licensee involved. Licensees are warned, however, that in the future we intend to consider issuance of an appropriate hearing order.

Sent to all broadcast licensees.

FEDERAL COMMUNICATIONS COMMISSION,
VINCENT J. MULLINS,
Secretary.

[FR Doc.77-19311 Filed 7-6-77;8:45 am]

[Docket No. 21049; FCC 77-466]

COMMERCIAL TELEVISION NETWORK PRACTICES

Order Regarding Stay of Inquiry

Adopted: June 30, 1977.

Released: June 30, 1977.

In the matter of Commercial Television Network Practices and Ability of Station Licensees' to Serve the Public Interest, Docket No. 21049, (RM-2749).

1. On January 14, 1977, on our motion and due in part to a petition for rulemaking filed by Westinghouse Broadcasting Company, Inc., we issued a Notice of Inquiry for the purpose of investigating network-affiliate and network-program supplier relations. The comments were to be analyzed by a special staff composed of economists, attorneys and others under the direct supervision of the Commission.[1]

2. To make possible the expert staff contemplated by the Notice of Inquiry, we concluded that it would be necessary to reprogram funds from other Commission projects. We notified the Senate and House Appropriations Subcommittees of our proposed reprogramming action.

3. We have received approval of our proposed reprogramming action from the House Appropriations Subcommittee. However, by letter of June 16, 1977, from the Chairman of the Senate Appropriations Subcommittee, we were notified that our request was disapproved. The letter explained that the disapproved was "based upon a desire to preserve the options of the soon to be named new Chairman of the Commission * * * it seemed appropriate for the new Chairman, and other new Commissioner, since they will be appointed in a short time, to have the opportunity to have their own input factored into the study." Without the necessary funds to proceed with the inquiry, we have no choice except to hold in abeyance all further proceedings connected with it.

[1] See also 42 FR 31827, June 23, 1977.

We are also concerned that comments filed at this time may become stale before an inquiry could be resumed. Reply comments scheduled to be filed by July 22, 1977, need not be filed until further notice.

5. Accordingly, *it is ordered*, Pursuant to the authority contained in sections 4 (i) and (j), and 403 of the Communications Act of 1934, as amended, that the inquiry commenced by Notice of Inquiry released January 14, 1977 (42 FR 4992, January 26, 1977) is stayed pending further action.

FEDERAL COMMUNICATIONS COMMISSION,[1]
VINCENT J. MULLINS,
Secretary.

SEPARATE STATEMENT OF CHAIRMAN RICHARD E. WILEY

I agree fully with the Commission's action today in staying further proceedings in our Network Inquiry. In my view, it would be unfair to all concerned to require the filing of further pleadings in this matter without an appropriate staff to work on them and without any clear conception of the future direction of the entire docket.

At the same time, however, I would be less than candid if I did not register my personal regret that this Commission action has been required. The FCC's Inquiry is a well-directed and very important proceeding, one which was supported by all seven Commissioners. While it may be reactivated someday (in one form or another), the Inquiry will not be conducted by the current staff. These people, both internal employees and outside consultants, were carefully selected on the basis of their competence, experience and objectivity with respect to the issues involved. For a variety of reasons, including reassignment, acceptance of other commitments and personal disaffection, many of them no longer will be available for this project.

In light of what has occurred, I wish to make it clear that I can take no responsibility for the future course of this Inquiry nor the manner in which it may be staffed or directed.

[FR Doc.77-19300 Filed 7-6-77;8:45 am]

[Report No. 864]

COMMON CARRIER SERVICES INFORMATION

Applications Accepted for Filing

JUNE 27, 1977.

The applications listed herein have been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any of these applications, if upon further examination, it is determined they are defective and not in conformance with the Commission's rules and regulations or its policies.

Final action will not be taken on any of these applications earlier than 31 days following the date of this notice, except for radio applications not requiring a 30 day notice period (see section 309(c) of the Communications Act), applications filed under Part 68, applications filed under Part 63 relative to small projects, or as otherwise noted. Unless specified to the contrary, comments or petitions may be filed concerning radio and section 214 applications within 30 days of the date of this notice and within 20 days for Part 68 applications.

In order for an application filed under Part 21 of the Commission's Rules (Domestic Public Radio Services) to be considered mutually exclusive with any other such application appearing herein, it must be substantially complete and tendered for filing by whichever date is earlier: (a) The close of business one business day preceding the day on which the Commission takes action on the previously filed application; or (b) within 60 days after the date of the public notice listing the first prior filed application (with which the subsequent application is in conflict) as having been accepted for filing. In common carrier radio services other than those listed under Part 21, the cut-off date for filing a mutually exclusive application is the close of business one business day preceding the day on which the previously filed application is designated for hearing. With limited exceptions, an application which is subsequently amended by a major change will be considered as a newly filed application for purposes of the cut-off rule. (See §§ 1.227(b)(3) and 21.30(b) of the Commission's rules.)

FEDERAL COMMUNICATIONS COMMISSION,
VINCENT J. MULLINS,
Secretary.

APPLICATIONS ACCEPTED FOR FILING

DOMESTIC PUBLIC LAND MOBILE RADIO SERVICE

21572-CD-P-77 Carolina Telephone and Telegraph Company (new). C.P. for a new 1-way station to operate on 158.10 MHz to be located at 110 N. McGlohon Street, Ahoskie, North Carolina.

21573-CD-P-77 Odin Telephone Exchange, Inc., (new). C.P. for a new 1-way station to operate on 152.84 MHz to be located 2½ miles NW of Odin, Illinois.

21574-CD-TC-77 Highland Telephone Company. Consent to Transfer of Control from Rochester Telephone Corporation, Transferor to Rotelcom Inc., Transferee. Station: KRS697, Monroe, New York.

21575-CD-TC-4-77 Rochester Corporation. Consent to Transfer of Control from Rochester Telephone Corporation, Transferor to Rotelcom Inc., Transferee. Stations: KEK269, KEK284, KEK303, Rochester, New York and KGI786, Fairport, New York.

21576-CD-P(3)-77 Airvoice, Inc., (new). C.P. for a new station to operate on 152.18 MHz, base and 459.125 MHz, repeater at Loc. No. 1: 2½ miles E. of US Hwy. 75 on GA Hwy. 112 and 3 miles E. of Ashburn, Georgia; and 454.125 MHz, control at Loc. No. 2: 2 miles North of US Hwy. 415 and GA Hwy 33, near Cordele, Georgia.

21577-CD-P-77 Caprock Communications, Inc. (new). C.P. for a new 1-way station to operate on 158.70 MHz to be located at 221 North Second Street, Lovington, New Mexico.

21578-CD-P-(2)-77 Radio Relay Corp-Michigan (KQC884). C.P. to relocate facilities operating on 35.22 and 35.58 MHz at Loc. No. 3: 10 North Gratiot, Mt. Clemens, Michigan.

21579-CD-P-(2)-77 Telpage, Inc. (KSV947). C.P. to replace transmitter operating on 158.70 MHz Loc. No. 1: Red Mountain near Warton Lookout Tower, 81st Street, Birmingham, Alabama and Loc. No. 2: 2301 Parlev Place, Birmingham, Alabama.

21580-CD-P-77 Empire Mobilcomm Systems, Inc. (KWU375) (Dispatch). C.P. to relocate facilities operating on 158.52 MHz at Loc. No. 1 to be located at 1309 NE 6th Street, Grants Pass, Oregon.

21581-CD-P-(2)-77 Charles L. Escue and H. B. Lee dba Telpage, Ltd. (KIE366). C.P. to change antenna system and relocate facilities operating on 152.03 MHz and 152.060 MHz to be located at crest of Red Mountain, 1700 feet west of Montevallo Road, Birmingham, Alabama.

21583-CD-P-77 Carolina Telephone and Telegraph Company (new). C.P. for a new 1-way station to operate on 158.10 MHz to be located at 328 South Chestnut Street, Henderson, North Carolina.

21584-CD-P-(2)-77 Great Eastern Communications Company (KWU242). C.P. for additional facilities to operate on 35.58 MHz at a new site described as Loc. No. 2: Intersection of Rts 601 & 650, 3 miles SW of Bluemont, Virginia.

21585-CD-P-77 Telephone Answering Service, Inc. (KQZ754). C.P. to change antenna system and replace transmitter operating on 152.24 MHz located at 60 North Division Avenue, Grand Rapids, Michigan.

21586-CD-P-(3)-77 Intrastate Radio Telephone, Inc. of San Francisco (KMA833). C.P. for additional facilities to operate on 152.03, 152.06 & 152.12 MHz to be located at a new site described as Loc. No. 9: Big Rock, 4 miles SW of Novato, California.

21587-CD-MP-77 Cleveland Mobile Telephone, Inc. (KQA646). C.P. to change antenna system and change antenna location of facilities operating on 454.050 MHz, base at Loc. No. 2: 7392 State Road, Parma, Ohio.

21588-CD-TC-77 RAM Broadcasting of Florida, Inc. Consent to Transfer of Control from RAM Broadcasting Corporation, Transferor to Vineland Mobile Telephone Co., Transferee. Station: KRS662, Cocoa Beach, Florida.

21589-CD-P-77 Answer Iowa, Inc. dba Answer, Inc. (KQZ734). C.P. to change antenna system, replace transmitter and relocate facilities operating on 152.06 MHz at Loc. No. 1 to be located at 824 Central Beach Boulevard, Biloxi, Mississippi.

21590-CD-P-77 Vegas Instant Page (KFL-943). C.P. for additional facilities to operate on 158.70 MHz to be located at Loc. No. 5: 1020 Industrial Road, Boulder City, Nevada.

21591-CD-P-77 Aberdeen Answering and Paging Service, Inc. (new). C.P. for a new 1-way station to operate on 152.24 MHz to be located at 204 South Main Street, Aberdeen, South Dakota.

MAJOR AMENDMENTS

20313-CD-P-(3)-77 Valley Mobile Communications, Inc. (KMD690). Frequencies 152.03 and 152.12 MHz. Lancaster and Palmdale, California. Amend to increase power at Loc. No. 2: 44830 North Elm Avenue, Lancaster, California and decrease power and change antenna at loc. No. 1: 6.5 miles South and 2.2 miles East of Palmdale, California. All other particulars of operation remain as reported in PN No. 835 dated December 6, 1976.

[1] See attached separate statement of Chairman Richard E. Wiley below.

Orange County Radiotelephone Service, Inc., Sierra Peak & Santa Ana, California. FN: 20533-CD-P-(3)-77 KMB304, FN: 20534-CD-P-77 KSV980. Amend to add repeater facilities to operate on 2179.6 MHz, 4 miles west of Corona, on Sierra Peak, California; and to add control facilities to operate on 2129.6 MHz at 401 South Santa Fe Street, Santa Ana, California. All other particulars to remain as reported on PN No. 840 dated January 10, 1977.

CORRECTIONS:

21525-CD-P-(2)-77 Miami Valley Radiotelephone (KQK592) Correct to add: also additional facilities to operate on 72.10 MHz, control, at Loc. No. 3: Cox Road and Route 42, Pisgah, Ohio. All other particulars to remain as reported on PN No. 863 dated June 20, 1977.

INFORMATIVE

American Radio-Telephone Service, Inc. (New), Amend to describe a new site for Washington cell at 5220 River Road, Bethesda, Maryland. (File No. 20777-CD-P-( )-77.)

A Plus Communications of Puerto Rico d.b.as Caribbean Mobile Telephone Systems appeared on the Commission's Public Notice No. 862, dated June 13, 1977, as subject to Paragraph 309(b) of the Communications Act as amended. However, after receiving an engineering showing pursuant to § 21.23(c)(3)(iv) of the rules, the application is considered minor and subject to Paragraph 309(c) of the Communications Act as amended.

RURAL RADIO SERVICE

60339-CR-P-77 The Mountain States Telephone and Telegraph Company (WBB853), C.P. for an additional frequency to operate on 158.04 MHz located at Edward Nigro, 11½ miles North of Gila Bend, Arizona.

CORRECTIONS

60433-CR-P-77 Continental Telephone Company of the West (new), Correct file number to read 60333-CR-P/L-77. All other particulars to remain as reported on PN No. 863, dated June 20, 1977.

60434-CR-P-77 Silver Beehive Telephone Company (new), Correct file number to read 60334-CR-P-77. All other particulars to remain as reported on PN No. 863, dated June 20, 1977.

60435-CR-P-77 Silver Beehive Telephone Company (new), Correct file number to read 60335-CD-R-77. All other particulars to remain as reported on PN No. 863, dated June 20, 1977.

60436-CR-TC-(5)-77 Arvig Telephone Company, Correct file number to read 60336-CR-TC-(5)-77. All other particulars to remain as reported on PN No. 863, dated June 20, 1977.

POINT TO POINT MICROWAVE RADIO SERVICE

2886-CF-P-77 Wisconsin Telephone Company (WDE40), 122 West Main Street, Madison, Wisconsin. Lat. 43°04'22" N., Long. 89°23'05" W. C.P. to add new point of communication on frequencies 10835V, 11155V MHz toward Kegonsa, Wisconsin, on azimuth 7.3 degrees.

2887-CF-P-77 Same (new) CTHN, 2 miles North of Kegonsa, Wisconsin. Lat. 43°00'-20" N., Long. 89°11'45" W. C.P. for a new station on frequencies 11285V, 11605V MHz toward Madison on azimuth 295.9 degrees and 11285V, 11605V MHz toward Fulton on azimuth 167.2 degrees.

2888-CF-P-77 Same (new), 2.2 miles NW. of Fulton, Wisconsin. Lat. 42°50'15" N., Long. 89°08'38" W. C.P. for a new station on frequencies 10835V, 11155V MHz toward Kegonsa on azimuth 347.2 degrees and 11035V, 10875V MHz toward Janesville on azimuth 149.2 degrees.

2889-CF-P-77 Same (new), 301 E Milwaukee St., Janesville, Wisconsin. Lat. 42°-41'03" N., Long. 89°01'12" W. C.P. for a new station on frequencies 11485V, 11325V MHz toward Fulton on azimuth 329.3 degrees.

2890-CF-P-77 The Bell Telephone Company of Pennsylvania (KGO87), 1119 16th Street, Altoona, Pennsylvania. Lat. 40°30'-48" N., Long. 78°24'24" W. C.P. to increase structure height and add a new point of communication on frequency 6034.2V MHz toward Northwood, Pennsylvania, on azimuth 40.2 degrees.

2891-CF-P-77 Same (new), Northwood, 1.5 miles NE. of Tyrone, Pennsylvania. Lat. 40°41'06" N., Long. 78°12'57" W. C.P. for a new station on frequencies 6315.8V MHz toward Altoona on azimuth 220.3 degrees and 6315.8V MHz toward Rockview on azimuth 65.5 degrees.

2921-CF-P-77 Same (WCG251), Rockview, 1.7 miles SSW. of Pleasant Gap, Pennsylvania. Lat. 40°50'42" N., Long. 77°44'55" W. C.P. to increase structure height to add frequencies 6034.2H MHz toward Northwood and 10895V, 10975V MHz toward State College, Pennsylvania.

2892-CF-P-77 Same (KGP35), 224 S. of Allen State College, Pennsylvania. Lat. 40°47'33" N., Long. 77°51'36" W. C.P. to delete passive reflector and add a new point of communication on frequencies 11425V, 11505V MHz toward Rockview on azimuth 58 degrees and 11365H, 11445V, 11605V MHz toward Pine Grove Mills on azimuth 199.6 degrees.

2893-CF-P-77 Same (KGO69), 1.5 mile S. of Pine Grove Mills, Pennsylvania. Lat. 40°-42'55" N., Long. 77°53'45" W. C.P. to change coordinate; to add a new point of communication on frequencies 10755H, 10915H, 10995V, 11155V MHz toward State College, Pennsylvania, on azimuth 19.6 degrees and replace antenna on frequencies 6056.4H, 10875V MHz toward Piny Rdg PR, Pennsylvania.

2872-CF-R-77 New England Telephone & Telegraph Company (KGP 58). Temporary fixed-developmental within the territory of the Grantee. Application for radio station license renewal.

2881-CF-P-77 American Telephone & Telegraph Company (KGF 94). Philadelphia 2, 900 Race Street, Philadelphia, Pennsylvania (Lat. 39°57'17" N., Long. 75°09'18" W.): Construction permit to change polarization—3770.0H, 3850.0H, and 3930.0H MHz toward Wyndmoor, Pennsylvania.

2882-CF-P-77 Western Tele-Communications, Inc. (KPR 99). 3.5 miles NE of Sarpy, Montana (Lat. 45°50'21" N., Long. 106°54'16" W.): Construction permit to add 6419.6V MHz toward Miles City, Montana.

2894-CF-P-77 Tower Communication System Corporation (WPF 49), 3.2 miles ENE of Stoutsville, Ohio (Lat. 39°36'56" N., Long. 82°46'20" W.): Construction permit to add 10855.0V, 11095.0V, 11135.0H, 10975.0H 10815.0H and 10735.0H MHz toward Columbus ATC, via power split, on azimuth 338.1 degrees.

2895-CF-P-77 Tower Communication Systems Corporation (new). Columbus ATC, 1 mile NW of intersection of Alum Creek and Refugee Rd., Columbus, Ohio (Lat. 39°55'36" N., Long. 82°56'07" W.): Construction permit for new station—11625.-0H, 11305.0H and 11545.0H MHz toward Olentangy, Ohio, on azimuth 313.6 degrees.

2910-CF-P-77 American Television & Communications Corporation (WAU 322). Pauls Drive, 0.8 mile South of Highway 60, Brandon, Florida (Lat. 27°55'32" N., Long. 82°18'04" W.): Construction permit to add 10935.0H MHz toward Tampa, Florida, via power split, on azimuth 278.9 degrees.

2921-CF-P-77 MCI Telecommunications Corp. (WOE56), 1.5 miles E of Dearborn, Michigan. Lat. 42°19'10" N., Long. 83°09'06" W. Construction Permit to add a new point of communication at Southfield, Michigan, 6123.1V on azimuth 336.2 degrees.

2924-CF-P-77 Same (new). 24901 Northwestern Highway, Southfield, Michigan. Lat. 42°28'14" N., Long. 83°14'30" W. Construction permit for a new station, 6256.5V MHz towards Dearborn, Michigan on azimuth 156.2 degrees.

2871-CF-P-77 The Mountain States Telephone and Telegraph Company (KPS 44). 8.5 miles NE of Columbus, Montana. Lat. 45°44'56" N., Long. 109°11'00" W. C.P. to change polarization from horizontal to vertical 5945.2H MHz toward Billings Jct. and change frequencies vertical to horizontal 5974.8 MHz toward Big Timber.

CORRECTION:

2276-CF-P-77 Wisconsin Telephone Company (new). 1.5 miles East of West Bend, Wisconsin corrected longitude to read 88° 09'28" W. All other particulars remain as reported on PN 857 dated 5-9-77.

2482-CF-P-77 American Telephone and Telegraph Company (KOC 26) Chicago No. 6, 10 South Canal Street, Chicago, Illinois corrected frequencies to read horizontal to vertical on 3790, 3870 MHz toward Matteson and corrected file number. All other particulars remain as reported on PN 860 dated 5-31-77.

2483-CF-P-77 Same (KOC 27). 2.0 miles N. of Matteson, Illinois corrected frequencies to read horizontal to vertical on 3830, 3910 MHz toward Chicago No. 6, Illinois. All other particulars remain as reported on PN 860 dated 5-31-77.

MAJOR AMENDMENTS

1001-CF-P-77 Millington Telephone Company, Inc. (New). Woodstock, 6 miles Southwest Millington, Tennessee, change receive station location from Kerrville to Wilkinsville, Lat. 35°24'58" N., Long. 89° 52'42" W. path azimuth from 43.5 to 33.5 degrees toward Wilkinsville.

1002-CF-P-77 Same (new), 1½ miles N.E. of Wilkinsville, Tennessee, change station location from Kerrville to Wilkinsville, Lat. 35°24'58" N., Long. 89°52'42" W. path azimuth from 223.5 to 213.5 degrees toward Woodstock, 246.4 to 232.9 degrees toward Shelby Forest, 35.9 to 58.2 degrees toward Munford, from 112.4 to 121.6 degrees toward Rosemark and raise antenna center line height toward Shelby Forest, Rosemark, and Millington.

1003-CF-P-77 Same (new). 4880 Navy Road, Millington, Tennessee, change receive station location from Kerrville to Wilkinsville, Lat. 35°24'58" N., Long. 89° 52'42" W. change path azimuth from 31.3 to 14.1 degrees.

1004-CF-P-77 Same (new). Shelby Forest, 0.2 miles South of Cuba, Tennessee, change receive station location from Kerrville to Wilkinsville, Lat. 35°24'58" N., Long. 89°52'42" W. path azimuth from 66.3 to 52.9 degrees.

1006-CF-P-77 Same (new). Rosemark, Tennessee, change receive station location from Kerrville to Wilkensville, Lat. 35°24'58" N., Long. 89°52'42" W., path azimuth from 292.5 to 301.7 degrees.

1005-CF-P-77 Same (new). Munford, Tennessee, change receive station location from Kerrville to Wilkensville, Lat. 35°24'58" N., Long. 89°52'42" W., path azimuth from 216.0 to 238.3 degrees and raise antenna center line height.

2900-CF-P-77 Arvig Telephone Company. Application for Transfer of control from Esther N. Arving, Transferor, to Gilray G. Arving, Transferee, for station WAU340 in Ash River Falls, Minnesota.

2922-CF-P-77 Rochester Telephone Corporation. Application for transfer of control from Rochester Telephone Corp., Transferor, to Rotelcom Inc. transferee for stations KEE42 in Rochester, N.Y., KEE43 Caledonia, N.Y., KEE45 Geneso, N.Y., KEE46 (Portable), N.Y. and KEF77 Brockport, N.Y.

[FR Doc.77-19298 Filed 7-6-77;8:45 am]

[Docket Nos. 21235, 21236, Filed Nos. BPH-9937, BPH-10, 269]

COUNTRY BROADCASTING CO. AND ALACHUA BROADCASTING CO.

Order

Adopted: June 9, 1977.

Released: June 14, 1977.

In reapplications of COUNTRY BROADCASTING COMPANY, High Springs, Florida, Requests: 104.9 MHz, No. 285; 3 kW(H&V); 300 ft. and ALACHUA BROADCASTING, INC., Alachua, Florida, Requests: 104.9 MHz, No. 285; 3 kW(H&V); 300 ft. For Construction Permits.

1. The Commission, by the Chief, Broadcast Bureau, acting pursuant to delegated authority, has before it the above-cantioned applications of Country Broadcasting Company and Alachua Broadcastign, Inc., for construction permits which are mutually exclusive in that they seek the same channel to serve nearby communities approximately six miles apart.

2. The respective proposals, although for different communities, would serve substantial areas in common. Consequently, in addition to determining pursuant to Section 307(b) of the Communications Act of 1934, as amended, which of the proposals would better provide a fair, efficient and equitable distribution of radio service, a contingent comparative issue will be specified.

3. The applicants are qualified to construct and operate as proposed. However, because the proposals are mutually exclusive, they must be designated for hearing in a consolidated proceeding on the issues specified below.

4. Accordingly, *it is ordered*, That, pursuant to Section 309(e) of the Communications Act of 1934, as amended, the applications are designated for hearing in a consolidated proceeding, at a time and place to be specified in a subsequent Order, upon the following issues:

1. To determine the areas and populations which would receive primary aural (1 mV/m or greater in the case of FM) service from the proposals and the availability of other primary service to such areas and populations.

2. To determine, in light of Section 307(b) of the Communications Act of 1934, as amended, which of the proposals would better provide a fair, efficient and equitable distribution of radio service.

3. To determine, in the event that it is concluded that a choice between the applications should not be based solely on considerations relating to Section 307(b), which of the proposals would better serve the public interest.

4. To determine, in light of the evidence adduced pursuant to the foregoing issues which, if either, of the applications should be granted.

5. *It is further ordered*, That, to avail themselves of the opportunity to be heard, the applicants herein, pursuant to Section 1.221(c) of the Commission's Rules, in person or by attorney, shall, within twenty (20) days of the mailing of this Order, file with the Commission, in triplicate, a written appearance stating an intention to appear on the date fixed for a hearing and present evidence on the issues specified in this Order.

6. *It is further ordered*, That, the applicants herein shall, pursuant to Section 311(a)(2) of the Communications Act of 1934, as amended, and Section 1.594 of the Commission's Rules, give notice of the hearing, either individually or, if feasible and consistent with the Rules, jointly, within the time and in the manner prescribed in such Rules, and shall advise the Commission of the publication of such notice as required by Section 1.594(g) of the Rules.

FEDERAL COMMUNICATIONS COMMISSION,
WALLACE E. JOHNSON,
Chief,
Broadcast Bureau.

[FR Doc.77-19301 Filed 7-6-77;8:45 am]

FM AND TV TRANSLATOR APPLICATION READY AND AVAILABLE FOR PROCESSING

Adopted: June 23, 1977.

Released: June 29, 1977.

Notice is hereby given pursuant to §§ 1.572(c) and 1.573(d) of the Commission's Rules, that on August 16, 1977, the TV and FM translator applications listed in the attached Appendix will be considered as ready and available for processing. Pursuant to § 1.227(b)(1) and § 1.519(b) of the Commission's Rules, an application, in order to be considered with any application appearing on the attached list or with any other application on file by the close of business on August 15, 1977, which involves a conflict necessitating a hearing with any application on this list, must be substantially complete and submitted for filing at the offices of the Commission in Washington, D.C., by the close of business on August 15, 1977.

The attention of any party in interest desiring to file pleadings concerning any pending TV and FM translator application, pursuant to section 309(d)(1) of the Communications Act of 1934, as amended, is directed to § 1.580(i) of the Commission's Rules for provisions governing the time for filing and other requirements relating to such pleadings.

FEDERAL COMMUNICATIONS COMMISSION,
VINCENT J. MULLINS,
Secretary.

UHF TV TRANSLATOR APPLICATIONS

BPTT-3172 (new), Key West, Florida, Board of County Commissioners, Monroe County. Req: Channel 28, 554-560 MHz, 100 watts. Primary: WPBT-TV, Miami, Florida.

BPTT-3173 (new), Marathon, Florida, Board of County Commissioners, Monroe County. Req: Channel 30, 566-572 MHz, 100 watts. Primary: WPBT-TV, Miami, Florida.

BPTT-3174 (new), Key West, Florida, Board of County Commissioners, Monroe County. Req: Channel 31, 572-578 MHz, 100 watts. Primary: WTVJ-TV, Miami, Florida.

BPTT-3175 (new), Matecumbe, Florida, Board of County Commissioners, Monroe County. Req: Channel 32, 578-584 MHz, 100 watts. Primary: WPBT-TV, Miami, Florida.

BPTT-3176 (new), Matecumbe, Florida, Board of County Commissioners, Monroe County. Req: Channel 35, 596-602 MHz, 100 watts. Primary: WTVJ-TV, Miami, Florida.

BPTT-3177 (new), Big Pine, Florida, Board of County Commissioners, Monroe County. Req: Channel 36, 602-608 MHz, 100 watts. Primary: WPBT-TV, Miami, Florida.

BPTT-3178 (new), Marathon, Florida, Board of County Commissioners, Monroe County. Req: Channel 38, 614-620 MHz, 100 watts. Primary: WTVJ-TV, Miami, Florida.

BPTT-3179 (new), Matecumbe, Florida, Board of County Commissioners, Monroe County. Req: Channel 40, 626-632 MHz, 100 watts. Primary: WCIX-TV, Miami, Florida.

BPTT-3180 (new), Matecumbe, Florida, Board of County Commissioners, Monroe County. Req: Channel 43, 644-650 MHz, 100 watts. Primary: WCKT-TV, Miami, Florida.

BPTT-3181 (new), Key West, Florida, Board of County Commissioners, Monroe County. Req: Channel 44, 650-656 MHz, 100 watts. Primary: WCIX-TV, Miami, Florida.

BPTT-3182 (new), Big Pine, Florida, Board of County Commissioners, Monroe County. Req: Channel 47, 668-674 MHz, 100 watts. Primary: WTVJ-TV, Miami, Florida.

BPTT-3183 (new), Key West, Florida, Board of County Commissioners, Monroe County. Req: Channel 49, 680-686 MHz, 100 watts. Primary: WCKT-TV, Miami, Florida.

BPTT-3184 (new), Big Pine, Florida, Board of County Commissioners, Monroe County. Req: Channel 55, 716-722 MHz, 100 watts. Primary: WCIX-TV, Miami, Florida.

BPTT-3185 (new), Rock Harbor, Florida, Board of County Commissioners, Monroe County. Req: Channel 56, 722-728 MHz, 100 watts. Primary: WPBT-TV, Miami, Florida.

BPTT-3186 (new), Big Pine, Florida, Board of County Commissioners, Monroe County. Req: Channel 57, 728-734 MHz, 100 watts. Primary: WCKT-TV, Miami, Florida.

BPTT-3187 (new), Matecumbe, Florida, Board of County Commissioners, Monroe County. Req: Channel 59, 740-746 MHz, 100 watts. Primary: WPLG-TV, Miami, Florida.

BPTT-3188 (new), Big Pine, Florida, Board of County Commissioners, Monroe County. Req: Channel 60, 746-752 MHz, 100 watts. Primary: WPLG-TV, Miami, Florida.

BPTT-3189 (new), Rock Harbor, Florida, Board of County Commissioners, Monroe County. Req: Channel 61, 752-758 MHz, 100 watts. Primary: WTVJ-TV, Miami, Florida.

BPTT-3190, (new), Marathon, Florida, Board of County Commissioners, Monroe County. Req: Channel 63, 764-770 MHz, 100 watts. Primary: WCIX-TV, Miami, Florida.
BPTT-3191 (new), Rock Harbor, Florida, Board of County Commissioners, Monroe County. Req: Channel 64, 770-776 MHz, 100 watts. Primary: WCIX-TV, Miami, Florida.
BPTT-3192 (new), Marathon, Florida, Board of County Commissioners, Monroe County. Req: Channel 65, 776-782 MHz, 100 watts. Primary: WCKT-TV, Miami, Florida.
BPTT-3193 (new), Key West, Florida, Board of County Commissioners, Monroe County. Req: Channel 66, 782-788 MHz, 100 watts. Primary: WPLG-TV, Key West, Florida.
BPTT-3194 (new), Rock Harbor, Florida, Board of County Commissioners, Monroe County. Req: Channel 67, 788-794 MHz, 100 watts. Primary: WCKT-TV, Miami, Florida.
BPTT-3195 (new), Marathon, Florida, Board of County Commissioners, Monroe County. Req: Channel 68, 794-800 MHz, 100 watts. Primary: WPLG-TV, Miami, Florida.
BPTT-3196 (new), Rock Harbor, Florida, Board of County Commissioners, Monroe County. Req: Channel 69, 800-806 MHz, 100 watts. Primary: WPLG-TV, Miami, Florida.

FM TRANSLATOR APPLICATIONS

BPFT-422 (new), Myrtle Creek, Oregon, State of Oregon Acting By and Through the State Board of Higher Education. Req: Channel 207, 89.3 MHz, 1 watt. Primary: KSOR-FM, Ashland, Oregon.
BPFT-423 (new), Roseburg, Oregon, State of Oregon Acting By and Through the State Board of Higher Education. Req: Channel 207, 89.3 MHz, 10 watts. Primary: KSOR-FM, Ashland, Oregon.
BPFT-424 (new), Cave Junction, Kerby, Selma, Oregon, State of Oregon Acting By and Through the State Board of Higher Education. Req: Channel 220, 91.9 MHz, 10 watts. Primary: KSOR-FM, Ashland, Oregon.
BPFT-425 (new), Klamath Falls, Oregon, State of Oregon Acting By and Through the State Board of Higher Education. Req: Channel 217, 91.3 MHz, 10 watts. Primary: KSOR-FM, Ashland, Oregon.
BPFT-426 (new), Yreka, Hornbrook, California, State of Oregon Acting By and Through the State Board of Higher Education. Req: Channel 220, 91.9 MHz, 10 watts. Primary: KSOR-FM, Ashland, Oregon.
BPFT-427 (new), Sutherlin, Glide, Oregon, State of Oregon Acting By and Through the State Board of Higher Education. Req: Channel 220, 91.9 MHz, 10 watts. Primary: KSOR-FM, Ashland, Oregon.
BPFT-428 (new), Riddle, Tri-City and Canyonville, State of Oregon Acting By and Through the State Board of Higher Education. Req: Channel 220, 91.9 MHz, 10 watts. Primary: KSOR-FM, Ashland, Oregon.
BPFT-429 (new), Kayenta Arizona, Kayenta TV Association. Req: Channel 296, 107.1 MHz, 10 watts. Primary: KRSJ-FM, Durango, Colorado.
BPFT-430 (new), Black River Falls, Wisconsin, Shalom Translators, Inc. Req: Channel 272, 102.3 MHz, 1 watt. Primary: WWIB-FM, Ladysmith, Wisconsin.
BPFT-431 (K224AF), China Lake, Ridgecrest, Inyokern, California, Indian Wells Valley TV Booster, Inc. Req: Change output frequency to: 99.3 MHz, Channel 257.
BPFT-432 (new), Evanston-Bridger Valley, Wyoming, Upper Bear River Television Service. Req: Channel 252, 98.3 MHz, 10 watts. Primary: KRSP-FM, Salt Lake City, Utah.
BMPFT-46 (K288BE), Silver Bay, Minnesota, Stereo Broadcasting, Inc. Req: Change output frequency to: Channel 296, 107.1 MHz.
BMPFT-47 (K296AW), Grand Marais, Minnesota, Stereo Broadcasting, Inc. Req: Change output frequency to: Channel 288, 105.5 MHz.

[FR Doc.77-19313 Filed 7-6-77;8:45 am]

[Docket No. 21310; RM-1847, RM-1984, RM-2742]

FM QUADRAPHONIC BROADCASTING

Inquiry

Adopted: June 22, 1977.

Released: July 6, 1977.

INTRODUCTION

1. This Inquiry is being instituted as a result of three petitions submitted to the Commission regarding adoption of standards for the transmission of FM quadraphonic broadcasting. These petitions were submitted by Pacific FM, Inc., RM-1847 (hereafter identified as "Pacific"), General Electric Company, RM-1984 ("GE"), and CBS, Inc., RM-2742 ("CBS").[1] A further consideration is the study performed by the National Quadraphonic Radio Committee (NQRC).

OBJECTIVE

2. The objective of this Notice is to determine if there is sufficient interest to warrant the Commission's adoption of standards for quadraphonic broadcasting, and if so to develop a record which will assist the Commission in formulating the needed standards for this service.

DESCRIPTION OF THE THREE PENDING PETITIONS

3. Quadraphonic systems which have been proposed to date fall into three general categories, 4-2-4, 4-3-4, and 4-4-4. Where four independent or discrete audio sources are encoded by a "matrix" into two composite signals transmitted as compatible left and right stereo signals to be later decoded back into four audio signals, the system has been designated as a 4-2-4 system. Where the four independent or discrete audio sources are combined in a composite signal and transmitted as a main channel plus either 2 or 3 subcarriers, all to be later converted back into 4 (discrete in the case of 4-4-4) audio signals, the systems are designated as 4-3-4 or 4-4-4 respectively.

4. Pacific petitioned the Commission to adopt the Dorren Quadraplex System as the standard for "transmitting discrete four channel stereo utilizing the facilities of one FM station." Pacific claims that this 4-4-4 system is compatible with present monophonic and stereophonic standards. The Dorren System would sum the left front (LF), left back (LB), right front (RF) and right back (RB) audio signals as main channel or base band modulation. The sum of LF+LB-RF-RB modulates a double sideband suppressed carrier at 38 kHz. A second subcarrier also at 38 kHz but in phase quadrature with the first is likewise modulated as double sideband suppressed carrier with LF-LB-RF+RB. A third subcarrier at 76 kHz is similarly double sideband suppressed carrier modulated with LF-LB+RF-RB with modulation components from 61 to 91 kHz. A 19 kHz pilot subcarrier with 8 to 10% modulation (identical to the present 19 kHz pilot subcarrier) is proposed to phase lock the two 38 kHz quadrature subcarriers and the 76 kHz subcarrier. Proponent stated that the SCA transmission would require a frequency different from the 67 kHz normally used and proposed 114 kHz. Being harmonically related to the 19 kHz pilot, the subcarrier can be "both frequency and phase locked to the pilot" (this was later changed to 95 kHz during tests by the NQRC).

5. GE submitted a petition to the Commission requesting that a Notice of Inquiry be issued and further, that the Commission evaluate and test the General Electric 4-4-4 system. The proposed system transmits four separate audio signals by utilizing the main channel and three subcarriers with two of the subcarriers at 38 kHz, the second of which is in phase quadrature. The 38 kHz subcarriers are suppressed. The third subcarrier is placed at 76 kHz. The upper sideband of the 76 kHz subcarrier is suppressed, however, proponent proposes a 4 to 6% subcarrier level at 76 kHz to provide a signal for automatic switching between quadraphonic and other modes. The usual 19 kHz pilot is transmitted, to which the 38 and 76 kHz subcarriers are phase locked. Equations of each of the four audio signals are:

Main Channel, (LF+LB)+(RF+RB).
38 kHz in phase suppressed subcarrier subchannel, (LF+LB)-(RF+RB).
38 kHz quadrature suppressed subcarrier subchannel, (LF-LB)-(RF-RB).
76 kHz suppressed subcarrier vestigial sideband subcarrier, (LF-LB)+(RF-RB).

6. The third petition was submitted by CBS for a 4-2-4 system identified under the trademark SQ. The operation of this system depends upon the matrix encoding of 4 channels into two channels. The two channels are presently transmitted under existing stereophonic standards. In the SQ system "The signals from the front microphones, LF and RF, pass through the encoder essentially unimpeded; but the signals from the back microphones LB and RB, enter two 'phase shifters' which split each signal into two signals at a 90° phase relationship." The phase-shifted back signals are now mixed with the front signals to product two composite output signals, Left total (LT) and Right total (RT)."[2] CBS also proposes transmission of an

[1] These petitions were filed on August 23, 1971, May 30, 1972, and August 10, 1976, respectively.

[2] Description from CBS's brochure "Spatial High Fidelity Through Quadraphonic Recording and Broadcasting."

"identification signal" at 57 kHz phase locked to the 19 kHz pilot and at a modulation level of 2 to 3%.[3]

DISCUSSION

7. In 1972 the Electronic Industries Association sponsored the National Quadraphonic Radio Committee [4] whose objective was to report to the Commission final conclusions regarding quadraphonic FM broadcasting standards. In November, 1975, the NQRC submitted its report and conclusions to the Commission. This report is composed of two volumes, of which Volume One is a summary of the tests and conclusions. Volume Two consisting of 5 books includes the various tests performed on receivers, interconnecting facilities, transmitters, field tests, and compatibility tests. These two volumes are being made a part of the record in this proceeding.[5] [6]

8. The NQRC tests were performed primarily on 4–4–4 and 4–3–4 quadraphonic broadcasting systems.[7] There was a lack of comparative test data for 4–2–4 systems since proponents of such systems did not choose to provide their equipment for tests. However, subjective comparative tests were made using the Cooper-UMX 4–2–4 BFMX option as described in the NQRC report.

9. The results of the NQRC localization tests showed that the 4–4–4 and 4–3–4 systems ranked decidedly higher than the 4–2–4 system tested.[8] Current proponents of 4–2–4 systems appear to believe that such results are not representative of today's state-of-the-art for 4–2–4 systems since there has been further developments in logic enhancement. As a consequence, the Commission's Laboratory Division, Office of the Chief Engineer, is performing comparative tests between 4–4–4, 4–3–4 and several 4–2–4 systems.[9] These tests include subjective preference judgments as well as simple and complex location.[10] The results of the Commission's tests will be reported and made a part of the record in this proceeding, and parties will be afforded an opportunity to comment on that report.

THE INQUIRY

10. The Commission is faced with the difficult task of trying to evaluate not only the merits of 4–4–4, 4–3–4 and 4–2–4 systems as compared to each other, but also to evaluate the several designs being proposed by various manufacturers. The line of questioning in this Inquiry will not only solicit information regarding design proposals, but will attempt to focus on the merits of quadraphonic broadcasting per se in order to identify what future Commission action, if any, is appropriate.

11. To put matters in perspective, on August 9, 1972, the Commission issued a Public Notice (Mimeo No. 7599), which stated:

> The Commission said that the four-channel stereo systems being sold today are "pseudo-enhancement devices relying on a phase-differential principle to achieve four-channel audio effects," and may be used within the FCC's present FM stereo transmission standards without specific authorization.

Since then there have been a number of FM stations which have opted to transmit 4–2–4 quadraphonic programming. In spite of this, it does not appear that there has been overwhelming public acceptance. This may indicate a lack of interest in quadraphonic sound per se or a lack of acceptance or uniformity of the present quadraphonic broadcasting techniques being utilized.

12. Of initial importance, therefore, is the question of whether the industry as a whole and the listening public will be served by adoption of additional standards for FM quadraphonic broadcasting. Manufacturers have devised techniques for such broadcasting and there have been a number of comments from the public in response to the above petitions indicating their views and interest. Additionally, we also wish to identify preferences of the broadcasters. Comments on the following questions are specifically requested:

a. Is the broadcasting industry interested in and willing to spend the money necessary to transmit quadraphonic sound?

b. Are there sufficient listeners interested in quadraphonic sound who are willing to spend funds to purchase new equipment or adapt existing equipment?

13. In considering any type of a quadraphonic ssytem, it is important to also consider the type of material that is going to be available for programming.

a. In the event that the Commission were to adopt standards for a 4–3–4 or 4–4–4 system, what advances and improvements could be expected in the software provided for broadcasts over such systems?

b. Is it probable that stations will rely heavily upon program material which uses various 4–2–4 encoding techpiques? If this were to be the case, would it be in the public interest to adopt a 4–3–4 or 4–4–4 system as a standard, thereby assuring uniform quadraphonic transmissions to the public?

c. In view of the programming material that may be available in the future, we are interested in knowing: can a 4–2–4 broadcasting system realize the full potential of quadraphonic broadcasting or would a 4–3–4 or 4–4–4 system come closer to realizing this full potential?

14. In considering the various systems for quadraphonic broadcasting, it is evident that there are several options that can be pursued. One option is merely the continuation of present 4–2–4 transmissions since they have not required any changes to the existing rules or technical standards. Therefore, the minimum outcome of this proceeding could be to maintain the status quo.

a. What would be the result if the Commission did not adopt standards for any specific 4–2–4 system? What would be the advantages of adopting a specific 4–2–4 system?

b. Are there 4–2–4 standards which the Commission should adopt which are not now adequately provided by the Rules?

c. CBS proposed the use of a 57 kHz pilot subcarrier for identication purposes. If the Commission did not adopt standards for a specific 4–2–4 system, would it be practical to use such a subcarrier to identify the type of 4–2–4 system that is being transmitted?

d. If the Commission adopted rules permitting the pilot subcarrier discussed in question c above, would it be practical to manufacture 4–2–4 decoders capable of being automatically switched from one 4–2–4 system to another?

e. What identification techniques other than the use of a pilot subcarrier are available to accomplish the automatic switching suggested above?

f. If the Commission were to adopt quadraphonic broadcasting standards for 4–3–4/4–4–4 in addition to permitting continued use of 4–2–4 transmission techniques, what would be the impact of each upon the other?

15. In addition to the options of adopting standards for either 4–3–4 or 4–4–4 systems, there is also the option of adopting standards for a compatible 4–3–4/4–4–4 system.

a. If the Commission were to adopt transmission standards for 4–4–4 systems, is there any reason why the Commission should not also permit 4–3–4 transmissions?

b. Would it be practical to manufacture decoders capable of operation with both 4–3–4 and 4–4–4 systems?

c. Would it be practical to make provision in such decoders for automatically switching between 4–3–4 and 4–4–4 modes whenever received modes or conditions change?

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[3] For a more complete description of the preceding three systems, see the petitions which have been submitted in this proceeding.

[4] EIA letter of March 23, 1972, page 132 of Vol. 1, Report of the NQRC to the FCC.

[5] Copies of this report may be obtained from the staff engineer, Consumer Electronics Group, Electronic Industries Association, 2001 I Street, N.W., Washington, D.C. Volume One may be obtained at no cost and Volume Two may be acquired at a cost of $100.00.

[6] Additonally, test data for the Dorren Quadraplex System and the General Electric system were submitted under RM-1847 and RM-1984, respectively.

[7] 4–4–4 systems tested were those proposed by Quadracast Systems, Inc., RCA Corporation, Cooper-UMX, General Electric Company, and Zenith Radio Corporation. Additionally, RCA and Cooper-UMX proopsed 4–3–4 systems which are compatible with their 4–4–4 systems and existing Subsidiary Communication Authorization's (SCA).

[8] Localization tests used sounds from a particular speaker or combination of speakers to recreate for a listener real and apparent sound sources. Bursts of pink noise were used for simple localization and a "chirp" superimposed on diffuse, uncorrelated pink noise was used for complex localization.

[9] The 4–2–4 systems being tested are QS (Sansui Electric Company, Ltd.), SQ (CBS, Inc.), and the BBC H Matrix.

[10] These tests are being performed in a fashion similar to that used by the NQRC.

d. What mode identification techniques are available for accomplishing automatic switching? We hesitate to consider the use of pilot subcarriers for such switching and alerting because it may necessitate a reduction in the modulation available for the audio channels and increases the potential for intermodulation distortion. Therefore, what techniques other than pilot subcarriers can be used for such mode switching?

e. For a compatible 4-3-4/4-4-4 system, what effect would the simultaneous transmission of a 67 kHz SCA with a 4-3-4 quadraphonic transmission have on decoders which are operating in the 4-4-4 mode?

16. It has been suggested that other uses could be made of the upper baseband that would otherwise be allocated for 4-4-4 transmissions. Such other applications could, for example, be for subcarriers used for noise reduction systems, for various types of signaling purposes and SCA's. Several quadraphonic systems have been proposed that would require changing the 67 kHz SCA frequency to a higher frequency. Furthermore, the proponents of such proposals state that by phase-locking the SCA to a harmonic of the 19 kHz pilot the interference to stereophonic or quadraphonic systems will be reduced significantly. This interference is the result of non-linearities that may exist in any or all of the following: transmitter/exciter, interconnecting facilities, receiver or multipath. The non-linearity produces a "beat" or "whistle" of 9 or 10 kHz (the difference frequency between the 67 kHz SCA subcarrier and either the 3rd or 4th harmonic of the 19 kHz pilot).

a. In the event that the Commission decides to permit modulating frequencies higher than 75 kHz, should stations transmitting both quadraphonic sound and SCA's be required to transmit its SCA channel on either 76, 95 or 114 kHz subcarriers and be phase locked to a harmonic of the 19 kHz pilot?

b. What limits should the Commission set on maximum subcarrier frequency, maximum frequency deviation of subcarrier, and maximum subcarrier modulating audio frequency? Also what limits should be set on the modulation of the main carrier by the subcarriers (injection level)?

c. What reduction of SCA coverage can be expected and tolerated by the use of higher SCA subcarrier frequencies, particularly if lower injection levels are used?

d. Is it feasible to modify present SCA receivers to operate on higher subcarrier frequencies?

Subjective Considerations for Quadraphonic Sound

17. The NQRC performed subjective tests of 4-4-4, and 4-3-4 systems and a 4-2-4 system.[11] These were tests to determine listener preference,[12] localization, and compatibility of quadraphonic transmissions with monophonic and stereophonic reproduction.

18. The NQRC reported that the results of localization tests and preference tests showed that the 4-4-4 and 4-3-4 systems ranked decidely higher than the 4-2-4 system tested. Additionally, it was reported that there was no discernible difference in the monophonic and stereophonic reproduction (fold-down) when quadraphonic transmissions were made using 4-4-4, 4-3-4, and 4-2-4 systems.

19. However, as was previously pointed out in this *Inquiry*, only one 4-2-4 system was used in these tests. In the likelihood that improvements to 4-4-4, 4-3-4, or 4-2-4 systems may have occurred since the NQRC tests were made, comments on the following are requested:

a. Since logic enhancement for 4-2-4 decoders has been under development, how valid are the NQRC conclusions today with regard to localization and listener preference?

b. Can logic enhancement be used to improve the performance of 4-3-4 decoders, thereby making 4-3-4 transmissions more nearly comparable with 4-4-4 transmissions?

c. In light of the above two questions, what are the benefits, if any, of 4-4-4 systems over 4-3-4 and 4-2-4 transmissions?

d. If it is determined that further improvements can be expected for 4-3-4 or 4-2-4 decoders, do 4-4-4 systems justify the additional cost (if any) to broadcasters?

e. Since only one 4-2-4 system was tested by the NQRC, what are the monophonic and stereophonic reproduction (fold-down) characteristics of other 4-2-4 systems?

f. In considering those quadraphonic systems that do not provide equal quadraphonic and monophonic/stereophonic sound reproduction, would it be more appropriate to: adopt a system that gives superior quadraphonic sound reproduction but inferior monophonic and stereophonic reproduction, or adopt a system that gives superior monophonic and stereophonic reproduction but inferior quadraphonic reproduction?

Receiver Compatibility

20. Also of importance when considering quadraphonic broadcasting systems is the compatibility of the systems with present monophonic and stereophonic receivers. Not only is there a large number of FM monophonic and stereophonic receivers presently in existence, but it is expected that monophonic and stereophonic receivers will continue to be used even if quadraphonic standards are adopted. Therefore, the compatibility of any quadraphonic standards adopted must take these receivers into account.[13]

21. In addition to determining the ability of monophonic and stereophonic receivers to function normally in the presence of quadraphonic broadcasts, we are also interested in determining whether these receivers may be modified or adapted, through practical means, for quadraphonic reception:

a. Are any difficulties expected in the normal use of present monophonic and stereophnic receivers when either 4-4-4- or 4-3-4 transmissions are being received?

b. Recognizing the variations in quality of present stereophonic receivers, what difficulties can be expected in such receivers as a result of introducing a 38 kHz subcarrier in quadrature with the present 38 kHz subcarrier? Can crosstalk and reduced stereo separation be expected in some stereophonic receivers as a result of phase error in the regeneration of an in-phase subcarrier in the presence of a quadrature subcarrier? How much phase error can be tolerated? What additional difficulties are expected as a result of harmonic and intermodulation distortion attributable to the quadrature subcarrier?

c. Would it be practical or possible to add quadraphonic adapters to present monophonic and stereophonic receivers to decode 4-4-4 or 4-3-4 transmissions? If so, what will be the cost range for add-on adapters to decode 4-4-4 or 4-3-4 transmissions?

d. What is the projected near term cost of 4-2-4 decoders using state of the art circuitry? If logic enhancement is practical for 4-3-4 decoders, what is their projected cost?

e. Compared with present stereophonic receivers, how much more will quadraphonic receivers for 4-4-4, 4-3-4 or 4-2-4 systems cost?

Studio-Transmitter Interconnections

22. The studio-transmitter interconnection requirements for quadraphonic broadcasting vary depending upon whether a 4-2-4, 4-3-4, or 4-4-4 system is used. The 4-2-4 systems require only the use of existing stereophonic interconnection facilities. However, the 4-4-4 systems require the use of four independent channels. The NQRC investigated what could be considered to be the minimum requirements for quadraphonic broadcasting.[14] These minimum requirements were:

(1) Four 15 kHz matched/equalized program wire lines.

(2) An STL in the 947-952 MHz band modulated by a quadraphonic composite signal.

(3) A pair of STL's in a single aural channel transmitting in the 947-952 MHz band, each operating as a conventional stereophonic composite unit.

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[11] For complete details, see Volume II, Chapter VI of the NQRC report.

[12] The NQRC performed preference tests by having listeners (auditors) express a preference for music reproduced by the systems being compared.

[13] Certain tests relating to receiver compatibility were reported by the NQRC in Volume II, Chapters IV and V of their report.

[14] For further details, see Volume II, Chapter II of the NQRC report.

23. Comments on the following questions are invited:

a. Considering the difficulty of obtaining two sufficiently matched program wire lines (amplitude and phase) for present stereo transmissions, will it be economically practical to obtain four matched program wire lines?

b. Will a pair of STL's operating in the 947–952 MHz band with the usual 125 or 150 kHz offsets perform satisfactorily with stereophonic composite signals on each unit? Will a single STL modulated by a quadraphonic composite signal perform satisfactorily?

c. Are present stereophonic studio-transmitter interconnections adequately matched for 4–2–4 quadraphonic systems?

d. Are there any special performance requirements for studio-transmitter interconnections such as distortion, phase delay, frequency response, or other characteristics to facilitate quadraphonic broadcasting?

e. Is it expected that quadraphonic broadcasting using 4–4–4 or 4–3–4 systems will result in increased demand for microwave STL's?

TRANSMISSION EQUIPMENT

24. It is desired to consider the adequacy of present transmission facilities (exciters, transmitters, transmission lines, antennas and FM monitors) for quadraphonic broadcasts. The NQRC investigated the adequacy of present facilities and the results of their investigation are contained in Volume II, Chapter III of their report. It concluded that existing facilities are generally adequate or can be adapted to quadraphonic broadcasting.

25. In addition to commenting on conclusions of the NQRC on this subject, specific comments on the following questions are requested:

a. To what extent will present transmitters and exciters have to be modified to enable satisfactory broadcasting with 4–4–4, 4–3–4, and 4–2–4 systems?

b. If 4–4–4 quadraphonic broadcasting standards are adopted by the Commission, how acceptable are present antenna systems in view of the possible requirement for wider baseband signals and resulting increased RF bandwidths? For antenna systems which are not acceptable, will it be feasible to modify them? Or will new antenna systems be required?

c. What technical specifications are recommended for 4–2–4, 4–3–4 and 4–4–4 quadraphonic FM monitors? Also, to what extent can present monitors be adapted (consistent with Commission type approval requirements) for quadraphonic broadcasting?

d. What special monitoring and test equipment will be required to operate and maintain 4–4–4, 4–3–4, and 4–2–4 quadraphonic systems?

e. What procedures should be followed in performing equipment performance measurements for 4–4–4, 4–3–4, or 4–2–4 quadraphonic systems?

OTHER TECHNICAL CONSIDERATIONS

26. The adoption of standards for each of the quadraphonic systems may create certain problems or may produce less than optimum sound reproduction or station coverage. For instance, the 4–4–4 system while maintaining good separation between audio channels suffers an additional loss in station coverage compared to present stereophonic transmissions. This is compared to the 4–2–4 system which has less separation between audio channels but which, according to proponents, does not significantly reduce the signal-to-noise ratio or station coverage.

27. It is, therefore, important that broadcasters consider the effects upon station coverage, protection ratios, increased occupied bandwidth, and multipath which are characteristic of 4–4–4, 4–3–4, and 4–2–4 quadraphonic systems. These considerations taken together with those discussed in earlier paragraphs have addressed what we feel are the major issues to be resolved in this proceeding. Therefore, comments on the following are requested:

a. Compared with present stereophonic transmissions, how much will the signal to noise ratio decrease with 4–4–4, 4–3–4, or 4–2–4 transmissions?

b. Due to decreased signal to noise ratio, how much will the transmission range of stations using 4–4–4, 4–3–4, or 4–2–4 systems change?

c. What loss of transmission range is considered acceptable by broadcasters?

d. What will be the effect of multipath on reception of 4–4–4, 4–3–4, or 4–2–4 quadraphonic broadcasts?

e. What effect upon protection ratios would 4–4–4, 4–3–4, and 4–2–4 quadraphonic broadcasts have on both co-channel and adjacent channels compared to present stereophonic transmissions?

f. For the various proposed 4–4–4, 4–3–4, and 4–2–4 systems, to what degree will the occupied bandwidth increase compared with present stereophonic operation?

g. If proposed quadraphonic systems require an increase in occupied bandwidth, what would be the impact, if any, upon the Commission's frequency assignment plan? Should a system be adopted which would not increase the occupied bandwidth?

h. Would possible increases in bandwidth required for quadraphonic broadcasting be such as to foreclose future opportunities to achieve more efficient use of the spectrum through reduction in the currently authorized bandwidth?

INTERNATIONAL CONSIDERATIONS

28. U.S. licensed broadcast stations are subject to international radio agreements to which the United States is a party. Any proposed use of a new type of FM signal transmission must conform to the provisions of these agreements and the United States cannot unilaterally modify the agreement provisions. Accordingly, any proposed transmission for FM quadraphonic broadcasting not in accordance with these provisions would require negotiations to obtain necessary modifications. Specically, the U.S. Mexico bilateral agreement concerning FM broadcasting, signed November 9, 1972, as amended, Part III, Article 4, Paragraph C, 2, specifies "the instantaneous frequency of any multiplex subcarrier shall not exceed ±75 kHz from the assigned center frequency." This would, for example, affect those quadraphonic systems proposing 76 kHz or higher subcarrier frequencies.

FILING RESPONSES TO THE INQUIRY

29. Those filing comments in this proceeding should key their responses to the numbered questions appearing in the various paragraphs. If there are other considerations which are not addressed by the specific questions in this proceeding, respondents are requested to bring them to our attention. We urge radio equipment manufacturers, broadcasters, and the listening public and all other interested parties to make known their interests and to contribute relevant information to assist the Commission in this proceeding.

30. Pursuant to applicable procedures set forth in § 1.415 of the Commission's Rules, interested parties may file comments on or before September 15, 1977, and reply comments on or before October 17, 1977. All relevant and timely comments and reply comments will be considered by the Commission before further action is taken in this proceeding. The Commission may also consider any other relevant information brought to its attention.

31. In accordance with the provisions of § 1.419 of the Commission's Rules and Regulations, an original and 5 copies of all comments, replies, or other documents filed in this proceeding shall be furnished to the Commission. Participants filing the required copies who also desire that each Commissioner receive a personal copy of the comments may file an additional 6 copies. Members of the general public who wish to express their interest by participating informally in this proceeding may do so by submitting a copy of their comments, without regard to form, provided that the Docket Number is specified in the heading. Such informal participants who desire that responsible members of the staff receive a personal copy and to have an extra copy available for the Commissioners may file an additional 5 copies. Responses will be available for public inspection during regular business hours in the Commission's Dockets Reference Room (Room 239) at its headquarters in Washington, D.C. (1919 M Street, N.W.).

FEDERAL COMMUNICATIONS COMMISSION,
VINCENT J. MULLINS,
Secretary.

[FR Doc.77-19314 Filed 7-6-77;8:45 am]

[Docket Nos. 21212, 21213; File Nos. BPH-9981, BPH-10,040]

HERMISTON BROADCASTING CO. AND INTERFAITH CHRISTIAN CENTER

Memorandum Opinion and Order

Adopted: June 7, 1977.

Released: June 22, 1977.

In re Applications of Hermiston Broadcasting Co., Hermiston, Oregon.

Req: 99.3 MHz, Ch. No. 257; 3.0 kW (H & V), 78 ft. Interfaith Christian Center, Hermiston, Oregon. Req: 99.3 MHz, Ch. No. 257; 3.0 kW (H & V) 300 ft. For Construction Permit.

1. The Commission, by the Chief, Broadcast Bureau, acting pursuant to delegated authority, has before it the above-captioned applications, which are mutually exclusive in that they seek the same FM broadcast channel in Hermiston, Oregon. Hermiston Broadcasting Co. (hereinafter HBC) is the licensee of standard broadcast station KOHU, Hermiston, Oregon, and Interfaith Christian Center (hereinafter ICC) is the applicant for a new standard broadcast station in nearby Umatilla, Oregon.

2. Each applicant requests authority, as provided in Section 73.210(a)(3) of the Rules, to locate the main studio of its facility at its proposed transmitter site, outside of the community of license. However, the proposed location would, in each case, be readily accessible to residents of Hermiston, and, at least in the case of HBC, be the site of an existing AM studio. Thus, we find that both applicants have shown good cause for location of the main studio at either of the proposed transmitter sites.

3. Analysis of Interfaith Christian Center's financial data reveals that $87,893 will be required to construct and operate the proposed station for one year, without revenue, itemized as follows:

Down payment on equipment valued at $43,482	$ 2,171
1st-year payments on equipment including interest	14,112
Equipment not included in manufacturer's letter of credit	12,000
Building	3,500
Miscelaneous	10,000
Principal payments on loan	12,000
Interest on loan	5,400
Working capital	28,710
Total	87,893

ICC plans to finance construction and operation with $85,160 in alleged existing capital and a $60,000 bank loan. Its balance sheet dated March 1, 1977 shows cash of $4,160 and indicates reliance on a contract receivable, but ICC has failed to establish the value of the property or that the alleged purchaser has adequate funds to meet his purchase contract. ICC therefore shows cash or liquid assets in excess of current liabilities of only $4,160. The letter from U.S. National Bank of Oregon is merely an offer to consider a loan of $60,000, and is not a firm commitment. Further, the letter does not clearly define the collateral required. Since the applicant has therefore shown the availability of only $4,160 to meet an $87,893 requirement, a financial issue will be specified.

4. Both applicants have failed to comply with the requirements of the *Primer on Ascertainment of Community Problems by Broadcast Applicants*, 27 FCC 2d 650, 21 RR 2d 1507 (1971). From the information before us, it apears that ICC has failed to survey leaders of a significant group set forth in its demographic study. *Voice of Dixie, Inc.* 45 FCC 2d 1027, 29 RR 2d 1127 (1974). Although the applicant's study indicated the presence of a number of manufacturing concerns in Hermiston and significant construction activity, no interviews were conducted with leaders of manufacturing or the construction industry. In addition, ICC has not shown that those who conducted the survey of the general public are principals or prospective employees of the applicant, or a professional research or survey service, as required by Question and Answer 11(b) of the Primer.

5. HBC claims in its amendment of January 27, 1977, to have interviewed 38 additional community leaders between October 12, 1976 and January 19, 1977. It has not, however, shown that these interviews were conducted by principals or management-level employees of the proposed station, as required by Question and Answer 11(a) of the *Primer*. HBC also states that its general public survey was conducted by "the applicant's staff", but it has not shown that the staff members referred to are prospective employees of the proposed FM facility, as opposed to the applicant's AM station. *Maranatha, Inc.*, 56 FCC 2d 194 (Rev. Bd., 1975). Limited ascertainment issues will therefore be specified as to both applicants.

6. ICC proposes a specialized format of predominantly religious programming. HBC, in contrast, proposes general market programming. Thus, the relative need for these different types of programming will be considered under the standard comparative issue. *Ward L. Jones*, FCC 67-82 (1967); *Policy Statement on Comparative Hearings*, 1 FCC 2d 393, Footnote 9 at 397 (1965). In addition HBC proposes duplication of the programming of its AM station, KOHU, during 25% of its proposed schedule. Therefore, evidence regarding program duplication will be admissable under the standard comparative issue. When duplicated programming is proposed, the showing permitted under the standard comparative issue will be limited to evidence concerning the benefits to be derived from the proposed duplication which would offset its inherent inefficiency. *Jones T. Sudbury*, 8 FCC 2d 360, 10 RR 2d 114 (1967).

7. Data submitted by the applicants indicate that there would be a significant difference in the size of the areas and populations which would receive service from the proposals. Consequently, for the purpose of comparison, the areas and populations which would receive primary service, together with the availability of other primary aural services in such areas, will be considered under the standard comparative issue, for the purpose of determining whether a comparative preference should accrue to either of the applicants.

8. Except as indicated by the issues specified below, the applicants are qualified to construct and operate as proposed. However, since the proposals are mutually exclusive, they must be designated for hearing in a consolidated proceeding on the issues specified below.

9. Accordingly, *It is ordered*, That pursuant to Section 309(e) of the Communications Act of 1934, as amended, the applications are designated for hearing in a consolidated proceeding, at a time and place to be specified in a subsequent Order, upon the following issues:

(1) To determine the efforts made by the applicants to ascertain the needs and problems of the proposed service area, in the following respects:

(a) Whether Interfaith Christian Center has failed to consult with leaders of manufacturing and construction, which are significant groups in the community.

(b) Whether Interfaith Christian Center has complied with Question and Answer 11 (b) of the *Primer*.

(c) Whether Hermiston Broadcasting Co. has complied with Question and Answer 11 of the *Primer*.

(2) To determine, with respect to Interfaith Christian Center:

(a) The source and availability of funds in excess of the $4,160 shown:

(b) Whether, in light of the evidence adduced pursuant to (a) above, the applicant is financially qualified to construct and operate as proposed.

(3) To determine which of the proposals would, on a comparative basis, better serve the public interest.

(4) To determine, in light of the evidence adduced pursuant to the foregoing issues, which, if either, of the applications should be granted.

10. *It is further ordered*, That, to avail themselves of the opportunity to be heard, the applicants herein, pursuant to Section 1.221(c) of the Commission's Rules, in person or by attorney, shall, within twenty days of the mailing of this Order, file with the Commission, in triplicate, a written appearance stating an intention to appear on the date fixed for the hearing and present evidence on the issues specified in this Order.

11. *It is further ordered*, That the applicants herein shall, pursuant to Section 311(a)(2) of the Communications Act of 1934, as amended, and Section 1.594 of the Commission's Rules, give notice of the hearing (either individually or, if feasible and consistent with the Rules, jointly) within the time and in the manner prescribed in such Rule, and shall advise the Commission of the publication of such notice as required by Section 1.594(g) of the Rules.

FEDERAL COMMUNICATIONS COMMISSION
WALLACE E. JOHNSON,
Chief, Broadcast Bureau.

[FR Doc.77-19302 Filed 7-6-77;8:45 am]

[Docket No. 21306]

WAYNE J. FRANCO

Order

Adopted: June 21, 1977.
Released: June 28, 1977.

In the matter of the application of Wayne J. Franco, 501 Grandview, Des Moines, Iowa 50313. For Amateur radio

station and Novice Class Operator Licenses.

1. The Chief, Safety and Special Radio Services Bureau, has under consideration the above-entitled application for an Amateur radio station license and for a Novice Class Operator license. The application was filed by Wayne J. Franco on March 29, 1977.

2. Franco was granted a Citizens Band (CB) radio station license on November 2, 1971, for a five-year term.[1] On September 1, 1972, a written Notice of Apparent Liability to Monetary Forfeiture for violation of Commission's CB Rules was mailed to the applicant, pursuant to Section 510 of the Communications Act of 1934, as amended. That Notice stated that the applicant appeared to have incurred liability totalling $300 for the willful violation of Section 95.95(c) [2] (failure to identify), Section 95.83(b) (attempting to communicate with a station over a distance greater than 150 miles), Section 95.41(d)(2) (interstation use of an intrastation frequency), and Section 95.37(c)(2) (overheight antenna) of the Commission's Rules. Those violations had been committed on June 21, 1972. Franco enclosed full payment of the forfeiture with his September 28, 1972, reply to the Notice of Apparent Liability.

3. In addition, on September 17, 1976, the applicant entered a plea of guilty in the United States District Court for the Southern District of Iowa to the charge that:

> On or about the 20th day of August, 1976, WAYNE J. FRANCO, defendant, an individual, operating under a Citizen's Radio Service Class D license issued by the Federal Communications Commission, and subject to the regulations lawfully issued by said Federal Communications Commission, did operate a radio transmitter from the premises known as 501 Grandview, Des Moines, Iowa in the Southern District of Iowa and, in the operation of said transmitter, operated the radio station with capabilities for transmissions on frequencies not assigned to the Class D Citizen's Radio Service, to-wit: 27.345 MHz, 27.405 MHz, and 27.475 MHz, in violation of 47 C.F.R. 95.55(c)(4) and 47 U.S.C. Section 502.

4. In addition, Franco apparently operated a CB radio station again in wilful violation of the Commission's Rules on May 15, 16, and 18, 1975. In particular, it appears that CB radio station KEN-4198 was operated in wilful violation of the following Sections of the Commission's Rules:

(a) Section 95.41(d)(1)—Use of a radio frequency not authorized for the Citizens Band Radio Service.

(b) Section 95.41(d)(2)—Interstation communication on a frequency reserved for intrastation use.

(c) Section 95.44—The station employed an external radio frequency power amplifier.

(d) Section 95.55(c)(4)—The station was equipped to operate on frequencies not assigned to the Citizens Band Radio Service without having a station license posted or a transmitter identification card attached to the transmitter indicating that operation on such frequencies had been authorized by the Commission.

(e) Section 95.55(e)—The station employed a transmitter having controls accessible from the exterior of the cabinet enclosing the transmitter which controls could cause operation in violation of the technical regulations applicable to the Citizens Band Radio Service.

(f) Section 95.83(a)(1)—Use of station as a hobby or diversion.

(g) Section 95.83(a)(5)—Use of station for communication with unlicensed station.

(h) Section 95.83(a)(13)—Use of station for transmission of communications relating to the technical performance, capabilities, or testing of radio equipment.

(i) Section 95.83(b)—Communicating, or attempting to communicate, over a distance of more than 150 miles.

(j) Section 95.91(b)—Communication with another CB radio station for a period exceeding five minutes.

(k) Section 95.91(b)—Failure to observe a five minute silent period between contacts.

(l) Section 95.95(c)—Failure to identify subject station and station with which in communication by assigned call signs at the beginning and end of each communication.

(m) Section 95.35(d)—User modification of the type acepted station transmitting equipment employed by the station.

The above-mentioned violations of the Commission's Rules on May 15, 16, and 18, 1975, were brought to the licensee's attention by an Official Notice of Violation mailed on June 6, 1975.

5. Furthermore, on May 15, 1975, Franco apparently identified his Citizens Band radio station "29W29" and on May 16, 1975, Franco apparently identified his Citizens Band radio station as "two nine W two nine" in lieu of its assigned call sign.

6. In view of the June 12, 1972, violations, the September 17, 1976, conviction for violation of 47 C.F.R. 95.55(c)(4) and 47 U.S.C. Section 502, and the apparent wilful violations of the Commission's Rules on May 15, 16, and 18, 1975, it cannot be determined that a grant of Franco's Amateur application would serve the public interest, convenience, and necessity. Therefore, the Commission must designate the application for hearing.

7. Accordingly, *it is ordered*, pursuant to Section 309(e) of the Communications Act of 1934, as amended, and Sections 1.973(b) and 0.331 of the Commission's Rules, that the above-captioned application for an Amateur radio station license and for a Novice Class Operator license is designated for hearing, at a time and place to be specified by subsequent Order, upon the following issues:

(a) To determine the effect of applicant's June 21, 1972, violations of Part 95 of the Commission's Rules and Regulations upon the applicant's requisite qualifications to be a licensee of the Commission.

(b) To determine the effect of Franco's September 17 1976, conviction of the charge of violation of 47 U.S.C. 502 and 47 C.F.R. 95.55(c)(4) in the United States District Court, Southern District of Iowa, upon the applicant's requisite qualifications to be a licensee of the Commission.

(c) To determine the facts and circumstances concerning the operation and condition of Citizens Band radio station KEN-4198 on May 15, 16, and 18, 1975.

(d) To determine, in light of the evidence adduced pursuant to the foregoing issues, whether the applicant has wilfully or repeatedly violated the Commission's Rules.

(e) To determine, in light of the evidence adduced pursuant to the foregoing issues, whether the applicant has the requisite qualifications to be a licensee of the Commission.

(f) To determine whether the public interest, convenience and necessity would be served by a grant of the applications for an Amateur radio station license and a Novice Class Operator License.

8. *It is further ordered*, That, to avail himself of the opportunity to be heard, the applicant herein, pursuant to Section 1.221(c) of the Commission's Rules, in person or by attorney, shall within 20 days of the mailing of this Order file with the Commission, in triplicate, a written appearance stating an intent to appear on the date fixed for hearing and to present evidence on the issues specified in this Order.

Chief, Safety and Special Radio Services Bureau.

GERALD M. ZUCKERMAN,
Chief, Legal, Advisory and Enforcement Division.

[FR Doc.77-19303 Filed 7-6-77;8:45 am]

[1] Franco has filed an application for renewal of license for his Citizens Band radio station. On April 5, 1977, an order designating that application for hearing was released, and the matter is still pending (Docket No. 21184).

[2] Certain Sections of Part 95 of the Commission's Rules have been revised, renumbered, or deleted. The Sections referred to herein are those in effect at time of operation.

FEDERAL ENERGY ADMINISTRATION

VOLUNTARY AGREEMENT AND PLAN OF ACTION TO IMPLEMENT THE INTERNATIONAL ENERGY PROGRAM

Meeting

In accordance with section 252(c)(1)(A)(i) of the Energy Policy and Conservation Act (Pub. L. 94-163), notice is hereby provided of a meeting of Subcommittee A of the Industry Advisory Board to the International Energy Agency to be held on July 14 and 15, 1977, at the offices of Shell International Petroleum Company Limited, Shell Centre, London, England, beginning at 9:30 a.m. on July 14. The agenda is as follows:

1. Opening remarks.

2. General discussion on the design of the second allocation systems test proposed for Spring 1978, including: (a) Test objectives; (b) test scenario; (c) organizational structure; (d) data base; (e) facilities; (f) test appraisal; (g) communications; (h) other areas.

3. Update of the Fall 1976 Allocation Systems Test Guide, IAB, September 21, 1976.

4. Discussion of other tasks preparatory to the test.

5. October/November 1977 emergency data test.
6. Next meeting date/location.

As provided in section 252(c)(1)(A)(ii) of the Energy Policy and Conservation Act, this meeting will not be open to the public.

Issued in Washington, D.C., July 1, 1977.

ERIC J. FYGI,
Acting General Counsel,
Federal Energy Administration.

[FR Doc.77-19287 Filed 7-6-77;8:45 am]

FEDERAL MARITIME COMMISSION

[Docket No. 77-28]

GULF CARIBBEAN MARINE LINES, INC.

General Increase in Rates; Order of Investigation and Suspension

Effective July 4, 1977, Gulf Caribbean Marine Lines, Inc. (GCML), proposes to increase all its ocean freight rates between U.S. Gulf ports and ports in Puerto Rico by 10.4 percent. The increase was filed with the Commission on May 31, 1977, and was accompanied by supporting financial data pursuant to Amendment 1 to General Order No. 11 (46 CFR 512.3(d)(1)). Effective with July 24, 1977, GCML proposes to eliminate the increase insofar as it applies on wood particle boards or chipboard, various named types of lumber, plywood and cast iron pressure pipe.

The revenue projections contained in the financial data submitted by GCML in support of the general increase were based on a 10.4 percent increase of all commodities. That data indicate that GCML would suffer a loss even with the full 10.4 percent increase. However it seems that the proposed rollback would substantially reduce the projected revenue of the carrier placing it in an even worse financial position than indicated in its original justification. We are unable to reconcile the decision to rollback rates on various wood products and iron pressure pipe with the original financial data submitted by GCML. This unresolved question casts doubt on the reliability of the financial data which was submitted in support of the increase.

It is also noted that a substantial portion of GCML's projected expenses are to be paid to related companies. It is therefore considered essential to inquire into the intercorporate accounting, assignment of assets and their deployment and the allocation of expenses.

Because of these areas of concern in the financial data submitted by CGML, the Commission is of the opinion that the proposed general rate increase should be made the subject of an investigation to determine whether it is unjust, unreasonable or otherwise unlawful under section 18(a) of the Shipping Act, 1916, and/or section 4 of the Intercoastal Shipping Act, 1933.

The Commission is of the further opinion that the subject tariff matter (identified in Appendix A) should be suspended pursuant to authority granted the Commission by Section 3 of the Intercoastal Shipping Act, 1933.

Therefore, *it is ordered*, That pursuant to the authority of sections 18(a) and 22 of the Shipping Act, 1916, as amended, and section 4 of the Intercoastal Shipping Act, 1933, an investigation is hereby instituted into the lawfulness of the tariff matter listed in Appendix A for the purpose of making such findings as the facts and circumstances warrant;

It is further ordered, That the objectives of this investigation shall include, but not necessarily be limited to, a determination as to whether:

1. GCML's proposed increase in rates is unjust, unreasonable, or otherwise unlawful, and
2. The inter-corporate accounting, assignment of assets and allocation of expenses are proper;

It is further ordered, That pursuant to section 3 of the Intercoastal Shipping Act, 1933, the tariff matter set forth in Appendix A is hereby suspended and the use thereof deferred to and including November 3, 1977, unless otherwise ordered by the Commission;

It is further ordered, That there shall be filed immediately by GCML a consecutively numbered supplement to the aforementioned tariff, which supplement shall bear no effective date, shall reproduce this Order in its entirety, and shall state that the aforesaid matter is suspended and may not be used until November 4, 1977, and that the suspended matter may not be changed until this proceeding has been disposed of or until the period of suspension has expired, and that the rates, fares, charges, classifications, rules, regulations, or practices in effect prior to the date of this Order and which were to be changed by the suspended tariff matter, or part or parts thereof, shall remain in effect during the period of suspension, unless otherwise ordered by the Commission;

It is further ordered, That this investigation determine whether the gross revenue to be derived from the proposed rate changes is just and reasonable. Evidence as to the effect of the proposed changes on the movement of any particular commodity or commodities will be considered relevant to this basic issue and may be used to determine what overall revenue will, in fact, be derived. However, the question of reasonableness of any particular commodity rate is not an issue for determination in this proceeding. A particular rate will be affected by an order that may result from this proceeding only insofar as a finding is made regarding the reasonableness of the overall rate level of which the particular rate is a part;

It is further ordered, That shippers or other persons complaining about the level of any particular commodity rate may file a complaint pursuant to section 22 of the Shipping Act, 1916 (46 U.S.C. 821) and litigate the issue of reasonableness of such rate with respect to cost of service, value of service and any other applicable ratemaking factors. They may also petition for leave to intervene in this proceeding: *Provided*, That they will not broaden the issue described above and that they meet the other tests prescribed by Rule 72 of the Commission's rules of practice and procedure (46 CFR 502.72);[1]

It is further ordered, That any changes or amendments to GCML's tariffs as may be filed during the pendency of this investigation will be included in this investigation subject to the foregoing unless, as a result of such changes or amendments, more than 50 percent of GCML's tariff items are increased or decreased by 3 percent or more, or GCML's gross revenue will increase or decrease by 3 percent or more;

It is further ordered, That during the pendency of this investigation GCML will serve the presiding officer and all parties of record with notice of any tariff changes affecting any of the ten leading commodities as reported pursuant to 46 CFR 512.25 at the same time such changes are filed with the Commission;

It is further ordered, That this proceeding be assigned for public hearing before an Administrative Law Judge of the Commission's Office of Administrative Law Judges and that the hearing be held at a date and place to be determined by the Presiding Administrative Law Judge, but in any event, the hearing date shall be set no later than January 4, 1978.

The hearing shall include oral testimony and cross-examination in the discretion of the presiding officer only upon a proper showing that there are genuine issues of material fact that cannot be resolved on the basis of sworn statements, affidavits, depositions, or other documents or that the nature of the matters in issue is such that an oral hearing and cross-examination are necessary for the development of an adequate record;

It is further ordered, That (1) a copy of this Order be forthwith served upon the respondent and upon the Commission's Bureau of Hearing Counsel and published in the FEDERAL REGISTER and (2) the respondent and Hearing Counsel be duly served with notice of time and place of hearing;

All persons (including individuals, corporations, associations, firms, partnerships and public bodies) having an interest in this proceeding and desiring to intervene herein should notify the Secretary of the Commission promptly and file petitions for leave to intervene in accordance with Rule 72 of the Commission's rule of practice and procedure

[1] The provisions of Rule 41 of the Commission's rules of practice and procedure (46 CFR 502.41) naming such persons "complainants" and automatic parties without a showing of compliance with Rule 72 of the Commission's rules of practice and procedure (46 CFR 502.72) are hereby waived to insure that the proceeding will be properly confined to the issue described above. (Rule 10 of the Commission's rules of practice and procedure (56 CFR 502.10).)

(46 CFR 502.72) with a copy to all parties to the proceeding.

By the Commission.

JOSEPH C. POLKING,
Acting Secretary.

APPENDIX A

GULF CARIBBEAN MARINE LINES, INC.

Tariff FMC-F No. 1 (Puerto Rico Marine Lines, Inc., Series)

Supplement No. 22—Effective July 4, 1977.
8th Revised Page 70—Effective July 24, 1977.
2nd Revised Page 84-A—Effective July 24, 1977.
10th Revised Page 90—Effective July 24, 1977.
11th Revised Page 98—Effective July 24, 1977.

[FR Doc.77-19330 Filed 7-6-77;8:45 am]

[Docket No. 77-27]

TRAILER MARINE TRANSPORT CORP.

General Increase in Rates; Order of Investigation and Suspension

Effective July 4, 1977, Trailer Marine Transport Corporation (TMT) proposes a general increase in rates. The increase proposed is 10.4 percent and applies to all ocean freight rates, the minimum bill of lading charge, charges for exclusive use of trailer and to charges for return of empty pallets. Accomplishment of the proposed changes is by the filing of a supplement of TMT's Tariff FMC-F No. 2. This tariff applies between the U.S. Ports of Jacksonville and Miami, Florida on the one hand and Mayaguez, Ponce and San Juan, Puerto Rico, on the other. Data in support of the general increases was filed in compliance with the requirements of Amendment 1 to General Order 11.

It is noted that a substantial portion of TMT's projected expenses are to be paid to related companies. It is therefore considered essential to inquire into the inter-corporate accounting, assignment of asset and their deployment and the allocation of expenses.

Because of these areas of concern in the financial data submitted by TMT, the Commission is of the opinion that the proposed general rate increase should be made the subject of an investigation to determine whether it is unjust, unreasonable or otherwise unlawful under section 18(a) of the Shipping Act, 1916, and/or section 4 of the Intercoastal Shipping Act, 1933.

The Commission is of the further opinion that the subject tariff matter (Supplement No. 7 to Tariff FMC-F No. 2) should be suspended pursuant to authority granted the Commission by section 3 of the Intercoastal Shipping Act, 1933.

Now, therefore, it is ordered, That pursuant to the authority of sections 18(a) and 22 of the Shipping Act, 1916, as amended, and section 4 of the Intercoastal Shipping Act, 1933, an investigation is hereby instituted into the lawfulness of the tariff matter listed in Supplement No. 7 to Tariff FMC-F No. 2 for the purpose of making such findings as the facts and circumstances warrant;

It is further ordered, That the objectives of this investigation shall include, but not necessarily be limited to, a determination as to whether:

1. TMT's proposed increase in rates is unjust, unreasonable or otherwise unlawful, and

2. The inter-corporate accounting, assignment of assets and allocation of expenses are proper;

It is further ordered, That pursuant to section 3 of the Intercoastal Shipping Act, 1933, the tariff matter set forth in Supplement No. 7 to Tariff FMC-F No. 2 is hereby suspended and the use thereof deferred to and including November 3, 1977, unless otherwise ordered by the Commission;

It is further ordered, That there shall be filed immediately by TMT a consecutively numbered supplement to the aforementioned tariff, which supplement shall bear no effective date, shall reproduce this Order in its entirety and shall state that the aforesaid matter is suspended and may not be used until November 4, 1977 and that the suspended matter may not be changed until this proceeding has been disposed of or until the period of suspension has expired and that the rates, fares, charges, classifications, rules, regulations, or practices in effect prior to the date of this order and which were to be changed by the suspended tariff matter, or part or parts thereof, shall remain in effect during the period of suspension, unless otherwise ordered by the Commission;

It is further ordered, That this investigation determine whether the gross revenue to be derived from the proposed rate changes is just and reasonable. Evidence as to the effect of the proposed changes on the movement of any particular commodity or commodities will be considered relevant to this basic issue and may be used to determine what overall revenue will, in fact, be derived. However, the question of reasonableness of any particular commodity rate is not an issue for determination in this proceeding. A particular rate will be affetced by an order that may result from this proceeding only insofar as a finding is made regarding the reasonableness of the overall rate level of which the particular rate is a part;

It is further ordered, That shippers or other persons complaining about the level of any particular commodity rate may file a complaint pursuant to section 22 of the Shipping Act, 1916 (46 U.S.C. 821) and litigate the issue of reasonableness of such rate with respect to cost of service, value of service and any other applicable ratemaking factors. They may also petition for leave to intervene in this proceeding provided that they will not broaden the issue described above and that they meet the other tests prescribed by Rule 72 of the Commission's rules of practice and procedure (46 CFR 502.27);[1]

It is further ordered, That any changes or amendments to TMT's tariff as may be filed during the pendency of this investigation will be included in this investigation subject to the foregoing *unless*, as a result of such changes or amendments, more than 50 percent of TMT's tariff items are increased or decreased by 3 percent or more, or TMT's gross revenue will increase or decrease by 3 percent or more;

It is further ordered, That during the pendency of this investigation TMT will serve the presiding officer and all parties of record with notice of any tariff changes affecting any of the ten leading commodities as reported pursuant to 46 CFR 512.25 at the same time such changes are filed with the Commission;

It is further ordered, That this proceeding be assigned for public hearing before an Administrative Law Judge of the Commission's Office of Administrative Law Judges and that the hearing be held at a date and place to be determined by the Presiding Administrative Law Judge, but in any event, the hearing date shall be set no later than January 4, 1978.

The hearing shall include oral testimony and cross-examination in the discretion of the presiding officer only upon a proper showing that there are genuine issues of material fact that cannot be resolved on the basis of sworn statements, affidavits, depositions, or other documents or that the nature of the matters in issue is such that an oral hearing and cross-examination are necessary for the development of an adequate record.

It is further ordered, That (1) a copy of this Order be forthwith served upon the respondent and upon the Commission's Bureau of Hearing Counsel and published in the FEDERAL REGISTER, and (2) the respondent and Hearing Counsel be duly served with notice of time and place of hearing.

All persons (including individuals, corporations, associations, firms, partnerships and public bodies) having an interest in this proceeding and desiring to intervene herein should notify the Secretary of the Commission promptly and file petitions for leave to intervene in accordance with Rule 72 of the Commission's rules of practice and procedure (46 CFR 502.72) with a copy to all parties to the proceeding.

By the Commission.

JOSEPH C. POLKING,
Acting Secretary.

[FR Doc.77-19329 Filed 7-6-77;8:45 am]

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[1] The provisions of Rule 41 of the Commission's rules of practice and procedure (46 CFR 502.41) naming such persons "complainants" and automatic parties without a showing of compliance with Rule 72 of the Commission's rules of practice and procedure (46 CFR 502.27) are hereby waived to insure that the proceeding will be properly confined to the issues described above. (Rule 10 of the Commission's rules of practice and procedure (46 CFR 502.10).)

UNITED STATES FLAG FAR EAST

Agreement Filed

Notice is hereby given that the following agreement, accompanied by a statement of justification, has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement and the statement of justification at the Washington office of the Federal Maritime Commission, 1100 L Street, NW., Room 10126; or may inspect the agreement and the statement of justification at the Field Offices located at New York, N.Y., New Orleans, Louisiana, San Francisco, California and Old San Juan, Puerto Rico. Comments on such agreements, including requests for hearing, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, on or before July 27, 1977. Any person desiring a hearing on the proposed agreement shall provide a clear and concise statement of the matters upon which they desire to adduce evidence. An allegation of discrimination or unfairness shall be accompanied by a statement describing the discrimination or unfairness and particularity. If a violation of the Act or detriment to the commerce of the United States is alleged, the statement shall set forth with particularity the acts and circumstances said to constitute such violation or detriment to commerce.

A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the statement should indicate that this has been done.

Notice of agreement filed by:

Mr. H. P. Breed, Jr., Agreement No. 10050, United States Lines, Inc., One Broadway, New York, New York 10004.

Agreement No. 10050-2 would extend the term of the United States Flag-Far East Discussion Agreement for an additional two years from July 18, 1977 when, by the present terms of the basic agreement, it is scheduled to expire; and amends the reporting requirements contained in the basic agreement to provide that each and every exchange of information or discussion held pursuant to the agreement shall be reported to the Federal Maritime Commission within 30 days of each occurrence, rather than within 10 days of each occurrence as at present.

Dated: July 1, 1977.

By order of the Federal Maritime Commission.

JOSEPH C. POLKING,
Acting Secretary.

[FR Doc.77-19328 Filed 7-6-77;8:45 am]

[Independent Ocean Freight Forwarder License No. 1702]

MIDWEST EXPORT-IMPORT, INC.

Order of Revocation

By letter dated June 1, 1977, Mr. James L. Cronk, President, Midwest Export-Import, Inc., 1545 South Olive Street, South Bend, Indiana 46619 was advised by the Federal Maritime Commission that Independent Ocean Freight Forwarder License No. 1702 would be automatically revoked or suspended unless a valid surety bond was filed with the Commission on or before June 30, 1977.

Section 44(c), Shipping Act, 1916, provides that no independent ocean freight forwarder license shall remain in force unless a valid bond is in effect and on file with the Commission. Rule 510.9 of Federal Maritime Commission General Order 4, further provides that a license will be automatically revoked or suspensed for failure of a licensee to maintain a valid bond on file.

Midwest Export-Import, Inc., has failed to furnish a valid surety bond.

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) § 5.01(c) dated June 30, 1975;

It is ordered, That Independent Ocean Freight Forwarder License No. 1702 issued to Midwest Export-Import Inc. be returned to the Commission for Cancellation.

It is further ordered, That Independent Ocean Freight Forwarder License No. 1702 be and is hereby revoked effective June 30, 1977.

It is further ordered, That a copy of this Order be published in the FEDERAL REGISTER and served upon Midwest Export-Import, Inc.

LEROY F. FULLER,
Director, Bureau of Certification and Licensing.

[FR Doc.77-19327 Filed 7-6-77;8:45 am]

FEDERAL PREVAILING RATE ADVISORY COMMITTEE

CLOSED COMMITTEE MEETINGS

Pursuant to the provisions of section 10 of the Federal Advisory Committee Act (Pub. L. 92-463), notice is hereby given that meetings of the Federal Prevailing Rate Advisory Committee will be held on:

Thursday, July 21, 1977
Thursday, July 28, 1977

The meetings will convene at 10 a.m., and will be held in Room 5A06A, Civil Service Commission Building, 1900 E Street NW., Washington, D.C.

The Federal Prevailing Rate Advisory Committee is composed of a Chairman, representatives of five labor unions holding exclusive bargaining rights for Federal blue-collar employees, and representatives of five Federal agencies. Entitlement to membership on the Committee is provided for in Section 5347 of the Prevailing Rate Act of 1972 (Pub. L. 92-392).

The Committee's primary responsibility is to review the prevailing rate system and from time to time advise the Civil Service Commission thereon.

At these scheduled meetings, the Committee will consider proposed plans for implementation of the Prevailing Rate Act of 1972 (Pub. L. 92-392), which Law establishes pay systems for Federal prevailing rate employees.

The meetings will be closed to the public on the basis of a determination made by the Chairman of the Civil Service Commission under section 10(d) of the Federal Advisory Committee Act (Pub. L. 92-463) and 5 U.S.C., section 552b(c)(9)(B), that the closing is necessary in order to provide this labor-management Committee with the opportunity to advance proposals and counter-proposals in meaningful debate on issues related solely to the Federal Wage System with the view toward ultimately formulating advisory policy recommendations for the consideration of the Civil Service Commission.

Summary minutes of these meetings will be made available to the public, upon written request to the Committee Secretary, after the pay policy issues discussed at these meetings have been finalized by Civil Service Commission action. Annually, the Committee publishes for the Civil Service Commission, the President, and Congress a comprehensive report of pay issues discussed, concluded recommendations thereon, and related activities. These reports are also available to the public, upon written request to the Committee Secretary.

Members of the public are invited to submit material in writing to the Chairman concerning Federal Wage System pay matters felt to be deserving of the Committee's attention. Additional information concerning these meetings may be obtained by contacting the Secretary, Federal Prevailing Rate Advisory Committee, Room 1338, 1900 E Street NW., Washington, D.C. 20415 (202-632-9710).

ALBERT F. WIECJOREK,
Secretary, Federal Prevailing Rate Advisory Committee.

JULY 1, 1977.

[FR Doc.77-19233 Filed 7-6-77;8:45 am]

FEDERAL RESERVE SYSTEM

DANIELS INSURANCE AGENCY, INC.

Acquisition of Bank

Daniels Insurance Agency, Inc., Hobbs, New Mexico, has applied for the Board's approval under section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire, directly or indirectly, and to retain voting shares of First National Bank of Lea County, Hobbs, New Mexico, in order to maintain its existing interest. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Dallas. Any person wishing to comment on the application should submit views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than July 27, 1977.

Board of Governors of the Federal Reserve System, June 29, 1977.

GRIFFITH L. GARWOOD,
Deputy Secretary of the Board.

[FR Doc.77-19249 Filed 7-6-77;8:45 am]

SANDY HOLDING CO.

Formation of Bank Holding Company

Sandy Holding Company, Sandy, Utah, has applied for the Board's approval under section 3(a) (1) of the Bank Holding Company Act (12 U.S.C. 1842(a) (1)) to become a bank holding company through acquisition of 100 per cent, less director's qualifying shares, of the voting shares of Sandy State Bank, Sandy, Utah, a proposed new bank. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of San Francisco. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than July 28, 1977.

Board of Governors of the Federal Reserve System, June 30, 1977.

GRIFFITH L. GARWOOD,
Deputy Secretary of the Board.

[FR Doc.77-19250 Filed 7-6-77;8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Assistant Secretary for Education

COMMENTS ON COLLECTION OF INFORMATION AND DATA ACQUISITION ACTIVITY

Pursuant to Section 406(g)(2)(B), General Education Provisions Act, notice is hereby given as follows:

The U.S. Office of Education has proposed collections of information and data acquisition activities which will request information from educational agencies or institutions.

The purpose of publishing this notice in the FEDERAL REGISTER is to comply with paragraph (g)(2)(B) of the "Control of Paperwork" amendment which provides that each educational agency or institution subject to a request under the collection of information and data acquisition activity and their representative organizations shall have an opportunity, during a 30-day period before the transmittal of the request to the Director of the Office of Management and Budget, to comment to the Administrator of the National Center for Education Statistics on the collection of information and data acquisition activity.

These data acquisition activities are subject to review by the HEW Education Data Acquisition Council and the Office of Management and Budget.

Descriptions of the proposed collections of information and data acquisition activities follow below.

Written comments on the proposed activities are invited. Comments should refer to the specific sponsoring agency and form number and must be received on or before August 8, 1977, and should be addressed to Administrator, National Center for Education Statistics, Attn.: Manager, Information Acquisition, Planning, and Utilization, Room 3001, 400 Maryland Avenue SW., Washington, D.C. 20202.

Further information may be obtained from Elizabeth M. Proctor of the National Center for Education Statistics (202-245-1022).

Dated: June 30, 1977.

MARIE D. ELDRIDGE,
Administrator National Center for Education Statistics.

DESCRIPTION OF A PROPOSED COLLECTION OF INFORMATION AND DATA ACQUISITION ACTIVITY

DESCRIPTION OF A PROPOSED COLLECTION OF INFORMATION AND DATA ACQUISITION ACTIVITY

1. *Title of proposed activity.* Alternate Disbursement System Validation Roster (Basic Educational Opportunity Grant Program)

2. *Agency/Bureau/Office.* U.S. Office of Education/Bureau of Student Financial Assistance/Division of Basic and State Student Grants

3. *Agency form number.* OE 579.

4. *Legislative authority for this activity.* Section 411(b)(3)(A): "Payment under this section shall be made in accordance with regulations promulgated by the commissioner for such purpose, in such manner as will best accomplish the purposes of this section." (Pub. L. 92-318, 20 U.S.C. 1070a.)

Pursuant to Title 45—Public Welfare, Code of Federal Regulations Sub-part G—Administration of Grant Payments, Sec. 190-80, Maintenance and Retention of Records. "Each institution shall maintain adequate records with regard to the eligibility or lack thereof of all students enrolled in the institution who have applied to the institution for a Basic Educational Opportunity Grant. Such records shall include the student's cost of attendance at the institution, the basis on which full-time or part-time enrollment status was determined, and the basis on which the portion of the academic year for which the student was enrolled was determined. Further the institution shall make such records available for inspection by authorized representatives of the commissioner, at any reasonable time at the offices of the institution.

Section 190.81 "Submission of Reports"—Title 45 C.F.R. "The institution shall submit such reports and information as the commissioner may reasonably require."

5. *Voluntary/obligatory nature of response.* Voluntary. (Within the next year, after a new "Terms of Agreement" is cleared for use with Alternate Disbursement System (ADS) institutions, the response to this Roster, or a variation of it, will become mandatory to obtain or maintain benefits.)

6. *How information to be collected will be used.* Program Management: The Alternate Disbursement System computes awards and makes obligations and disbursements based on information supplied by those institutions which are unable or unwilling to perform those functions. Since awards are calculated and disbursements made in advance, the Program needs to ascertain whether students complete the terms or periods of study for which they have received payment of BEOG awards, and to help ensure that ADS computations were based upon correct information supplied by the institutions. Information solicited on the Validation Roster will be used to confirm the accuracy of information previously supplied, to identify cases where students may have dropped out of school without reporting their termination to the BEOG Program, and to call for additional payments or student refunds where required. The information will also help determine error frequency in order to improve procedures and provide feedback on possible program abuse.

7. *Data acquisition plan.* A. Method of Collection: Mail.

B. Time of collection: June, 1977.

C. Frequency: One time only (for 1975-76 and 1976-77 academic year) once annually for subsequent academic years.

8. *Respondents.* A. Type: Financial Aid Officers at institutions which participate in the Basic Grant Program under the Alternate Disbursement System.

B. Number: 400.

C. Estimated Average man-hours per respondent: ½ hour (but ranging from ¼ hour for small schools to as much as 4 hours for a few large schools).

9. *Information to be collected.* The Validation Roster will provide information for verification by the institution: (a) the institution's academic calendar, (b) the eligibility index and total student cost for each student, (c) the full-time or part-time status of each student and (d) the payments made for each term or payment period. The institution will confirm the data as displayed or will provide information regarding any exceptions.

DESCRIPTION OF A PROPOSED COLLECTION OF INFORMATION AND DATA ACQUISITION ACTIVITY

1. *Title of proposed activity.* Institutional Application to Participate in Federal Student Financial Aid Programs.

2. *Agency/Bureau/Office.* U.S. Office of Education, Bureau of Student Financial Assistance, Division of Student Financial Aid.

3. *Agency form number.* OE 1036.

4. *Legislative authority for this activity.* National Direct Student Loan Program. Sec. 462(b)(1) "Any institution of higher education desiring to receive payments of Federal capital contributions from the apportionment of the State in which it is located for any fiscal year shall make an agreement under Section 463 and shall submit an application therefor to the Commissioner in accordance with the provisions of thi spart. The Commissioner shall, from time to time, set dates before which such institutions must file applications under this section." (Pub. L. 92-318, 20 U.S.C. 1087bb).

Supplemental Educational Opportunity Grants Program. Sec. 413D(b)(1)(A) "The Commissioner shall, from time to time, set dates before which institutions in any State must file applications for allocation, to such institutions of supplemental grant funds from the apportionment to that State . . ." (Pub. L. 92-318, 20 U.S.C. 1070b-3).

College Work-Study Program. Sec. 446. "The Commissioner shall establish criteria designed to achieve such distribution of assistance under this part among institutions of higher education within a State as will most effectively carry out the purposes of this Act." (Pub. L. 88-452, as amended, 42 U.S.C. 2756).

"An institution that wishes to participate in the College Work-Study Program shall file an application with the Commissioner before the closing date for such applications established annually by the Commissioner." Vol. 41, 9/1/76, Page 36885.

5. *Nature of response.* Required to obtain benefits

6. *How information to be collected will be used.* Program Management: The primary use

of this application form is to provide panelists with the necessary information to make proper recommendations to the Commissioner relative to levels of funding for the Supplemental Educational Opportunity Grant, College Work-Study and National Direct Student Loan Programs.

7. *Data Acquisition Plan.* A. Method of Collection: Mail.

B. Time of collection: Fall.

C. Frequency: Annually.

8. *Respondents.* A. Type: Financial Aid Coordinators at institutions of higher education (Colleges, Universities, Vocational/Technical and Proprietary Schools).

B. Number: estimated 4,300.

C. Estimated average man-hours per respondent: 6 hours.

9. *Information to be collected.* Number of enrolled students, number of students to be aided by each program, expenditure of program funds, request for funds under each program, number of students who dropped out of school due to a lack of financial assistance, information supporting the administrative capability of the institution (e.g., financial aid positions, by title and function).

DESCRIPTION OF A PROPOSED COLLECTION OF INFORMATION AND DATA ACQUISITION ACTIVITY

1. *Title of proposed activity.* Nomination for Graduate Fellowship.

2. *Agency/Bureau/Office.* U.S. Office of Education/Bureau of Higher and Continuing Education/Division of Training and Facilities.

3. *Agency form number.* OE 1048.

4. *Legislative authority for this activity.* Sec. 541(c). "The Commissioner may make a grant to * * * an institution of higher education only upon application by the institution * * *". (Pub. L. 89-329, as amended).

Sec. 943. "The Commissioner shall approve a graduate or professional program of an institution of higher education only upon application by the institution * * * (4)(A) the institution will recommend to the Commissioner, for the award of fellowships under this part, for study in such program, only persons of superior promise * * *". (Pub. L. 89-329, as amended).

Sec. 961(a). "It is the purpose of this part to provide fellowships (1) to assist graduate students of exceptional ability who demonstrate a financial need for advanced study in domestic mining and mineral and mineral fuel conservation * * *". (Pub. L. 89-329, as amended).

5. *Voluntary/obligatory nature of response.* Required to obtain benefit.

6. *How information to be collected will be used.* To approve fellowship awards.

7. *Data acquisition plan.*—A. Method of collection: Mail.

B. Time of collection: On occasion.

C. Frequency: Annually.

8. *Requirements.* A. Type: Individuals.

B. Number: 1,150.

C. Estimated average man-hours per respondent: ¼.

A. Type: Colleges and universities.

B. Number: 50.

C. Estimated average man-hours per respondent: ¼.

9. *Information to be collected.* A. Individuals—Name, College or University, Date of Birth, Citizenship, Previous undergraduate and graduate study.

B. College and universities—Certification.

[FR Doc.77-19244 Filed 7-6-77;8:45 am]

Office of Education

COMMUNITY EDUCATION ADVISORY COUNCIL

Meeting

AGENCY: Community Education Advisory Council.

ACTION: This notice sets forth the schedule and proposed agenda of the forthcoming meeting of the Community Education Advisory Council. It also describes the functions of the Council. Notice of these meetings is required under Section 10(a)(2) of the Federal Advisory Committee Act, Pub. L. 92-634. This document is intended to notify the general public of their opportunity to attend.

DATES: Meeting: July 25 and 26, 1977.

ADDRESS: Council Room, Sheraton-Carlton Hotel, 16th and K Streets, NW., Washington, D.C.

FOR FURTHER INFORMATION CONTACT:

Paul Tremper, Office of Education, Department of Health, Education, and Welfare, Room 5622—ROB 3, 7th and D Streets, SW., Washington, D.C. 20202. Telephone 202-245-0691.

The Community Education Advisory Council is authorized under Pub. L. 93-380. The Council is established to advise the Commissioner of Education on policy matters relating to the interest of community schools.

All sessions of this meeting will be open to the public.

The meeting on July 25 will begin at 9 a.m. and end at 5 p.m. On July 26, the meeting will begin at 9 a.m. and end at 3:30 p.m.

The Council has a special interest in promoting working relationships with other agencies, associations, and organizations in order to enhance the services provided through these programs and the community education program. During this meeting the Council will hear reports on the Lifelong Learning Project, the Administration on Aging and Juvenile Delinquency.

One of the major mandated responsibilities of the Council is to create a system of evaluation for the purpose of evaluating the Community Education Program and programs funded under the Community Schools Act. The Council is also mandated to submit to Congress an evaluation report on these programs. The Council will review progress made to date in fulfilling this responsibility.

The proposed agenda includes: (1) Special Reports;

(2) Status of Advisory Council Special Projects;

(3) Update on Evaluation;

(4) Future Programmatic Directions of the Federal Community Education Program;

(5) Schedule of Future Meetings;

(6) Report on Community Education Grantees;

(7) Other Administrative Matters and Releated Business.

Records shall be kept of all Council proceedings and shall be available for public inspection in Room 5622, Regional Office Building 3, 7th and D Streets, SW., Washington, D.C. 20202.

Signed at Washington, D.C., on June 29, 1977.

PAUL TREMPER,
Acting Director,
Community Education Program.

[FR Doc.77-19283 Filed 7-6-77;8:45 am]

TEACHER CORPS

Closing Date for Receipt of Applications

Notice is hereby given that pursuant to the authority contained in Title V-A of the Higher Education Act of 1965, as amended (79 Stat. 1255-1258 as amended) (20 U.S.C. 1101-1107) applications are being accepted from institutions of higher education for non-competing continuation awards for the Teacher Corps networks. These continuation awards are only available to institutions of higher education which: (1) have received eleventh or twelfth cycle Teacher Corps project grants which began in fiscal years 1976 or 1977; and (2) carried out these Teacher Corps network activities under a grant in the previous fiscal year. The appropriations for fiscal year 1977 have been made and will allow for the funding of up to 15 network grant amendments within 14 sites. The average amount to be awarded to each project site will be approximately $150,000. These grants are authorized under Section 513(a)(2) of the Higher Education Act of 1965 and may only be used to provide training to members of the Teacher Corps.

In order to be assured of consideration for funding, applications should be received by the U.S. Office of Education Application Control Center on or before August 1, 1977.

A. *Applications sent by mail.* An application sent by mail should be addressed as follows: U.S. Office of Education, Application Control Center, 400 Maryland Avenue SW., Washington, D.C. 20202. Attention: 13.489. An application sent by mail will be considered to be received on time by the Application Control Center if:

(1) The application was sent by registered or certified mail not later than July 27, 1977 as evidenced by the U.S. Postal Service postmark on the wrapper or envelope, or on the original receipt from the U.S. Postal Service; or

(2) The application is received on or before the closing date by either the Department of Health, Education, and Welfare, or the U.S. Office of Education mail rooms in Washington, D.C. In establishing the date of receipt, the Commissioner will rely on the time-date stamp of such mail rooms or other documentary evidence of receipt maintained by the

Department of Health, Education, and Welfare, or the U.S. Office of Education.

In establishing the date of receipt, the Commissioner will rely on the time-date stamp of such mail rooms or other documentary evidence of receipt maintained by the Department of Health, Education, and Welfare, or the U.S. Office of Education.

B. *Hand delivered applications.* An application to be hand delivered must be delivered to the U.S. Office of Education, Grant and Procurement Management Division, Application Control Center, Room 5673, Regional Office Building Three, 7th and D Streets, S.W., Washington, D.C.

C. *Program information and forms.* Information and application forms may be obtained from the Teacher Corps, Office of the Commissioner, Office of Education, Washington, D.C. 20202.

D. *Applicable regulations.* The regulations applicable to this program are the Office of Education General Provisions Regulations (45 CFR Part 100a.).

(20 U.S.C. 1101–1107a).

(Catalog of Federal Domestic Assistance Number 13.489—Teacher Crops—Operations and Training).

Dated: June 30, 1977.

ERNEST L. BOYER,
U.S. Commissioner of Education.

[FR Doc.77-19271 Filed 7-6-77;8:45 am]

Office of the Secretary

PRIVACY ACT OF 1974

Systems of Records and Notice of Proposed Routine Uses Therefor

Pursuant to the Privacy Act of 1974 (Pub. L. 93–579) as prescribed in 5 U.S.C. 552a(e)(4), the following notices of systems of records that the Department of Health, Education, and Welfare plans to establish are published as set forth below. New system reports were filed for these new systems with the Director, Office of Management and Budget, the Speaker of the House, the President of the Senate, and the Chairman of the Privacy Protection Study Commission on June 29, 1977. The new systems are as follows: SSA PP RSR 277.00 entitled "1978 Survey of Widows without Benefits (Statistics)"; SSA PP RSR 0377.00, entitled "Direct Deposit Survey (Statistics)"; SSA HI 0177.00, entitled "Professional Qualifications File"; CDC/NIOSH 0149.00, entitled "Health Effects of Sulphur Oxides and Sulphuric Acid, Nitrogen Oxides and Nitric Acid"; and, NIH/DRR 0336.00, entitled "PROPHET System Research Prospectuses".

In addition to the notices for new systems, there are two notices for altered systems of records The first altered system is CDC/NIOSH 0124.02, entitled "Mortality of Dairymen". The modification to this system consists of revising the "Categories of individuals" section of the system notice. This revision consists of expanding the original sample size of dairymen farmers to be studied from 5,000 to 10,000 and extending the sampling time period of dairymen worker employment (1945–1965 instead of 1950–1955). For system No. 09–40–0079, entitled "Potential and Actual Consultant, Field Reader, and Site Visitor Files, Indexes, and Lists HEW EOE", the alteration consists of automating part of the system. The automation permits access by more qualifying characteristics such as area of expertise, availability, and past performance. In this case the use of the computer affords easier and more comprehensive access, and enhances quality of selections. The two Altered System Reports were filed with the same organizations listed in the first paragraph on June 29, 1977.

Consideration in accordance with the requirements of 5 U.S.C. 552a(e)(11) will be given to comments which are submitted in writing on or before August 8, 1977. Comments should be addressed to the Director, Fair Information Practice Staff, Department of Health, Education, and Welfare, 200 Independence Avenue, S.W., Washington, D.C. 20201. Comments received will be available for inspection in Room 526–E, South Portal Building, at the above address. The routine uses for the new systems will be adopted as of the closing date of the comment period unless comment resulting in a contrary determination is received and a revised notice published. Because of the requirement in the Office of Management and Budget Circular A–108, however, the entire notices, including the routine use disclosures, will not be put into effect until 60 days after the filing date listed in the first paragraph.

Dated: June 29, 1977.

JOHN D. YOUNG,
Assistant Secretary for Management and Budget.

SSA PP RSR 0277.00

System name:

1978 Survey of Widows Without Benefits (Statistics).

Security class [if none, so state]:

None.

System location:

Division of Retirement and Survivors Studies (DRSS), Office of Research and Statistics, Social Security Administration, 1875 Conn. Ave. NW., Washington, D.C. 20009.

Institute of Survey Research, Temple University, Philadelphia, Pa.

Categories of individuals covered by the system:

National Sample of Widows of workers who died in 1977 and from whose account only a lump-sum benefit was paid by Social Security.

Categories of records in the system:

Demographic, economic, and work history data on the widow plus data on worker before worker's death, plus social security administrative data on benefits and earnings.

Authority for maintenance of the system:

Section 702 and 1875 of the Social Security Act as amended (42 U.S.C., Sections 902, 1395 LL).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

Disclosure may be made to a congressional office from the record of an individual in response to an inquiry from the congressional office made at the request of that individual.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage:

The completed data tape with identifying information removed is kept and used by DRSS at SSA and HEW computer facilities. Contractor retains no *data* after field survey is completed. During field survey and editing phases, hard copy questionnaires are kept in secure storage and data tape with identifiers are stored separately and securely from the computer facility.

Retrievability:

Records are retrievable only during field survey, edit and administrative data merge stages, by name and social security number.

Identifying information will be removed from the completed data tape and retrieval of individual data will no longer be possible.

Safeguards (access controls):

During field survey and editing, identification of tapes and documentation of tape data contents are restricted to DRSS user staff. Hard copy questionnaires are kept in locked storage cabinets located in locked rooms and can only be accessed with the permission of the project manager. All persons using tape data or having access to hard copy are notified of criminal penalties for unauthorized disclosures of information about individuals. Similarly, the contractor's staff operates under the same sanctions and also keeps hard copy data in secure storage areas. Contractor transmits all survey data to DRSS at end of field survey.

Access to completed data tape is controlled by DRSS project manager. Security measures have been incorporated in the software specifications of the system (e.g., password access, automatic lock-unlock, etc.) which are designed to prevent accidental and intentional unauthorized disclosure.

Retention and disposal:

Completed tape with no identifiers is retained indefinitely. Individual identifiers are removed after the data from survey are edited.

System manager(s) and address (include zip code):

Assistant Commissioner for Research and Statistics, Social Security Administration, Room 1121, Universal North

Building, 1875 Conn. Ave. NW., Washington, D.C. 20009.

Notification procedure:

During field survey and editing; the inquirer is requested to provide System Manager with name of system, name and the social security number of deceased worker, and address of worker's survivors, as of December 1976 or first quarter of 1977.

After data tape is complete: retrieval is not possible.

Record access procedures:

Same as notification procedures. Requestor should also reasonably specify the record contents being sought. These access procedures are in accordance with Department Regulations (45 CFR, Section 5b.5(a)(2)) FEDERAL REGISTER October 8, 1975, page 47410).

Contesting record procedures:

Contact the official at the address specified under "Notification procedure" above and reasonably identify the record and specify the information to be contested. These procedures are in accordance with Department Regulations (45 CFR, Section 5b.7) FEDERAL REGISTER, October 8, 1975, page 47411.

Record source categories:

Direct interview questionnaire completed with individuals in the survey sample. Benefit and earnings history data on deceased worker and surviving family from social security records.

Systems exempted from certain provisions of the Act (if none, so state):

None.

System name:

Direct Deposit Survey (Statistics).

Security class (if none, so state):

None.

System location:

Evaluation and Measurement Staff, Office of Program Policy & Planning, 6300 Security Blvd., Baltimore, Maryland 21235.

Bureau of Data Processing, 6401 Security Blvd., Baltimore, Maryland 21235.

Contractor Site—unknown—when known, this information will be available from Systems Manager upon request.

Categories of individuals covered by the system:

A sample of individuals from these groups:

a. Individuals who are receiving social security benefits and having them deposited directly in financial institutions.

b. Individuals receiving social security benefits who have not elected to have their benefits deposited directly in financial institutions.

c. Individuals receiving social security benefits who had elected the direct deposit option but who subsequently elected to stop using it.

Categories of records in the system:

Selected Survey Responses reflecting individuals' knowledge of and experience with the Direct Deposit option; Social Security Administration program benefit and demographic data.

Authority for maintenance of the system:

Section 702 of the Social Security Act (42 U.S.C., Section 902).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

Disclosure may be made to: a congressional office from the record of an individual in response to an inquiry from the congressional office made at the request of that individual;

An organization under contract with the Social Security Administration, of information necessary to enable the contractor to comply with the conditions of the agreement to perform research and statistical functions.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage:

Completed data tape and questionnaire hard copy with identifiers will be kept by EMS Project Officer: The questionnaire hard copy in a locked file; the tape in a secure computer facility.

Retrievability:

Records from the survey data tape and questionnaire hard copy will be retrievable by name and social security number until after merger with SSA program data; i.e., until end of calendar year 1979.

Safeguards:

During field survey and editing, identification of tapes and documentation of tape data contents are restricted to the SSA Project Staff and the contractor's project staff. Hard copy questionnaires are kept in locked storage cabinets located in locked rooms and can only be accessed with the permission of the project manager. All persons using tape data or having access to hard copy are notified of criminal penalties for unauthorized disclosures of information about individuals. Similarly, the contractor's staff operates under the same sanctions. Contractor transmits all survey data to SSA Project Staff at the end of field survey.

Access to completed data tape is controlled by the SSA Project Officer. Security measures have been incorporated in the software specifications of the system that were designed to prevent accidental and intentional unauthorized disclosure.

Retention and disposal:

Questionnaire hard copy and completed tape with identifiers will be retained until the end of calendar year 1979, at which time both will be destroyed. Retrieval will then no longer be possible.

System manager(s) and address (including ZIP code):

Assistant Commissioner for Research and Statistics, Social Security Administration, Room 1121, Universal North Building, 1875 Connecticut Avenue NW., Washington, D.C. 20009.

Notification procedure:

Provide system manager with name of system, name and social security account number, on a voluntary basis.

Record access procedure:

Same as notification procedure. Requestor should also reasonably specify the record contents being sought. These access procedures are in accordance with DHEW Regulations (45 CFR, Section 5b.5(a)(2)), FEDERAL REGISTER, October 8, 1975, page 47410.

Contesting record procedures:

Contact the systems manager at the address specified, and reasonably identify the record and specify the information to be contested. These procedures are in accordance with Department Regulations (45 CFR, Section 5b.7), FEDERAL REGISTER, October 8, 1975, page 47411.

Record source:

Interview data completed with individuals in the survey sample. SSA program information and demographic data from social security records.

System exempted from certain provisions of the Act (if none, so state):

None.

SSA HI 0177.00

System name:

Professional Qualification Files HEW SSA.

Security class (if none, so state):

None.

System location:

(1) Regional Medicare Directors (See Appendix C, Sect. 2, FEDERAL REGISTER, September 20, 1976, page 41053).

(2) The State Agencies listed below for the indicated file categories:

Department of Public Health, State Office Building, Montgomery, AL 36130 (1) (2) (9).

Department of Health and Social Services, Pouch H, Space 06-G, Juneau, AK 99811 (1) (2).

Department of Health Services, 1740 West Adams, Room 201, Phoenix, AZ 85007 (1) (2) (3).

Bureau of Health Facilities Services, 4815 West Markham, Little Rock, AR 72201 (1) (2).

Department of Health, 2151 Berkeley Way, Berkeley, CA 94704 (1) (3).

State Department of Health, 4210 East 11th Street, Denver, CO 80220 (1) (2) (11).

State Department of Health, 79 Elm Street, Hartford, CT 06115 (1) (16).

Division of Public Health, 2634 Kirkwood Highway, Newark, DE 19711 (1) (2) (3).

Department of Health and Rehabilitative Services, P.O. Box 210, Jacksonville, FL 32201 (1) (3).

Standards and License Unit, 618 Ponce de Leon Avenue NE., Atlanta, GA 30308 (1) (2) (3) (8).
State Department of Health, P.O. Box 33787, Honolulu, HI 96801 (1) (3) (4).
Department of Health and Welfare, Statehouse, Boise, ID 83707 (1) (2).
Office of Health Facilities and Quality of Care, 525 West Jefferson Street, Springfield, IL 62706 (1) (2).
Medical Care Administration, 1330 West Michigan, Indianapolis, IN 46202 (1) (2).
Division of Health Facilities, State Office Building, Des Moines, IA 50319 (1) (2) (3) (4).
State Department of Health and Environment, Topeka, KA 66620 (1) (2).
Louisiana Health and Human Resources Administration, P.O. Box 3767, Baton Rouge, LA 70821 (1) (2) (3).
Department of Human Services, 221 State Street, Augusta, ME 04333 (1) (2) (3).
Department of Public Health, 80 Boylston Street, Boston, MA 02116 (1) (2).
Division of Laboratory Improvement, 3500 North Logan, Lansing, MI 48914 (1) (3).
Division of Health Facilities, 717 Delaware Street SE., Minneapolis, MN 55440 (1) (2) (3).
State Board of Health, 2423 North State Street, Jackson, MS 39205 (1) (2) (3) (4) (5) (7) (8) (9) (10) (13) (14).
State Division of Health, State Office Building, Jefferson City, MO 65102 (1) (3).
Department of Health and Environmental Sciences, Capitol Station, Helena, MT 59601 (1) (2) (4) (5) (6) (7) (8) (9) (12) (13) (14).
State Health Department, 1000 O Street, Lincoln, NE 68508 (1) (2).
Bureau of Health Facilities, 505 East King Street, Carson City, NV 89710 (1) (2) (3) (5).
Division of Public Health Services, 61 South Spring Street, Concord, NH 03301 (1) (2) (3).
Department of Health, Room 401, Box 1540, Trenton, NJ 08625 (2).
State Health and Social Services Department, 725 St. Michael's Drive, Santa Fe, NM 87503 (1) (2) (3).
Department of Health, Tower Building, Empire State Plaza, Albany, NY 12237 (1) (3).
State Department of Health, 1200 Missouri Avenue, Room 302, Bismarck, ND 58508 (1) (2) (9).
Department of Health, 450 East Town Street, Columbus, OH 43215 (1) (2).
Licensure and Certification Division, Northeast 10th and Stonewall, Oklahoma City, OK 73105 (1) (2) (3).
State Health Division, P.O. Box 231, Portland, OR 97207 (1) (2).
Department of Health and Environmental Control, 2600 Bull Street, Columbia, SC 29201 (1) (2) (3) (7) (8) (10) (14).
Department of Public Health, Nashville, TE 37219 (1) (2).
State Department of Health Resources, 4902 Grover Street, Austin, TX 78756 (1) (2) (3).
Division of Health, 44 Medical Drive, Salt Lake City, UT 84113 (1) (2) (4) (5) (6) (7) (8) (9) (14) (15).
Department of Health, 115 Colchester Avenue, Burlington, VT 05401 (1) (2) (4) (5) (6 (7) (8) (9).
Department of Health, James Madison Building, 109 Governor Street, Richmond, VA 23219 (1) (2) (3).
Department of Social and Health Services, P.O. Box 1788, Alympia, WA 98504 (3).
State Health Department, 601 Morris Street, Suite 305, Charleston, WV 25301 (1) (2).
Division of Health, One West Wilson Street, Madison, WI 53703 (1) (2).

Categories of individuals covered by the system:

Certain professional individuals who are employed in hospitals and clinical laboratories, or who are self-employed providing therapy and medical services who have taken HEW proficiency examinations.

Categories of records in the system:

The system contains information on the academic and experience qualifications and social security numbers of individuals working in hospitals or clinical laboratories; the names, addresses, and license numbers of professional self-employed persons providing therapy and other medical services and their eligibility to participate in the Medicare program; whether individuals who took HEW proficiency examinations have passed or failed. Records maintained differ from State to State. The State agencies listed under System Location are followed by numbers indicating which of the following categories are recorded.

Physical Therapists (1).
Chiropractors (2).
Laboratory Personnel (3).
Licensed Practical Nurses (4).
Licensed Administrators (5).
Registered Nurses (6).
Occupational Therapists (7).
Dieticians (8).
Consultant Physicians (9).
Pharmacists (10).
Clinical Psychologists (11).
Audiologists (12).
Speech Pathologists (13).
Social Work Consultants (14).
Dentists (15).
Portable X-Ray Providers (16).

Authority for maintenance of the system:

42 U.S.C. 1395 x and 42 U.S.C. 1320 a–2.

Routine uses of records maintained in the system, including categories or users and the purposes of such uses:

(a) To contractors under contract to SSA for the performance of specific research and statistical activities directly related to the Social Security Act.

(b) To a congressional office from the record of an individual in response to an inquiry from the congressional office made at the request of that individual.

(c) To State officials and employees to the extent necessary or appropriate to carry out their functions under agreements with the Social Security Administration.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage:

Records maintained on paper files in metal filing cabinets.

Retrievability:

System is indexed by name of individual, listed alphabetically.

Safeguards (access controls):

Disclosure of records is limited to State agency and Medicare personnel on a need to-know basis. The files are closed to unauthorized personnel. File cabinets where records are stored are locked when not in use and at close of business. Keys are kept by authorized personnel only.

Retention and disposal:

Records are maintained for 5 years after becoming inactive, and are then destroyed.

System manager:

Director, Bureau of Health Insurance, 6401 Security Boulevard, Baltimore, Maryland 21235.

Notification procedure:

Inquiries and requests for records should be directed to the Regional Medicare Director (See Appendix C, Section 2) or the appropriate State agency (See System Location.) The individual should furnish his or her name, address, social security number, and the specific category file he wishes to access. Information on the procedures for gaining access to and contesting records may be obtained from the Regional Medical Director.

Record access procedures:

Same as notification procedures. (These access procedures are in accordance with the Department Regulations (45 CFR, Section 5b.5(a)(2) FEDERAL REGISTER, October 8, 1975, page 47410)).

Contesting record procedures:

Contact the official at the address specified under notification procedures, above, and reasonably identify the record and specify the information to be contested. (These procedures are in accordance with Department Regulations (45 CFR, Section 5b.7) FEDERAL REGISTER, October 8, 1975, page 47411).

Record source categories:

The information contained in these records is furnished by the individual or his employing entity (hospital or medical clinic).

Systems exempted from certain provisions of the Act:

None.

CDC NIOSH 0149.00

System name:

Health Effects of Sulfur Oxides and Sulfuric Acid, Nitrogen Oxides, and Nitric Acid—HEW/CDC/NIOSH.

Security classification (if none, so state):

None.

System location:

Epidemiological Investigations Branch, Appalachian Laboratory for Occupational Safety and Health, National Institute for Occupational Safety and Health, 944 Chestnut Ridge Road, Morgantown, West Virginia 26505.

Categories of individuals covered by the system:

Approximately 1000–1500 workers exposed to sulfur oxides, sulfuric acid, nitrogen oxides, and nitric acid, at sulfuric acid plants (e.g., in Missouri), battery plants (in Pennsylvania), and certain food processing plants which utilize sulfur dioxide (e.g., in the Washington, Oregon area).

Categories of records in the system:

Occupational histories, demographic data, chest x-rays, results of medical tests.

Authority for maintenance of the system:

Occupational Safety and Health Act, Section 20 (29 U.S.C. 669).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

Records may be released to the Department of Justice or other appropriate Federal agencies in defending claims against the United States when the claim is based upon an individual's mental or physical condition and is alleged to have arisen because of activities of the Public Health Service in connection with such individual (45 CFR Part 5B, Appendix B, Item 100). Disclosure may be made to a congressional office from the record of an individual in response to an inquiry from the congressional office made at the request of that individual.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage:

Computer tape, manual files, analog tape.

Retrievability:

The purpose of this system is to determine the cause and prevention of occupationally-related diseases. Name and assigned number are indexes used to retrieve records from this system.

Safeguards (access controls):

The records are maintained in locked cabinets with access limited to authorized personnel (system manager, principal investigator and his staff assigned to the project, project officer, contracting officer). For computerized records, safeguards are established in accordance with Departmental standards and National Bureau of Standards guidelines, e.g., security codes will be used limiting access to authorized personnel.

Retention and disposal:

Records are presently scheduled to be disposed of approximately ten years following completion of the study. Records will be shredded, burned, or erased.

System manager(s) and address (include zip code):

Director, National Institute for Occupational Safety and Health, 5600 Fishers Lane, Park Building—Room 3–32, Rockville, Maryland 20852.

Notification procedure:

To determine if a file exists, write the Privacy Act Coordinator, Management Analysis Office, Center for Disease Control, Atlanta, GA 30333, and provide the following information: (1) approximate date(s) and place of treatment or questionnaire administration; (2) name of study if known; (3) an individual who requests notification of or access to a medical record shall, at the time the request is made, designate a responsible representative in writing who will be willing to review the record and inform the subject individual of its contents at the representative's descretion (these notification and access procedures are requirements of the Department of regulations, 45 CFR, Part 5b.6, FEDERAL REGISTER, October 8, 1975, page 47411).

Record access procedures:

Same as notification procedures. Requesters should also reasonably specify the record contents being sought.

Contesting record procedures:

Write the Privacy Act Coordinator, Management Analysis Office, Center for Disease Control, Atlanta, GA 30333. Reasonably identify the record and specify the information to be contested in accordance with Department regulations. FEDERAL REGISTER, October 8, 1975, page 47411 (45 CFR Part 5b7).

Record source categories:

Information is obtained directly from workers at sulfuric acid plants in Missouri, battery plants in Pennsylvania and certain food processing plants which utilize sulfur dioxide in the Washington-Oregon area.

Systems exempted from certain provisions of the Act (if none, so state):

None.

NIH DRR 0336.00

System name:

PROPHET System Research Prospectuses.

Security class (if none, so state):

None.

System location:

Bldg. 31, Rm. 6A06, NIH, 9000 Rockville Pike, Bethesda, MD 20014.

Categories of individuals covered by the system:

Applicants for access to the facilities and services of the PROPHET System, a unique national computer resource for the study of chemical/biological interrelationships.

Categories of records in the system:

(a) Descriptions of the research objectives of the applicant individuals or groups and their plans for use of the PROPHET in support of their research, (b) biographical sketches of all key individuals associated with the prospectuses, (c) evaluation documents, and (d) related correspondence.

Authority for maintenance of the system:

42 U.S.C. 241(a).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

1. To the Smithsonian Science Information Exchange for dissemination of science information (abstracts of research grants only).
2. To the Cognizant Audit Agency for auditing.
3. To the Department of Justice as required for litigation.
4. To a congressional office from the record of an individual in response to an inquiry from the congressional office made at the request of that individual.
5. To qualified experts not within the definition of Department employees as prescribed in Department Regulations (45 CFR, Part 5b.2) for opinions as a part of the application review process.
6. To a Federal agency, in response to its request, in connection with the letting of a contract, or the issuance of a license, grant or other benefit by the requesting agency, to the extent that the record is relevant and necessary to the requesting agency's decision on the matter.
7. To individuals and organizations deemed qualified by the PHS to carry out specific research related to the review and award processes of the PHS.
8. To organizations in the private sector with whom PHS has contracted for the purpose of collating, analyzing, aggregating or otherwise refining records in a system. The contractor shall be required to maintain Privacy Act safeguards with respect to such records.
9. To the grantee institution in connection with performance or administration under the terms and conditions of the award.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage:

File folders.

Retrievability:

System is indexed by name of principal individual associated with the prospectus and by program identification number. HEW use: system is used exclusively in support of the Chemical/Biological Information-Handling (CBIH) Program management—i.e., technical merit review of prospectuses, allocation

of PROPHET services, analysis and evaluation of ongoing activities, and program planning.

Safeguards (access controls):

The records are maintained in cabinets in the office of the Program Director, CBIH. Access is limited to authorized personnel, i.e., system manager and members of his staff, review committee members.

Retention and disposal:

Number of years held at NIH: 2. Disposal methods include burning or shredding paper materials.

System manager(s) and address (include Zip Code):

Program Director, Chemical/Biological Information-Handling Program, Division of Research Resources, Bldg. 31, Rm. 6A-04, National Institutes of Health, 9000 Rockville Pike, Bethesda, MD 20014.

Notification procedure:

Program Director, Chemical/Biological Information-Handling Program at address listed above and ask if a file exists with your name in the PROPHET System Research Prospectuses.

Record access procedures:

Same as notification procedures. Requesters should also reasonably specify the record contents being sought.

Contesting record procedures:

Write to system manager and reasonably identify the record and specify the information to be contested, in accordance with Department Regulations (45 CFR, Part 5b.7), FEDERAL REGISTER, October 8, 1975, page 47411.

Record source categories:

The information is provided by the individuals themselves and by NIH consultants who assess the scientific and technical merit of the prospectuses.

Systems exempted from certain provisions of the Act (If none, so state):

None.

CDC NIOSH 0124.02

System name:

Mortality of Dairymen—HEW/CDC/NIOSH.

Security classification:

None.

System location:

Appalachian Laboratory for Occupational Safety and Health, NIOSH, 944 Chestnut Ridge Road, Morgantown, West Virginia 26505.

Categories of individuals covered by the system:

10,000 men who worked as dairy farmers for at least one year from 1945 to 1965.

Categories of records in the system:

Occupational and medical histories, demographic data, results of medical tests.

Authority for maintenance of the system:

Occupational Safety and Health Act Section 20 (29 U.S.C. 669).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

Disclosure may be made to a congressional office from the record of an individual in response to an inquiry from the congressional office made at the request of that individual. Records may be released to the Department of Justice or other appropriate Federal Agencies in defending claims against the U.S. when the claim is based upon an individual's mental or physical condition and is alleged to have arisen because of activities of the Public Health Service in connection with such individual. (Appendix B, Department Regulations, (45 CFR Part 5b), item 100).

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage:

Manual files, computer cards, computer tapes, computer listings.

Retrievability:

The purpose of this system is to determine the cause and prevention of occupationally-related diseases. NIOSH. Name and case number are the indexes used to retrieve records from this system.

Safeguards:

Locked building; locked rooms; Personnel screening; Locked computer room and computer tape vaults; Locked file cabinets For computerized records, safeguards established in accordance with Department standards and National Bureau of Standards guidelines will be used, limiting access to authorized personnel.

Retention and disposal:

Records are retained indefinitely. Disposal methods include erasing computer tapes and burning or shredding paper materials.

System manager(s) and address:

Director, National Institute for Occupational Safety and Health, 5600 Fishers Lane, Park Bldg.—Room 3-32, Rockville, Maryland 20852.

Notification procedure:

Privacy Act Coordinator, Management Analysis Office, Center for Disease Control, Atlanta, Georgia 30333. An individual who requests notification of or access to a medical record shall, at the time the request is made, designate in writing a responsible representative who will be willing to review the record and inform the subject individual of its contents at the representative's discretion. (These notification and access procedures are in accordance with Department Regulations (45 CFR, Section 5b.6) FEDERAL REGISTER, October 8, 1975, page 47411.).

Record access procedures:

Same as notification procedures. Requesters should also reasonably specify the record contents being sought. (These access procedures are in accordance with Department Regulations (45 CFR, Section 5b.5(a)(2)) FEDERAL REGISTER, October 8, 1975, page 4740.).

Contesting record procedures:

Contact the official at the address specified under notification procedures above, and reasonably identify the record and specify the information to be contested. (These procedures are in accordance with Department Regulations (45 CFR, Section 5b.7) FEDERAL REGISTER, October 8, 1975, page 474.).

Record source categories:

Information is obtained from dairy cooperatives. Vital status information is obtained from Federal, State, and Local governments; from relatives; and from other available sources, including individuals in the study.

Systems exempted from certain provisions of the act:

None.

09-40-0079

System name:

Potential and Actual Consultant, Field Reader, and Site Visitor Files, Indexes, and Lists HEW E OE.

Security classification:

None.

System location:

See Appendix I.

Categories of individuals covered by the system:

Actual and prospective consultant, field readers, or site visitors used by the Office of Education to evaluate grant proposals, performance of grantees or contractors.

Categories of records in the system:

Names of consultant, field reader, and site visitors, addresses, position, institutional affiliation (if any), curriculum vitae (where necessary), *social security number for reimbursement purposes*, reimbursement information, *areas of individual's expertise, tracking of assignments, appraisal of effort.*

Authority for maintenance of the system:

(20 U.S.C. 1221e-3). Information is provided by persons interested in participating on a voluntary basis.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

To general public on request, list of names and business addresses of potential and/or actual consultants, field readers, or site visitors. For uses *1, 3, 4, 5, 6, 7, 8,* and *9*, as stated in Appendix B, 45 CFR Part 5b. Disclosure may be made to a Congressional office from the record of any indiivdual in response to an inquiry from the Congressional office made at the request of that individual.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage:

File folders in file cabinets, card file with pertinent data, *and (in limited locations) computer data base tapes and disks.*

Retrievability:

By name, *expertise or social security number* of potential or actual consultant, reader, or site visitor. Records are used to ensure that a fair, equal, and qualified group of consultants, readers, or site visitors is selected to review proposals or evaluate performances.

Safeguards:

Direct access is restricted to persons designated by systems managers to be responsible for maintenance of file or selection of panels of consultants, readers, or site visitors. *Automated locations are protected by password protect and key lock on terminal.*

Retention and disposal:

Destroy after five years (Item 25 OE Records Control Schedule).

System manager(s) and address(es):

See Appendix *I*.

Notification procedure:

Contact system manager of pertinent organizational component(s). Provide name and approximate date of previous correspondence. Additional verifying data (such as birthdate, home address) may be requested.

Record access procedures:

Contact system manager as above.

Contesting record procedures:

Contact system manager as above.

Record source categories:

Information forwarded voluntarily by individuals interested in serving as consultants, readers, or site visitors, obtained by contacting individuals with specific expertise in the pertinent discipline of each system manager.

Systems exempted from certain provisions of the Act:

None.

APPENDIX I

Director, Office of Gifted and Talented,
Room 3831, Donohoe, Building,
400 Maryland Avenue, S.W.,
Washington, D.C. 20202.

Program Manager, Handicapped Research Program,
Room 3165, Donohoe Building,
400 Maryland Avenue, S.W.,
Washington, D.C. 20202.

Program Manager, Learning Disabilities Program,
Room 3127, Donohoe Building,
400 Maryland Avenue, S.W.,
Washington, D.C. 20202.

Executive Officer, Bureau of Education for the Handicapped,
Room 4030, Donohoe Building,
400 Maryland Avenue, S.W.,
Washington, D.C. 20202.

Director, Division of Local Educational Agency Assistance,
Room 2167, FOB–6,
400 Maryland Avenue, S.W.,
Washington, D.C. 20202.

Director, Division of Special Projects and Programs,
Room 2161, FOB–6,
400 Maryland Avenue, S.W.,
Washington, D.C. 20202.

Director, Division of Training and Facilities,
Room 3066, ROB–3,
400 Maryland Avenue, S.W.,
Washington, D.C. 20202.

Director, Division of International Education,
Room 3907, ROB–3,
400 Maryland Avenue, S.W.,
Washington, D.C. 20202.

Director, Division of Institutional Development,
Room 3052, ROB–3,
400 Maryland Avenue, S.W.,
Washington, D.C. 20202.

Director, Community College Unit, *Room 3044, ROB–3,* 400 Maryland Avenue, S.W., Washington, D.C. 20202.

Director, Office of Environmental Education, Room 2025, FOB–6, 400 Maryland Avenue, S.W., Washington, D.C. 20202.

Director, Program Operations Division, *Room 2007, FOB–6,* 400 Maryland Avenue, S.W., Washington, D.C. 20202.

Associate Commissioner, Equal Educational Opportunity Programs, Room 2001, FOB–6, 400 Maryland Avenue, S.W., Washington, D.C. 20202.

Division Director, Division of *Education Replication,* Room 3616, ROB–3, 400 Maryland Avenue, S.W., Washington, D.C. 20202.

Chief, Library Education and Postsecondary Resources Branch, *Room 3622, ROB–3,* 400 Maryland Avenue, S.W., Washington, D.C. 20202.

Chief, Library Research and Demonstration Branch, *Room 3124, ROB–3,* 400 Maryland Avenue, S.W., Washington, D.C. 20202.

Director, Office of Libraries and Learning Resources, Room 4121, FOB–6, 400 Maryland Avenue, S.W., Washington, D.C. 20202.

Director, Division of Research and Demonstration, Room 5042, ROB–3, 400 Maryland Avenue, S.W., Washington, D.C. 20202.

Program Manager, Metric Education Program Staff, Room 5640, ROB–3, 400 Maryland Avenue, S.W., Washington, D.C. 20202.

Privacy Coordinator, P.O. Box 8370, Boston, Massachusetts 02114.

Privacy Coordinator, Room 406, 26 Federal Plaza, New York, New York 10007.

Privacy Coordinator, 3535 Market Street, Room 16200, Philadelphia, Pennsylvania 19104.

Privacy Coordinator, Room 513, 50 Seventh Street, N.E., Atlanta, Georgia 30323.

Privacy Coordinator, 32nd Floor, 300 South Wacker Drive, Chicago, Illinois 60606.

Privacy Coordinator, 1114 Commerce Street, Dallas, Texas 75202.

Privacy Coordinator, Room 360, FOB, 601 East 12th Street, Kansas City, Missouri 64106.

Privacy Coordinator, Room 3444A, FOB, 1961 Stout Street, Denver, Colorado 80202.

Privacy Coordinator, 50 Fulton Street, San Francisco, California 94102.

Privacy Coordinator, Room 515, Arcade Plaza Building, 1321 Second Avenue, Seattle, Washington 98101.

[FR Doc.77–19231 Filed 7–1–77;11:12 am]

Health Care Financing Administration

AMPICILLIN AND PENICILLIN V POTASSIUM

Proposed Maximum Allowable Cost: Public Hearing

Notice is hereby given, pursuant to 45 CFR Part 19 that the Pharmaceutical Reimbursement Board of the Department of Health, Education, and Welfare proposes to establish the following Maximum Allowable Costs (MACs) for the following forms and strengths of ampicillin and penicillin V potassium (penicillin VK).

1. Penicillin VK tablets, 250 mg, $0.0535 per tablet.
2. Penicillin VK tablets, 500 mg, $0.1025 per tablet.
3. Penicillin VK oral suspension, 125 mg/5ml, $0.0120 per ml.
4. Penicillin VK oral suspension, 250mg/5ml, $0.0160 per ml.
5. Ampicillin oral suspension, 125mg/5ml, $0.0145 per ml.
6. Ampicillin oral suspension, 250mg/5ml, $0.0205 per ml.

These proposed MACs will not apply to liquid unit dose packaging. Interested persons and organizations are invited to submit written comments on the proposed MAC on or before August 8, 1977.

Notice is also given that an informal public hearing has been scheduled on whether different, or any, MACs should be established for such drugs. The hearing is discussed more fully below.

Pursuant to the Department's regulations concerning Limitation on Payment or Reimbursement for Drugs (45 CFR Part 19) the Pharmaceutical Reimbursement Board sought the advice of the Pharmaceutical Advisory Committee on March 16, 1977 which met to consider the proposed MACs on April 27–28, 1977. The Committee's advice to the Board is contained in Appendix A of this notice and a summary of the Board's reasons for its proposal as indicated above are contained in Appendix B of this notice. The full transcripts and minutes of the Committee meeting, the minutes of the Board meeting and the economic and quality data upon which the Committee and the Board based their decisions are available in the Office of Acting Executive

Secretary of the Pharmaceutical Reimbursement Board at the address below.

PUBLIC HEARING

Under section 19.5(g) of the regulations, any person may, within 30 days of publication of a notice of a proposed MAC, request in writing an informal hearing before the Board on whether a different, or any, MAC should be established for the drugs described in the notice. If the Board decides it will thereby be aided in its deliberations, it may grant such a hearing. The Board is required to publish in the FEDERAL REGISTER a notice of the hearing at least 30 days prior to such hearing. Since the MAC program and the proposed MAC's have generated considerable and continuing interest, the Board has elected not to await written requests but instead to announce immediately that a hearing has been scheduled.

The hearing will be before the Pharmaceutical Reimbursement Board at 10:00 a.m. on August 26, 1977 in Room 1331 of the Switzer Building, 330 C Street, SW., Washington, D.C. 20201. In the conduct of the hearing, the requirements of section 19.5(h) of the regulations will be strictly adhered to. In particular, it is emphasized that each person or organization wishing to appear at the hearing must, no later than 15 days prior to the hearing, submit in writing to the Board a statement of the general nature of the evidence or arguments, pertaining to the proposed MACs under consideration, they wish to present. The names and addresses of proposed participants in the hearing and references to any published data to be relied upon must be included in the statement. Those so requesting to appear will be notified in writing whether they may appear, the time they will be allocated, and the issues on which they will be heard. Only those persons or organizations who have made such written requests, and whose requests to appear have been granted, will be permitted to present testimony.

All comments in response to this notice, and all requests to appear at the informal hearing, should be addressed to the Acting Executive Secretary, Pharmaceutical Reimbursement Board, Health Care Financing Administration, Room 921, 1875 Connecticut Avenue NW., Washington, D.C. 20009.

All comments received will be maintained for public inspection at the above address during regular business hours.

Dated: July 1, 1977.

M. KEITH WEIKEL,
Acting Chairman, Pharmaceutical Reimbursement Board.

APPENDIX A

ADVICE OF THE PHARMACEUTICAL REIMBURSEMENT ADVISORY COMMITTEE CONCERNING PROPOSED MAC'S

MARK NOVITCH, M.D.,
Executive Secretary, Pharmaceutical Reimbursement Board, Parklawn Building, Room 14-82, 5600 Fishers Lane, Rockville, Maryland 20857

DEAR DR. NOVITCH: In response to the March 16, 1977, request of the Board, the Pharmaceutical Reimbursement Advisory Committee met on April 27 and 28, 1977, to review the Board's determination of maximum allowable cost (MAC) limits on penicillin V potassium tablets and oral suspension and ampicillin oral suspension as provided under Section 19.5(d) of Title 45, Subtitle A, Code of Federal Regulations.

The Committee reviewed each of the Board's determinations of lowest unit price, together with such information as the Board relied upon or considered in making its determinations. The Committee also received written comments in accordance with the Notice of Meeting published in the FEDERAL REGISTER of March 18, 1977. On the basis of the information presented, the Committee reached the following conclusions.

1. The Committee agreed that the presence of small quantities of N,N-dimethylaniline (DMA) residues in ampicillin is not a reason to withhold a MAC limit on ampicillin products. The Committee, however, does not find it appropriate to propose MAC limits of $0.0101 per cc and $0.0160 per cc for ampicillin oral suspensions, 125 mg/5 cc and 250 mg/5 cc, respectively, because these price levels would compromise wholesaler distribution of these products. Furthermore, the Committee advises that it is not appropriate to propose any MAC limit for these products since there would not be adequate savings at any MAC level at which the products would be available from wholesalers.

2. The Committee does not find it appropriate to propose a MAC limit of $0.0535 per 250 mg tablet of penicillin V potassium (penicillin VK) because the product is not widely and consistently available at this price. The Committee does advise that it would be appropriate to propose a MAC limit of $0.0700 per 250 mg tablet of penicillin VK.

3. The Committee does not find it appropriate to propose a MAC limit of $0.1025 per 500 mg tablet of penicillin VK because the product is not widely and consistently available at this price. The Committee does advise that it would be appropriate to propose a MAC limit of $0.1250 per 500 mg tablet of penicillin VK.

4. The Committee does not find it appropriate to propose a MAC limit of $0.0120 per cc of penicillin VK oral suspension, 125 mg/5 cc because the product is not widely and consistently available at this price. The Committee does advise that it would be appropriate to propose a MAC limit of $0.0130 per cc of penicillin VK oral suspension, 125 mg/5 cc.

5. The Committee does not find it appropriate to propose a MAC limit of $0.0160 per cc of penicillin VK oral suspension, 250 mg/5 cc, because the product is not widely and consistently available at this price. The Committee does advise that it would be appropriate to propose a MAC limit of $0.0168 per cc of penicillin VK oral suspension, 250 mg/5 cc.

In making these recommendations the Committee took into account the following considerations:

That only one MAC limit per drug product be established which is set at a level to accommodate any actual regional variations;

That existing channels of distribution not be altered by establishing a MAC limit below the price at which a single bottle of the drug product is widely and consistently available from wholesalers;

That all covered dosage forms of a drug product line be available from the same manufacturer or labeler at or below applicable MAC limits;

That unit dose packaging of liquid dosage forms be exempted from applicable MAC limits or that separate limits be determined for such package forms; and

That market acceptability of a drug product be based on price, quality and service.

If the Board needs any further information on this matter please let me know.

Sincerely,

JAMES T. DOLUISIO, Ph.D.,
Chairman, Pharmaceutical Reimbursement Advisory Committee.

APPENDIX B

SUMMARY OF REASONS FOR PROPOSING MAC LIMITS ON AMPICILLIN ORAL SUSPENSIONS AND PENICILLIN VK

At its meeting of June 2, 1977, the Pharmaceutical Reimbursement Board considered the advice of the Pharmaceutical Reimbursement Advisory Committee. The Board did not agree with the advice of Committee that the MACs originally proposed for the four dosage forms of penicillin VK be set at the higher levels indicated by the Committee because of the need to assure availability and product line continuity. The Board determined that there are sufficient suppliers of the dosage forms of penicillin VK to make them widely available. Moreover, product line continuity was evident for all affected dosage forms from two manufacturers and for three out of four dosage forms from two other manufacturers.

The Board also did not agree with the advice of the Committee that no MACs be set for the two indicated oral suspension dosage forms of ampicillin. The Board concluded that its original proposed MACs for the two oral suspension dosage forms of ampicillin were at a direct deal price. The Board agrees with the Committee that wholesaler availability should be considered in setting MAC limits. The regulations do not, however, require that a product be available from any specific channel of distribution. What is required is that under prevailing market conditions the product be readily available to providers regardless of whether the source is wholesale, direct or mixed.

Consistent with the regulatory requirement that MACs be set at the lowest price at which a product is widely and consistently available, and in view of the fact the originally proposed MACs were set at deal price levels, the Board concluded that higher MACs should be set for ampicillin liquids: at $0.0145 per ml for ampicillin oral suspension 125mg/5ml and at $0.0205 per ml for ampicillin oral suspension 250mg/5ml. In proposing the establishment of MACs at these levels the Board rejects the Committee's opinion that adequate savings resulting from the proposed MACs will not be realized. Savings on these two dosage forms have been estimated to be in excess of $100,000 per year.

[FR Doc.77-19305 Filed 7-6-77;8:45 am]

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Federal Disaster Assistance Administration

[Docket No. NFD-512]

INTERAGENCY DROUGHT EMERGENCY COORDINATING COMMITTEE

Designation of Additional Emergency Drought Impact Areas

AGENCY: Federal Disaster Assistance Administration, HUD.

ACTION: Notice.

SUMMARY: This is a Notice of additional designation of Emergency Drought Impact Areas by the Interagency Drought Emergency Coordinating Committee of 1977.

DATED: June 27, 1977.

FOR FURTHER INFORMATION CONTACT:

Jack W. McGraw, Director, Preparedness Office, Federal Disaster Assistance Administration, Department of Housing and Urban Development, Washington, D.C. 20410, 202–634–7845.

Acting upon the request of the respective Governors, the Interagency Drought Emergency Coordinating Committee designated the following as Emergency Drought Impact Areas:

INDIANA

Benton	Parke
Boone	Porter
Cass	Pulaski
Clay	Ripley
Gibson	Starke
Hamilton	St. Joseph
Hancock	Sullivan
Howard	Vermillion
Jasper	Vigo
Lake	Warren
LaPorte	Warrick
Marion	White
Newton	

WEST VIRGINIA

Berkeley	Mercer
Clay	Mineral
Fayette	Monroe
Grant	Morgan
Greenbrier	Pendleton
Hampshire	Pocahontas
Hardy	Putnam
Jackson	Raleigh
Jefferson	Roane
Kanawha	Summers
Mason	Wyoming

The designation of an Emergency Drought Impact Area does not confer entitlement to drought assistance. Individuals and communities must meet the separate eligibility requirements established by each agency before assistance may be provided.

Under the authority granted to the Administrator as Secretary to the Committee by the Memorandum of Agreement (42 FR 21855, April 29, 1977), I have provided this designation for the public record.

THOMAS P. DUNNE,
Administrator, Federal Disaster Assistance Administration.

[FR Doc.77-19331 Filed 7-6-77;8:45 am]

[Docket No. NFD-511]

INTERAGENCY DROUGHT EMERGENCY COORDINATING COMMITTEE

Designation of Additional Emergency Drought Impact Areas

AGENCY: Federal Disaster Assistance Administration, HUD.

ACTION: Notice.

SUMMARY: This is a Notice of additional designation of Emergency Drought Impact Areas by the Interagency Drought Emergency Coordinating Committee of 1977.

DATED: June 24, 1977.

FOR FURTHER INFORMATION CONTACT:

Jack W. McGraw, Director, Preparedness Office, Federal Disaster Assistance Administration, Department of Housing and Urban Development, Washington, D.C. 20410, 202–634–7845.

Acting upon the request of the Governor, the Interagency Drought Emergency Coordinating Committee designated the following as Emergency Drought Impact Areas:

GEORGIA

Appling	Jenkins
Atkinson	Johnson
Bacon	Jones
Baker	Lamar
Baldwin	Lanier
Banks	Laurens
Barrow	Lee
Ben Hill	Liberty
Berrien	Lincoln
Bibb	Long
Bleckley	Lowndes
Brooks	McDuffie
Bryan	McIntosh
Burke	Macon
Butts	Madison
Calhoun	Marion
Candler	Meriwether
Carroll	Miller
Chatham	Mitchell
Chattahoochee	Monroe
Cherokee	Montgomery
Clarke	Morgan
Clay	Murray
Clayton	Newton
Clinch	Oconee
Cobb	Oglethorpe
Coffee	Peach
Colquitt	Pierce
Columbia	Pike
Cook	Pulaski
Coweta	Putnam
Crawford	Quitman
Crisp	Randolph
Decatur	Richmond
Dekalb	Rockdale
Dodge	Schley
Dooly	Screvan
Dougherty	Seminole
Douglas	Spalding
Early	Stewart
Echols	Sumter
Effingham	Talbot
Elbert	Taliaferro
Emanuel	Tattnall
Evans	Taylor
Fayette	Telfair
Franklin	Terrell
Fulton	Thomas
Glascock	Toomba
Glynn	Treutlen
Grady	Troup
Greene	Turner
Gwinett	Twiggs
Hall	Upson
Hancock	Walton
Harris	Ware
Hart	Warren
Heard	Washington
Henry	Wayne
Houston	Webster
Irwin	Wheeler
Jackson	Whitfield
Jasper	Wilkes
Jeff Davis	Wilkinson
Jefferson	Worth

The designation of an Emergency Drought Impact Area does not confer entitlement to drought assistance. Individuals and communities must meet the separate eligibility requirements established by each agency before assistance may be provided.

Under the authority granted to the Administrator as Secretary to the Committee by the Memorandum of Agreement (42 FR 21855, April 29, 1977) I have provided this designation for the public record.

THOMAS P. DUNNE,
Administrator, Federal Disaster Assistance Administration.

[FR Doc.77-19332 Filed 7-6-77;8:45 am]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[AA-12812]

ALASKA

Proposed Withdrawal and Reservation of Lands

JUNE 27, 1977.

The U.S. Army Corps of Engineers, on January 29, 1976, filed application, Serial No. AA-12812, for the withdrawal of the following described lands from settlement, sale, location, or entry under all of the general land laws, including the mining and mineral leasing laws, subject to valid existing rights:

A tract of land in protracted T. 7 N., R. 2 E., Copper River Meridian, Alaska, more specifically described as follows:

Commencing at a point identical with latitude 62°24'17" N., longitude 145°07'45" W.; thence east 165 feet to th e true point of beginning for this description; thence south 165 feet; thence west 330 feet; thence north 330 feet; thence east 330 feet; thence south 165 feet to the point of beginning. Containing 2.50 acres, more or less.

The applicant agency desires that the lands be withdrawn and reserved for use as a radio relay site.

All persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned authorized officer of the Bureau of Land Management on or before August 16, 1977.

Pursuant to section 204(h) of the Federal Land Policy and Management Act of 1976, notice is hereby given that an opportunity for a public hearing is afforded in connection with the proposed withdrawal. All interested persons who desire to be heard on the proposed withdrawal must submit a written request for a hearing to the State Director, Bureau of Land Management, 555 Cordova Street, Anchorage, Alaska 99501, on or before August 16, 1977. Notice of the public hearing will be published in the FEDERAL REGISTER giving the time and place of such hearing. The public hearing will be scheduled and conducted in accordance with BLM Manual, Sec. 2351.16 B.

The Department of the Interior's regulations provide that the authorized officer of the BLM will undertake such

investigations as are necessary to determine the existing and potential demands for the lands and their resources. He will also undertake negotiations with the applicant agency with the view of assuring that the area sought is the minimum essential to meet the applicant's needs, providing for the maximum concurrent utilization of the lands for purposes other than the applicant's, and reaching agreement on the concurrent management of the lands and their resources.

The authorized officer will also prepare a report for consideration by the Secretary of the Interior who will determine whether or not the lands will be withdrawn and reserved as requested by the applicant agency. The determination of the Secretary on the application will be published in the FEDERAL REGISTER. The Secretary's determination shall, in a proper case, be subject to the provisions of section 204(c) of the Federal Land Policy and Management Act of 1976, 90 Stat. 2752. The above-described lands are temporarily segregated from the operation of the public land laws, including the mining and mineral leasing laws, to the extent that the withdrawal applied for, if and when effected, would prevent any form of disposal or appropriation under such laws. Current administrative jurisdiction over the segregated lands will not be affected by the temporary segregation. The segregative effect of this proposed withdrawal shall terminate on October 20, 1991, unless sooner terminated by action of the Secretary of the Interior.

All communications (except for public hearing requests) in connection with this proposed withdrawal should be addressed to the Chief, Branch of Lands and Minerals Operations, Alaska State Office, Bureau of Land Management, Department of the Interior, 555 Cordova Street, Anchorage, Alaska 99501.

CURTIS V. MCVEE,
State Director.

[FR Doc.77-19245 Filed 7-6-77;8:45 am]

[Colorado 0128265]

COLORADO

Termination of Proposed Withdrawal and Reservation of Lands

JUNE 27, 1977.

Notice of a Forest Service, U.S. Department of Agriculture application, Colorado 0128265, for withdrawal and reservation of lands for public purposes was published as FR Doc. 66-6859, on pages 8697-8698 of the issue of June 23, 1966. The applicant agency has cancelled its application in its entirety, which affects the following described lands:

SIXTH PRINCIPAL MERIDIAN, COLORADO

T. 6 N., R. 77 W.,
Sec. 26: S½NE¼SW¼, E½NW¼SW¼, SW¼NW¼SW¼, NE¼SW¼SW¼, SE¼SW¼, SW¼NW¼SE¼;
Sec. 35: N½N½NE¼NW¼

The above area aggregates 120 acres.

Therefore, pursuant to the regulations contained in 43 CFR, Part 2310, such lands will be relieved of the segregative effect of the above-mentioned application 30 days from the date of this notice.

THOMAS N. HARDIN,
Chief, Branch of Adjudication.

[FR Doc.77-19247 Filed 7-6-77;8:45 am]

OPPORTUNITY FOR PUBLIC HEARING AND REPUBLICATION OF NOTICE OF PROPOSED WITHDRAWAL

JUNE 27, 1977.

The U.S. Department of Agriculture, Forest Service filed application Serial No. AA-5934, on April 15, 1970, for a withdrawal in relation to the following described lands:

SEWARD MERIDIAN, ALASKA

T. 4 N., R. 4 W.,
Sec. 3, W½W½; sec. 4, E½E½, SW¼SE¼, fractional parts of W½NE¼, NW¼SE¼, and E½SW¼ lying east of Russian River.
Sec. 9, NE¼NE¼, W½NE¼, NW¼SE¼, fractional parts of E½NW¼ and NE¼SW¼ lying east of Russian River and fractional parts of SW¼SE¼, SE¼SW¼ lying east of Lower Russian Lake.
Sec. 10, NW¼NW¼.
Sec. 16, SE¼SW¼ and fractional parts of NE¼SW¼, W½NE¼, SE¼NW¼ and W½SW¼ lying east of Lower Russian Lake.
Sec. 21, NE¼NW¼, fractional part of NW¼NW¼ lying east of Lower Russian Lake and Russian River.
T. 5 N., R. 4 W.,
Sec. 33, that fractional part of SE¼SE¼ lying east of Russian River.
Sec. 34, S½S½ and fractional parts of NE¼SE¼ and SE¼NE¼ lying south of Kenai River.

Containing approximately 1,165 acres in the Greater Kenai Borough about 4 miles west of Cooper Landing and Kenai Lake.

The applicant desires that the land be reserved for a recreation area within Chugach National Forest.

A notice of the proposed withdrawal was published in the FEDERAL REGISTER on August 25, 1970, volume 35, No. 165, page 13533, FR document No. 70-11156.

Pursuant to section 204(h) of the Federal Land Policy and Management Act of 1976, 90 Stat. 2754, notice is hereby given that an opportunity for a public hearing is afforded in connection with the pending withdrawal application. All interested persons who desire to be heard on the proposed withdrawal must file a written request for a hearing with the State Director, Bureau of Land Management, 555 Cordova Street, Anchorage, Alaska 99501 on or before August 15, 1977. Notice of the public hearing will be published in the FEDERAL REGISTER, giving the time and place of such hearing. The hearing will be scheduled and conducted in accordance with BLM Manual Sec. 2351.16 B. All previous comments submitted in connection with the withdrawal application have been included in the record and will be considered in making a final determination on the application.

In lieu of or in addition to attendance at a scheduled public hearing, written comments or objections to the pending withdrawal application may be filed with the undersigned authorized officer of the Bureau of Land Management on or before August 15, 1977.

The above-described lands are temporarily segregated from the operation of the public land laws, including the mining and mineral leasing laws, to the extent that the withdrawal applied for, if and when effected, would prevent any form of disposal or appropriation under such laws. Current administrative jurisdiction over the segregated lands will not be affected by the temporary segregation. In accordance with section 204(g) of the Federal Land Policy and Management Act of 1976, the segregative effect of the pending withdrawal application will terminate on October 20, 1991, unless sooner terminated by action of the Secretary of the Interior.

All communications (except for public hearing requests) in connection with the pending withdrawal application should be addressed to the Chief, Branch of Lands and Minerals Operations, Alaska State Office, Bureau of Land Management, Department of the Interior, 555 Cordova Street, Anchorage, Alaska 99501.

CURTIS V. MCVEE,
State Director.

[FR Doc.77-19246 Filed 7-6-77;8:45 am]

[Wyoming 59832]

WYOMING

Application

JUNE 27, 1977.

Notice is hereby given that pursuant to Section 28 of the Minerals Leasing Act of 1920, as amended (30 U.S.C. 185), The Colorado Interstate Gas Company of Colorado Springs, Colorado filed an application for existing 3 inch O.D. and 4 inch O.D. pipelines for the purpose of transporting natural gas across the following described public lands:

SIXTH PRINCIPAL MERIDIAN, WYOMING

T. 20 N., R. 99 W.,
Sec. 22, W½NE¼, NW¼SE¼.

The 3 inch pipeline was constructed by Mesa Petroleum Company to connect the Mesa Playa Federal No. 1-22 well into Colorado Interstate Gas Company's existing F28 4 inch O.D. pipeline, all in said section 22, T. 20 N., R. 99 W., Sweetwater County, Wyoming.

The purpose of this notice is to inform the public that the Bureau will be proceeding with consideration of whether the application should be approved and, if so, under what terms and conditions.

Interested persons desiring to express their views should do so promptly. Persons submitting comments should include their name and address and send them to the District Manager, Bureau of Land Management, P.O. Box 1869, Highway 187 North, Rock Springs, Wyoming 82901.

LARRY STEWARD,
Acting Chief, Branch of Lands and Minerals Operations.

[FR Doc. 77-19248 Filed 7-6-77; 8:45 am]

[AA-12904]

ALASKA

Proposed Withdrawal and Reservation of Lands

JUNE 27, 1977.

The U.S. Army Corps of Engineers, on February 3, 1976, filed application, Serial No. AA-12904, for the withdrawal of the following described lands from settlement, sale, location, or entry, under all of the general land laws, including the mining and mineral leasing laws, subject to valid existing rights:

A tract of land located within T. 20 N., R .12 E., Seward Meridian, Alaska, more specifically described as follows:

Commencing at U.S.G.S. monument "SNLC-1", latitude 61°50' N., longitude 147°20' W., thence N. 55°19' E., 265.70 feet to the true point of beginning for this description; thence south 330 feet; thence west 430 feet; thence north 330 feet; thence east 430 feet to the point of beginning. Containing 3.26 acres, more or less.

The applicant agency desires that the lands be withdrawn and reserved for use as a radio relay site.

All persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned authorized officer of the Bureau of Land Management on or before August 16, 1977.

Pursuant to section 204(h) of the Federal Land Policy and Management Act of 1976, notice is hereby given that an opportunity for a public hearing is afforded in connection with the proposed withdrawal. All interested persons who desire to be heard on the proposed withdrawal must submit a written request for a hearing to the State Director, Bureau of Land Management, 555 Cordova Street, Anchorage, Alaska 99501, on or before August 16, 1977. Notice of the public hearing will be published in the FEDERAL REGISTER giving the time and place of such hearing. The public hearing will be scheduled and conducted in accordance with BLM Manual, Sec. 2351.16 B.

The Department of the Interior's regulations provide that the authorized officer of the BLM will undertake such investigations as are necessary to determine the existing and potential demands for the lands and their resources. He will also undertake negotiations with the applicant agency with the view of assuring that the area sought is the minimum essential to meet the applicant's needs, providing for the maximum concurrent utilization of the lands for purposes other than the applicant's, and reaching agreement on the concurrent management of the lands and their resources.

The authorized officer will also prepare a report for consideration by the Secretary of the Interior who will determine whether or not the lands will be withdrawn and reserved as requested by the applicant agency. The determination of the Secretary on the application will be published in the FEDERAL REGISTER. The Secretary's determination shall, in a proper case, be subject to the provisions of section 204(c) of the Federal Land Policy and Management Act of 1976, 90 Stat. 2752. The above-described lands are temporarily segregated from the operation of the public land laws, including the mining and mineral leasing laws, to the extent that the withdrawal applied for, if and when effected, would prevent any form of disposal or appropriation under such laws. Current administrative jurisdiction over the segregated lands will not be affected by the temporary segregation. The segregative effect of this proposed withdrawal shall terminate on October 20, 1991, unless sooner terminated by action of the Secretary of the Interior.

All communications (except for public hearing requests) in connection with this proposed withdrawal should be addressed to the Chief, Branch of Lands and Minerals Operations, Alaska State Office, Bureau of Land Management, Department of the Interior, 555 Cordova Street, Anchorage, Alaska 99501.

CURTIS V. MCVEE,
State Director.

[FR Doc.77-19317 Filed 7-6-77;8:45 am]

[AA-12950]

ALASKA

Proposed Withdrawal and Reservation of Lands

JUNE 27, 1977.

The U.S. Army Corps of Engineers, on February 3, 1976, filed application, Serial No. AA-12950, for the withdrawal of the following described lands from settlement, sale, location, or entry, under all of the general land laws, including the mining and mineral leasing laws, subject to valid existing rights:

A parcel of land located within protracted section 28, T. 19 S., R. 11 E., Fairbanks Meridian, Alaska, and described as follows:

Commencing at a point identical with latitude 63°14.3' N., longitude 145°38.8' W.; thence west 165 feet to the true point of beginning for this description; thence north 495 feet; thence east 330 feet; thence south 660 feet; thence west 330 feet; thence north 165 feet, to the point of beginning. Containing 5.00 acres, more or less.

The applicant agency desires that the lands be withdrawn and reserved for use as a radio relay site.

All persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned authorized officer of the Bureau of Land Management on or before August 16, 1977.

Pursuant to section 204(h) of the Federal Land Policy and Management Act of 1976, notice is hereby given that an opportunity for a public hearing is afforded in connection with the proposed withdrawal. All interested persons who desire to be heard on the proposed withdrawal must submit a written request for a hearing to the State Director, Bureau of Land Management, 555 Cordova Street, Anchorage, Alaska 99501, on or before August 16, 1977. Notice of the public hearing will be published in the FEDERAL REGISTER giving the time and place of such hearing. The public hearing will be scheduled and conducted in accordance with BLM Manual, Sec. 2351.16 B.

The Department of the Interior's regulations provide that the authorized officer of the BLM will undertake such investigations as are necessary to determine the existing and potential demands for the lands and their resources. He will also undertake negotiations with the applicant agency with the view of assuring that the area sought is the minimum essential to meet the applicant's needs, providing for the maximum concurrent utilization of the lands for purposes other than the applicant's, and reaching agreement on the concurrent management of the lands and their resources.

The authorized officer will also prepare a report for consideration by the Secretary of the Interior who will determine whether or not the lands will be withdrawn and reserved as requested by the applicant agency. The determination of the Secretary on the application will be published in the FEDERAL REGISTER. The Secretary's determination shall, in a proper case, be subject to the provisions of section 204(c) of the Federal Land Policy and Management Act of 1976, 90 Stat. 2752. The above-described lands are temporarily segregated from the operation of the public land laws, including the mining and mineral leasing laws, to the extent that the withdrawal applied for, if and when effected, would prevent any form of disposal or appropriation under such laws. Current administrative jurisdiction over the segregated lands will not be affected by the temporary segregation. The segregative effect of this proposed withdrawal shall terminate on October 20, 1991, unless sooner terminated by action of the Secretary of the Interior.

All communications (except for public hearing requests) in connection with this proposed withdrawal should be addressed to the Chief, Branch of Lands and Minerals Operations, Alaska State Office, Bureau of Land Management, Department of the Interior, 555 Cordova Street, Anchorage, Alaska 99501.

CURTIS V. MCVEE,
State Director.

[FR Doc.77-19318 Filed 7-6-77;8:45 am]

[OR 17389]

OREGON

Proposed Reclassification of Public Land for Disposal by Exchange

JUNE 28, 1977.

Notice of classification, OR 1630, which was published in the FEDERAL REGISTER on November 29, 1967 (32 FR 16285-16287), as amended, classified the land described below, among other lands, for retention in federal ownership for multiple use management under the Act of September 19, 1964, 43 U.S.C. 1411-18, (1970).

It has been determined that the classification is no longer appropriate for the parcel described below and the segregative effect of the classification is hereby terminated. Accordingly, pursuant to 43 CFR 2400, notice is hereby given that it is proposed to reclassify this land for exchange under the provisions of Section 206 of the Act of October 21, 1976, (90 Stat. 2743, 2756; 43 U.S.C. 1716).

WILLAMETTE MERIDIAN

T. 33 S., R. 18 E.,
Sec. 3, S½S½SE¼;
Sec. 10, N½NE¼.

The area described totals 120 acres in Lake County. In accordance with 43 CFR 2201.1 and 2202.1, no application for an exchange will be accepted until the land has been classified and the application is accompanied by a statement from the Lakeview District Manager, Bureau of Land Management, that the proposal is feasible.

Information concerning this land is available at the Lakeview District Office, Bureau of Land Management, P.O. Box 151, Lakeview, Oregon, 97630.

MURL W. STORMS,
State Director.

[FR Doc.77-19319 Filed 7-6-77;8:45 am]

[OR 17434 (Wash.)]

WASHINGTON

Proposed Withdrawal and Reservation of Land, Correction

JUNE 29, 1977.

The Notice of Proposed Withdrawal and Reservation of Land under serial number OR 17434 (Wash.), dated June 17, 1977, appearing as FR Doc. 77-18484 in the June 28, 1977 issue of the FEDERAL REGISTER at pages 32850-32851, is hereby corrected to delete the last sentence in paragraph eight and replace it with the following sentences:

For a period of two years from June 28, 1977, the date of publication of the notice in the FEDERAL REGISTER, the land will remain segregated from entry as specified above unless the application is rejected or the withdrawal is approved prior to that date. If the withdrawal is approved, the segregation will continue for the duration of the withdrawal.

HAROLD A. BERENDS,
Chief, Branch of Lands and Minerals Operations.

[FR Doc.77-19320 Filed 7-6-77;8:45 am]

[Wyoming 59515]

WYOMING

Notice of Application

JUNE 28, 1977.

Notice is hereby given that pursuant to section 28 of the Minerals Leasing Act of 1920, as amended (30 U.S.C. 185), the Amoco Pipeline Company of Denver, Colorado, filed an application for an 8 inch pipeline for the purpose of transporting oil across the following described national resource lands:

SIXTH PRINCIPAL MERIDIAN, WYOMING

T. 15 N., R. 119 W.,
Sec. 10, W½NE¼, SE¼NE¼, E½SE¼;
Sec. 14, W½NW¼, SE¼NW¼, E½SW¼, SW¼SW¼.
T. 16 N., R. 119 W.,
Sec. 34, W½E½.
T. 17 N., R. 119 W.,
Sec. 24, W½E½.

The pipeline will transport oil from a new oil field in Uinta County, starting in section 13, T. 17 N., R. 119 W., and will tie into existing facilities in section 23, T. 15 N., R. 119 W., all being in Uinta County, Wyoming.

The purpose of this notice is to inform the public that the Bureau will be proceeding with consideration of whether the application should be approved and, if so, under what terms and conditions.

Interested persons desiring to express their views should do so promptly. Persons submitting comments should include their name and address and send them to the District Manager, Bureau of Land Management, P.O. Box 1869, Highway 187 North, Rock Springs, Wyoming 82901.

LARRY STEWARD,
Acting Chief, Branch of Lands and Minerals Operations.

[FR Doc.77-19321 Filed 7-6-77;8:45 am]

[Wyoming 59537]

WYOMING

Notice of Application

JUNE 27, 1977.

Notice is hereby given that pursuant to section 28 of the Minerals Leasing Act of 1920, as amended (30 U.S.C. 185), the Pacific Gas Transmission Company of San Francisco, California filed an application for a right-of-way to construct a 100 ft. x 100 ft. compressor station on the following described public lands:

SIXTH PRINCIPAL MERIDIAN, WYOMING

T. 25 N., R. 113 W.,
Sec. 14, SE¼NE¼.

This compressor station to be located in Lincoln County will enable Pacific Gas Transmission Company to effectuate the gas and transportation exchange agreement entered into with Northwest Pipeline Corporation on January 4, 1977. The agreement provides for delivery of gas by the applicant in the amount of 10,000 Mcf per day from the Fontennelle Prospect to the Northwest pipeline system in western Wyoming. Northwest will deliver, by exchange, an equivalent amount of gas to the applicant at Spokane, Washington.

The purpose of this notice is to inform the public that the Bureau will be proceeding with consideration of whether the application should be approved, and if so, under what terms and conditions.

Interested persons desiring to express their views should do so promptly. Persons submitting comments should include their name and address and send them to the District Manager, Bureau of Land Management, P.O. Box 1869, Highway 187 North, Rock Springs, Wyoming 82901.

LARRY STEWARD,
Acting Chief, Branch of Lands and Minerals Operations.

[FR Doc.77-19322 Filed 7-6-77;8:45 am]

[ES 17462]

FLORIDA

Proposed Withdrawal and Reservation of Land

JUNE 28, 1977.

The Fish and Wildlife Service, U.S. Department of the Interior, on May 11, 1977, filed application, Serial No. ES 17462, for the withdrawal of the following described land from settlement, sale, location, or entry under all of the general land laws, including the mining and mineral leasing laws, except as they pertain to oil and gas leasing which is governed by 43 CFR 3101.3-3. The application for the withdrawal of the 27.11 acres of land is filed subject to valid existing rights:

T. 44 S., R. 21 E., Tallahassee Meridian Florida

Tract No. 37, Benedict Key, 2.18 acres.
Tract No. 39, Rat Key, 12.36 acres.
Tract No. 40, Coon Key, 6.44 acres.
Tract No. 41, Narrows Key, 3.64 acres.
Tract No. 44, Whoopee Key, 2.49 acres.

The Fish and Wildlife Service desires that these islands be withdrawn and reserved for inclusion in the Pine Island National Wildlife Refuge. These islands have value for colonial waterbirds, including the endangered brown pelican. They are located in the immediate vicinity of other islands already withdrawn for the refuge.

On or before August 17, 1977, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management.

Pursuant to Section 204(h) of the Federal Land Policy and Management Act of 1976, notice is hereby given that an opportunity for a public hearing is afforded in connection with the proposed withdrawal. All interested persons who desire to be heard on the proposed withdrawal must submit a written request for a hearing to the undersigned officer of the Bureau of Land Management on or before August 17, 1977. Notice of the public hearing will be published in the FEDERAL REGISTER giving the time and place of such hearing. The public hearing will be scheduled and conducted in accordance with BLM Manual, Sec. 2351.16B.

The Department of the Interior's regulations provide that the authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demands for the lands and their resources. He will also undertake negotiations with the applicant agency

with the view of assuring that the area sought is the minimum essential to meet the applicant's needs, providing for the maximum concurrent utilization of the lands for purposes other than the applicant's, and reaching agreement on the concurrent management of the lands and their resources.

The authorized officer will also prepare a report for consideration by the Secretary of the Interior, who will determine whether or not the lands will be withdrawn and reserved as requested by the applicant agency. The determination of the Secretary on the application will be published in the FEDERAL REGISTER. The Secretary's determination shall, in a proper case, be subject to the provisions of section 204(c) of the Federal Land Policy and Management Act of 1976, 90 Stat. 2752. The above described lands are temporarily segregated from the operation of the public land laws, including the mining laws and the mineral leasing laws, to the extent that the withdrawal applied for, if and when effected, would prevent any form of disposal or appropriation under such laws. Current administrative jurisdiction over the segregated lands will not be affected by the temporary segregation. The segregative effect of this proposed withdrawal shall terminate two years from the date of the publication of this notice unless sooner terminated by action of the Secretary of the Interior.

All communications in connection with this proposed withdrawal should be addressed to the Director, Eastern States Office, Bureau of Land Management, 7981 Eastern Avenue, Silver Spring, Maryland 20910.

LOWELL J. UDY,
Director, Eastern States.

[FR Doc.77-19366 Filed 7-6-77;8:45 am]

Fish and Wildlife Service

ENDANGERED SPECIES PERMIT

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: Daniel W. Anderson, Wildlife and Fisheries Biology, University of California, Davis, California 95616.

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)
[X] IMPORT OR EXPORT LICENSE [ ] PERMIT

2. BRIEF DESCRIPTION OF ACTIVITY FOR WHICH REQUESTED LICENSE OR PERMIT IS NEEDED.
To import one peregrine falcon (Falco peregrinus) found dead in Mexico.

Endangered species.

3. APPLICANT. (Name, complete address and phone number of individual, business, agency, or institution for which permit is requested)
Daniel W. Anderson
Wildlife and Fisheries Biology
University of California
Davis, California 95616
(916) 752-2108

4. IF "APPLICANT" IS AN INDIVIDUAL, COMPLETE THE FOLLOWING.

	HEIGHT	WEIGHT
[X] MR. [ ] MRS. [ ] MISS [ ] MS.	5' 8"	165
DATE OF BIRTH: 2/5/39	COLOR HAIR: Brown	COLOR EYES: Blue
PHONE NUMBER WHERE EMPLOYED: 752-2108	SOCIAL SECURITY NUMBER: 502-42-1685	

OCCUPATION: Research Biologist, Professor

ANY BUSINESS, AGENCY, OR INSTITUTIONAL AFFILIATION HAVING TO DO WITH THE WILDLIFE TO BE COVERED BY THIS LICENSE/PERMIT
Museum
Wildlife and Fisheries Biology

as above

5. IF "APPLICANT" IS A BUSINESS, CORPORATION, PUBLIC AGENCY, OR INSTITUTION, COMPLETE THE FOLLOWING.
EXPLAIN TYPE OR KIND OF BUSINESS, AGENCY, OR INSTITUTION
Wildlife research - teaching wildlife biology at University level.

NAME, TITLE, AND PHONE NUMBER OF PRESIDENT, PRINCIPAL OFFICER, DIRECTOR, ETC.
Dale F. Lott, Chairman, 752-3576

IF "APPLICANT" IS A CORPORATION, INDICATE STATE IN WHICH INCORPORATED
n/a

6. LOCATION WHERE PROPOSED ACTIVITY IS TO BE CONDUCTED
Mexico-California

7. DO YOU HOLD ANY CURRENTLY VALID FEDERAL FISH AND WILDLIFE LICENSE OR PERMIT? [X] YES [ ] NO
(If yes, list license or permit numbers)
PRT 2-1575-5C PRT 2-574-07 (Pending)
PRT 2-613 Banding permit #20794

8. IF REQUIRED BY ANY STATE OR FOREIGN GOVERNMENT, DO YOU HAVE THEIR APPROVAL TO CONDUCT THE ACTIVITY YOU PROPOSE? [X] YES [ ] NO
(If yes, list jurisdictions and type of documents)
Letter of authorization - letter specifically mentioning this import to be requested.

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: ASAP

11. DURATION NEEDED: Until completion of importation

12. ATTACHMENTS. THE SPECIFIC INFORMATION REQUIRED FOR THE TYPE OF LICENSE/PERMIT REQUESTED (See 50 CFR 13.12(a)) MUST BE ATTACHED. IT CONSTITUTES AN INTEGRAL PART OF THIS APPLICATION. LIST SECTIONS OF 50 CFR UNDER WHICH ATTACHMENTS ARE PROVIDED.
50 CFR 17.22 para (a) (attachment 1)

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): Daniel W. Anderson
DATE: June 17, 1977

3-Dec
DS/741

(1) Peregrine Falcon (*Falco peregrinus*). Request to import one dead adult male, found dead and mummified near its eyrie in the Bahia de los Angeles area of Baja California. The specimen will be preserved for museum use at UC Davis and a muscle tissue will beanalyzed for pollutant residues.

(2) This specimen is being stored in Mexico pending receipt of this import permit. Specimen was found dead of unknown causes.

(3) N/a.

(4) Mexico, Bahia de los Angeles area.

(5) University of California, Museum of Wildlife and Fisheries Biology, Davis, California 95616.

Specimen will be relaxed if possible, a tissue sample taken for pesticide analysis, and

be mummified, then stored in a museum case as other specimens.

(6) N/a.

(7) Letter of authorization to export said specimen will be requested from Mexican government. Export will be made by applicant, or Ron C. Cole, Curator, same address.

(8) (i) Activities sought—to import one dead specimen; to preserve for museum use; to remove tissue for pollutant analysis.

(ii) Specimen will be brought through a designated port of entry, by ground transportation.

(iii) Data on pollutant analyses will hopefully shed some light as to the cause of death.

(iv) Permanent storage of specimen at UC Davis, Museum of Division of Wildlife and Fisheries Biology.

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 Room 512, 1717 H 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/WPO), U.S. Fish and Wildlife Service, Washington, D.C. 20240. This application has been assigned File Number PRT 2-1046-CO7; please refer to this number when submitting comments. All relevant comments received on or before August 8, 1977 will be considered.

Dated: July 1, 1977.

DONALD G. DONAHOO,
Chief, Permit Branch, Federal Wildlife Permit Office, U.S. Fish and Wildlife Service.

[FR Doc.77-19220 Filed 7-6-77;8:45 am]

ENDANGERED SPECIES PERMIT

Receipt of Application

Notice is hereby given thatthe 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: Charles L. Bieler, Director, San Diego Zoological Garden, P.O. Box 551, San Diego, California 92112.

OMB NO. 42-R1610

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.
Import one (1) male North Chinese Leopard Panthera pardus japonensis endangered species for long term captive breeding project.

3. APPLICANT. (Name, complete address and phone number of individual, business, agency, or institution for which permit is requested)
San Diego Zoological Garden
P. O. Box 551
San Diego, California 92112
Phone: 714-231-1515

4. IF "APPLICANT" IS AN INDIVIDUAL, COMPLETE THE FOLLOWING:
☐ MR. ☐ MRS. ☐ MISS ☐ MS.
HEIGHT | WEIGHT
DATE OF BIRTH | COLOR HAIR | COLOR EYES
PHONE NUMBER WHERE EMPLOYED | SOCIAL SECURITY NUMBER
OCCUPATION
ANY BUSINESS, AGENCY, OR INSTITUTIONAL AFFILIATION HAVING TO DO WITH THE WILDLIFE TO BE COVERED BY THIS LICENSE/PERMIT

5. IF "APPLICANT" IS A BUSINESS, CORPORATION, PUBLIC AGENCY, OR INSTITUTION, COMPLETE THE FOLLOWING:
EXPLAIN TYPE OR KIND OF BUSINESS, AGENCY, OR INSTITUTION
Public Zoo - Wildlife exhibition, research programs in addition to educational and related activities.
NAME, TITLE, AND PHONE NUMBER OF PRESIDENT, PRINCIPAL OFFICER, DIRECTOR, ETC.
Charles L. Bieler, Director, 714-231-1515
IF "APPLICANT" IS A CORPORATION, INDICATE STATE IN WHICH INCORPORATED

6. LOCATION WHERE PROPOSED ACTIVITY IS TO BE CONDUCTED
Import from Zurich, Switzerland to San Diego, California

7. DO YOU HOLD ANY CURRENTLY VALID FEDERAL FISH AND WILDLIFE LICENSE OR PERMIT? ☒ YES ☐ NO
(If yes, list license or permit numbers)
1962 - 10 (under 1944 law issued 1962)

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)
Swiss export permit No. 0130

9. CERTIFIED CHECK OR MONEY ORDER (If applicable) PAYABLE TO THE U.S. FISH AND WILDLIFE SERVICE ENCLOSED IN AMOUNT OF
$ not required

10. DESIRED EFFECTIVE DATE
ASAP

11. DURATION NEEDED
Until terminated

12. ATTACHMENTS. THE SPECIFIC INFORMATION REQUIRED FOR THE TYPE OF LICENSE/PERMIT REQUESTED (See 50 CFR 13.12(a)) MUST BE ATTACHED. IT CONSTITUTES AN INTEGRAL PART OF THIS APPLICATION. LIST SECTIONS OF 50 CFR UNDER WHICH ATTACHMENTS ARE PROVIDED.

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)
Charles L Bieler
DATE
13 June 1977

3-200
10/76

Post Office Box 551, San Diego, California 92112
Telephone (714) 231-1515
Cable Address: SDZOO San Diego, California, U.S.A.

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Charles L. Butler
Director

Zoological Society of San Diego

13 June 1977

Director (FWS/LE)
U. S. Fish and Wildlife Service
U. S. Department of the Interior
Washington, D. C. 20036

Dear Sir:

The San Diego Zoological Garden requests an endangered species permit to import one male North Chinese leopard Panthera pardus japonensis from the Zurich Zoo, Switzerland.

1. COMMON AND SCIENTIFIC NAMES OF THE SPECIES OR SUBSPECIES, NUMBER, AGE AND SEX OF THE WILDLIFE TO BE COVERED IN THE PERMIT.

One male North Chinese Leopard Panthera pardus japonensis, international studbook number 0224, born 18 September 1976 in the Zurich Zoo.

2. COPY OF THE CONTRACT OR OTHER AGREEMENT UNDER WHICH SUCH WILDLIFE IS TO BE IMPORTED, SHOWING THE COUNTRY OF ORIGIN, NAME AND ADDRESS OF THE SELLER OR CONSIGNOR, DATE OF THE CONTRACT, NUMBER AND WEIGHT (IF AVAILABLE), AND DESCRIPTION OF THE WILDLIFE.

Negotiations for this animal began with our letter to Dr. Schmidt dated 29 March 1977. All copies of correspondence, studbook registration and Swiss export permit are attached.

3. A FULL STATEMENT OF JUSTIFICATION FOR THE PERMIT INCLUDING DETAILS OF THE PROJECT OR OTHER PLANS FOR UTILIZATION OF THE WILDLIFE IN RELATION TO A ZOOLOGICAL, EDUCATIONAL, SCIENTIFIC, OR PROPAGATIONAL PURPOSES AS APPROPRIATE AND THE PLANNED DISPOSITION OF THE WILDLIFE UPON TERMINATION OF THE PROJECT.

In 1964 the San Diego Zoo received a female North Chinese leopard which had been captured a few kilometers north of Nanking, China. Also that year we received a male which had been captured north of the Gulf of Tonkin. This pair produced two females in 1968: one was shipped to another zoo and the other is still in the San Diego Zoo. In 1971 our original male died leaving us with two pure females to continue our long range captive breeding project with this subspecies. Accordingly we imported a male from the Assiniboine Park Zoo, Winnipeg, Canada under endangered species permit ES 255. This new male sired eleven progeny with both pure females. When the international studbook registration began in 1975 we subsequently discovered through extensive pedigree analysis that while our adult breeding females were pure Panthera pardus japonensis and are fully registered with the studbook, our Winnipeg male is a hybrid. Thus the eleven offspring he sired, of which six had survived, were also hybrids. Accordingly we have separated the studbook registered females from the hybrid males to prevent additional hybrid births. Our task was then to obtain a pure, studbook registered male to mate with our studbook registered females. According to our latest International Species Inventory System inventory of zoo animals in the United States and the studbook directory, there are no males in the United States. This was confirmed by the studbook keeper for this subspecies, Mr. Alan Shoemaker of the Riverbanks Park Zoological Garden in Columbia, South Carolina, who recommended that for the best outcross specimen to improve the gene pool that we contact the Zurich Zoo which has a breeding group of this subspecies.

Our plans for this male are to breed it with our females and establish a viable captive propagation program for this subspecies. We presently have two large exhibits for North Chinese leopards and the animals will also be used for exhibition and educational purposes in addition to the propagational purpose. This is a long range program and surplus progeny will be offered to qualified institutions to expand the gene pool. Any dead specimens, and cadaver parts, will be offered to appropriate museums, research facilities and universities for full utilization of the animal. For example, the wild caught male that died in 1971 was sent to the American Museum of Natural History to be used as a scientific specimen for taxonomic and related studies. We plan to make similar arrangements for other specimens.

4. A DESCRIPTION AND THE ADDRESS OF THE INSTITUTION OR OTHER FACILITY WHERE THE WILDLIFE WILL BE USED OR MAINTAINED.

The male North Chinese leopard will be held at the San Diego Zoo. This institution is owned by the City of San Diego but is managed and operated by a California non-profit corporation known as the Zoological Society of San Diego. The postal address is: San Diego Zoo, Box 551, San Diego, California 92112.

5. A STATEMENT THAT AT THE TIME OF APPLICATION THE WILDLIFE TO BE IMPORTED IS STILL IN THE WILD, WAS BORN IN CAPTIVITY OR HAS BEEN REMOVED FROM THE WILD.

As documented by Dr. Christian Schmidt's letters; and the international studbook card, the animal was born at the Zurich Zoo on 18 September 1976.

6. A RESUME OF THE APPLICANT'S ATTEMPTS TO OBTAIN THE WILDLIFE TO BE IMPORTED FROM SOURCES WHICH WOULD NOT CAUSE THE DEATH OR REMOVAL OF ADDITIONAL ANIMALS FROM THE WILD.

This animal is zoo born, thus will not be a drain on the natural population of North Chinese leopards.

(v). FOR THE FIVE YEARS PRECEDING THE DATE OF THIS APPLICATION PROVIDE A DETAILED DESCRIPTION OF ALL MORTALITIES INVOLVING THE SPECIES COVERED IN THE APPLICATION AND HELD BY THE APPLICANT, IF ANY (OR ANY OTHER WILDLIFE OF THE SAME GENUS OR FAMILY HELD BY THE APPLICANT), INCLUDING THE CAUSES OF SUCH MORTALITY AND THE STEPS TAKEN TO AVOID OR DECREASE SUCH MORTALITIES.

Detailed necropsy reports are attached for all deaths in which postmortems were made. In addition there were three North Chinese leopards born 21 May 1976 and eaten by the dam: no necropsy could be made. It was her first litter and she has since had a litter in which she did not harm the infants. Several improvements have been made in the denning quarters. Less than two years ago electricity was installed in the bedrooms of the animals to provide heat via infrared lamps. Presently, we are renovating the outside enclosures, removing the concrete and replacing it with grass and other live vegetation. The area will be much more natural and should increase the comfort of the animals.

The San Diego Zoo has extensive veterinary, research and pathology facilities and staffs. Our Children's Zoo has a well equipped nursery with experienced keepers to hand raise any newborn leopards should the need arise. Weekly health meetings are held between the curators, veterinarians, pathologists and researchers to discuss health problems. Every mortality is studied by the staff to determine what factors were responsible and possible courses of action to decrease such mortalities.

7 (i). A COMPLETE DESCRIPTION, INCLUDING PHOTOGRAPHS OR DIAGRAMS OF THE AREA AND FACILITIES IN WHICH THE WILDLIFE WILL BE HOUSED.

Self explanatory diagrams are enclosed. This facility has proven successful in displaying and breeding the species.

(ii). A BRIEF RESUME OF THE TECHNICAL EXPERTISE AVAILABLE, INCLUDING ANY EXPERIENCE THE APPLICANT OR HIS PERSONNEL MAY HAVE HAD IN PROPAGATING THE SPECIES OR CLOSELY RELATED SPECIES TO BE IMPORTED.

See attached.

(iii). A STATEMENT OF THE APPLICANT'S WILLINGNESS TO PARTICIPATE IN A COOPERATIVE BREEDING PROGRAM, AND TO MAINTAIN OR CONTRIBUTE DATA TO A STUDBOOK.

We presently contribute data and have registered our pure North Chinese leopards with the international studbook keeper for this subspecies. We are willing to cooperate in breeding programs established for this subspecies.

(iv). A DETAILED DESCRIPTION OF THE TYPE, SIZE AND CONSTRUCTION OF THE CONTAINER: ARRANGEMENTS FOR FEEDING, WATERING AND OTHERWISE CARING FOR THE WILDLIFE IN TRANSIT: AND THE ARRANGEMENTS FOR CARING FOR THE WILDLIFE ON IMPORTATION INTO THE UNITED STATES.

The leopard will be transported from the Zurich Zoo to the Zurich airport by zoo van. It will be air transported from Zurich to New York on a TWA nonstop flight. In New York it will transfer to an American Airlines direct flight to San Diego. At the port of entry (New York) the leopard will be met by our custom house brokers, Air Cargo Brokers, Inc. This company is experienced with such animal transactions and has acted as our broker for years. The San Diego Zoological Garden is a licensed zoological garden by the USDA, license #93C-40.

The shipping crate dimensions are 124 cm X 74 cm X 72 cm high. The crate will exceed the minimum standards required by the International Air Transport Association (IATA) and will be provided by the Zurich Zoo which is experienced in international animal shipments. The crate will have the watering facilities built in.

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, Title 50, and I further certify that the information submitted in this application for a permit is complete and accurate to the best of my knowledge and belief. I understand that any false statement hereon may subject me to the criminal penalties of 18 U.S.C. 1001.

Sincerely,

Mark S. Rich

Mark S. Rich
Acting Curator of Mammals
MSR:mas
Enclosures

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 Room 512, 1717 H 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/WPO), U.S. Fish and Wildlife Service, Washington, D.C. 20240. This application has been assigned File Number PRT 2-1045-07; please refer to this number when submitting comments. All relevant comments received on or before August 8, 1977 will be considered.

Dated: July 1, 1977.

DONALD G. DONAHOO,
Chief, Permit Branch, Federal Wildlife Permit Office, U.S. Fish and Wildlife Service.

[FR Doc.77-19219 Filed 7-6-77;8:45 am]

ENDANGERED SPECIES PERMIT

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: John F. Cuneo, Jr., d/b/a Hawthorn Circus Company, Libertyville, Illinois 60048

DEPARTMENT OF THE INTERIOR
U.S. FISH AND WILDLIFE SERVICE

FEDERAL FISH AND WILDLIFE LICENSE/PERMIT APPLICATION

[ ] IMPORT OR EXPORT LICENSE [X] PERMIT

2. BRIEF DESCRIPTION OF ACTIVITY FOR WHICH REQUESTED LICENSE OR PERMIT IS NEEDED:
With respect to specimens of a captive, self-sustaining population of tigers (Panthera tigris): To sell or offer for sale in interstate commerce; to deliver, receive, carry, transport or ship in the course of a commercial activity in interstate commerce for the purposes of any such sale or offer of sale.

3. APPLICANT. (Name, complete address and phone number of individual, business, agency, or institution for which permit is requested)
John F. Cuneo, Jr.
d/b/a Hawthorn Circus Company
Libertyville, Illinois 60048

Telephone: 312/EM2-2025

4. IF "APPLICANT" IS AN INDIVIDUAL, COMPLETE THE FOLLOWING

[X] MR. [ ] MRS. [ ] MISS [ ] MS.	HEIGHT 6'1"	WEIGHT 180 lbs.
DATE OF BIRTH: April 12, 1931	COLOR HAIR: Blond	COLOR EYES: Blue
PHONE NUMBER WHERE EMPLOYED: 312/EM2-2025	SOCIAL SECURITY NUMBER: 356-26-2993	

OCCUPATION: Animal breeder/trainer; owner of touring animal acts.

ANY BUSINESS, AGENCY, OR INSTITUTIONAL AFFILIATION HAVING TO DO WITH THE WILDLIFE TO BE COVERED BY THIS LICENSE/PERMIT:

5. IF APPLICANT IS A BUSINESS, CORPORATION, PUBLIC AGENCY OR INSTITUTION, COMPLETE THE FOLLOWING:
EXPLAIN TYPE OF BUSINESS, AGENCY OR INSTITUTION:

NAME, TITLE, AND PHONE NUMBER OF PRESIDENT, PRINCIPAL OFFICER, DIRECTOR, ETC.:

IF APPLICANT IS A CORPORATION, INDICATE STATE IN WHICH INCORPORATED:

6. LOCATION WHERE PROPOSED ACTIVITY IS TO BE CONDUCTED:
Wherever within the United States applicant travels with his animals and wherever within the United States they can be sold and delivered pursuant to the permit here applied for.

7. DO YOU HOLD ANY CURRENTLY VALID FEDERAL FISH AND WILDLIFE LICENSE OR PERMIT? [ ] YES [X] NO
(If yes, list license or permit number(s))

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)
not required

9. CERTIFIED CHECK OR MONEY ORDER (if applicable) PAYABLE TO THE U.S. FISH AND WILDLIFE SERVICE ENCLOSED IN AMOUNT OF: $0

10. DESIRED EFFECTIVE DATE: A.S.A.P.

11. DURATION NEEDED: Two years or for any longer period permitted by the regulations

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 C.F.R. UNDER WHICH ATTACHMENTS ARE PROVIDED:
50 C.F.R. §17.33 (Proposed 41 Fed. Reg. 18621-18622 (May 5, 1976)

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): John F. Cuneo, Jr. DATE: July 31/77

3-200
15 Jul

GPO 835-842

John F. Cuneo, Jr.
Hawthorn Circus Company
Libertyville, Illinois 60048

April 30, 1977

Mr. Lynn A. Greenwalt
Director, Fish and Wildlife Service
U. S. Department of the Interior
Washington, D. C. 20240

Dear Mr. Greenwalt:

This letter is designed to supplement and form a part of the enclosed application for a permit for authorization to deliver, receive, carry, transport, or ship in interstate commerce, in the course of a commercial activity; or to sell or offer for sale in interstate commerce specimens of a captive, self-sustaining population of tigers (Panthera tigris).

Housing of the tigers. Performances by applicant's tigers are put on throughout the year in places across the United States and in Canada and Mexico. The troupe is continuously on tour. Each of the applicant's adult tigers has his own traveling cage, measuring 7-1/2 feet long by 4 feet wide. For purposes of transportation and feeding the tigers are kept separately in their own cages. At other times, however, two groups of cages are put together and the inner sides of them are lifted to make one large cage for each of two groups of adult animals.

The cages for the adult tigers have steel bars while those for the cubs have stamped metal panels. All of the cages have steel floors for safety. All of the steel floors are coated with a heavy plastic coating to insure safety and to keep the animals from contact with the cold metal.

Plywood hanging covers are affixed to the cages where necessary to avoid drafts and to protect against cold. All of the cages for the adult tigers have florescent lighting.

The troupe travels with a "squeeze" cage for veterinary work. The sides of the cage come together, making it easier to administer to the tigers' needs.

All arenas in which applicant's tigers perform provide applicant with heated space (unless the weather is warm enough for the tigers without artificial heat.) The arenas also provide water and electricity.

Brief resume of the expertise of the applicant and persons who care for the tigers. The applicant, John F. Cuneo, Jr., does business as Hawthorn Circus Company, Libertyville, Illinois. He has been engaged in the business of raising and training animals for approximately 25 years.

Applicant's wife, Herta Klauser Cuneo, assists him in training, performing with, and caring for the animals. She is the daughter of the former Superintendant of Menagerie of the Circus Krone in Munich, Germany. She, too, has had long experience in raising exotic animals in captivity, starting before she reached her 10th birthday. The tigers are under the personal care of applicant or his wife virtually all of the time.

Applicant is also assisted by Mr. Wade Burke, who participates in the training of applicant's tigers. Wade Burke is a very young man but has been working with tigers since he was 15 years old, in two major zoos and two major circuses. In addition, applicant is assisted by Jean Michon, one of the top experts in the world with tigers. For 27 years, he was in charge of Klan's training farm and zoo in Holland and, for seven years, was responsible for the tiger section of the movie star Jean Richard's menagerie in France. Mr. Michon is assisted by his wife, who has also had over 20 years experience with big cats.

In addition, the applicant employs two full time caretakers and uses two-thirds of the time of another caretaker.

In 1972 the applicant embarked upon a breeding program for his tigers that, he submits, has been eminently successful. During that year two cubs were born to one of his adult females. One of the cubs died of a congenital heart defect. The other cub, a white tiger, survived. During 1973, applicant's breeding program produced 11 cubs, all of whom have survived.

Since 1973, in spite of the fact that the applicant has had to curtail breeding operations because of restrictions in selling surplus animals due to the endangered species law, the applicant has bred three additional white tigers.

As soon as the applicant considers that one of his female tigers is pregnant, he puts her into a separate cage by herself. At birth, the cubs are separated from their mother and are raised personally by applicant's wife. Until they are three or four months old, they live in a bassinet in the house trailer occupied by the applicant and his wife while on tour. The cubs are bottle fed as long as necessary. They are brought up on KMR, a product of the Borden Company made especially for cats, which is supplemented by Zooprene as they get older. By the time the cubs are two years old, their diet is 100% meat, supplemented with calcium lactate and vitamin and mineral supplements. The cubs exercise in a playpen, approximately 8 x 16 feet in area, until they are about six months old.

The applicant's breeding program is part and parcel of his business of operating a traveling tiger act. Tigers that he breeds are worked into the act as they are trained, and older animals are phased out. The applicant submits that he has had great success in breeding tigers to date and that he would be precluded from breeding more tigers if he is unable to sell his surplus animals.

Willingness to participate in a cooperative breeding program, and to maintain or contribute to a studbook. The applicant is, of course, must willing to participate in a cooperative breeding program and to maintain or contribute data to a studbook. The applicant has collaborated with the Cincinnati Zoo and the Washington, D. C., National Zoo and, as a result of the breeding of one of his male tigers with a female tiger at the Cincinnati Zoo, five cubs arrived, two of which belong to the applicant and the others to the Cincinnati Zoo. Four of these tigers are white.

Transportation and care of tigers in transit. As noted above, the applicant is continuously on tour with his tigers. In general, animals would be transferred directly from the applicant to the new owner. When traveling, the troupe stops every three to four hours to water the animals. Adult tigers are fed 10 to 15 pounds of horsemeat (with bones) or beef per day. The meat is dusted with a mixture of 50% calcium lactate and 50% pervinal powder as a vitamin and mineral supplement. The applicant travels with a 12,000 pound freezer for food for his animals.

At every stop on a tour, where there is sufficient space and the weather is appropriate, the applicant sets up a circular cage, 40 feet in diameter, for exercising the tigers and, on occasion, for practicing with them.

The applicant's tigers are watched by a caretaker from about 8 or 9 o'clock in the morning until about midnight each night. The caretaker cleans every cage with a long-handled sweeper and receptacle as soon as any dirt is made, and white pine sawdust is sprinkled in the cage to absorb liquids. Every day before feeding, each cage is emptied of its occupant and thoroughly cleaned.

The tigers are transported in specially designed trucks, well insulated with styrofoam for warmth. The trucks may be opened on the bottoms and sides to provide ventilation.

Applicant submits that the fact that his adult tigers are engaged in regular performances at different places through the course of the year keeps them in excellent physical health, mentally alert and energetic. He believes that the rigors of traveling and performing are conducive to a superior physical and mental condition that leads to healthy pregnancies and strong offspring.

Five year mortality record. As mentioned above, in connection with applicant's breeding program, one cub, born in 1972, died shortly after birth of a congenital heart disease. Since that time, applicant has had no tiger mortalities.

Justification for granting of a permit. The applicant seeks a permit to sell his excess tigers to other permit holders in order that he may be relieved of the burden of expense of caring for animals which he cannot use in his own business. This includes animals which he acquires either through purchase or breeding which are unsuitable for training and performing, or which have grown too old for performing. At the present time, applicant owns 24 tigers, which are all captive bred. Seventeen of those tigers were bred by the applicant and, of those seventeen, five are rare white tigers. The applicant believes that his success in breeding fine, healthy tigers is good for the species as well as being necessary to his business. However, in order to continue his breeding program, he must be able to sell those animals which he cannot use.

Certification. The applicant certifies that he has read and is 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 1 of Title 50, and he further certifies that the information submitted in this application for a permit is complete and accurate to the best of his knowledge and belief. He understands that any false statement herein may subject him to the criminal penalties of 18 U.S.C. 1001.

Respectfully submitted,

John F. Cuneo, Jr.
Applicant

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 Room 512, 1717 H Street, NW., Washington, D.C.

Interested persons may comment on this application by submitting written data, views, or arguments, preferably in triplicate, to the Director (FWS–WPO), U.S. Fish and Wildlife Service, Washington, D.C. 20240. This application has been assigned File Number PRT 2–996–25; please refer to this number when submitting comments. All relevant comments received on or before August 8, 1977 will be considered.

Dated: July 1, 1977.

DONALD G. DONAHOO,
Chief, Permit Branch, Federal Wildlife Permit Office, U.S. Fish and Wildlife Service.

[FR Doc.77–19221 Filed 7–6–77;8:45 am]

ENDANGERED SPECIES PERMIT

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: Palmer E. Krantz, III, Riverbanks Zoological Park, P.O. Box 1134, Columbia, South Carolina 29202.

OMB NO. 42-R1670

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.
Engage in inter-state commercial activities(sale, receipt, transfer,delivery) of Captive Self-Sustaining Populations (CSSP) of Tiger,Panthera tigris;Jaguar, Panthera onca;Leopard,Panthera pardus; Ring-Tail Lemur,Lemur catta; Black Lemur,Lemur macaco.

3. APPLICANT. (Name, complete address and phone number of individual, business, agency, or institution for which permit is requested)
Riverbanks Zoological Park
P.O.Box 1143
Columbia, S.C.
29202

4. IF "APPLICANT" IS AN INDIVIDUAL, COMPLETE THE FOLLOWING:
☐ 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
Publically owned Zoological Park engaged in education, conservation, and research.

ANY BUSINESS, AGENCY, OR INSTITUTIONAL AFFILIATION HAVING TO DO WITH THE WILDLIFE TO BE COVERED BY THIS LICENSE/PERMIT
Above

NAME, TITLE, AND PHONE NUMBER OF PRESIDENT, PRINCIPAL OFFICER, DIRECTOR, ETC.
Palmer E. Krantz,III (803)779-8717

IF "APPLICANT" IS A CORPORATION, INDICATE STATE IN WHICH INCORPORATED
N/A

6. LOCATION WHERE PROPOSED ACTIVITY IS TO BE CONDUCTED
Riverbanks Zoological Park
I-126 & Greystone Blvd.
P.O.Box 1143
Columbia, S.C. 29202

7. DO YOU HOLD ANY CURRENTLY VALID FEDERAL FISH AND WILDLIFE LICENSE OR PERMIT? ☒ YES ☐ NO
(If yes, list license or permit number(s))
PRT 7-45-C-2-NV

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 document)
Not required

9. CERTIFIED CHECK OR MONEY ORDER (if applicable) PAYABLE TO THE U.S. FISH AND WILDLIFE SERVICE ENCLOSED IN AMOUNT OF
$

10. DESIRED EFFECTIVE DATE
ASAP

11. DURATION NEEDED
Indefinite

12. ATTACHMENTS. THE SPECIFIC INFORMATION REQUIRED FOR THE TYPE OF LICENSE/PERMIT REQUESTED (See 50 CFR 13.12(a)) MUST BE ATTACHED. IT CONSTITUTES AN INTEGRAL PART OF THIS APPLICATION. LIST SECTIONS OF 50 CFR UNDER WHICH ATTACHMENTS ARE PROVIDED.

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) — Palmer E. Krantz — Director
DATE: 8 June, 1977

3-200
10-73#

riverbanks zoological park
p. o. box 1143, columbia, south carolina 29202 • (803) 779-8717
Palmer Krantz, director

June 7, 1977

Permit Office
U.S. Fish and Wildlife Service
Department of the Interior
Washington, D.C. 20240

Dear Sir:

Following the recent finalization of the rules governing Captive Self-Sustaining Populations(CSSP) of heretofore Endangered Species, Riverbanks Zoological Park hereby makes application for such a permit, to include the maximum time allowable for such a permit, two years. This institution is specifically interested in permit approval for an unlimited number of transactions involving commercial transactions dealing with Tigers, Jaguars, Leopards, Ring-tail and Black Lemrus, all of which are presently in this institution's inventory.

1. The common and scientific names of the species sought to be covered by the permit, the activity sought to be authorized and whether such authorization is required for a single transaction, a series of transactions or activities over a specific period of time.

The species to be included under the permit application are Tiger, Panthera tigris; Jaguar, Panthera onca; Leopard, Panthera pardus; Black Lemur, Lemur macaco; and Ring-tail Lemur, Lemur catta. The activities sought to be covered include unlimited commercial transactions involving sale, trade, acquisition, transfer, delivery, and other similar activities.

2. A complete description, including photographs or diagrams, of the area and facilities where such wildlife will be housed and cared for.

Tigers, Siberian Tigers, P.t.altaica, are housed in a large grotto-type exhibit which utilizes a dry moat 25 feet wide as a barrier between the animals and the public. Overall, the exhibit measures 100 feet long and 50 feet wide, with sides constructed of gunite (pneumatically-applied concrete). A large pool deep enough for swimming is centrally located in the exhibit.

Jaguar and Amur Leopards, P.p.orientalis, are both housed in self-contained exhibits that utilize laminate glass frontage for barriers to the public. The back and sides of the exhibit are gunite, and contain lodges and pools built into the exhibit design. The ceiling is pre-stressed concrete and also contains a translucent skylight. Large logs and branches are present for climbing and scratching. Exhibits for the Lemurs are of similar design but smaller.

All enclosed cat and Lemur exhibits are individually cooled or heated, for environmental comfort. Off-exhibit quarters for all exhibits of the five species are present and utilized for sleeping and separate feeding, isolation when needed, and denning (in the case of pregnant felids). The leopard and jaguar exhibits both measure 18 feet long (frontage length), 10 feet wide, and 12 feet high. Those of the lemurs are 9 feet long, 6 feet wide, and 12 feet high. Both lemur species also have constant access to the back-up quarters during the day, thus considerably enlarging their potential useable area.

3. A brief resume of the technical expertise of the persons who will care for such wildlife, including any experience the applicant or his personnel have had in raising, caring for, and propagating similar wildlife, or any closely related wildlife.

All personnel have previous experience with all five species by virtue of the fact that these species are presently included in the Park's collection. The Director and senior staff have been with the Park well before opening and have a total of 16 years experience. All keeper staff similarly have previous experience with the species concerned.

Two of the five species are mature enough or have been in the Park's collection long enough to reproduce and have done so. Jaguars have been propagated twice and Siberian Tigers twice. The lemurs are too young or too recently acquired to reproduce, but in view of this Park's expertise propagating other primates, it is expected that they will breed in a year.

All senior staff and most keepers are college graduates with formal backgrounds in biology. All senior staff are Professional Fellows or Fellows in the American Association of Zoological Parks and Aquariums.

The staff of veterinarian consultants have previous experience with the five species. Four in number under the direction of Dr. John Marlow, D.V.M., this group includes specialists in several disciplines: surgery, dermatology, opthamology and neurology. In addition, 13 other physicians and veterinarians participate in periodic services as needed, and cover a very broad spectrum of specializations. An extern program with the University of Georgia School of Veterinary Medicine also provides further services in the form of senior veterinary students and use of the University's facilities if needed.

4. A statement of the applicant's willingness to participate in a cooperative breeding program, and to maintain or contribute data on a studbook.

This institution presently contributes data to the Siberian Tiger studbook and maintains the studbook for Rare Leopards. Cooperative breeding programs are

under way, In the case of the two lemur species, and many other species are in this park or loaned to other parks via breeding loan or other cooperative propagation arrangements.

All mammals and applicable birds in the collection are presently entered into the computer inventory of ISIS (International Species Inventory System). In previous years, this institution was among the first to completely enter its inventory into this system and has provided suggestions when queried.

5. A detailed description of the type, size and construction of all containers into which such wildlife will be placed during transportation or temporary storage, if any, and of the arrangements for feeding, watering and otherwise caring for such wildlife during that period.

All containers used to ship these five species, whether by vehicle or air, are more than sufficient to meet federal and IATA regulations concerning construction and dimensions. Basically, larger felids are shipped in sturdy wooden crates set into metal liners. Ventilation openings are provided, as are feeding and watering systems, as applicable for the species and particular shipment. If necessary, feeding and watering instructions are attached to the crate, but in interstate commerce of this type, the shortest routing possible usually precludes the need for food. Most carnivores travel better on an empty stomach. The precise size of the container is dictated by the age and size of the specimen to be shipped. Straw bedding is provided.

Primates are shipped in sturdy wooden crates with bedding and cloth or burlap material for psychological security. Although feeding and watering instructions are included if the distance requires such assistance, interstate distances and time in transit usually eliminates this need. Food items with high moisture content are included with the animal for both food and water, and eliminate the problem of spillage encountered with water devices.

In shipping animals of any type, this park notifies the recipient of the expected schedule, usually by telephone, en route, the recipient is told the time of departure and ETA, routing, airlines and waybill number. To further preclude loss of the animal en route, the recipient is contacted to ensure the safe arrival of the specimen. All historical data is sent with the animal, securely attached to the shipping crate with pertinent documents.

6. For the five years preceeding the date of this application, provide a detailed description of all mortalities involving the species covered in the application and held by the applicant (or any other wildlife of the same genus or family) including the causes of such mortalities and the steps taken to avoid or decrease such mortalities.

Of the five species under consideration in this application, no mortalities have been experienced with Black and Ring-tail Lemurs, Jaguars, and Leopards. Three mortalities of neonatal or juvenile Tigers have occurred.

One tiger cub lived on a few days after birth. Necropsy showed degeration of the kidneys, apparently existing from birth. Being the female's first litter, such a consenital defect is not thought to be husbandry related.

Two other mortalities have been experienced, both related to calcium deficiencies in the bone. These were thought to be diet-related and all felids are now fed commercial preparations. All young born since this change in diet have been reared successfully and no further problems are anticipated.

7. A full statement of the reasons why the applicant is justified in obtaining the permit.

Successful maintainance of any species on a scale large enough to guarantee its very existance requires ease of transfer in ownership to adequately maintain genepools and transfer existing surplus offspring prior to future births. For the past several years, such activities have been greatly handicapped by regulations counter to the aim of propagating individuals of endangered species already in captivity, and in particular, individuals of species that have adjusted well to captive techniques of husbandry and reproduction. With the advent of this application's approval, a return from recent reduction or cessation of felid breeding in general will occur. Such reductions have occurred in many institutions, and this permit is needed for this institution to resume propagation efforts and to enlarge the scope of such programs.

Respectfully submitted:

Palmer E. Krantz, III
Director

Alan B. Shoemaker
Zoologist

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 Room 512, 1717 H Street, NW., Washington, D.C.

Interested persons may comment on this application by submitting written data, views, or arguments, preferably in triplicate, to the Director (FWS–WPO), U.S. Fish and Wildlife Service, Washington, D.C. 20240. This application has been assigned File Number PRT 2–1023–25; please refer to this number when submitting comments. All relevant comments received on or before August 8, 1977 will be considered.

Dated: July 1, 1977.

DONALD G. DONAHOO,
Chief, Permit Branch, Federal Wildlife Permit Office, U.S. Fish and Wildlife Service.

[FR Doc.77-19218 Filed 7-6-77;8:45 am]

ENDANGERED SPECIES PERMIT

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: Edward J. Maruska, Director, Zoological Society of Cincinnati, 3400 Vine Street, Cincinnati, Ohio 45220.

DEPARTMENT OF THE INTERIOR
U.S. FISH AND WILDLIFE SERVICE

FEDERAL FISH AND WILDLIFE LICENSE/PERMIT APPLICATION

1. APPLICATION FOR (check only one)
☐ IMPORT OR EXPORT LICENSE ☒ PERMIT

2. BRIEF DESCRIPTION OF ACTIVITY FOR WHICH REQUESTED LICENSE OR PERMIT IS NEEDED.
Request permit to purchase one male and one female black and white ruffed lemurs Varecia variegata from the Assiniboine Zoo of Winnipeg, Canada. We desire permanent possesion of this pair which is now on breeding loan at the Cincinnati Zoo.

3. APPLICANT. (Name, complete address and phone number of individual, business, agency, or institution for which permit is requested)
Zoological Society of Cincinnati
3400 Vine Street
Cincinnati, Ohio 45220

(513-281-4700)

4. IF "APPLICANT" IS AN INDIVIDUAL, COMPLETE THE FOLLOWING

☐ MR. ☐ MRS. ☐ MISS ☐ MS.	HEIGHT	WEIGHT
DATE OF BIRTH	COLOR HAIR	COLOR EYES
PHONE NUMBER WHERE EMPLOYED	SOCIAL SECURITY NUMBER	
OCCUPATION		

ANY BUSINESS, AGENCY, OR INSTITUTIONAL AFFILIATION HAVING TO DO WITH THE WILDLIFE TO BE COVERED BY THIS LICENSE/PERMIT

5. IF "APPLICANT" IS A BUSINESS, CORPORATION, PUBLIC AGENCY OR INSTITUTION, COMPLETE THE FOLLOWING

EXPLAIN TYPE OR KIND OF BUSINESS, AGENCY, OR INSTITUTION
The Cincinnati Zoo is owned by the City of Cincinnati & managed & operated by the non-profit corporation known as the Zoological Society of Cincinnati. Purpose is for exhibiting animals for public and for conservation, education, & research of animals

NAME, TITLE, AND PHONE NUMBER OF PRESIDENT, PRINCIPAL OFFICER, DIRECTOR, ETC.
Edward J. Maruska, Director (513-281-4700)

IF "APPLICANT" IS A CORPORATION, INDICATE STATE IN WHICH INCORPORATED
Ohio

6. LOCATION WHERE PROPOSED ACTIVITY IS TO BE CONDUCTED
Zoological Society of Cincinnati
Cincinnati, Ohio

7. DO YOU HOLD ANY CURRENTLY VALID FEDERAL FISH AND WILDLIFE LICENSE OR PERMIT? ☒ YES ☐ NO
(If yes, list license or permit numbers)
End. Species Permit No. ES-85
End. Species Permit No. ES-105

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)
Animals are captive born

9. CERTIFIED CHECK OR MONEY ORDER (if applicable) PAYABLE TO THE U.S. FISH AND WILDLIFE SERVICE ENCLOSED IN AMOUNT OF
$

10. DESIRED EFFECTIVE DATE as soon as possible.

11. DURATION NEEDED until completion of transactio

12. ATTACHMENTS. THE SPECIFIC INFORMATION REQUIRED FOR THE TYPE OF LICENSE/PERMIT REQUESTED (See 50 CFR 13.12(a)) MUST BE ATTACHED. IT CONSTITUTES AN INTEGRAL PART OF THIS APPLICATION. LIST SECTIONS OF 50 CFR UNDER WHICH ATTACHMENTS ARE PROVIDED.
50 CFR 13

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) Edward J. Maruska — DATE June 6, 1977

3-200
10-74

GPO 895-042

ZOOLOGICAL SOCIETY OF CINCINNATI
3400 VINE STREET CINCINNATI, OHIO 45220 TELEPHONE 513 281-4700

CINCINNATI ZOO

June 7, 1977

Director
U. S. Fish and Wildlife Service
Wildlife Permit Office
Washington, D. C. 20240

Dear Sir:

The Cincinnati Zoological Park hereby formally applies for an Endangered Species Permit under Section 10 (A) of the Endangered Species Act of 1973.

The following information is submitted pursuant to 50 CRF 17, Section 17.22 (published October, 1976).

1. COMMON AND SCIENTIFIC NAMES OF THE SPECIES OR SUBSPECIES, NUMBER, AGE, AND SEX OF THE WILDLIFE TO BE COVERED IN THE PERMIT.

The request is for a permit to purchase one male, born 2 April 1975, I.S.I.S. No. M2018 (San Diego I.S.I.S. No. 175069) and one female, born 4 June 1976, I.S.I.S. No. M2919 (San Diego I.S.I.S. No. 176167) black and white ruffed lemurs Varecia variegata, both captive born. This pair of lemurs originally was sold to the Assiniboine Zoo of Winnipeg, Canada, under authority of permit PRT 2-330, Federal Wildlife Permit Office (copies of correspondence and permit enclosed), by the Zoological Society of San Diego.

2. COPY OF THE CONTRACT OR OTHER AGREEMENT UNDER WHICH SUCH WILDLIFE IS TO BE IMPORTED, SHOWING THE COUNTRY OF ORIGIN, NAME AND ADDRESS OF THE SELLER OR CONSIGNOR, DATE OF THE CONTRACT, NUMBER AND WEIGHT (IF AVAILABLE), AND DESCRIPTION OF THE WILDLIFE.

Enclosed are copies of correspondence from Mr. Edward Maruska, Director of the Cincinnati Zoo, Mr. Donald G. Donahoo, Chief, Permit Branch of the Federal Wildlife Permit Office, and also a copy of the Permit Number PRT 2-330 dated to expire 12/31/77.

3. A FULL STATEMENT OF JUSTIFICATION FOR THE PERMIT INCLUDING DETAILS OF THE PROJECT OR OTHER PLANS FOR UTILIZATION OF THE WILDLIFE IN RELATION TO ZOOLOGICAL, EDUCATIONAL, SCIENTIFIC, OR PROPAGATIONAL PURPOSES AS APPROPRIATE AND THE PLANNED DISPOSITION OF THE WILDLIFE UPON TERMINATION OF THE PROJECT.

The ruffed lemurs Varecia variegata for which we are seeking a permit were actually sold to the Assiniboine Zoo of Winnipeg, Canada, under authority of permit PRT 2-330. The Assiniboine Zoo had permission to receive two pairs of ruffed lemurs from the San Diego Zoo. One pair has been placed on breeding loan to the Cincinnati Zoo since the Assiniboine Zoo felt they could accommodate only one pair at this time. The Assiniboine Zoo now has agreed to sell this pair to the Cincinnati Zoo.

The Cincinnati Zoo is most anxious to have permanent possession of this pair of ruffed lemurs for propagational purposes. Before the arrival of this pair of ruffed lemurs, we had only one male. Our original pair of ruffed lemurs arrived in July, 1971, age unknown, under the authority of Permit No. ES- 105 (copy enclosed). The female of this original pair died 23 July 1975. The cause of death was histoplasmosis with secondary pneumonia. We had investigated the possibility of purchasing one female from the San Diego Zoo as a mate for our lone male and decided against this approach since by best estimates by our veterinarian the male appeared to be an old animal. Therefore, it is inperative to our breeding program to begin with a young pair of ruffed lemurs.

We have done very well with ringtail lemurs, Lemur catta, having started with one pair in 1972 and produced eight offspring.

As surplus animals become available through propagation of this species, specimens will be made available to qualified zoological parks that have professed an interest in acquiring and propagating this species.

4. A DESCRIPTION AND THE ADDRESS OF THE INSTITUTION OR OTHER FACILITY WHERE THE WILDLIFE WILL BE USED OR MAINTAINED.

The ruffed lemurs are now being held at the Cincinnati Zoo. The Zoological Park is owned by the City of Cincinnati and managed and operated by the non-profit corporation known as the Zoological Society of Cincinnati. The postal address is Cincinnati Zoo, 3400 Vine Street, Cincinnati, Ohio, 45220. The telephone number is 513-281-4700.

5. A STATEMENT THAT AT THE TIME OF APPLICATION THE WILDLIFE TO BE IMPORTED IS STILL IN THE WILD, WAS BORN IN CAPTIVITY, OR HAS BEEN REMOVED FROM THE WILD.

These captive born animals are now being held by the Cincinnati Zoo.

6. A RESUME OF THE APPLICANT'S ATTEMPTS TO OBTAIN THE WILDLIFE TO BE IMPORTED FROM SOURCES WHICH WOULD NOT CAUSE THE DEATH OR REMOVAL OF ADDITIONAL ANIMALS FROM THE WILD.

The animals are captive born and constitute no drain on the wild population.

(v) FOR THE FIVE YEARS PRECEDING THE DATE OF THIS APPLICATION PROVIDE A DETAILED DESCRIPTION OF ALL MORTALITIES INVOLVING THE SPECIES COVERED IN THE APPLICATION AND HELD BY THE APPLICANT, IF ANY (OR ANY OTHER WILDLIFE OF THE SAME GENUS OR FAMILY HELD BY THE APPLICANT), INCLUDING THE CAUSES OF SUCH MORTALITIES AND THE STEPS TAKEN TO AVOID OR DECREASE SUCH MORTALITIES.

The following is a list of all births from 1972 to present and all deaths from the past five years.

Ruffed Lemur, Varecia variegata

Births	Deaths	Cause of Death
None		
	0.1, 23 July 1975	Histoplasmosis with secondary pneumonia

Ringtail Lemur, Lemur catta

Births	Deaths	Cause of Death
2, 10 Feb. 1977	1	Twins born; one died 14 Feb. 1977 bacterial infection
2, 4 Mar. 1976	1	unknown
2, 14 Mar. 1974	1	eaten by mother
1, 22 Mar. 1973		
1 22 Mar. 1972		

7. (i) A COMPLETE DESCRIPTION, INCLUDING PHOTOGRAPHS OR DIAGRAMS, OF THE AREA AND FACILITIES IN WHICH THE WILDLIFE WILL BE HOUSED.

The animals will be housed in an area which is part of our new outdoor small mammal exhibit. (Drawings enclosed for the Chairman of the Conservation/Management of Wildlife Committee of the American Association of Zoological Parks and Aquariums, Mr. Dennis Meritt, Jr., Lincoln Park Zoo, 2200 N. Cannon Dr., Chicago, Illinois 60614). The large enclosure will have rocky ledges and trees which will provide these animals with ample exercise. Winter quarters are provided. This new exhibit area is funded and is under construction. Completion is expected by July, 1977.

(ii) A BRIEF RESUME OF THE TECHNICAL EXPERTISE AVAILABLE, INCLUDING ANY EXPERIENCE THE APPLICANT OR HIS PERSONNEL HAVE HAD IN PROPAGATING THE SPECIES OR CLOSELY RELATED SPECIES TO BE IMPORTED.

See enclosed personnel resume.

(iii) A STATEMENT OF WILLINGNESS TO PARTICIPATE IN A COOPERATIVE BREEDING PROGRAM AND MAINTAIN OR CONTRIBUTE DATA TO A STUDBOOK.

The Cincinnati Zoo is currently involved in cooperative breeding programs, studbook maintenance as well as the International Species Inventory System, in an effort to enhance captive propagation of zoo species, especially those of rare and endangered species.

(iv) A DETAILED DESCRIPTION OF THE TYPE, SIZE AND CONSTRUCTION OF THE CONTAINER: ARRANGEMENTS FOR FEEDING, WATERING, AND OTHERWISE CARING FOR THE WILDLIFE IN TRANSIT; AND THE ARRANGEMENTS FOR CARING FOR THE WILDLIFE ON IMPORTATION INTO THE UNITED STATES.

Not applicable.

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, Title 50, and I further certify that the information submitted in this application for a permit is complete and accurate to the best of my knowledge and belief. I understand that any false statement hereon may subject me to the criminal penalties of 18 U.S.C. 1001.

Sincerely,

Edward J. Maruska

Edward J. Maruska
Director

EJM:kf
enclosures

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 Room 512, 1717 H Street, NW., Washington D.C.

Interested persons may comment on this application by submitting written data, views, or arguments, preferably in triplicate, to the Director (FWS/WPO), U.S. Fish and Wildlife Service, Washington, D.C. 20240. This application has been assigned File Number PRT 2-997-07; please refer to this number when submitting comments. All relevant comments received on or before August 8, 1977 will be considered.

Dated: July 1, 1977.

DONALD G. DONAHOO,
Chief, Permit Branch, Federal Wildlife Permit Office, U.S. Fish and Wildlife Service.

[FR Doc.77-19217 Filed 7-6-77;8:45 am]

GEOLOGICAL SURVEY

Availability

The Geological Survey has written and published a document describing its policies, practices, and responsibilities for safety and environmental protection in oil and gas operations on the Outer Continental Shelf. In addition to describing the means through which the Geological Survey carries out its responsibilities on the Outer Continental Shelf, the document presents a brief description of the functional components of the overall Geological Survey's role on the Outer Continental Shelf.

Copies of this document, entitled Policies, Practices, and Responsibilities for Safety and Environmental Protection in Oil and Gas Operations on the Outer Continental Shelf, are available at the following address:

Acting Chief, Conservation Division, U.S. Geological Survey, 12201 Sunrise Valley Drive, National Center, Mail Stop 600, Reston, Virginia 22092.

Copies may also be obtained from the Geological Survey's Regional Conservation Manager offices at the following addresses:

Conservation Manager, U.S. Geological Survey, Eastern Region, 1725 K Street NW., Suite 204, Washington, D.C. 20006.

Conservation Manager, U.S. Geological Survey, Gulf of Mexico OCS Operations, 3301 N. Causeway Boulevard, Metairie, Louisiana 70011.

Conservation Manager, U.S. Geological Survey, Western Region, 345 Middlefield Road, Menlo Park, California 94025.

W. A. RADLINSKI,
Acting Director.

[FR Doc.77-19323 Filed 7-6-77;8:45 am]

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

National Endowment for the Humanities

ADVISORY COMMITTEE ON SCIENCE, TECHNOLOGY AND HUMAN VALUES

Renewal

JULY 1, 1977.

In accordance with the provisions of the Federal Advisory Committee Act (Pub. L. 92-463); section 10(a)(4) of the National Foundation on the Arts and the Humanities Act of 1965, as amended (20 U.S.C. 959(a)(4)); and paragraph 9 of OMB Circular A-63, notice is hereby given that continuance of the Advisory Committee on Science, Technology and Human Values has been approved by the Acting Chairman of the National Endowment for the Humanities until December 31, 1977.

This committee provides the National Council on the Humanities policy advice concerning a continuing program of the National Science Foundation and the National Endowment for the Humanities to support research and educational activities concerning relationships of science and technology to ethics and values. The compass of the program is related to both technology assessment and environmental impact but more specialized than either in its concentration on cultural and humanistic values. The committee reports to the Chairman of the Endowment and to the National Council on the Humanities.

The charter for the committee has been filed with standing committees of the Senate and House of Representatives having legislative jurisdiction over the Endowment and with the Library of Congress.

JOHN W. JORDAN,
Advisory Committee Management Officer.

[FR Doc.77-19272 Filed 7-6-77;8:45 am]

NUCLEAR REGULATORY COMMISSION

ADVISORY COMMITTEE ON REACTOR SAFEGUARDS SUBCOMMITTEE ON EMERGENCY CORE COOLING SYSTEMS

Meeting

In accordance with the purposes of Sections 29 and 182b. of the Atomic Energy Act (42 U.S.C. 2039, 2232b.), the ACRS Subcommittee on Emergency Core Cooling Systems will hold a meeting on July 25, 1977 in Room 1046, 1717 H St., N.W., Washington, DC 20555. The purpose of this meeting is to review the Westinghouse evaluation model for an emergency core cooling system with upper head injection.

The agenda for subject meeting shall be as follows:

Monday, July 25, 1977—8:30 a.m. until conclusion of business.

The Subcommittee may meet in open Executive Session, with any of its consultants who may be present, to explore their preliminary opinions regarding matters which should be considered in order to formulate a report and recommendations to the full Committee.

At the conclusion of the Executive Session, the Subcommittee will meet in open session to hear presentations by representatives of the NRC Staff, the Westinghouse Electric Corporation, and their consultants, and will hold discussions with these groups pertinent to this review.

At the conclusion of this session, the Subcommittee may caucus in open session to determine whether the matters identified in the initial session have been adequately covered.

It may be necessary for the Subcommittee to hold one or more closed sessions for the purpose of exploring with representatives of the NRC Staff and Westinghouse matters involving proprietary information.

I have determined, in accordance with subsection 10(d) of Public Law 92-463, that it is necessary to conduct the above closed sessions to protect proprietary information (5 U.S.C. 552b(c)(4)).

Practical considerations may dictate alterations in the above agenda or schedule. The Chairman of the Subcommittee is empowered to conduct the meeting in a manner that, in his judgment, will facilitate the orderly conduct of business, including provisions to carry over an incompleted open session from one day to the next.

The Advisory Committee on Reactor Safeguards is an independent group established by Congress to review and report on each application for a construction permit and on each application for an operating license for a reactor facility and on certain other nuclear safety matters. The Committee's reports become a part of the public record. Although ACRS meetings are ordinarily open to the public and provide for oral or written statements to be considered as part of the Committee's information gathering procedure concerning the health and safety of the public, they are not adjudicatory type hearings such as are conducted by the Nuclear Regulatory Commission's Atomic Safety & Licensing Board as part of the Commission's licensing process. ACRS meetings do not normally treat matters pertaining to environmental impacts outside the radiological safety area.

With respect to public participation in the open portion of the meeting, the following requirements shall apply:

(a) Persons wishing to submit written statements regarding the agenda may do so by providing a readily reproducible

copy to the Subcommittee at the beginning of the meeting. Comments should be limited to safety related areas within the Committee's purview.

Persons desiring to mail written comments may do so by sending a readily reproducible copy thereof in time for consideration at this meeting. Comments postmarked no later than July 18, 1977 to Mr. Thomas G. McCreless, ACRS, NRC, Washington, D.C. 20555, will normally be received in time to be considered at this meeting.

(b) Persons desiring to make an oral statement at the meeting should make a written request to do so, identifying the topics and desired presentation time so that appropriate arrangements can be made. The Subcommittee will receive oral statements on topics relevant to its purview at an appropriate time chosen by the Chairman.

(c) Further information regarding topics to be discussed, whether the meeting has been cancelled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements and the time allotted therefor can be obtained by a prepaid telephone call on July 22, 1977 to the Office of the Executive Director of the Committee (telephone 202/634-1374, Attn: Mr. Thomas G. McCreless) between 8:15 a.m. and 5:00 p.m., EDT.

(d) Questions may be propounded only by members of the Subcommittee and its consultants.

(e) The use of still, motion picture, and television cameras, the physical installation and presence of which will not interfere with the conduct of the meeting, will be permitted both before and after the meeting and during any recess. The use of such equipment will not, however, be allowed while the meeting is in session. Recordings will be permitted only during those open sessions of the meeting when a transcript is being kept.

(f) Persons with agreements or orders permitting access to proprietary information may attend portions of ACRS meetings where this material is being discussed upon confirmation that such agreements are effective and relate to the material being discussed.

The Executive Director of the ACRS should be informed of such an agreement at least three working days prior to the meeting so that the agreement can be confirmed and a determination can be made regarding the applicability of the agreement to the material that will be discussed during the meeting. Minimum information provided should include information regarding the date of the agreement, the scope of material included in the agreement, the project or projects involved, and the names and titles of the persons signing the agreement. Additional information may be requested to identify the specific agreement involved. A copy of the executed agreement should be provided to Mr. Thomas G. McCreless, of the ACRS Office, prior to the beginning of the meeting.

(g) A copy of the transcript of the open portion(s) of the meeting where factual information is presented and a copy of the minutes of the meeting will be available for inspection on or after August 1 and October 25, 1977, respectively, at the NRC Public Document Room, 1717 H Street, N.W., Washington, D.C. 20555.

Copies may be obtained upon payment of appropriate charges.

Dated: July 5, 1977.

JOHN C. HOYLE,
Advisory Committee Management Officer.

[FR Doc.77-19460 Filed 7-6-77;8:45 am]

ADVISORY COMMITTEE ON REACTOR SAFEGUARDS

Revised Notice of Meeting

The meeting notice for the subject meeting to be held on July 14-16, 1977 (published on June 28, 1977—FEDERAL REGISTER Volume 42, No. 124) is revised as detailed below. This revision involves the cancellation of the site review of the San Joaquin Nuclear Project (8:45 a.m.—12:15 p.m. on July 14, 1977) and the rescheduling of the Black Fox Station Units 1 and 2 Construction Permit review to this time period. Several ACRS Subcommittees and Working Group reports previously scheduled for Saturday, July 16, 1977 (9:30 a.m.—12:30 p.m.) have been rescheduled for consideration on Friday, July 15, 1977 (2:30 p.m.—5:00 p.m.).

The revised agenda for the subject meeting will be as follows: Thursday, July 14, 1977, 8:30 a.m.—9:15 a.m.: Executive Session (Open)—The Committee will hear and discuss the report of the ACRS Chairman regarding miscellaneous matters relating to ACRS activities including recommendations of the ACRS Procedures Subcommittee. Portions of this session will be closed if required to discuss information of a personal nature which if released would represent a clearly unwarranted invasion of personal privacy.

The Committee will also hear and discuss the report of the ACRS Subcommittee and consultants who may be present related to review of the request for a Construction Permit for the Black Fox Station Units 1 and 2. Portions of this section will be closed if necessary to discuss Proprietary Information and security arrangements applicable to this project.

9:15 a.m.—12:15 p.m.: Black Fox Station Units 1 and 2 (Open)—The Committee will hear presentations and hold discussions with representatives of the NRC Staff and the applicant related to the request for a Construction Permit for this facility. Portions of this session will be closed if necessary to discuss Proprietary Information and security arrangements applicable to this project.

1:15 p.m.—1:45 p.m.: Executive Session (Open)—The Committee will hear and discuss the report of the ACRS Subcommittee and consultants who may be present related to the request for Preliminary Design Approval of the Fluor Pioneer, Inc. Balance of Plant Standard Safety Analysis Report. Portions of this session will be closed if required to discuss Proprietary Information and security provisions applicable to this type facility.

1:45 p.m.—5:15 p.m.: Fluor Pioneer, Inc. Balance of Plant Standard Safety Analysis Report (Open)—The Committee will hear presentations and hold discussions with representatives of the applicant and the NRC Staff regarding the request for a Preliminary Design Approval for this type of facility. Portions of this session will be closed if necessary to discuss Proprietary Information and security provisions applicable to this type of facility.

5:15 p.m.—6:30 p.m.: Executive Session (Open)—The Committee will hear and discuss reports of ACRS Subcomittees, Working Groups and members on a number of regulatory matters including the Reactor Safety Research Program for advanced reactors, proposed Regulatory Guides and related regulatory activities.

Friday, July 15, 1977, 8:30 a.m.—1 p.m. and 2 p.m.—2:30 p.m.: Meeting with NRC Staff (Open)—The Committee will hear persentations and hold discussions with the Executive Director for Operations and members of the NRC Staff regarding NRC Staff policy and procedures, recent operating experience at nuclear facilities, recent licensing actions, generic matters related to reactor licensing, and the future schedule for ACRS activities. This discussion will include:

Proposed improvements in the licensing process.

NRC Staff evaluation of system interaction effects.

Evaluation of foundation conditions at the North Anna Nuclear Station.

Equipment performance at the Rancho Seco and Beaver Valley Nuclear Plants.

Seismic reevaluation of San Onofre Nuclear Plant Unit 1 and Humboldt Bay Nuclear Plant.

Browns Ferry Nuclear Plant startup test program.

Performance of steam generator tubes in pressurized water reactors.

Report on bases for the design basis flood.

Provisions to isolate low-pressure from high-pressure systems.

2:30 p.m.—5 p.m.: Executive Session (Open)—The Committee will hear and discuss the report of the ACRS Subcommittees and consultants who may be present regarding the decommissioning of nuclear facilities and the Combustion Engineering, Inc. Core Protection Calculation System. The Committee will also discuss proposed ACRS reports on the Fluor Pioneer Balance of Plant Standard Safety Analysis Report and the NRC Advanced Reactor Safety Research Program.

5 p.m.—6 p.m.: Executive Session (Closed)—The Committee members will discuss a proposed ACRS report to NRC on the Black Fox Station Units 1 and 2.

Saturday, July 16, 1977, 8:30 a.m.—9:30 a.m. and 1:30 p.m.—2:30 p.m.: Executive Session (Closed)—The Committee will meet in closed session to prepare its report to the NRC on the Black Fox Station Units 1 and 2.

9:30 a.m.—12:30 p.m. and 2:30 p.m.—4 p.m.: Executive Session (Open)—The Committee will meet in open session to hear and discuss the reports of ACRS Subcommittees, Working Groups, and members regarding various generic matters including:

Reliability of light water reactor pressure vessels—UKAEA Report on the Integrity of PWR Pressure Vessels.

The Committee will also prepare its reports on the NRC Reactor Safety Research Program for Advanced Reactors, the Fluor Pioneer Balance of Plant SSAR, and other matters discussed during this meeting as required.

I have determined in accordance with subsection 10(d) of Pub. L. 92-463 that it is necessary to close portions of the meeting as noted above to protect proprietary data (5 U.S.C. 552b.(c)(4)), to preserve the confidentiality of information related to safeguarding of special nuclear material and the physical protection of nuclear facilities (5 U.S.C. 552b.(c)(1)(4)), and material of a personal nature which if released would clearly constitute an unwarranted invasion of personal privacy (5 U.S.C. 552b.(c)(6)). The portion of the meeting during which the ACRS report on the Black Fox Nuclear Station is prepared will be held in closed session pursuant to exemption (10) of 5 U.S.C. 552b.(c) since it involves the Committee's participation in an adjudicatory proceeding. Separation of factual information from information considered exempt from disclosure under exemptions (1), (4), (6), and (10) of 5 U.S.C. 552b.(c) during these portions of the meeting is not considered practical.

Practical considerations may dictate alterations in the above agenda or schedule. The Chairman of the Committee is empowered to conduct the meeting in a manner that in his judgment will facilitate the orderly conduct of business, including provisions to carry over an incompleted session from one day to the next.

The Advisory Committee on Reactor Safeguards is an independent group established by Congress to review and report on each application for a construction permit and on each application for an operating license for a reactor facility and on certain other nuclear safety matters. The Committee's reports become a part of the public record. Although ACRS meetings are ordinarily open to the public and provide for oral or written statements to be considered as a part of the Committee's information gathering procedure concerning the health and safety of the public, they are not adjudicatory type hearings such as are conducted by the Nuclear Regulatory Commission's Atomic Safety & Licensing Board as part of the Commission's licensing process. ACRS meetings do not normally deal with matters pertaining to environmental impacts outside the radiological safety area.

With respect to public participation in the open portion of the meeting, the following requirements shall apply:

(a) Persons wishing to submit written statements regarding the agenda items may do so by providing a readily reproducible copy to the Committee at the beginning of the meeting. Comments should be limited to safety related areas within the Committee's purview. Persons desiring to mail written comments may do so by mailing a readily reproducible copy thereof in time for consideration at this meeting. Comments postmarked no later than July 6, 1977, to the Executive Director, Advisory Committee on Reactor Safeguards, Nuclear Regulatory Commission, Washington, D.C. 20555 will normally be received in time to be considered at this meeting. Background information concerning items to be considered at this meeting can be found in documents on file and available for public inspection at the Nuclear Regulatory Commission's Public Document Room, 1717 H Street NW., Washington, D.C. 20555 and at the following Public Document Rooms:

Black Fox Station: Tulsa City-County Library, 400 Civic Center, Tulsa, OK 74102.

(b) Those persons wishing to make oral statements regarding agenda items at the meeting should make a request to do so prior to the meeting, identifying the topics and desired presentation time so that appropriate arrangements can be made. The Committee will receive oral statements in safety-related areas within the Committee's purview at an appropriate time chosen by the Chairman of the Committee.

(c) Further information regarding topics to be discussed, whether the meeting or portions of the meeting have been cancelled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements, and the time allotted therefor, can be obained by a prepaid telephone call on July 13, 1977, to the Office of the Executive Director of the Committee (Telephone: 202-634-1371) between 8:15 A.M. and 5:00 P.M., Eastern Time. It should be noted that the above schedule is tentative, based on the anticipated availability of related information, etc. It may be necessary to reschedule items to accommodate required changes. The ACRS Executive Director will be prepared to describe these changes on July 13, 1977.

(d) Questions may be propounded only by members of the Committee and its consultants.

(e) The use of still, movie, and television cameras, the physical installation and presence of which will not interfere with the conduct of the meeting, will be permitted both before and after the meeting and during any recess. The use of such equipment will not, however, be allowed while the meeting is in session. Recordings of the proceedings will be permitted only during those open sessions when a transcript is being kept.

(f) Persons with agreements or orders permitting access to proprietary information other than safeguards information may attend portions of ACRS meetings where this material is being discussed upon confirmation that such agreements are effective and relate to the material being discussed. The Executive Director of the ACRS should be informed of such an agreement at least 3 days prior to the meeting so that the agreement can be confirmed and a determination can be made regarding the applicability of this agreement to the material that will be discussed during the meeting. Minimum information provided should include information regarding the date of the agreement, the scope of material included in the agreement, the project or projects involved, and the names and titles of the persons signing the agreement. Additional information may be requested to identify the specific agreement involved. A copy of the executed agreement should be provided to the Executive Director at the beginning of the meeting.

(g) A copy of the transcript of the open portion(c) of the meeting where factual information is presented will be available for inspection during the following workday at the Nuclear Regulatory Commission's Public Document Room, 1717 H Street, NW, Washington, D.C. Copies of the minutes of the meeting will be made available for inspection at the Nuclear Regulatory Commission's Public Document Room, 1717 H Street, NW Washington, DC, on or after October 14, 1977. Copies may be obtained upon payment of appropriate charges.

Dated: June 30, 1977.

JOHN C. HOYLE,
Advisory Committee Management Officer.

[FR Doc.77-19237 Filed 7-6-77;8:45 am]

[Docket No. 50-333]

POWER AUTHORITY OF THE STATE OF NEW YORK

Issuance of Amendment to Facility Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 23 to Facility Operating License No. DPR-59, issued to Power Authority of the State of New York (the licensee), which revised Technical Specifications for operation of the James A. Fitzpatrick Nuclear Power Plant (the facility) located in Oswego County, New York. The amendment is effective as of its date of issuance.

This amendment revises operability requirements for the Rod Sequence Control System and the Rod Worth Minimizer and adds safety related snubbers to Table 3.6-1.

The application for the amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings

as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendment. Prior public notice of this amendment was not required since the amendment does not involve a significant hazards consideration.

The Commission has determined that the issuance of this amendment will not result in any significant environmental impact and that pursuant to 10 CFR § 51.5(d)(4) an environmental impact statement, negative declaration or environmental impact appraisal need not be prepared in connection with issuance of this amendment.

For further details with respect to this action, see (1) the application for amendment submitted by letter dated April 27, 1977, (2) Amendment No. 23 to License No. DPR-59, and (3) the Commission's related Safety Evaluation. All of these items are available for public inspection at the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C. and at the Oswego County Office Building, 46 East Bridge Street, Oswego, New York.

A copy of items (2) and (3) may be obtained upon request addressed to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Director, Division of Operating Reactors.

Dated at Bethesda, Maryland, this 24th day of June 1977.

ROBERT W. REID,
Chief, Operating Reactors Branch No. 4, Division of Operating Reactors.

[FR Doc.77-19215 Filed 7-6-77;8:45 am]

[Docket Nos. 50-354, 50-355]

PUBLIC SERVICE ELECTRIC & GAS CO. AND ATLANTIC CITY ELECTRIC CO. (HOPE CREEK GENERATING STATION, UNITS 1 AND 2)

Reconstitution of Atomic Safety and Licensing Appeal Board

Notice is hereby given that, in accordance with the authority in 10 CFR 2.787(a), the Chairman of the Atomic Safety and Licensing Appeal Panel has reconstituted the Atomic Safety and Licensing Appeal Board for this construction permit proceeding to consist of the following members:

Jerome E. Sharfman, Chairman
Richard S. Salzman
Dr. W. Reed Johnson

Dated: June 29, 1977.

MARGARET E. DU FLO,
Secretary to the Appeal Board.

[FR Doc.77-19214 Filed 7-6-77;8:45 am]

RISK ASSESSMENT REVIEW GROUP

Notice of Establishment

This notice announces the establishment of the Risk Assessment Review Group which has been determined to be in the public interest in connection with the performance of duties imposed on the United States Nuclear Regulatory Commission by law.

The Review Group will provide advice and information to the Commission regarding the final report of the Reactor Safety Study, WASH-1400, and the peer comments on the Study, advice and recommendations on developments in the field of risk assessment methodology and on future courses of action which should be taken to improve this methodology and its application. This advice and information will assist the Commission in establishing policy regarding the use of risk assessment in the regulatory process, in improving the base for the use of such assessments. It will also clarify the achievements and limitations of the Reactor Safety Study.

To assure proper balance, objectivity, and independence of judgment, membership of the Review Group will be comprised generally of persons who have had no responsibility for the WASH-1400 Study and will include several members who previously have commented critically on the Study. In addition, the Group will be chaired by a non-government employee, Professor Harold W. Lewis of the University of California, Santa Barbara.

The Review Group will submit a report upon completion of its review and analysis prior to the termination of the group on or before December 31, 1977. NRC will provide the Review Group with administrative and secretarial services and the funds to acquire adequate meeting rooms and for other necessary expenses.

Copies of the Review Group charter will be filed with the appropriate standing committees of the Congress and the Library of Congress as required by the Federal Advisory Committee Act of 1972.

Dated at Washington, D.C. this 1st day of July, 1977.

LEE V. GOSSICK,
Executive Director for Operations.

[FR Doc.77-19295 Filed 7-5-77;8:45 am]

NATIONAL TRANSPORTATION SAFETY BOARD

[N-AR 77-27]

ACCIDENT REPORT; SAFETY RECOMMENDATIONS AND RESPONSES; ANNUAL REPORT TO CONGRESS

Availability and Receipt

Pipeline Accident Report.—The National Transportation Safety Board on June 29 released its report on the gas explosions and fires in Allentown, Pennsylvania, which last August 8 resulted in the death of two firemen, injuries to 14 persons, the destruction of two houses and four buildings, and damage to several other buildings.

At 2 p.m. on August 8, a gas explosion destroyed one house. Gas migrated from a break in a 4-inch cast-iron main under the street through loose soil under a concrete sidewalk and into the building through cracks and openings in its foundation. Another house, across the street from the site of the first explosion, exploded 26 minutes later. The front brick wall collapsed into the street and trapped two firemen; the street then caved in directly in front of them. The cast-iron gas main within the sinkhole broke into several pieces. Flames from the broken main were more than 10 feet high and hampered rescue of the trapped firemen.

The Safety Board's narrative report, No. NTSB-PAR-77-2, lists the probable cause of the accident as the ignition, by unknown sources, of natural gas which had leaked from a broken cast-iron gas main under the street in front of the houses. The gas main had been weakened structurally by localized graphitization—a form of corrosion—and was undermined by a sinkhole. The failure to check the second house for an explosive atmosphere and to shut off its gas supply resulted in the fatalities and injuries.

As a result of its investigation, the Safety Board on June 8 recommended that the UGI Corporation of Reading, Pennsylvania, (1) update its 1968 firemen's guide and training program with instructions on how to deal with such an accident; (2) rewrite its emergency plans to include new Federal requirements which became effective last October 1 and to insure better coordination with public officials; and (3) work with equipment manufacturers to perfect a survey unit such as downward-looking radar that could be used to detect the location of sinkholes in the vicinity of cost-iron gas mains (Recommendations P-77-1 through 3).

The Board also urged the U.S. Office of Pipeline Safety Operations to help in industry development of such sinkhole detector equipment (P-77-4), and further recommended that the gas piping standards committee of the American Society of Mechanical Engineers develop guidelines to assist pipeline operators during emergencies to promptly isolate leaking segments of pipe in a low-pressure system (P-77-5). (See 42-FR 30700, June 16, 1977.)

Railroad Safety Recommendations R-77-14 through 17.—Four Class II recommendations, for priority followup, were issued June 29 by the Safety Board to the Chicago Transit Authority (CTA) as a result of investigation into the collision of two CTA trains in Chicago, Illinois, last February 4.

At 5:27 p.m. c.s.t. on February 4, Lake-Dan Ryan train No. 930 struck the rear of Ravenswood train No. 415, which was standing on the elevated rail structure at the intersection of Wabash Avenue and Lake Street. The first four cars of the eight-car Lake-Dan Ryan train fell from the elevated structure and overturned. Eleven person were killed and 183 persons were injured. Property damage was estimated to be $1.2 million.

The Board's letter issuing the recommendations to CTA notes that CTA's automatic train control system displays color light cab signals and that the speedometer displays the maximum speed permitted for each cab signal. The system is so designed that if an operator exceeds the indicated speed for more than a defined period of time, the brakes

of this train will automatically apply. A train that enters a signal block adjacent to an occupied block, or an occupied signal block, receives a steady red cab signal. When the train stops, the signal changes to a flashing red, which allows the train to be moved forward at a speed not exceeding 15 mph. The Board notes that rules of the CTA do not permit a train to proceed on a flashing red cab signal until permission has been obtained from the controller.

Investigation revealed that because of a train ahead, the Ravenswood train had received a steady red cab signal and was stopped on the westbound track with its rear car standing on the curve at Wabash Avenue and Lake Street. The operator had not called the controller for permission to move because he was waiting for the train ahead to proceed.

Investigation further indicated that the operator of the Lake-Dan Ryan train apparently did not understand that, unless communications failed, he was always required to obtain permission from the controller before proceeding on a flashing red cab signal. He also did not have a clear understanding of the meanings of the cab signal indications.

The confusion and lack of understanding of operating rules and of the cab signal indications indicates inadequate training or the lack of periodic recurrent training, the Board stated. CTA instructs operators on the rules when they are first hired and depends on the posting of rule change information to keep the operators current with the rules. A frequent review of the rules with the operators and efficiency checks by supervisors would provide invaluable assistance in keeping the operators conversant with the intent of the rules.

Evidence brought out at the public hearing indicated that the motorman's record during the past 8 years contained numerous rule violations. The present agreement between the CTA and the operators' union to use only an employee's discipline record for 1 year to determine his past performance for disciplinary purposes also is being used by the CTA to evaluate the safety performance of an employee and to decide if he is a potentially high-risk employee. The Board believes that more than 1 year of an operator's service record should be considered in a safety performance evaluation.

In view of these findings, the Safety Board recommends that CTA:

Initiate a program which will (1) provide a systematic review of the operating rules so that all employees will have a clear understanding of such rules and of any changes, and (2) insure employee compliance with the rules. (R-77-14)

Discontinue the automatic display and control function of the flashing red cab signal and its associated flashing yellow 15 mph on the speedometer. (R-77-15)

Operate trains on an absolute block. If it becomes necessary to enter an occupied block in emergency, provide procedures that will insure safe operation. (R-77-16)

Consider an operating employee's complete service record when judging the employee's operating capabilities. (R-77-17)

Annual Report to Congress.—The Safety Board on June 30 released its 10th annual report to Congress. The 1976 report contains, for the first time, a biennial review of transportation safety—a requirement of the Independent Safety Board Act of 1974. The review includes citations of both needed transportation safety improvements and safety gains produced by the Board's accident investigations and safety recommendations.

The review makes a number of recommendations to Congress, including the need to:

* * * attack the total aviation approach and landing system problem, including improvement in the adequacy of weather observations.

* * * improve survivability of air carrier accidents through mandatory dynamic testing of seats, better cabin lighting for emergencies, and requiring fire resistant materials for cabin interiors.

* * * require safety rules and standards for rail rapid transit.

* * * review existing limitations on use of the National Driver Register.

* * * review the necessity for more stringent regulations to control highly volatile liquids carried by pipelines.

In addition to the biennial review, the Board's annual report includes chapters on significant safety trends in 1976 transportation accident statistics, and an analysis of the Board's safety recommendations.

The report's appendices also include an 11-year breakdown of selected aviation statistics. The statistics for 1976, for example, show that in all operations the certificated route air carriers, supplemental carriers, and commercial operators of large aircraft had 28 accidents. Four of these were fatal, raising the year's death toll to 45—the lowest recorded death toll since 1954 when 40 persons died.

In general aviation, the statistics show the total number of accidents in 1976 increased by 8 percent to 4,567. But the number of fatal accidents—636—decreased by 6 percent compared to 1975.

RESPONSES TO SAFETY RECOMMENDATIONS

Aviation: A-75-20 and 21.—Federal Aviation Administration's letter of June 22 is in response to the Safety Board's inquiry dated June 6, 1977, concerning recommendations issued March 6, 1975, which related to the security of the nose compartment door on light, twin-engine aircraft. FAA's initial response dated May 19, 1975, indicated acceptance of recommendation A-75-21.

However, recommendation A-75-20, which called for a double locking device, was rejected on the rationale that the installation of additional locks would not provide any safety benefits since the careless operator who does not utilize existing latches would ignore additional ones. The letter also mentioned that a change to FAR 23.783 had been discussed in the Biennial Airworthiness Review and that it was a part of FAA's program to require the means for a direct visual inspection to signal crewmembers when the door is closed and locked.

The Safety Board, having been informed that FAA withdrew its airworthiness proposal dealing with the visual inspection of the cargo door, on June 6 requested FAA's reasons for the withdrawal of the proposal and FAA's proposed action on this recommendation.

FAA's June 22 response notes discussion of the proposal in December 1974 at the Airworthiness Review Conference. FAA states, "Briefly, the comments received opposed the proposed changes based on added complexity, increased weight, installation and maintenance penalties and that it was not in the public interest since the accident and incident history would not support such a change." FAA notes that the proposal was formally withdrawn and published in the FEDERAL REGISTER on July 11, 1975.

Highway H-76-17.—The Texas State Department of Highways and Public Transportation on June 20 responded to the Safety Board's May 31 request for information as to progress in the Department's highway safety improvement program. (See 42 FR 29580, June 9, 1977.) The Department informs the Board that the State of Texas has been making an on-the-site investigation of roadside hazards since the fall of 1974.

The Department states, "At the present time about sixty percent of the roadways on the State highway system have been inventoried at a cost of approximately $350,000. It is anticipated that all highways with ADT of 1,000 vehicles or more will be inventoried." The Department also notes that in preparing the program submission in the Districts the inventory is used for safety projects.

Railroad: R-77-3 through 5.—Federal Railroad Administration's letter of June 20 concerns recommendations issued in conjunction with the Safety Board's investigation of the Union Pacific Railroad freight train derailment near Hastings, Nebraska, last August 2. (See 42 FR 21676, April 28, 1977.)

With regard to recommendation R-77-3, which sought regulations to insure that the locations of heavily loaded freight cars in a train will not adversely affect the train's operation, and recommendation R-77-5, which asked FRA to require that locomotive engineers be instructed in the braking of trains for varied circumstances that may develop during a train's operation, the June 20 response discusses FRA's participation in a cooperative Government/industry research program in Track-Train Dynamics—a multiphase program effort begun in 1972 and scheduled to continue through 1982.

FRA states that the Track-Train Dynamics Program (TTD) is jointly funded, staffed, and supported by the Railway Progress Institute, the Association of American Railroads (AAR), the Transportation Development Agency of the Canadian Government, the U.S. Federal Railroad Administration, and the Office de Recherches et D'Essais of the Union International des Chemin de Fer.

Two of the outputs of Phase I-TTD, according to FRA, were detailed recom-

mendations and guidelines for train makeup and engineer education; many of the recommendations dealt with the handling and placement of heavily loaded cars and with the education of engineers in train handling performance. FRA notes that an Implementation Officers Section, formed by AAR as a TTD subcommittee, is translating the generalized recommendations of TTD Phase I into specific operating rules and training programs for individual railroads.

FRA recognizes the need to tailor general recommendations and guidelines to specific needs and has encouraged AAR's voluntary efforts in this regard. FRA reports that it has chosen this course of action in lieu of mandatory regulations covering either one of these subject areas "since it is believed that it is not possible to develop practicable and enforceable regulations at this time." As more detailed knowledge is gained in such areas as track-train dynamics interaction, improved train handling strategies, and engineer operating performance capabilities, FRA states that it may reassess this position. In the interim, FRA will continue to monitor AAR's efforts to successfully implement TTD program results.

Regarding R–77–4, which recommended that FRA require that trains operated over unstable track be limited by a slow order, verbal contact by radio, or by flag protection to speeds that will reduce the possibility of track buckling from forces that exceed the restraining ability of the track, FRA states:

FRA is sympathetic with NTSB's concern that carriers operate at speeds that are consonant with the capability of the track to accept the applied wheel-rail forces. The problem is how to specify exactly stable track. This is a highly judgmental situation today, since the technical knowledge is not currently sufficient to adequately define it. Some factors are widely recognized as contributing to reduced track stability, and these are generally recognized in carrier instructions to field personnel. Other factors such as longitudinal rail stress are important, yet not measurable, inputs to track instability.

FRA believes that in the absence of relevant guidelines it cannot, by regulation, place the burden of defining stable track on the carriers. Stable track is a broad term and really encompasses recognition of all of the many elements that can lead to track instability. FRA's Office of Research and Development currently is investigating the various parameters that contribute to unstable track. FRA is proceeding at the most practicable pace toward solving this important problem. The NTSB recommendation will be held in abeyance until this complex research reaches that point at which verified output can be reflected in effective regulations.

Board Correspondence Relating to Safety Recommendations

Within the past few weeks, the Safety Board has supplied several other Federal agencies with comments on their recent notices of proposed rulemaking. Comments which additionally concern earlier Safety Board recommendations have now been forwarded to—

The Civil Aeronautics Board.—On June 17, the Safety Board commented on a proposed revision to 14 CFR Part 241, Uniform System of Accounts and Reports for Certificated Air Carriers, which was published April 29 at 42 FR 21793. The Safety Board stated, with reference to its recommendation A–77–44 concerning supplemental air carrier operation, that although the CAB's NPRM requires that a variety of information be reported, the requirement to report nonrevenue operations of certain supplemental air carriers was not included. Recommendation A–77–44 indicated that the Safety Board needs certain statistical data for use as an exposure base comparable to that of certificated route carriers.

The Safety Board further stated that, although a portion of the accounting and reporting requirements will fulfill the intent of recommendation A–74–44 (b), section (a) of that recommendation was not discussed in the proposal; its incorporation into the NPRM is urged. Specifically, A–74–44(a) recommended that requirements for the periodic reporting of certain additional statistical data be included as follows: "For certificated route and supplemental air carrier operations in the nonrevenue category—departures and miles flown, respectively (assuming that the revenue and nonrevenue departure information for the supplemental air carriers which is presently collected for ICAO is equivalent in scope and accuracy to other information reported on CAB Form 41)."

The Federal Aviation Administration.—On June 30, the Safety Board concurred in FAA's proposal to require a one-time magnetic particle inspection of the main rotor hub trunnion within 100 hours on Bell Model helicopters 206A, 206B, 206A–1, and 206B–1 to preclude possible fatigue failure. The proposal was published June 20, at 42 FR 31171. The Safety Board notes that this action is in response to its recommendation A–77–23, issued May 11 (42 FR 25789, May 19, 1977).

The Federal Railroad Administration.—On May 20, the Safety Board in commenting on FRA's proposal re minimum safety requirements for railroad caboose cars, reiterated its concern with crashworthiness and other design considerations of railroad equipment affecting employee safety. FRA's proposal was published April 13 at 42 FR 19359.

The Safety Board has commented extensively on crashworthiness in locomotive cab design as part of the general usefulness of a design in assisting a locomotive engineer to perform his work efficiently. The following accident investigations conducted by the Board, and related safety recommendations, are addressed in the Board's comments to FRA:

At Riverdale, Illinois, September 8, 1970. In a low-speed collision, the caboose overrode a locomotive, and the engineer was killed when the caboose penetrated the locomotive cab. A conductor in the caboose was killed when the caboose fell down an embankment even though the caboose maintained its structural integrity. The Board recommended that the FRA and the railroad industry continue and expand their cooperative efforts toward the timely improvement of crashworthiness of railroad equipment. (R–71–39 through 44)

At Sound View, Connecticut, October 8, 1970. The Board concluded, "The caboose does not incorporate crashworthiness concepts in its design; it would benefit from a design review that would consider the application of present technology to specific problems, such as passenger packaging and communications capabilities." (R–72–1 through 3)

At Taft, Louisiana, February 21, 1973. Rapid deceleration of the caboose caused the unrestrained conductor to be hurled forward, strike the front wall of the cupola, and fall backward between the seats. The Board concluded that a properly fastened seatbelt might have prevented his injuries. (R–73–38 through 41)

At Indio, California, June 25, 1973. When the locomotive of one train struck the 25-ton caboose of another train, the caboose raised up and overrode the underframe of the first locomotive unit. The caboose demolished the short end of the unit and the control compartment back to the engine compartment and smashed the control compartment of the second locomotive unit before it was thrown onto its roof along the north side of the track. The interior of the caboose was set on fire and was completely destroyed.

The Board believes that the design and performance deficiencies cited by the Railway Labor Executive Association do not include all of complete design review, as recommended by the Safety Board, and a task analysis of the caboose crew would be beneficial and should be considered by FRA.

NOTE: The above notice consists of summaries of Safety Board documents made available, and safety recommendation responses received, during the week preceding publication of this notice in the Federal Register. The accident report, the safety recommendation letter, and the Annual Report to Congress, in their entirety, are available to the general public; single copies are obtainable without charge. Copies of the full text of responses to recommendations and any Board correspondence may be obtained at a cost of $4.00 for service and 10¢ per page for reproduction. All requests must be in writing, identified by the recommendation number and date of publication of this notice in the Federal Register. Address inquiries to: Public Inquiries Section, National Transportation Safety Board, Washington, D.C. 20594.

Multiple copies of accident reports may be purchased by mail from the National Technical Information Service, U.S. Department of Commerce, Springfield, Virginia 22151.

(Secs. 304(a)(2) and 307 of the Independent Safety Board Act of 1974 (Pub. L. 93–633, 88 Stat. 2169, 2172 (49 U.S.C. 1903, 1906)).)

Margaret L. Fisher,
Federal Register Liaison Officer.

July 1, 1977.

[FR Doc.77–19336 Filed 7–6–77;8:45 am]

OFFICE OF THE ASSISTANT TO THE PRESIDENT FOR REORGANIZATION

EXECUTIVE BRANCH REORGANIZATION

Invitation for Public Comment

AGENCY: Office of the Assistant to the President for Reorganization.

ACTION: Request for public comment.

SUMMARY: President Carter has committed his Administration to comprehensive reorganization of the Federal Executive Branch. His goal is to streamline the government, making it more competent to serve the people. Executive reorganization will depend on broad public awareness and participation. The purpose of this document is to further the President's goal by presenting the major reorganization issues to the public and encouraging their views.

DATES: Comments should be received on or before August 5, 1977.

ADDRESS: Reorganization Issues, The White House, Washington, D.C. 20500.

FOR FURTHER INFORMATION CONTACT:

Tom Belford, Office of the Assistant to the President for Reorganization, 202–456–6730.

SUPPLEMENTARY INFORMATION: The President's Assistant for Reorganization has responsibility to insure every opportunity for public involvement at each stage of the reorganization process, from pinpointing problems to developing final proposals. The President's Reorganization Project study teams, working under Bert Lance, Director of the Office of Management and Budget, have begun examining various Federal organizational problems. Certain study priorities—civil rights enforcement, civil service reform, law enforcement, human services delivery and community development, for example—have been identified already. Others are yet to be determined as part of an ongoing four-year review.

Following is a brief description of the President's Reorganization Project and a series of questions on which responses are invited. Please send your comments promptly since an early response will insure that your views assist both in guiding initial studies and in identifying additional reorganization priorities.

President Carter has directed that his reorganization teams pursue a "bottom-up" approach, looking at how government affects people directly and reexamining government structure and process accordingly. To be successful, this approach will require the involvement of those potentially affected by change as well as others who see opportunities for improving government performance.

This invitation to comment is only the first of many opportunities the public will be afforded to advise us on reorganization matters. We will certainly want additional views on specific reorganization issues as they develop. Of course, the President's Reorganization Project welcomes comments, ideas, or suggestions on reorganization at any time.

Dated: June 24, 1977.

RICHARD A. PETTIGREW,
Assistant to the President for Reorganization.

REORGANIZATION ISSUES

President Carter has pledged to make the Federal government more competent through improvements in Executive Branch structure and management.

Major objectives of reorganization include:

Efficiency and economy in government operations;

More effective planning, coordination and administration of government activities;

More open, responsive and understandable government;

Reduced governmental fragmentation, overlap and paperwork;

More simplified government regulations;

Increased predictability and consistency in governmental actions;

Improved relationships among Federal, state and local governments to promote partnership and coordinated delivery of services;

Higher levels of performance from federal officials.

Attaining these reorganization objectives will require careful and comprehensive analysis by the President's Reorganization Project. It will also require the broadest possible public participation.

The survey that follows begins with cross-cutting questions on the broad issues of Executive Branch reorganization. Following these are additional questions dealing with each reorganization study category. These questions are designed to serve primarily as points of general comment. Should you wish to focus your response on other reorganization issues, please do so in any manner you deem appropriate. Your views are welcome in every area.

I. GENERAL REORGANIZATION ISSUES

Which Federal departments and agencies are most in need of reexamination?

What tasks does the Federal government perform especially well? What tasks does it perform poorly?

Do you have specific examples of governmental programs that are failing to accomplish their purposes because they are improperly organized or managed? Can you suggest programs that are succeeding on the basis of proper organization?

What general standards would you recommend to evaluate the merits of any federal reorganization proposal? Examples might include improved service, reduced costs and paperwork.

What methods can you suggest for involving citizens in the federal reorganization effort on a continuing basis?

An effort to attain the various reorganization objectives listed on the preceding page will inevitably involve trade-offs. Where these are necessary, to which objectives would you attach the highest priority?

II. ISSUE CATEGORIES

The President's Reorganization Project consists of several study teams, each examining different functional areas of the Executive Branch. Here are brief descriptions of each study area. Once again, the questions are representative only and not intended to limit the scope of your response. Develop your views in any manner you find appropriate.

1. *General Government.* The overall justice system, including federal law enforcement, litigation, prosecution and rehabilitative activities; general revenue sharing and other general purpose fiscal assistance; revenue collection; central administrative activities such as fiscal, property and records management; and planning. Agencies of major interest in this area are the Departments of Treasury and Justice and the General Services Administration.

How can the administration of federal law enforcement be improved?

In what areas, if any, should the Federal government be playing a greater or lesser role? Should state or local governments assume greater responsibility in the law enforcement area?

Do you believe there is adequate coordination and planning in the nation's justice system? Can you indicate how and in what areas coordination or administration might be improved?

Have you any suggestions for improving federal procurement procedures? How can selling goods and services to the Federal government be simplified for smaller businesses?

Do you see any need for the Federal government to improve its long-range planning capabilities? If so, what planning mechanisms would you suggest?

2. *Human Resources.* Health, education, social services, nutrition, income assistance, employment, training, retirement and youth assistance programs. Key agencies include the Departments of HEW, Labor, Agriculture, and the Community Services Administration.

Are you aware of particular human resources policy or management problems that organizational changes might help to solve? Can you suggest any solutions that should be considered? In your judgment which human resources programs are well organized and managed and which are not?

In cases where particular federal, state, and local agencies are jointly involved in human resources programs, can you suggest ways to improve coordination of service delivery?

3. *Civil Rights Enforcement.* The Federal government's overall effort to ensure equal opportunity for minorities, women, the aged and the handicapped in the areas of employment, education, housing and federally assisted programs. The study will focus on management and administrative improvements, fragmentation of responsibilities among various

federal agencies, and the impact of standards and reporting requirements upon the affected interests. The principal agencies to be studied initially include the Departments of Justice and Labor, the Equal Employment Opportunity Commission, and the Civil Service Commission.

Do you think that discrimination complaints are adequately handled by the Federal government? If not, can you cite examples? Is there overlap or duplication among agencies handling discrimination complaints?

Do you think that persons know where they can go for relief when they feel they have been discriminated against? Is the federal enforcement effort sufficient with respect to minorities? Women? The aged? The handicapped?

How would you assess the regulatory impact of equal opportunity regulations and reporting requirements? Too burdensome? Necessary and appropriate? Can you suggest alternative methods for achieving equal opportunity objectives?

4. *National Security and International Affairs.* The structure, decision processes, and roles and missions of agencies in formulating and implementing national security and foreign affairs policy. Agencies of major interest include the Department of Defense and the Department of State.

Within the broad functional area of national security and international affairs, what problems, if any, do you see which should be reviewed by the President's Reorganization Project? Are such problems related to organizational structure, decision processes or other factors? Please explain and provide specific suggestions for improvements.

How can foreign policy and/or national security policy be developed with more public input? How would you recommend this be accomplished?

5. *Natural Resources, Environment, and Energy.* Federal programs for management of land, water, mineral, historical and forest resources, and for protection of the environment. Development and utilization of science and technology for national purposes. Agencies: the Department of the Interior, Environmental Protection Agency, Forest Service, National Oceanic and Atmospheric Administration, TVA, Army Corps of Engineers, National Aeronautics and Space Administration, the National Science Foundation, and the planned Department of Energy.

Is the Federal government organized effectively to manage and protect the nation's land resources? What about water and ocean-related resources? Are there any changes you would recommend?

Is the government well organized to implement environmental programs? Is it organized to confront and resolve properly the choices involving environmental protection and economic development? What organizational improvements would you propose?

What should be the federal role in fostering scientific research and applying technology to human needs? What should be the proper mix of government-conducted versus government-funded research?

6. *Economic development.* Federal programs dealing with urban development, rural development, housing, transportation, communications, business promotion, and the structure of the economic policy-making process. Agencies include the Departments of Commerce, Transportation, Agriculture, Housing and Urban Development, as well as the Postal Service, Small Business Administration, Export-Import Bank, Federal Reserve Board and other bank regulatory agencies, AMTRAK, the Federal Trade Commission, the ICC, the CAB, and the Federal Maritime Commission.

How can the Federal government be better organized to encourage rural and urban economic vitality? What are the most effective approaches to delivery of economic and community development assistance?

What organizational changes can be made to improve the nation's transportation system? Should transportation programs be integrated more fully into urban programs?

What should be the goals of the Federal government in the area of housing? Are separate urban and rural housing and community development programs desirable?

7. *Regulatory Reform.* The regulatory structures and practices of the Federal government. These include those policies governing certain economic decisions of business, such as regulation of prices, rates, certificates, and franchises. Also covered are those regulations designed to protect the environment and the public health and safety. The cost-effectiveness and public accountability of various regulatory schemes will be included in this study.

How would you assess the performance of the present federal regulatory system in protecting public health and safety? Worker health and safety? In preserving competition? What specific deficiencies do you perceive and how could they be remedied?

Can you provide examples of overlap, duplication or conflict among regulations issued by government agencies? How might these be resolved?

What circumstances do you believe justify regulatory action by the Federal government? In what areas would less regulation be appropriate?

Do you think there may be better approaches than direct regulation for achieving national goals? Would incentives or direct federal subsidies be feasible alternatives? In what instances?

Do you believe that regulatory agencies are properly accountable to the public? If not, how should accountability be improved? How can we achieve more effective public participation in agency decisions?

8. *Federal Personnel Management.* Federal personnel policies, processes and organization. The Civil Service Commission.

What changes would you recommend in the present recruitment, hiring and retention policies of the federal civil service?

Do you believe that the federal civil service is a productive work force? If so, why? If not, what improvements should be made?

What changes would you recommend to improve the responsiveness of federal civil servants to the public?

[FR Doc.77-19478 Filed 7-6-77;8:45 am]

DEPARTMENT OF TRANSPORTATION

Coast Guard

[(CGD 77) 123]

CHEMICAL TRANSPORTATION INDUSTRY ADVISORY COMMITTEE

Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463; 5 U.S.C. App. I) notice is hereby given of a meeting of the Chemical Transportation Industry Advisory Committee's Subcommittee on Bulk Liquid Facilities to be held on August 10, 1977, beginning at 9:30 a.m., Room 8334, Nassif Building, 400 7th Street SW., Washington, D.C. 20590. The agenda for this meeting is as follows:

1. To discuss the drafting of proposed waterfront facility regulations under the authority of the Ports and Waterways Safety Act of 1972.

Attendance is open to the interested public. With the approval of the Chairman, members of the public may present oral statements at the meeting. Persons wishing to attend and persons wishing to present oral statements should notify, not later than the day before the meeting, and information may be obtained from: Capt. C. E. Mathieu, Commandant (G-MHM/83) U.S. Coast Guard, Washington, D.C. 20590 (202-426-2306). Any member of the public may present a written statement to the Committee at any time.

Issued in Washington, D.C., on June 29, 1977.

W. M. BENKERT,
Rear Admiral, U.S. Coast Guard, Chief, Office of Merchant Marine Safety.

[FR Doc.77-19348 Filed 7-6-77;8:45 am]

[CGD 77 124]

CHEMICAL TRANSPORTATION INDUSTRY ADVISORY COMMITTEE

Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463; 5 U.S.C. App. I) notice is hereby given of a meeting of the Chemical Transportation Industry Advisory Committee's Subcommittee on Liquefied Gas Facilities to be held on August 2, 1977, beginning at 9:30 a.m., Room 8334, Nassif Building, 400 7th Street SW., Wash-

ington, D.C. 20590. The agenda for this meeting is a follows:

1. To discuss the drafting of proposed waterfront facility regulations under the authority of the Ports and Waterways Safety Act of 1972.

Attendance is open to the interested public. With the approval of the Chairman, members of the public may present oral statements at the meeting. Persons wishing to attend and persons wishing to present oral statements should notify, not later than the day before the meeting, and information may be obtained from; Capt. C. E. Mathieu, Commandant (G-MHM/83) U.S. Coast Guard, Washington, D.C. 20590 (202-426-2306). Any member of the public may present a written statement to the Committee at any time.

Issued in Washington, D.C., on June 29, 1977.

W. M. BENKERT,
Rear Admiral, U.S. Coast Guard, Chief, Office of Merchant Marine Safety.

[FR Doc.77-19349 Filed 7-6-77;8:45 am]

[CGD 77 121]

EQUIPMENT, CONSTRUCTION, AND MATERIALS

Termination of Approval Notice

1. Certain laws and regulations (46 CFR Ch. I) require that various items of lifesaving, firefighting and miscellaneous equipment, construction, and materials used on board vessels subject to Coast Guard inspection, on certain motorboats and other recreational vessels, and on the artificial islands and fixed structures on the outer Continental Shelf be of types approved by the Commandant, U.S. Coast Guard. The purpose of this document is to notify all interested persons that certain approvals have been terminated as herein described during the period from May 4, 1977 to May 18, 1977 (List No. 7-77). These actions were taken in accordance with the procedures set forth in 46 CFR 2.75-1 to 2.75-50.

2. The statutory authority for equipment, construction, and material approvals is generally set forth in sections 367, 375, 390b, 416, 481, 489, 526p, and 1333 of Title 46, United States Code, section 1333 of Title 43, United States Code, and section 198 of Title 50, United States Code. The Secretary of Transportation has delegated authority to the Commandant, U.S. Coast Guard with respect to these approvals (46 CFR 1.46(b)). The specifications prescribed by the Commandant, U.S. Coast Guard for certain types of equipment, construction, and materials are set forth in 46 CFR Parts 160 to 164.

3. Not withstanding the termination of approval listed in this document, the equipment affected may be used as long as it remains in good and serviceable condition.

MARINE BUOYANT DEVICE

The Groendyk Manufacturing Company, Inc., Route 11, Buchanan, Virginia 24066, no longer manufactures certain marine buoyant devices and Approval Nos. 160.064/94/0, 160.064/95/0, 160.064/96/0, 160.064/97/0, 160.064/294/0, 160.064/295/0, 160.064/296/0, 160.064/297/0, and 160.064/298/0 were therefore terminated effective May 4, 1977.

The Gladding-Style Crafters Division, White Horse Road, Greenville, South Carolina 29605, no longer manufactures certain marine buoyant devices and Approval Nos. 160.064/102/0, 160.064/103/0, 160.064/438/0, 160.064/439/0, 160.064/440/0, and 160.064/441/0 were therefore terminated effective May 5, 1977.

The AMF Voit, Inc., 3801 S. Harbor Boulevard, Santa Ana, California 92702, no longer manufactures certain marine buoyant devices and Approval Nos. 160.064/214/0, 160.064/215/0, 160.064/216/0, 160.064/217/0, 160.064/281/0, 160.064/282/0, 160.064/283/0, 160.064/284/0, 160.064/285/0, and 160.064/286/0 were therefore terminated effective May 4, 1977 and Approval Nos. 160.064/540/0, 160.064/541/0, 160.064/644/0, 160.064/745/0, 160.064/746/0, 160.064/747/0, and 160.064/748/0 were therefore terminated effective May 5, 1977.

The Burbank Ski Company, 1855 Victory Place, Burbank, California 91504, no longer manufactures certain marine buoyant devices and Approval Nos. 160.064/310/0, 160.064/311/0, 160.064/312/0, 160.064/313/0, 160.064/314/0, and 160.064/315/0 were therefore terminated effective May 4, 1977 and Approval Nos. 160.064/521/0, 160.064/522/0, 160.064/660/0, 160.064/874/0, 160.064/875/0, 160.064/876/0, and 160.064/877/0 were therefore terminated effective May 5, 1977.

FIRE-PROTECTIVE SYSTEMS

The Walter Kidde & Company, Inc., Belleville, New Jersey 07109, Approval No. 161.002/6/0 expired and was therefore terminated effective May 17, 1977.

INCOMBUSTIBLE MATERIALS FOR MERCHANT VESSELS

The Philip Carey Company, Lockland, Cincinnati, Ohio 45215, Approval Nos. 164.009/2/0 and 164.009/3/0 expired and were terminated effective May 18, 1977.

INTERIOR FINISHES FOR MERCHANT VESSELS

The Westinghouse Electric Corporation, Decorative Micarta Division, Hampton, South Carolina 29924, Approval No. 164.-012/3/0 expired and was therefore terminated effective May 15, 1977 and Approval No. 164.012/4/0 expired and was terminated effective May 17, 1977.

Dated: June 29, 1977.

W. M. BENKERT,
Rear Admiral, U.S. Coast Guard, Chief, Office of Merchant Marine Safety.

[FR Doc.77-19350 Filed 7-6-77;8:45 am]

National Highway Traffic Safety Administration

TRUCK AND BUS SAFETY SUBCOMMITTEES

Public Meeting

As published in the FEDERAL REGISTER on Thursday, June 23 the Truck and Bus Safety Subcommittee will meet on July 13 and 14 at the Hyatt Regency Hotel in Cambridge, Massachusetts.

The purpose of this notice is to outline the agenda for the meeting.

On July 13 at 2 p.m. in the Wm. Dawes A room the Safety Standards Task Force will meet to develop plans for future task force activities and to formulate agenda of technical matters related to FMVSS 121 for possible discussion by technical experts from the trucking industry.

The R & D Task Force will meet on July 13 at 2 p.m. in the Wm. Dawes B room to discuss the recent GAO report "The Federal Motor Carrier Safety Program" and to analyze DOT truck and bus safety research and development activity.

Also on July 13 at 2 p.m. the Operations and Driver Task Force will meet in the Thomas Payne A room to discuss plans to develop the driver information pamphlet and the maintenance and mechanics manual as requested by the Administrator, NHTSA.

On July 14 the full subcommittee will meet from 8:30 a.m. to 1 p.m. in the Thomas Payne A&B room to hear reports from the task forces, a report on the activities of NHTSA's 121 Task Force, a presentation by Insurance Institute for Highway Safety on requirements for rear underride protection and to discuss old/new business.

Additional information may be obtained from the NHTSA Executive Secretary, Room 5215, 400 Seventh Street SW., Washington, D.C., telephone 202-426-2872.

Issued in Washington, D.C., June 29, 1977.

WM. H. MARSH,
Executive Secretary.

[FR Doc.77-19149 Filed 7-6-77;8:45 am]

DEPARTMENT OF THE TREASURY

Office of the Secretary

PRIVACY ACT OF 1974

Adoption of System of Records

On April 27, 1977 the Office of the Secretary published for comment by interested persons (42 FR 21532) a proposal to establish a new system of records called the Early Implementation System (EIS), Treasury/Customs 00.278.

The Proposal also advised that adoption of the new system would cancel two existing systems, the Operator Identification File Treasury/Customs 00.275 and Automated Merchandise Processing System (AMPS) Liquidation File Treasury/Customs 00.025.

No comments were received. Accordingly, the system is adopted as proposed and is republished below.

Dated: June 29, 1977.

WILLIAM J. BECKHAM,
Assistant Secretary (Administration).

TREASURY/CUSTOMS 00.278

System name:

Early Implementation System (EIS)—Treasury/Customs.

System location:

The Computer is located at 1900 West Park Drive, McLean, Virginia 23701. Computer terminals are located at Customhouses and ports throughout the United States and at U.S. Customs Headquarters, Washington, D.C. (For addresses of Customhouses see Customs Appendix A.)

Categories of individuals covered by the system:

U.S. Customs Service employees and individuals involved in the import trade.

Categories of records in the system:

The system data base is comprised of commodity and merchandise processing information relating to Customs administration of trade laws. Certain portions contain no information about individuals. These are the Tariff Schedules of the United States Annotated (TSUSA) file, country file, criteria file for the selection of routine items, Team TSUSA file, district port file, and the entry master file. The following system files may contain information about U.S. Customs Service employees and/or individuals/companies involved in the import trade.

(1) Authorized Terminals Users File: Contains Randomly established five-digit identification codes and passwords assigned to Customs Service employees authorized to use the system. The file consists of the names and identification of all Customs Service employees using the remote terminals to input information into the system. It does not contain Social Security numbers. The degree of access to the system varies according to the users responsibilities in the system. (2) Importer/Broker/Consignee Bond File: Records consist of importer of record number, importer name, type of importation bond, expiration date, and surety code. The importer of record number is used as the method of accessing the file. The number is assigned by any one of three code formats according to availability and the following hierarchy. The first choice is the IRS employer Identification number (EIN). The vast majority of importers have the EIN because of the business necessity for it.

The second alternative is the Social Security number (SSN). The third alternative is a Customs-assigned number. This file is referenced during entry processing to verify that the individual or company making entry is authorized to import and is properly bonded. (3) Broker File: A record consists of a three-digit Customs-assigned Customhouse broker number (non-SSN) and the broker name. The file is referenced during entry processing to validate the broker number and to prepare and distribute the Broker ID Performance Report to the individual or company concerned. The subject of the report is compliance with the entry filing requirements under the immediate delivery program. Information is disclosed only to the party-of-record. (4) Surety File: A record consists of a three-digit surety code (non-SSN) assigned by the Customs Accounting Division and the surety name. The file is referenced during entry processing to validate these surety codes. No information on surety company affairs is collected or disseminated in the system. (5) Liquidator File: A record consists of a Customs-assigned three-digit liquidator identification (non-SSN) and a Customs employee's name. The employee's liquidator code is input into the system as a means of maintaining quality control and an audit trail on entries liquidated.

(6) Manufacturer File: The file contains only a three-digit manufacturer code number (non-SSN) and manufacturer name.

Authority for maintenance of the system:

19 U.S.C. 66, 1448, 1481, 1483, 1484, 1505, and 1624.

Routine uses of records maintained in the system, including categories of users and the purpose of such uses:

The routine uses of the records contained in this system of records are as follows: (a) Disclosure of those officers and employees of the Customs Service and the Department of the Treasury who have a need for the records in the performance of their duties; (b) Disclosures required in administration of the Freedom of Information Act (5 U.S.C. 552); (c) To provide the Bureau of the Census with a magnetic tape containing foreign trade data.

For additional routine uses see Appendix AA.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage:

Magnetic Disc.

Retrievability:

By identification codes and/or name.

Safeguards:

Access to computer area is controlled by a security pass arrangement and personnel not connected with the operation of the computer are prohibited from entering. The building security is protected by a uniformed guard. At the ports of processing, terminal rooms are under close supervision during working hours and locked after close of business. The system security officer issues a unique private five digit identification code to each authorized user. The codes are changed periodically to enhance security. All computer terminals are keylocked when not in use. Access to the Customs computer from other than system terminals is prohibited by hardware controls. Users must input a unique identification code during the terminal log-on procedure to gain access to the system. The identification code is not printed or displayed at the port of processing. The system validates the user ID by transaction type, thereby limiting a system user's access to information on a need-to-know basis. A listing of identification codes of authorized users can be printed only at the computer room site by request of the security officer.

Retention and disposal:

Files are retained indefinitely but are periodically updated to reflect changes, etc.

System manager(s) and address:

Director, AMPS Program Division, Customs Service Headquarters, 1301 Constitution Avenue, N.W., Washington, D.C. 20229, is responsible for the security and safeguard of the operating system. Director, Duty Assessment Division, Customs Service Headquarters, 1301 Constitution Avenue, N.W., Washington, D.C. 20229, is responsible for all data maintained in the files.

Notification procedure:

Requests by an individual to be notified if the system of records contains records pertaining to him shall be in writing and directed to the Director, Entry Procedures and Penalties Division, Office of Regulations and Rulings, U.S. Customs Service Headquarters, 1301 Constitution Avenue, NW., Washington, D.C. 20229. The requester will be notified in writing of the procedures to be followed. Where the request is presented in person the requester shall present adequate identification to establish his identity, and a comparison of his signature and those in the records may be made where the records contain the necessary signature.

If an individual can provide no suitable documents for identification, he may be required to make a signed statement asserting identity and stipulating that he understands that knowingly or willfully seeking or obtaining access to records about another person under false pretenses is punishable by a fine up to five thousand dollars.

Where the request is not presented in person, it shall be accompanied by a notarized statement executed by the requester asserting identity and stipulating that he understands that knowingly or willfully seeking or obtaining access to records about another person under false pretenses is punishable by a fine of up to five thousand dollars. A comparison of his signature and those in the records may be made where the records contain the necessary signature.

Record access procedures:

Requests by an individual to be notified how he can gain access to a record pertaining to him contained in a system

of records and how he can contest its contents, shall be in writing and directed to the Director, Entry Procedures and Penalties Division, Office of Regulations and Rulings, U.S. Customs Service, 1301 Constitution Avenue, NW., Washington, D.C. 20229. The requester will be notified in writing of the procedures to be followed. Where the request is presented in person, the requester shall present adequate identification to establish his identity, and a comparison of his signature and those in the records may be made where the records contain the necessary signature. If an individual can provide no suitable documents for identification, he may be required to make a signed statement asserting identity and stipulating that he understands that knowingly or willfully seeking or obtaining access to records about another person under false pretenses is punishable by a fine up to five thousand dollars.

Where the request is not presented in person, it shall be accompanied by a notarized statement executed by the requester asserting identity and stipulating that he understands that knowingly or willfully seeking or obtaining access to records about another person under false pretenses is punishable by a fine up to five thousand dollars. A comparison of his signature and those in the records may be made where the records contain the necessary signature

Contesting records procedures:

See Access above.

Record source category:

The system data base is limited to data about individuals and/or companies incidental to the conduct of foreign trade and required by the Customs Service in administering the tariff laws and regulations of the United States. No information concerning any individual's or company's importation activity, bonds status, and compliance or noncompliance with Customs Regulations will be disclosed for non-authorized purposes to any person other than the party-of-record upon receipt of a written request.

[FR Doc.77-19163 Filed 7-6-77;8:45 am]

Office of Foreign Assets Control

IMPORTATION FROM JAPAN OF FERRO-CHROMIUM AND CHROMIUM-BEARING STEEL PRODUCTS UNDER THE RHODESIAN SANCTIONS REGULATIONS

Issuance by the Government of Japan of Special Certificates Verifying Non-Rhodesian Origin of Chromium Content

Special Certificates of origin issued by the Ministry of International Trade and Industry of the Government of Japan are now available for imports of ferrochromium and specialty steel products from Japan. These certificates are issued pursuant to a formal certification agreement between the Government of Japan and the Government of the United States. They will serve to establish that Japanese materials exported to the United States do not contain any chromium of Rhodesian origin. The agreement replaces the interim arrangements which have been in effect since March 18, 1977, to permit importation of specialty steel products from Japan. After July 18, 1977, only materials certified under this agreement may be imported under Section 530.503 of the Rhodesian Sanctions Regulations. (31 CFR 530.503). However, until July 18, 1977, importation of materials certified pursuant to the interim arrangements will continue to be authorized.

Dated: June 24, 1977.

STANLEY L. SOMMERFIELD,
Acting Director.

Approved:
BETTE B. ANDERSON,
Under Secretary.

[FR Doc.77-19201 Filed 7-1-77;8:45 am]

OFFICE OF MANAGEMENT AND BUDGET

PRIVACY ACT OF 1974

Reports on New Systems

The purpose of this notice is to list reports on new systems filed with the Office of Management and Budget to give members of the public the opportunity to make inquiries about them and to comment on them.

The Privacy Act of 1974 requires that agencies give advance notice to the Congress and the Office of Management and Budget of their intent to establish or modify systems of records subject to the Act (5 U.S.C. 552a(o)). During the period June 13, 1977 through June 24, 1977 the Office of Management and Budget received the following reports on new (or revised) systems of records.

TENNESSEE VALLEY AUTHORITY

System name:
Electric Load Metering Survey.
Report Date:
June 15, 1977.
Point-of-Contact:
Mr. Alan R. Griswold, Privacy Act Coordinator, Tennessee Valley Authority, Knoxville, Tennessee 37902.
Summary:
TVA proposes to expand its study of electricity use by increasing the number of individuals from whom information is obtained in order to evaluate alternative rate structures and design, implement and improve energy conservation programs.

AGENCY FOR INTERNATIONAL DEVELOPMENT

System Names:
(1) Foreign Service Employee Personnel Records.
(2) Civil Service Employee Office Personnel Records.
(3) Position Classification Records.
(4) Foreign Service Personnel Evaluation Records.
(5) Employees Relations Records.
(6) Employee Conduct and Discipline Records.
(7) Awards and Incentives Records.
(8) Employee Payroll Records.
(9) Claims Records.
(10) Privacy Act Implementation Records.
Report Date:
June 21, 1977.
Point-of-Contact:
Mr. James L. Harper, Office of Personnel and Manpower, Agency for International Development, Department of State, Washington, D.C. 20523.
Summary:
This report proposes an additional routine use (disclosure to Department of Labor to determine eligibility for unemployment compensation), and changes to the location, system managers, and notification and access procedures for ten systems of records.

VELMA N. BALDWIN,
Assistant to the Director for Administration.

[FR Doc.77-19270 Filed 7-6-77;8:45 am]

UNITED STATES INFORMATION AGENCY

PRIVACY ACT OF 1974

Additional General Routine Use

The United States Information Agency proposes to establish an additional general routine use for one of its systems of records under the Privacy Act of 1974, in addition to the one announced in the FEDERAL REGISTER on September 23, 1976 (41 FR 41884).

The Agency proposes to amend USIA-21—Master Employee Records—IPT, to reflect a new use of performance evaluation reports. Under routine uses, USIA proposes to amend the first paragraph after "for preparation of employee performance rating;" by substituting the following:

evaluation of work performance used by Selection Boards and Merit Promotion Panels to determine whether employees should be promoted; evaluations of work performance are reviewed by Officer Evaluations Report Review Panel to correct technical deficiencies in reporting and improve quality of evaluations. Also see Prefatory Statement of General Routine Uses.

Public comment on this amendment is hereby invited.

Dated: June 27, 1977.

JOHN E. REINHARDT,
Director.

[FR Doc.77-19324 Filed 7-6-77;8:45 am]

COMMISSION ON FEDERAL PAPERWORK

PUBLIC MEETING

Notice is hereby given of the thirteenth regular meeting of the Commission on Federal Paperwork to be held on July 15, 1977, in Room 2154, Rayburn House Building, Washington, D.C.

The meeting will begin at 9 a.m. and will continue until approximately 12 noon. The meeting will be open to the public. The Commission will review progress on approved projects, including reports in the following areas: Rulemaking, Banking, Tax, Employment, and State and local government.

Anyone wishing to attend the meeting is invited. For further details, contact the Commission on Federal Paperwork, Room 2000, 1111, 20th Street NW., Washington, D.C. 20582, telephone 202-653-5400.

FRANK HORTON,
Chairman.

[FR Doc.77-19563 Filed 7-6-77;11:11 am]

INTERSTATE COMMERCE COMMISSION

[Notice No. 430]

ASSIGNMENT OF HEARINGS

JULY 1, 1977.

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.

MC 138134 Sub 7, Donald Holland Trucking, Inc. now assigned July 25, 1977 at Chicago, Illinois in Room 348, 230 South Dearborn Street is being transfered to Courtroom 2119, Everett McKinley Dirksen Building, 219 South Dearborn Street in Chicago, Illinois.

MC 118848 Sub No. 24 Domenico Bus Service, Inc., now being assigned October 3, 1977 (1 week) for hearing in Newark, N.J. in a hearing room to be later designated.

FF-C-67, Max Gruenhut, GMBH & Co., Max Gruenhut International, Inc., Inland Imports, Inc. and Green Container Transport, Inc., Investigation of Operations, now assigned July 28, 1977 at Chicago, Illinois has been postponed indefinitely.

MC 142769 (Sub-1), Colonial Refrigerated Transportation, Inc., now assigned July 13, 1977 at Dallas, Texas, hearing canceled and the application is dismissed.

MC 123294 Sub No. 40 Warsaw Trucking Co., Inc. Now assigned July 27, 1977 at Chicago, Illinois in Room 348, 230 South Dearborn Street is being transferred to Court Room 2119, Everett McKinley Dirksen Building, 219 South Dearborn Street in Chicago, Illinois.

MC 142640, P.W.K. Terminals, Inc., now assigned July 26, 1977, at Chicago, Ill. will be held in Courtroom 2119, Everett McKinley Dirksen Building, 219 South Dearborn Street, instead of Room 348, 230 South Dearborn Street.

MC 121142 (Sub-No. 14) J & G Express, Inc., now assigned July 11, 1977, at Jackson, Miss. is cancelled and reassigned for November 7, 1977 (2 days), at Greenwood, Miss. and continued to November 9, 1977 (3 days), at Greenville, Miss., location of hearing rooms to be later designated.

H. G. HOMME, Jr.,
Acting Secretary.

[FR Doc.77-19357 Filed 7-6-77;8:45 am]

[Ex Parte No. 241, Rule 19; Exemption No. 0131, Amdt No. 4]

ALL RAILROADS

Exemption Under Mandatory Car Service Rules

Upon further consideration of Exemption No. 131 issued February 8, 1977.

It is ordered, That, under authority vested in me by Car Service Rule 19, Exemption No. 131 to the Mandatory Car Service Rules ordered in Ex Parte No. 241 be, and it is hereby, amended to *expire September 30, 1977*.

This amendment shall become effective June 30, 1977.

Issued at Washington, D.C., June 23, 1977.

INTERSTATE COMMERCE COMMISSION,
JOEL E. BURNS,
Agent.

[FR Doc.77-19356 Filed 7-6-77;8:45 am]

IRREGULAR-ROUTE MOTOR COMMON CARRIERS OF PROPERTY

Elimination of Gateway Letter Notices

JULY 1, 1977.

The following letter-notices of proposals to eliminate gateways for the purpose of reducing highway congestion, alleviating air and poise pollution, minimizing safety hazards, and conserving fuel have been filed with the Interstate Commerce 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 by July 18, 1977. 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 1872 (Sub-No. E5), filed June 4, 1974. Applicant: ASHWORTH TRANSFER, INC., 1526 South 700 West Street, Salt Lake City, Utah 84104. Applicant's representative: Richard P. Kissinger, P.O. Box 17B, Denver, Colorado 80217. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *self-propelled articles, each weighing 15,000 pounds or more, and related machinery, tools, parts, and supplies moving in connection therewith, when the foregoing commodities are moving as contractors' equipment and supplies*, (1) between points in Arizona on the one hand and, on the other, points in Iowa (points in Colorado);* (2) between points in Arizona on the one hand and, on the other, points in Kansas (points in Colorado);* (3) between points in Arizona on the one hand and, on the other, points in Missouri (points in Colorado);* (4) between points in Arizona on the one hand and, on the other, points in Nebraska (points in Colorado);* (5) between points in Arizona on the one hand and, on the other, points in South Dakota (points in Colorado);* (6) between points in Idaho one the one hand and, one the other, points in Iowa (points in Wyoming);* (7) between points in Idaho on the one hand and, on the other, points in Kansas (points in Wyoming);* (8) between points in Idaho on the one hand and, on the other, points in Missouri (points in Wyoming);* (9) between points in Idaho on the one hand and, on the other, points in Nebraska (points in Wyoming);* (10) between points in Idaho on the one hand and, on the other, points in South Dakota (points in Wyoming).*

(11) Between points in Montana on the one hand and, on the other, points in Iowa (points in Wyoming);* (12) between points in Montana on the one hand and, on the other, points in Kansas (points in Wyoming);* (13) between points in Montana on the one hand and, on the other, points in Missouri (points in Wyoming);* (14) between points in Montana on the one hand and, on the other, points in Nebraska (points in Wyoming);* (15) between points in Montana on and west of a line beginning at the United States-Canada International Boundary and extending along U.S. Highway 91 to junction U.S. Highway 87, thence along U.S. Highway 87 to the Montana-Wyoming State line on the one hand and, on the other, points in South Dakota, on, south, and east of a line beginning at the South Dakota-North Dakota State line and extending along South Dakota State Highway 63 to junction U.S. Highway 12, thence along U.S. Highway 12 to junction U.S. Highway 83, thence along U.S. Highway 83 to junction U.S. Highway 212, thence along U.S. Highway 212 to the South Dakota-Wyoming State line (points in Wyoming);* (16) between points in Montana on the one hand and, on the other, points in South Dakota on and south of a line beginning at the South Dakota-Wyoming State line and extending along U.S. Highway 212 to junction U.S. Highway 85, thence along U.S. Highway 85 to junction South Dakota State Highway 34, thence along

South Dakota State Highway 34 to junction Interstate Highway 90, thence along Interstate Highway 90 to the South Dakota-Minnesota State line (points in Wyoming).*

(17) Between points in Nevada on the one hand and, on the other, points in Iowa (points in Colorado *or* Wyoming);* (18) between points in Nevada on the one hand and, on the other points in Kansas (points in Colorado);* (19) between points in Nevada on the one hand and, on the other, points in Missouri (points in Colorado);* (20) between points in Nevada on the one hand and, on the other, points in Nebraska (points in Colorado *or* Wyoming);* (21) between points in Nevada on the one hand and, on the other points in South Dakota (points in Wyoming);* (22) between points in Utah on the one hand and, on the other, points in Iowa (points in Colorado *or* Wyoming);* (23) between points in Utah on the one hand and, on the other, points in Kansas (points in Colorado);* (24) between points in Utah on the one hand and, on the other, points in Missouri (points in Colorado *or* Wyoming);* (25) between points in Utah on the one hand and, on the other, points in Nebraska (points in Colrado *or* Wyoming);* (26) between points in Utah on the one hand and, on the other, points in South Dakota (points in Colrado *or* Wyoming);* (27) between points in New Mexico on and west of a line beginning at the New Mexico-Colorado State line and extending along U.S. Highway 550 to junction U.S. Highway 666, thence along U.S. Highway 666 to junction New Mexico State Highway 32, thence along New Mexico State Highway 32 to junction New Mexico State Highway 61, thence along New Mexico State Highway 61 to junction New Mexico State Highway 90, thence along New Mexico State Highway 90 to junction U.S. Highway 80, thence along U.S. Highway 80 to the New Mexico-Arizona State line on the one hand and, on the other, points in South Dakota (points in Utah and Colorado).*

(28) Between points in New Mexico on and west of a line beginning at the New Mexico-Colorado State line and extending along U.S. Highway 550 to junction U.S. Highway 666, thence along U.S. Highway 666, to the New Mexico-Arizona State line on the one hand and, on the other, points in Iowa (points in Utah and Colorado);* (29) between points in New Mexico on and west of a line beginning at the New Mexico-Colorado State line and extending along U.S. Highway 550 to junction U.S. Highway 666, thence along U.S. Highway 666 to the New Mexico-Arizona State line on the one hand and, on the other, points in Missouri (points in Utah and Colorado);* (30) between points in New Mexico west of a line beginning at the New Mexico-Colorado State line and extending along New Mexico State Highway 17 to junction U.S. Highway 550, thence along U.S. Highway 550 to junction U.S. Highway 666, thence along U.S. Highway 666 to junction New Mexico State Highway 32, thence along New Mexico State Highway 32 to junction New Mexico State Highway 61, thence along New Mexico State Highway 61 to junction New Mexico State Highway 90, thence along New Mexico State Highway 90 to U.S. Highway 80, thence along U.S. Highway 80 to the New Mexico-Arizona State line on the one hand and, on the other, points in Nebraska on, west, and north of a line beginning at the Nebraska-South Dakota State line and extending along U.S. Highway 83 to junction Nebraska State Highway 23, thence along Nebraska State Highway 23 to the Nebraska-Colorado State line (points in Utah and Colorado *or* Wyoming);* Restriction: The operations authorized herein are restricted to commodities which are transported on trailers. The purpose of this filing is to eliminate the gateways marked with an asterisk above.

No. MC 1872 (Sub-No. E8), filed June 4, 1974. Applicant: ASHWORTH TRANSFER, INC., 1526 South 700 West Street, Salt Lake City, Utah 84104. Applicant's representative: Richard P. Kissinger, P.O. Box 17B, Denver, Colorado 80217. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: Contractors' equipment and supplies, the transportation of which because of size or weight requires the use of special equipment, (1) between points in Washington, on the one hand, and, on the other, points in Nebraska (points in Wyoming and Montana);* (2) between points in Washington, on the one hand, and, on the other, points in Kansas (points in Wyoming *or* Colorado and Montana *or* Utah);* (3) between points in Washington, on the one hand, and, on the other, points in Missouri (points in Wyoming or Colorado and Montana *or* Utah):* (4) between points in Washington, on the one hand, and, on the other, points in Iowa (points in Wyoming *or* Colorado and Montana or Utah);* (5) between points in Washington, on the one hand, and, on the other, points in South Dakota (points in Wyoming *or* Colorado and Montana *or* Utah);* (6) between points in Oregon, on the one hand, and, on the other, points in Nebraska (points in Wyoming *or* Colorado and Montana *or* Utah);* (7) between points in Oregon, on the one hand, and, on the other, points in Kansas (points in Wyoming *or* Colorado and Montana *or* Utah);* (8) between points in Oregon, on the one hand, and, on the other, points in Missouri (points in Wyoming or Colorado and Montana or Utah).*

(9) Between points in Oregon, on the one hand, and, on the other points in Iowa (points in Wyoming *or* Colorado and Montana *or* Utah);* (10) between points in Oregon, on the one hand, and, on the other points in South Dakota (points in Montana *or* Colorado and Wyoming *or* Utah);* (11) between points in New Mexico west of a line beginning at the New Mexico-Colorado State line and extending along New Mexico State Highway 17 to junction U.S. Highway 550, thence along U.S. Highway 550 to junction U.S. Highway 666, thence along U.S. Highway 666 to junction New Mexico State Highway 32, thence along New Mexico State Highway 32 to junction New Mexico State Highway 61, thence along New Mexico State Highway 61 to junction New Mexico State Highway 90, thence along New Mexico State Highway 90 to junction U.S. Highway 80, thence along U.S. Highway 80 to the New Mexico-Arizona State line, on the one hand, and, on the other, points in Nebraska on, west, and north of a line beginning at the Nebraska-South Dakota State line and extending along U.S. Highway 83 to junction Nebraska State Highway 23, thence along Nebraska State Highway 23 to the Nebraska-Colorado State line (points in Utah and Colorado);* (12) between points in New Mexico on and west of a line beginning at the New Mexico-Colorado State line and extending along New Mexico State Highway 17 to junction U.S. Highway 550, thence along U.S. Highway 550 to junction U.S. Highway 666, thence along U.S. Highway 666 to the New Mexico-Arizona State line, on the one hand, and, on the other, points in Kansas on, north, and east of a line beginning at the Kansas-Colorado State line and extending along Interstate 70 to junction Kansas State Highway 23, thence along Kansas State Highway 23 to junction U.S. Highway 50, thence along U.S. Highway 50 to junction U.S. Highway 154, thence along U.S. Highway 154 to junction U.S. Highway 54, thence along U.S. Highway 54 to junction Kansas State Highway 96, thence along Kansas State Highway 96 to junction U.S. Highway 75, thence along U.S. Highway 75 to the Kansas-Oklahoma State line (points in Utah and Colorado).*

(13) Between points in New Mexico on and west of a line beginning at the New Mexico-Colorado State line and extending along U.S. Highway 550 to junction U.S. Highway 666, thence along U.S. Highway 666 to the New Mexico-Arizona State line, on the one hand, and, on the other, points in Missouri (points in Utah and Colorado);* (14) between points in New Mexico on and west of a line beginning at the New Mexico-Colorado State line and extending along U.S. Highway 550 to junction U.S. Highway 666, thence along U.S. Highway 666 to the New Mexico-Arizona State line, on the one hand, and, on the other, points in Iowa (points in Utah and Colorado);* (15) between points in New Mexico, on, west, and south of a line beginning at the New Mexico-Arizona State line and extending along Interstate Highway 40 to junction New Mexico State Highway 32, thence along New Mexico State Highway 32 to junction U.S. Highway 60, thence along U.S. Highway 60 to junction Interstate Highway 25, thence along Interstate Highway 25 to junction U.S. Highway 380, thence along U.S. Highway 380 to junction U.S. Highway 54, thence along U.S. Highway 54 to junction U.S. Highway

82, thence along U.S. Highway 82 to the New Mexico-Texas State line, on the one hand, and, on the other, points in Colorado on and west of a line beginning at the Colorado-Wyoming State line and extending along Colorado State Highway 13 to junction U.S. Highway 6, thence along U.S. Highway 6 to the Colorado-Utah State line (points in Utah and Colorado).*

(16) Between points in New Mexico on and west of a line beginning at the New Mexico-Colorado State line and extending along U.S. Highway 285 to junction Interstate Highway 25, thence along Interstate Highway 25 to the New Mexico-Texas State line, on the one hand, and, on the other, points in Wyoming, on and west of a line beginning at the Wyoming-Montana State line and extending along U.S. Highway 210 to junction U.S. Highway 20, thence along U.S. Highway 20 to junction Wyoming State Highway 789, thence along Wyoming State Highway 789, to junction Wyoming State Highway 28, thence along Wyoming State Highway 28 to junction U.S. Highway 187, thence along U.S. Highway 187 to junction Wyoming State Highway 430, thence along Wyoming State Highway 430 to the Wyoming-Colorado State line (points in Utah and Wyoming);* (17) between points in New Mexico on and west of a line beginning at the New Mexico-Colorado State line and extending along U.S. Highway 550 to junction U.S. Highway 666, thence along U.S. Highway 666 to junction New Mexico State Highway 32, thence along New Mexico State Highway 32 to junction New Mexico State Highway 61, thence along New Mexico State Highway 61 to junction New Mexico State Highway 90, thence along New Mexico State Highway 90 to junction U.S. Highway 80, thence along U.S. Highway 80 to the New Mexico-Arizona State line, on the one hand, and, on the other, points in South Dakota (points in Utah and Colorado);* (18) between points in Utah, on the one hand, and, on the other, points in Nebraska (points in Colorado *or* Wyoming);* (19) between points in Utah, on the one hand, and, on the other, points in Kansas (points in Colorado);* (20) between points in Utah, on the one hand, and, on the other, points in Missouri (points in Wyoming or Colorado).*

(21) Between points in Utah, on the one hand, and, on the other, points in Iowa (points in Wyoming *or* Colorado);* (22) between points in Utah, on the one hand, and, on the other, points in South Dakota (points in Wyoming *or* Colorado);* (23) between points in Arizona, on the one hand, and, on the other, points in Iowa (points in Colorado or Wyoming);* (24) between points in Arizona, on the one hand, and, on the other, points in Kansas (Colorado *or* Wyoming);* (25) between points in Arizona, on the one hand, and, on the other, points in Missouri (points in Colorado);* (26) between points in Arizona, on the one hand, and, on the other, points in Nebraska (points in Colorado);* (27) between points in Arizona, on the one hand, and, on the other, points in South Dakota (points in Colorado);* (28) between points in Idaho, on the one hand, and, on the other, points in Iowa (points in Wyoming);* (29) between points in Idaho, on the one hand, and, on the other, points in Kansas (points in Wyoming);* (30) between points in Idaho, on the one hand, and, on the other, points in Missouri (points in Wyoming);* (31) between points in Idaho, on the one hand, and, on the other, points in Nebraska (points in Wyoming);* (32) between points in Idaho, on the one hand, and, on the other, points in South Dakota (points in Wyoming);* (33) between points in Montana, on the on hand, and, on the other, points in Iowa (points in Wyoming);* (34) between points in Montana, on the one hand, and, on the other, points in Kansas (points in Wyoming);* (35) between points in Montana, on the one hand, and, on the other, points in Missouri (points in Wyoming); (36) between points in Montana, on the one hand, and, on the other, points in Nebraska (points in Wyoming).*

(37) Between points in Montana on and west of a line begining at the United States-Canada International Boundary line and extending along U.S. Highway 91 to junction U.S. Highway 87, thence along U.S. Highway 87 to the Montana-Wyoming State line, on the one hand, and, on the other, points in South Dakota on, south, and east of a line beginning at the South Dakota-North Dakota State line and extending along South Dakota State Highway 63 to junction U.S. Highway 12, thence along U.S. Highway 12 to junction U.S. Highway 83, thence along U.S. Highway 83 to junction U.S. Highway 212, thence along U.S. Highway 212 to the South Dakota-Wyoming State line (points in Wyoming);* (38) between points in Montana, on the one hand, and, on the other, points in South Dakota on and south of a line beginning at the South Dakota-Wyoming State line and extending along U.S. Highway 212 to junction U.S. Highway 85, thence along U.S. Highway 85 to junction South Dakota State Highway 34, thence along South Dakota State Highway 34 to junction Interstate Highway 90, thence along Interstate Highway 90 to the South Dakota-Minnesota State line (points in Wyoming);* (39) between points in Nevada, on the one hand, and, on the other, points in Iowa (points in Colorado *or* Wyoming);* (40) between points in Nevada, on the one hand, and, on the other, points in Kansas (points in Colorado);* (41) between points in Nevada, on the one hand, and, on the other, points in Missouri (points in Colorado);* (42) between points in Nevada, on the one hand, and, on the other, points in Nebraska (points in Colorado or Wyoming);* (43) between points in Nevada, on the one hand, and, on the other, points in South Dakota (points in Wyoming).

The purpose of this filing is to eliminate the gateways marked with asterisks above.

No. MC 2607 (Sub-No. E1), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Callagher, Suite 1200, 1000 Conecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor carrier, over irregular routes, transporting: *Household goods*, as defined by the Commission between points in Connecticut, on the one hand, and, on the other, points in Tennessee on and west of a line beginning at the Kentucky-Tennessee State line and extending along U.S. Highway 79 to Clarksburg, Tenn., thence along Tennessee Highway 13 to the Alabama-Tennessee State line.

The purpose of this filing is to eliminate the gateways of Camden, N.J., and Macon County, Ill.

No. MC 2607 (Sub-No. E2), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Connecticut, on the one hand, and, on the other, points in Wisconsin on and west of a line beginning at the Illinois-Wisconsin State line and extending along Interstate Highway 90 to junction Wisconsin Highway 73, thence north along Wisconsin Highway 73 to junction Wisconsin Highway 23, thence east on Wisconsin Highway 23 to junction Wisconsin Highway 49, thence north on Wisconsin Highway 49 to junction Wisconsin Highway 29, thence east on Wisconsin Highway 29 to junction U.S. Highway 45, thence north on U.S Highway 45 to the Michigan-Wisconsin State line.

The purpose of this filing is to eliminate the gateways of Camden, N.J., and Macon County, Ill.

No. MC 2607 (Sub-No. E9), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between Kent County, Del. on the one hand and, on the other, points in South Carolina. The purpose of this filing is to eliminate the gateways of Kent County, Md. and Camden, N.J. and points within 20 miles thereof in New Jersey.

No. MC 2607 (Sub-No. E10), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between

Sussex County, Del. on the one hand and, on the other, points in Barnwell, Aiken, Edgefield, Saluda, McMormick, Greenwood, Newberry, Abbeville, Laurens, Anderson, Union, Spartansburg, Cherokee, Oconee, Pickens, and Greenville Counties, S.C. The purpose of this filing is to eliminate the gateways of Caroline County, Md. and Camden, N.J. and points within 20 miles thereof in New Jersey.

No. MC 2607 (Sub-No. E11), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between the District of Columbia on the one hand and, on the other, points in Arkansas on and west of a line beginning at the Missouri-Arkansas state line, thence along U.S. Highway 65 south to Harrison, Ark., thence south along Arkansas Highway 7 to junction Arkansas Highway 16, thence west on Arkansas Highway 16 to junction Arkansas Highway 23, thence south on Arkansas Highway 23 to junction U.S. Highway 71, thence south along U.S. Highway 71 to junction Arkansas Highway 28, thence west on Arkansas Highway 28 to the Oklahoma Arkansas state line. The purpose of this filing is to eliminate the gateways of Camden, N.J. and Clark County, Ill.

No. MC 2607 (Sub-No. E12), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 100 Connecticut Ave., NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between the District of Columbia on the one hand and, on the other, points in Texas on, west, and south of a line beginning at the Oklahoma-Texas state line, thence along U.S. Highway 75 south to Dallas, Tex., thence along Interstate Highway 45 to junction U.S. Highway 79, thence south on U.S. Highway 79 to junction U.S. Highway 77, thence south on U.S. Highway 77 to junction U.S. Highway Alt. 77 at Hallettsville, thence south on U.S. Alt. 77 to junction U.S. Highway 77 at Refugio, Tex., thence along U.S. Highway 77 to Sinton, Tex., thence along U.S. Highway 181 to Corpus Christi, Tex. The purpose of this filing is to eliminate the gateways of Camden, N.J. and points in Clark, Shelby and Cumberland Counties, Ill.

No. MC 2607 (Sub-No. E13), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between the District of Columbia on the one hand and, on the other, points in Iowa on, west, and south of a line beginning at the Missouri-Iowa state line and extending north along U.S. Highway 63 to Ottumwa, Iowa, thence west on U.S. Highway 34 to junction U.S. Highway 59, thence north on U.S. Highway 59 to junction Iowa Highway 37, thence west along Iowa Highway 37 to junction U.S. Highway 75, thence north on U.S. Highway 75 to the Minnesota-Iowa state line. The purpose of this filing is to eliminate the gateways of Camden, N.J. and Macon County, Ill.

No. MC 2607 (Sub-No. E15), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Cecil, Kent, Queen Annes, Caroline, Dorchester, Talbot, Worcester, Wicomico and Somerset Counties, Md. on the one hand and, on the other, points in Kentucky on and west of a line beginning at Owensboro, Ky., thence along U.S. Highway 431 to junction U.S. Highway 62, thence along U.S. Highway 62 to junction U.S. Highway 641, thence along U.S. Highway 641 to the Tennessee-Kentucky state line. The purpose of this filing is to eliminate the gateways of Camden, N.J. and points in Clark, Coles, and Cumberland Counties, Ill.

No. MC 2607 (Sub-No. E16), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Cecil, Kent, Queen Annes, Caroline, Dorchester, Talbot, Worcester, Wicomico, Somerset, Harford, Baltimore, Carroll, Howard, Anne Arundal, Prince Georges, Calvert, Charles, and St. Marys Counties, Md. on the one hand and, on the other, points in Texas. The purpose of this filing is to eliminate the gateways of Camden, N.J., and points in Clark, Coles, and Cumberland Counties, Ill.

No. MC 2607 (Sub-No. E17), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Cecil, Kent, Queen Annes, Caroline, Dorchester, Talbot, Worcester, Wicomico, and Somerset Counties, Md. on the one hand and, on the other, points in Indiana. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E18), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Cecil, Kent, Queen Annes, Caroline, Dorchester, Talbot, Worcester, Wicomico, and Somerset Counties, Md. on the one hand and, on the other, points in Wisconsin on, north, and west of a line beginning at the Illinois-Wisconsin state line and extending along U.S. Highway 151, thence along U.S. Highway 151 to junction U.S. Highway 51, thence along U.S. Highway 51 to the Michigan-Wisconsin state line. The purpose of this filing is to eliminate the gateway of Camden, N.J. and Macon County, Ill.

No. MC 2607 (Sub-No. E19), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Cecil, Kent, Queen Annes, Caroline, Dorchester, Talbot, Worcester, Wicomico, Somerset, Harford, and Baltimore Counties, Md. on the one hand and, on the other, points in Arkansas. The purpose of this filing is to eliminate the gateways of Camden, N.J. and points in Clark, Coles, and Cumberland Counties, Ill.

No. MC 2607 (Sub-No. E20), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Harford, Baltimore, Howard, and Anne Arundel Counties, Md. on the one hand and, on the other, points in Georgia on and south of a line beginning at the Alabama-Georgia state line, thence along Georgia Highway 8 to junction U.S. Highway 27, thence along U.S. Highway 27 to junction Georgia Highway 16 at Carrollton, Ga., thence along Georgia Highway 16 to junction Interstate Highway 75, thence along Interstate Highway 75 to junction Interstate Highway 16, thence along Interstate Highway 16 to junction U.S. Highway 441, thence along U.S. Highway 441 to junction U.S. Highway 341, thence along U.S. Highway 341 to Brunswick, Ga. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E21), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecti-

cut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Cecil, Queen Annes, Wicomico, Caroline, Dorchester, Kent, Worchester, Somerset, and Talbot Counties, Md. on the one hand and, on the other, points in Georgia on and west of a line beginning at the North Carolina-Georgia state line, thence along U.S. Highway 19 to the Florida-Georgia state line. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E22), filed June 4, 1974. Applicant: Berry Van Lines, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Howard, Anne Arundel, Prince Georges, and Montgomery Counties, Md. on the one hand and, on the other, points in Florida on and south of a line beginning at Cocoa Beach, Fla., thence along Florida Highway 520 to junction Florida Highway 528 to junction Interstate Highway 4, thence along Interstate Highway 4 to Tampa, Fla., thence along Florida Highway 60 to Clearwater, Fla. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E23), filed June 4, 1974. Applicant: Berry Van Lines, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut, Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Worcester, Wicomico, and Somerset Counties, Md. on the one hand and, on the other, points in Florida on and south of a line beginning at Ft. Pierce, Fla., thence along Florida Highway 70 to junction U.S. Highway 41, thence along U.S. Highway 41 to junction Florida Highway 789, thence along Florida Highway 789 to Holmes Beach, Fla. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E24), filed June 4, 1974. Applicant: Berry Van Lines, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Harford, Baltimore, Howard, and Carroll Counties, Md. on the one hand and, on the other, points in Florida. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E25), filed June 4, 1974. Applicant: Berry Van Lines, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Dorchester, Talbot, Caroline, Cecil, Kent, and Queen Annes Counties, Md. on the one hand and, on the other, points in Florida. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E26), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Howard, Anne Arundel, Prince Georges, and Montgomery Counties, Md. on the one hand, and, on the other, points in Florida on and west of a line beginning at the Florida-Alabama state line, thence along U.S. Highway 231 to Panama City, Fla. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E27), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Massachusetts on the one hand, and, on the other, points in Tennessee on and west of a line beginning at South Fulton, Tenn., thence along U.S. Highway 51 to the Mississippi-Tennessee State line. The purpose of this filing is to eliminate the gateways of points in Kent County, Md., points within 20 miles of Camden, N.J. and points in Macon County, Ill.

No. MC 2607 (Sub-No. E28), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del., 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Massachusetts on the one hand, and, on the other, points in Kentucky on and west of a line beginning at the Indiana-Kentucky state line, thence south along U.S. Highway 431 to Central City, Ky., thence along U.S. Highway 62 to junction Kentucky Highway 171, thence along Kentucky Highway 171 to Kirkmansville, Ky., thence along Kentucky Highway 107 to junction U.S. Alt. Highway 41, thence along U.S. Alt. Highway 41 to the Tennessee-Kentucky state line. The purpose of this filing is to eliminate the gateways of points in Kent County, Md., points within 20 miles of Camden, N.J., and points in Clark County, Ill.

No. MC 2607 (Sub-No. E29), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Massachusetts on the one hand and, on the other, points in Pennsylvania on and south and west of a line beginning at the New Jersey-Pennsylvania state line and thence along U.S. Highway 202 to junction U.S. Highway 422, thence along U.S. Highway 422 to junction U.S. Highway 322, thence along U.S. Highway 322 to junction Pennsylvania Highway 153, thence along Pennsylvania Highway 153 to junction Interstate Highway 80, thence west along Interstate Highway 80 to the Pennsylvania-Ohio state line. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E30), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New Hampshire, on the one hand, and, on the other, points in Pennsylvania on, south and west of a line beginning at the Pennsylvania-New Jersey State line and proceeding along U.S. Highway 202 to junction U.S. Highway 422, thence along U.S. Highway 422 to junction U.S. Highway 322, thence along U.S. Highway 322 to junction Pennsylvania Highway 153, thence along Pennsylvania Highway 153 to junction Interstate Highway 80, thence west along Interstate Highway 80 to junction U.S. Highway 322, to Meadville, Pa., thence along Pennsylvania Highway 6 to Penniine, Pa., to the Ohio-Pennsylvania State line.

The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E34), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on the one hand, and, on the other, Philadelphia, Pa.

The purpose of this filing is to eliminate the gateway of points in New Jersey within 20 miles of Gloucester City, N.J.

No. MC 2607 (Sub-No. E35), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on, east, and south of a line beginning at Waverly, N.Y., and proceeding on New York Highway 17 to Binghamton, N.Y., thence on New York Highway 12 to Utica, thence north on New York Highway 28 to junction New York Highway 30, thence on New York Highway 30 to Tupper Lake, thence on New York Highway 3 to Plattsburgh, N.Y., thence along U.S. Highway 9 to the Canadian border, on the one hand, and, on the other, points in Missouri.

The purpose of this filing is to eliminate the gateways of Camden, N.J., and points in Clark, Shelby, and Cumberland Counties, Ill.

No. MC 2607 (Sub-No. E36), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods* as defined by the Commission, between points in New York on, south, and east of a line beginning at Port Jervis, N.Y., thence along U.S. Highway 209 to junction Interstate Highway 87, at Kingston, N.Y., thence along Interstate Highway 87 to Albany, N.Y., thence along Interstate Highway 787 to junction New York Highway 7, thence along New York Highway 7 to the Vermont-New York State line, on the one hand, and, on the other, points in Iowa.

The purpose of this filing is to eliminate the gateways of Camden, N.J., and points in Macon County, Ill.

No. MC 2607 (Sub-No. E37), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on, south, and east of a line beginning at Port Jervis, N.Y., thence along U.S. Highway 209 to junction Interstate Highway 87 at Kingston, N.Y., thence along Interstate Highway 87 to Albany, N.Y., thence along Interstate 787 to junction U.S. Highway 4, thence along U.S. Highway 4 to junction New York State Highway 22, thence along New York Highway 22 to junction U.S. Highway 9, thence along U.S. Highway 9 to the Canadian Border, on the one hand, and, on the other, points in Kentucky on and west of a line beginning at the Indiana-Kentucky State line, thence south along U.S. Highway 431 to Central City, Ky., thence along U.S. Highway 62 to junction Kentucky Highway 171, thence along Kentucky Highway 171 to Kirkmansville, Ky., thence along Kentucky Highway 107 to junction U.S. Alt. Highway 41, thence along U.S. Alt. Highway 41 to the Tennessee-Kentucy State line.

The purpose of this filing is to eliminate the gateways of Camden, N.J., and points in Clark County, Ill.

No. MC 2607 (Sub-No. E38), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods* as defined by the Commission, between points in New York on, north, and east of a line beginning at the Pennsylvania-New York State line, thence along U.S. Highway 15 to junction New York Highway 63, thence along New York Highway 63 to Batavia, N.Y., thence along New York Highway 98 to Point Breeze, N.Y., at Lake Ontario on the one hand, and, on the other, points in Georgia.

The purpose of this filing is to eliminate the gateways of points in New Jersey within 20 miles of Gloucester City, N.Y. (Camden, N.J.).

No. MC 2607 (Sub-No. E39), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative, Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehcile, over irregular routes, transporting: *Household goods* as defined by the Commission, between points in New York, on and east of a line beginning at Port Jervis, N.Y., thence along U.S. Highway 209 to junction Interstate Highway 87 at Kingston, N.Y., thence along Interstate Highway 87 to junction New York Highway 145, thence along New York Highway 145 to junction New York Highway 30, thence along New York Highway 30 to junction New York Highway 8, thence along New York Highway 8 to junction U.S. Highway 9, thence along U.S. Highway 9 to the Canadian border, on the one hand, and, on the other, points in West Virginia.

The purpose of this filing is to eliminate the gateway of points in New Jersey within 20 miles of Gloucester City, N.J. (Camden, N.J.).

No. MC 2607 (Sub-No. E41), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on and south of a line beginning at Port Jervis, N.Y., thence along U.S. Highway 6 to the Connecticut-New York State line, on the one hand, and, on the other, points in Pennsylvania on, south, and west of a line beginning at the New Jersey-Pennsylvania State line, thence along Interstate Highway 276 to junction U.S. Highway 202, thence along U.S. Highway 202 to junction U.S. Highway 30, thence along U.S. Highway 30 to the Ohio-Pennsylvania State line.

The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E44), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on and south of a line beginning at Port Jervis, N.Y., thence along U.S. Highway 209 to junction U.S. Highway 6, thence along U.S. Highway 6 to the Connecticut-New York State line, on the one hand, and, on the other, points in Wisconsin on, north, and west of a line beginning at the Illinois-Wisconsin State line, thence along U.S. Highway 61 to junction U.S. Highway 53 at La Crosse, Wis., thence along U.S. Highway 53 to junction U.S. Highway 10, thence along U.S. Highway 10 to junction U.S. Highway 63, thence along U.S. Highway 63 to junction U.S. Highway 2, thence along U.S. Highway 2 to Ashland, Wis.

The purpose of this filing is to eliminate the gateways of Camden, N.J., and points in Macon County, Ill.

No. MC 2607 (Sub-No. E45), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on and south of a line beginning at Port Jervis, N.Y., thence along U.S. Highway 209 to junction Interstate Highway 87 at Kingston, N.Y., thence along Interstate Highway 87 to Albany, N.Y., thence along Interstate Highway 787 to junction U.S. Highway 4, thence along U.S. Highway 4 to junction New York Highway 22, thence along New York Highway 22 to junction U.S. Highway 9, thence along U.S. Highway 9 to the Canadian Border on the one hand and, on the other, points in Illinois. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E46), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a

common carrier, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on and south of a line beginning at Port Jervis, N.Y., thence along U.S. Highway 209 to junction U.S. Highway 6, thence along U.S. Highway 6 to the Connecticut-New York state line on the one hand and, on the other, points in Ohio on, west, and south of a line beginning at the Pennsylvania-Ohio state line, thence along U.S. Highway 30 to junction Ohio Highway 44, thence along Ohio Highway 44 to junction Interstate Highway 80, thence along Interstate Highway 80 to junction Ohio Highway 83, thence along Ohio Highway 83 to Avon Lake, Ohio. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E47), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York on, north, and east of a line beginning at the Connecticut-New York state line, thence along U.S. Highway 6 to junction U.S. Highway 209, thence along U.S. Highway 209 to junction Interstate Highway 87, thence along Interstate 87 to Albany, N.Y., thence along Interstate Highway 87 to junction New York Highway 7, thence along New York Highway 7 to the Vermont-New York state line on the one hand and, on the other, points in Ohio on, south, and east of a line beginning at the Pennsylvania-Ohio state line, thence along Ohio Highway 39 to junction Interstate Highway 77, thence along Interstate Highway 77 to junction U.S. Highway 36, thence along U.S. Highway 36 to junction Ohio Highway 16, thence along Ohio Highway 16 to Columbus, Ohio, thence along Interstate Highway 71 to Cincinnati, Ohio, thence along U.S. Highway 50 to the Ohio-Indiana state line. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 2607 (Sub-No. E50), filed June 4, 1974. Applicant: BERRY VAN LINES, 747 N. Dupont Hwy., Dover, Del. 19901. Applicant's representative: Robert J. Gallagher, Suite 1200, 1000 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New York, on, east, and north of a line beginning at Point Breeze, N.Y. on Lake Ontario, thence along New York Highway 98, to junction Alt. U.S. Highway 20, thence along Alt. U.S. Highway 20 to junction U.S. Highway 20, thence along U.S. Highway 20 to Silver Creek, N.Y., on Lake Erie on the one hand and, on the other, points in Georgia on, south, and east of a line beginning at the South Carolina-Georgia state line, thence along Interstate Highway 20 to junction Georgia Highway 22, thence along Georgia Highway 22 to junction U.S. Highway 129, thence along U.S. Highway 129 to Macon, Ga., thence along U.S. Highway 80 to the Alabama-Georgia state line. The purpose of this filing is to eliminate the gateway of Camden, N.J.

No. MC 8973 (Sub-No. E123), filed December 17, 1976. Applicant: METROPOLITAN TRUCKING, INC., 2424 95th Street, N. Bergen, N.J. 07047. Applicant's representative: E. Stephen Heisley, 666 Eleventh St., NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *plastic articles, hardware, and building materials, equipment, and supplies* (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), from Hudson County, N.J. to points in that portion of New Jersey on and south of a line beginning on the Pennsylvania–New Jersey border and extending along U.S. Highway 46 to junction New Jersey Highway 31, thence along New Jersey Highway 31 to junction U.S. Highway 22, thence along U.S. Highway 22 to junction Interstate Highway 287, thence along Interstate Highway 287 to junction Unnumbered Highway, thence north on Unnumbered Highway to junction another Unnumbered, thence east along unnumbered Highway to junction U.S. Highway 514, thence along New Jersey Highway 514 to junction Unnumbered Highway, thence east along Unnumbered Highway to junction Interstate Highway 95, thence along Interstate Highway 95 to the New York-New Jersey State line. The purpose of this filing is to eliminate the gateway of the warehouse and plant facilities of Alean Aluminum Corporation at Woodbridge, N.J.

No. MC 8973 (Sub-No. E124), filed December 17, 1976. Applicant: METROPOLITAN TRUCKING, INC., 2424 95th Street, N. Bergen, N.J. 07047. Applicant's representative: E. Stephen Heisley, 666 Eleventh St., NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *such plastic articles, hardware, and building materials, equipment, and supplies* (except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), from points in Hudson County, N.Y. to points in that part of New York on, north, and west of a line beginning at the New York-Vermont State line and extending west along New York Highway 67 to junction New York Highway 55 at Amsterdam, thence along New York Highway 55 to junction New York Highway 80, thence along New York Highway 80 to junction New York Highway 28, thence along New York Highway 28 to junction New York Highway 7, thence along New York Highway 7 to junction New York Highway 8, thence along New York Highway 8 to junction Broome-Delaware County line, thence along the Broome-Delaware County line to the New York-Pennsylvania State line. The purpose of this filing is to eliminate the gateway of the warehouse and plant facilities of Alcan Aluminium Corporation at Woodbridge, N.J.

No. MC 8973 (Sub-No. E125), filed December 17, 1976. Applicant: METROPOLITAN TRUCKING, INC., 2424 95th Street, N. Bergen, N.J. 07047. Applicant's representative: E. Stephen Heisley, 666 Eleventh St., NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *such plastic articles, hardware, and building materials, equipment, and supplies* (except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), from points in Hudson County, N.Y. to points in that part of Vermont on and north of a line beginning at the Vermont-New Hampshire State line at Brattleboro and extending west along Vermont Highway 30 to junction Vermont Highway 315, thence along Vermont Highway 315 to junction Vermont Highway 153, thence along Vermont Highway 153 to the New York-Vermont State line. The purpose of this filing is to eliminate the Gateway of the warehouse, and plant facilities of Alcan Aluminum Corporation at Woodbridge, N.J.

No. MC 8973 (Sub-No. E126), filed December 17, 1976. Applicant: METROPOLITAN TRUCKING, INC., 2424 95th Street, N. Bergen, N.J. 07047. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *such plastic articles, hardware, and building materials equipment, and supplies* (except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), from points in Hudson County, to points in the part of Massachusetts on and east of a line beginning at the New Hampshire-Massachusetts State line and extending south along Massachusetts Highway 12 to junction Massachusetts Highway 140, thence along Massachusetts Highway 140 to junction Massachusetts Highway 2, thence along Massachusetts Highway 2 to junction Massachusetts Highway 2A, thence along Massachusetts Highway 2A to junction Massachusetts Highway 111, thence along Massachusetts Highway 111 to junction Massachusetts Highway 27, thence along Massachusetts Highway 27 to junction Massachusetts Highway 117, thence along Massachusetts Highway 117 to junction Massachusetts Highway 128, thence along Massachusetts Highway 128 to junction Massachusetts Highway 16, thence along Massachusetts Highway 16 to junction Massachusetts Highway 135, thence along Massachusetts Highway 135 to junction Massachusetts Highway 138,

thence along Massachusetts Highway 138 to junction Massachusetts Highway 140, thence along Massachusetts Highway 140 to Massachusetts Highway 18, thence along Massachusetts Highway 18 to an unnumbered road, thence south along the unnumbered road to the shore of the Atlantic Ocean near South Dartmouth.

The purpose of this filing is to eliminate the gateway of the warehouse and plant facilities of Alcan Aluminum Corporation at Woodbridge, N.J.

No. MC 8973 (Sub-No. E127), filed December 17, 1976. Applicant: METROPOLITAN TRUCKING, INC., 2424 95th Street, N. Bergen, N.J. 07047. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *such plastic articles, hardware, and building materials, equipment, and supplies* (except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), from points in Hudson County, N.Y., to points in that part of Pennsylvania on and west of a line beginning at the New Jersey-Pennsylvania State line and extending east along Interstate Highway 80 to Pennsylvania Highway 447, thence along Pennsylvania Highway 447 to junction Pennsylvania Highway 191, thence along Pennsylvania Highway 191 to Pennsylvania Highway 196, thence along Pennsylvania Highway 196, to junction Pennsylvania Highway 296, thence along Pennsylvania Highway 296 to junction Pennsylvaia Highway 247, thence along Pennsylvania Highway 247 to junction Pennsylvania Highway 171, thence along Pennsylvania Highway 171 to junction Pennsylvania Highway 92, thence along Pennsylvania Highway 92 to the New York-Pennsylvania State line.

The purpose of this filing is to eliminate the gateway of the warehouse and plant facilities of Alcan Aluminum Corporation at Woodbridge, N.J.

No. MC 8973 (Sub-No. E128), filed December 17, 1976. Applicant: METROPOLITAN TRUCKING, INC., 2424 95th Street, N. Bergen, N.J. 07047. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such plastic articles, hardware, and building materials, equipment, and supplies* (except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), from points in Middlesex County, N.J., to points in Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, and Ohio, restricted against service from the facilities of Celotex Corp. and Witco Chemical Co. at, or near, Perth Amboy, N.J.

The purpose of this filing is to eliminate the gateway of the warehouse and plant facilities of Alcan Aluminum Corporation at Woodbridge, N.J.

No. MC 8973 (Sub-No. E129), filed December 17, 1976. Applicant: METROPOLITAN TRUCKING, INC., 2424 95th Street, N. Bergen, N.J. 07047. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such plastic articles, hardware, and building materials, equipment, and supplies* (except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), from points in Middlesex County, N.J., to points in that part of New Jersey on and north of a line beginning at the New York-New Jersey State line at an unnumbered road near Greenwood Lake and extending south along said unnumbered road to junction New Jersey Highway 511, thence along New Jersey Highway 511 to junction of unnumbered road at Pompton Lakes, thence along said unnumbered road ot junction U.S. Highway 202, thence along U.S. Highway 202, to junction of unnumbered road at Oakland, thence along said unnumbered road to junction Palisades Parkway, thence north along the Palisades Parkway to the New York-New Jersey State line.

The purpose of this filing is to eliminate the gateway of the warehouse and plant facilities of Alcan Aluminum Corporation at Woodbridge, N.J.

No. MC 8973 (Sub-No. E130), filed December 17, 1976. Applicant: METROPOLITAN TRUCKING, INC., 2424 95th Street, N. Bergen, N.J. 07047. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such plastic articles, hardware, and building materials, equipment, and supplies* (except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), from points in Middlesex County, N.J., to (a) points in that part of New York on, north, and east of a line beginning at the Pennsylvania-New York State line at Barryville and extending north along New York Highway 55 to junction New York Highway 17B, thence along New York Highway 17B to junction New York Highway 17, thence along New York Highway 17 to junction New York Highway 17K, thence along New York Highway 17K to junction New York Highway 208, thence along New York Highway 208 to junction New York Highway 17M, thence along New York Highway 17M to junction Interstate Highway 87, thence along Interstate Highway 87 to junction U.S. Highway 202 at Suffern, thence along U.S. Highway 202 to the New York-New Jersey State line (except New York City and points on Long Island) and (b) that part of New York City and Long Island on, east, and north of a line beginning at the Hudson River at 125th St., thence east along 125th St. to junction Interstate Highway 278, thence south on Interstate Highway 278 to junction 31st St., thence south on 31st St., to junction Jackson Ave., thence south on Jackson Ave. to junction Interstate Highway 495, thence east on Interstate Highway 495 to junction Woodhaven Blvd., thence south on Woodhaven Blvd., to junction of Interborough Parkway, thence east on the Interborough Parkway to junction N.Y. Highway 25, thence east on N.Y. Highway 25 to junction 166th St., thence south on 166th St. and along Merrick Blvd. to junction Springfield Blvd., thence south on Springfield Blvd. to N.Y. Highway 27, thence east of N.Y. Highway 27 to the Queens-Nassau County line, and thence south along the Queens-Nassau County line to the shore of the Atlantic Ocean.

The purpose of this filing is to eliminate the gateway of the warehouse and plant facilities of Alcan Aluminum Corporation at Woodbridge, N.J.

No. MC 8973 (Sub-No. E131), filed December 17, 1976. Applicant: METROPOLITAN TRUCKING, INC., 2424 95th Street, N. Bergen, N.J. 07047. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such plastic articles, hardware, and building materials, equipment, and supplies* (except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), from points in Middlesex County, N.J., to points in that part of Pennsylvania on and east of a line beginning at the Maryland-Pennsylvania State line and extending north along Pennsylvania Highway 75 to junction Pennsylvania Highway 274, thence along Pennsylvania Highway 274 to junction Pennsylvania Highway 34, thence along Pennsylvania Highway 34 to junction U.S. Highway 11, thence along U.S. Highway 11 to the ferry crossing at the Susquehanna River at Millersburg, thence along Pennsylvania Highway 147 to junction Pennsylvania Highway 225, thence along Pennsylvania Highway 225 to junction Pennsylvania Highway 61, thence along Pennsylvania Highway 61 to junction Pennsylvania Highway 54, thence along Pennsylvania Highway 54 to junction Pennsylvania Highway 487, thence along Pennsylvania Highway 487 to junction Pennsylvania Highway 118, thence along Pennsylvania 118 to junction Pennsylvania Highway 309, thence along Pennsylvania Highway 309 to junction U.S. Highway 6, thence along U.S. Highway 6 to Pennsylvania Highway 107, thence along Pennsylvania Highway 107 to junction U.S. Highway 6, thence along U.S. Highway 6 to junction Pennsylvania Highway 590, and thence along Pennsylvania Highway 590 to the New York-New Jersey State line, restricted against serv-

ice from the facilities of Celotex Corporation and Witco Chemical Co., at or near Perth Amboy, N.J. The purpose of this filing is to eliminate the gateway of the warehouse and plant facilities of Alcan Aluminum Corporation at Woodbridge, N.J.

No. MC 8973 (Sub-No. E132), filed December 17, 1976. Applicant: METROPOLITAN TRUCKING, INC., 2424 95th Street, N. Bergen, N.J. 07047. Applicant's representative: E. Stephen Heisley, 666 Eleventh Street NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such plastic articles, hardware, and building materials, equipment, and supplies* (except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), from points in Middlesex County, N.J., to points in that part of Maryland on and west of a line beginning at the Pennsylvania-Maryland State line and extending along Maryland Highway 615 to the Maryland-West Virginia State line restricted against service from the facilities of Celotex Corporation and Witco Chemical Co., at or near Perth Amboy, N.J. The purpose of this filing is to eliminate the gateway of the warehouse and plant facilities of Alcan Aluminum Corporation at Woodbridge, N.J.

No. MC 40215 (Sub-No. E29) (Correction), filed May 17, 1974, published in the FEDERAL REGISTER issue of May 26, 1977, and partially republished, as corrected, this issue. Applicant: RICARDSON TRANSFER & STORAGE CO., INC., 246 N. Fifth Avenue, Salina, Kans. 67401. Applicant's representative: James F. Flint, Ephraim & Polydoroff, Suite 600, 1250 Connecticut Ave., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, (1) (A) from points in Texas on and west of a line beginning at the Texas-Oklahoma state line, and extending south along U.S. Highway 385 to junction U.S. Highway 80, thence west along U.S. Highway 80 to the International Boundary line between United States and Mexico, to points in Arkansas on and north and west of a line beginning at the Arkansas-Tennessee state line and extending west along Interstate Highway 40 to junction U.S. Highway 70, thence west along U.S. Highway 70 to the Arkansas-Oklahoma state line; (3) (A) from points in Texas to points in Colorado on and east of a line beginning at the Colorado-New Mexico state line and extending north along Interstate Highway 25 to the Colorado-Wyoming state line; (7) (A) from points in Texas on and west of a line beginning at the Oklahoma-Texas state line and extending along U.S. Highway 271 to junction Texas Highway 24, to junction Texas Highway 34, to junction Interstate Highway 45, thence south along Interstate Highway 45 to the Gulf of Mexico, to points in Indiana on and north of a line beginning at the Kentucky-Indiana state line, and extending along U.S. Highway 231 to junction U.S. Highway 50, thence east along U.S. Highway 50 to the Indiana-Ohio state line; (12) (A) from points in Texas on and east of a line beginning at the Texas-New Mexico state line, and extending south along U.S. Highway 87 to junction U.S. Highway 277, thence south along U.S. Highway 277 to the International Boundary between United States and Mexico, to points in Nevada on and north of a line beginning at the Nevada-California state line, and extending east along U.S. Highway 40 to the Nevada-Utah state line; (20) from points in Texas on and south and east of a line beginning at the Texas-Oklahoma state line, and extending along Oklahoma Highway 283 to junction Oklahoma Highway 6, to junction U.S. Highway 277, to junction Interstate Highway 20, to junction Texas Highway 302, to junction Texas Highway 18, thence along Texas Highway 18 to the Texas-New Mexico state line, to points in Oklahoma on and west of a line beginning at the Kansas-Oklahoma state line and extending along U.S. Highway 283 to junction Oklahoma Highway 15, thence west along Oklahoma Highway 15 to the Oklahoma-Texas state line. The purpose of this filing is to eliminate the gateways of (1), (3), (12), and (20) points in Kansas and (7) points in Kansas and Kansas City, Mo. The purpose of this republication is to correct the territorial description. The remainder of this letter-notice stands as previously published.

No. MC 61825 (Sub-No. E953), filed May 13, 1974. Applicant: ROY STONE TRANSFER CORPORATION, P.O. Box 385, Collinsville, Va. 24078. Applicant's representative: Harry J. Jordan, 1000 Sixteenth St., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such iron and steel articles as are used as construction materials*, (A) Between points in Erie, Fostoria, Huron, Lorain, Portage, Summit, and Medina Counties, Ohio within 125 miles of Wellsburg, W. Va. on the one hand and, on the other, points in New York on and east of a line beginning at the New York-Vermont State line and extending along U.S. Highway 4 to junction New York Highway 149 to junction U.S. Highway 9, to junction New York Highway 50, to junction New York Highway 7, to junction New York Highway 8, thence along New York Highway 8 to the New York-Pennsylvania State line. (B) Between those points in New York on and east of a line beginning at the New York-Vermont State line and extending along U.S. Highway 4, to junction New York Highway 149, to junction U.S. Highway 9 to junction New York Highway 50, to New York Highway 7, to junction New York Highway 8, thence along New York Highway 8, to the New York-Pennsylvania State line on the one hand and, on the other, points in Erie, Fostoria, Huron, Lorain, Portage, Summit, and Medina Counties, Ohio, within 125 miles of Wellsburg, W. Va. The purpose of this filing is to eliminate the gateway of Coketown, Brooke County, W. Va.

No. MC 61825 (Sub-No. E954), filed May 13, 1974. Applicant: ROY STONE

TRANSFER CORPORATION, P.O. Box 385, Collinsville, Va. 24078. Applicant's representative: Harry J. Jordan, 1000 Sixteenth St., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such iron and steel articles as are used as construction materials*. (A) Between points in Ashtabula, Cuyahoga, Geauga, Lake, Mahoning, Trumbull Counties, Ohio, within 125 miles of Wellsburg, W. Va. on the one hand and, on the other, points in New York on and south of a line beginning at the New York-Vermont State line, and extending along New York Highway 199 to junction U.S. Highway 209, thence along U.S. Highway 209 to the New York-New Jersey State line. (B) Between points in New York on and south of a line beginning at the New York-Vermont State line and extending along New York Highway 199 to junction U.S. Highway 209, thence along U.S. Highway 209 to the New York-New Jersey State line on the one hand and, on the other, points in Ashtabula, Cuyahoga, Geauga, Lake, Mahoning, and Trumbull Counties, Ohio. The purpose of this filing is to eliminate the gateway of Coketown, Brooke County, W. Va.

No. MC 61825 (Sub-No. E955), filed May 13, 1974. Applicant: ROY STONE TRANSFER CORPORATION, P.O. Box 385, Collinsville, Va. 24078. Applicant's representative: Harry J. Jordan, 1000 Sixteenth St. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such iron and steel articles as are used as construction materials*, (A) between points in Athens, Belmont, Coshocton, Delaware, Fairfield, Franklin, Gallia, Guernsey, Hocking, Jackson, Knox, Licking, Marion, Meigs, Monroe, Morgan, Morrow, Muskingum, Noble, Pickaway, Perry, Ross, Vinton, and Washington Counties, Ohio, within 125 miles of Wellsburg, W. Va., on the one hand and, on the other, points in Pennsylvania except Greene County. (B) Between points in Pennsylvania except Greene County on the one hand and, on the other, points in Athens, Belmont, Coshocton, Delaware, Fairfield, Franklin, Gallia, Guernsey, Hocking, Jackson, Knox, Licking, Marion, Meigs, Monroe, Morgan, Morrow, Muskingum, Noble, Pickaway, Perry, Ross, Vinton, and Washington Counties, Ohio. The purpose of this filing is to eliminate the gateway of Coketown, Brooke County, W. Va .

No. MC 61825 (Sub-No. E956), filed May 13, 1974. Applicant: ROY STONE TRANSFER CORPORATION, P.O. Box 385, Collinsville, Va. 24078. Applicant's representative: Harry J. Jordan, 1000 Sixteenth St. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such iron and steel articles as are used as construction materials*, (A) between points in Carroll, Harrison, Holmes, Jefferson, and Tuscarawas Counties, Ohio, within 125 miles of Wellsburg, W. Va. on the one hand and, on the other, points in Pennsylvania on and east of a line beginning at the Pennsylvania-New York State line, and extending along U.S. Highway 219, to junction U.S. Highway 119, thence along U.S. Highway 119 to the Pennsylvania-West Virginia State line. (B) Between points in Pennsylvania on and east of a line beginning at the Pennsylvania-New York State line and extending along U.S. Highway 219 to junction U.S. Highway 119, thence along U.S. Highway 119 to the Pennsylvania-West Virginia State line on the one hand and, on the other, points in Carroll, Harrison, Holmes, Jefferson, and Tuscarawas Counties, Ohio, within 125 miles of Wellsburg, W. Va. The purpose of this filing is to eliminate the gateway of Coketown, Brooke County, W. Va.

No. MC 61825 (Sub-No. E973), filed May 13, 1974. Applicant: ROY STONE TRANSFER CORPORATION, P.O. Box 385, Collinsville, Va. 24078. Applicant's representative: Harry J. Jordan, 1000 Sixteenth St. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *New furniture*, except furniture parts, commodities in bulk, those of unusual value, household goods as defined by the Commission, and commodities requiring special equipment, from points in Louisiana on and west of a line beginning at the Arkansas-Louisiana State line and extending along U.S. Highway 167 to junction U.S. Highway 71, to junction U.S. Highway 190, to junction Louisiana Highway 67, to junction Interstate Highway 110, to junction Interstate Highway 10, to junction Louisiana Highway 1 to the Gulf of Mexico, to points in Virginia on and east of a line beginning at the West Virginia-Virginia State line and extending along Virginia Highway 35 to junction U.S. Highway 460, to junction Virginia Highway 100, to junction U.S. Highway 11, to junction Virginia Highway 99, to junction Interstate Highway 81, to junction Virginia Highway 8 to the Virginia-North Carolina State line. The purpose of this filing is to eliminate the gateway of Smyth County and Lynchburg, Va.

No. MC 61825 (Sub-No. E974), filed May 13, 1974. Applicant: ROY STONE TRANSFER CORPORATION, P.O. Box 385, Collinsville, Va. 24078. Applicant's representative: Harry J. Jordan, 1000 Sixteenth St. NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *New furniture*, except furniture parts, commodities in bulk, thoseof unusual value, class A and B explosives, household goods as defined by the Commission, and commodities requiring special equipment, from points in Louisiana on and east of a line beginning at the Arkansas-Louisiana State line and extending along U.S. Highway 167 to junction U.S. Highway 71, to junction U.S. Highway 190, to junction Louisiana Highway 67, to junction Interstate Highway 110, to junction Interstate Highway 10, to junction Louisi-

ana Highway 1 to the Gulf of Mexico, to points in Virginia on and east of a line beginning at the West Virginia-Virginia State line and extending along Virginia Highway 635 to junction U.S. Highway 460, to junction Virginia Highway 8 to the North Carolina-Virginia State line. The purpose of this filing is to eliminate the gateway of Smyth County and Lynchburg, Va.

No. MC 61825 (Sub-No. E975), filed May 13, 1974. Applicant: ROY STONE TRANSFER CORPORATION, P.O. Box 385, Collinsville, Va. 24078. Applicant's representative: Harry J. Jordan, 1000 Sixteenth St., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such iron and steel articles as are used as construction materials*, (A) Between points in Athens, Belmont, Coshoctin, Delaware, Fairfield, Franklin, Gallia, Guernsey, Harrison, Hocking, Holmes, Jackson, Jefferson, Knox, Licking, Marion, Meigs, Monroe, Morgan, Morrow, Muskingum, Noble, Perry, Pickaway, Roth, Tuscarawas, Vinton, and Washington Counties, Ohio, within 125 miles of Wellsburg, W. Va. on the one hand and, on the other, points in New York. (B) Between points in New York on the one hand and, on the other, points in Athens, Belmont, Coshoctin, Delaware, Fairfield, Franklin, Gallia, Guernsey, Harrison, Hocking, Holmes, Jackson, Jefferson, Knox, Licking, Marion, Meigs, Monroe, Morgan, Morrow, Muskingum, Noble, Perry, Pickaway, Roth, Tuscarawas, Vinton, and Washington Counties, Ohio, within 125 miles of Wellsburg, W. Va. The purpose of this filing is to eliminate the gateway of Coketown, Brooke County, W. Va.

No. MC 61825 (Sub-No. E976), filed May 13, 1974. Applicant: ROY STONE TRANSFER CORPORATION, P.O. Box 385, Collinsville, Va. 24078. Applicant's representative: Harry J. Jordan, 1000 Sixteenth St., N.W., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such iron and steel articles as are used as construction materials*, (A) between points in Ashland, Carroll, Columbiana, Crawford, Medina, Richland, Stark, and Wayne Counties, Ohio, within 125 miles of Wellsburg, W. Va. on the one hand and, on the other, those points in New York on and east of a line beginning at Lake Ontario and extending along New York Highway 112, thence along New York Highway 12 to junction U.S. Highway 11, thence along U.S. Highway 11 to the New York-Pennsylvania State line. (B) between points in New York on and east of a line beginning at Lake Ontario and extending along New York Highway 12, thence along New York Highway 12 to junction U.S. Highway 11, thence along U.S. Highway 11 to the New York-Pennsylvania State line on the one hand and, on the other, points in Ashland, Carroll, Columbiana, Crawford, Medina, Richland, Stark, and Wayne Counties, Ohio within 125 miles of Wellsburg, W. Va. The purpose of this filing is to eliminate the gateways of Coketown, Brooke County, W. Va.

No. MC 78228 (Sub-No. E193), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pennsylvania 15220. Applicant's representative: Thomas M. Mulroy, 2310 Grant Building, Pittsburgh, Pennsylvania 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals, in dump vehicles*, from points in New York bounded by a line beginning at Buffalo, New York, thence along New York Highway 3 to Silver Creek, N.Y., thence along New York Highway 428 to junction New York Highway 39, thence along New York Highway 39, to junction New York Highway 16, thence along New York Highway 16 to the place of beginning, to points in Delaware.

The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E194), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pennsylvania 15220. Applicant's representative: Thomas M. Mulroy, 2310 Grant Building, Pittsburgh, Pennsylvania 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals, in dump vehicles*, from points in New York bounded by a line beginning at Lake Ontario, thence along U.S. Highway 15 to Lakeville, N.Y., thence along alternative U.S. Highway 20 to Geneseo, N.Y., thence along New York Highway 63 to junction New York Highway 408, thence along New York Highway 408 to junction New York Highway 19A, thence along New York Highway 19A to junction New York Highway 39, thence along New York Highway 39 to junction U.S. Highway 62, thence along U.S. Highway 62 to junction New York Highway 39, thence along New York Highway 39 to junction New York Highway 428, thence along New York Highway 428 to Silver Creek, N.Y., thence along New York Highway 5 to Buffalo, N.Y., thence along the United States-Canada International Boundary line, to Lake Ontario, thence along Lake Ontario to the place of beginning, to points in Illinois.

The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E195), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pennsylvania 15220. Applicant's representative: Thomas M. Mulroy, 2310 Grant Building, Pittsburgh, Pennsylvania 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals*, in dump vehicles, from points in New York on or west of a line beginning at Lake Ontario, thence along U.S. Highway 15 to Lakeville, N.Y., thence along alternate U.S. Highway 20 to Geneseo, N.Y., thence along New York Highway 63 to junction New York Highway 408, thence along New York Highway 408 to junction New York Highway 16, thence along New York Highway 16 to Olean, N.Y., thence along New York Highway 16A to the New York-Pennsylvania boundary line to points in Illinois on or west of a line beginning at the Illinois-Iowa boundary line, thence along U.S. Highway 67 to junction Illinois Highway 78, thence along Illinois Highway 78 to Jacksonville, Ill., thence along U.S. Highway 67 to junction Illinois Highway 108, thence along Illinois Highway 108 to junction Illinois Highway 4, thence along Illinois Highway 4, to junction U.S. Highway 50, thence along U.S. Highway 50 to junction U.S. Highway 51, thence along U.S. Highway 51 to the Illinois-Kentucky boundary line.

The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E196), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pennsylvania 15220. Applicant's representative: Thomas M. Mulroy, 2310 Grant Building, Pittsburgh, Pennsylvania 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals, in dump vehicles*, from points in New York bounded by a line beginning at Lake Ontario, thence along U.S. Highway 15 to Lakeville, N.Y., thence along alternate U.S. Highway 20 to junction U.S. Highway 62, thence along U.S. Highway 62 to junction New York Highway 16, thence along New York Highway 16 to Buffalo, N.Y., thence along United States-Canada International Boundary line, to Lake Ontario, thence along Lake Ontario to the place of beginning, to points in Indiana.

The purpose of this filing is to eliminate the gateway to Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E197), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pennsylvania 15220. Applicant's representative: Thomas M. Mulroy, 2310 Grant Building, Pittsburgh, Pennsylvania 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals, in dump vehicles*, from points in New York on or west of a line beginning at Lake Ontario, thence along New York Highway 98 to junction New York Highway 16, thence along New York Highway 16 to Olean, N.Y., thence along New York Highway 16A to the New York-Pennsylvania State line.

The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E198), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pennsylvania 15220. Applicant's representative: Thomas M. Mul-

roy, 2310 Grant Building, Pittsburgh, Pennsylvania 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals, in dump vehicles*, from points in Ohio to points in Maine.

The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. 199), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pennsylvania 15220. Applicant's representative: Thomas M. Mulroy, 2310 Grant Building, Pittsburgh, Pennsylvania 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals, in dump vehicles*, from points in that part of Pennsylvania on or west of a line beginning at the Pennsylvania-New York State line, thence along U.S. Highway 219 to junction U.S. Highway 119, thence along U.S. Highway 119 to Greensburgh, Pa., thence along Interstate Highway 70 to junction U.S. Highway 119, thence along U.S. Highway 119 to the Pennsylvania-West Virginia State line, to points in Maine.

The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E200), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pennsylvania 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals, in dump vehicles*, from points in New York bounded by a line beginning at Lake Ontario, thence along New York Highway 98 to junction alternate U.S. Highway 20, thence along alternate U.S. Highway 20 to junction New York Highway 16, thence along New York Highway 16 to Buffalo, N.Y., thence along the United States-Canadian Boundary line to Lake Ontario, thence along Lake Ontario to the place of beginning, to points in Maryland (except Baltimore, Md., and points in its commercial zone as defined by the Commission) on and south of a line beginning at Cumberland, Md., thence along U.S. Highway 40 to junction Interstate Highway 70, thence along Interstate Highway 70 to junction U.S. Highway 40, thence along U.S. Highway 40 to the Maryland-Delaware State line.

The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E201), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pennsylvania 15220. Applicant's representative: Thomas M. Mulroy, 2310 Grant Building, Pittsburgh, Pennsylvania 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals, in dump vehicles*, from points in New York bounded by a line beginning at Lake Ontario, thence along U.S. Highway 15 to Lakeville, N.Y., thence along alternate U.S. Highway 20 to junction New York Highway 16, thence along New York Highway 16 to Buffalo, N.Y., thence along United States-Canada International Boundary line to Lake Ontario, thence along Lake Ontario to the place of beginning, to points in Michigan.

The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E202), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pennsylvania 15220. Applicant's representative: Thomas M. Mulroy, 2310 Grant Building, Pittsburgh, Pennsylvania 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals, in dump vehicles*, from points in New York on and west and north of a line beginning at Lake Ontario, thence along New York Highway 78 to junction New York Highway 400, thence along New York Highway 400 to junction New York Highway 16, thence along New York Highway 16 to junction New York Highway 39, thence along New York Highway 39 to junction Interstate Highway 90, thence along Interstate Highway 90 to the New York-Pennsylvania State line, to points in New Jersey (except points in Cumberland, Salem, Gloucester, Cape May, Atlantic, Camden, and Burlington Counties) on or east of a line beginning at the New Jersey-Pennsylvania State line, thence along U.S. Highway 206 to junction U.S. Highway 30, thence along U.S. Highway 30 to junction New Jersey Highway 54, thence along New Jersey Highway 54 to junction U.S. Highway 322, thence along U.S. Highway 322 to junction New Jersey Highway 50, thence along New Jersey Highway 50 to junction U.S. Highway 9, thence along U.S. Highway 9 to Delaware Bay. The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E203), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pa. 15220. Applicant's representative: Thomas M. Mulroy, 2310 Grant Building, Pittsburgh, Pa. 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals*, in dump vehicles, from points in New York by a line beginning at Lake Ontario, thence along New York Highway 78 to junction U.S. Highway 20, thence along U.S. Highway 20 to junction New York Highway 358, thence along New York Highway 358 to junction alternate U.S. Highway 20, thence along alternate U.S. Highway 20 to East Aurora, N.Y., thence along New York Highway 16 to Buffalo, N.Y., thence along the United States-Canada international boundary line to Lake Ontario, thence along Lake Ontario to the place of beginning, to points in Pennsylvania (except points in Mifflin County) on and north and east of a line beginning at Easton, Pa., thence along U.S. Highway 22 to junction Pennsylvania Turnpike, thence along Pennsylvania Turnpike to junction Pennsylvania Highway 100, thence along Pennsylvania Highway 100 to junction Pennsylvania Highway 23, thence along Pennsylvania Highway 23 to junction Pennsylvania Highway 10, thence along Pennsylvania Highway 10 to the Pennsylvania-Maryland State line. The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E204), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pa. 15220. Applicant's representative: Thomas M. Mulroy, 2310 Grant Building, Pittsburgh, Pa. 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals*, in dump vehicles, from points on New York bounded by a line beginning at Lake Ontario, thence along U.S. Highway 15 to junction Interstate Highway 90, thence along Interstate Highway 90 to junction New York Highway 98, thence along New York Highway 98 to junction alternate U.S. Highway 20, thence along alternate U.S. Highway 20 to junction U.S. Highway 62, thence along U.S. Highway 62 to junction New York Highway 16, thence along New York Highway 16 to Buffalo, N.Y., thence along the United States-Canada international boundary line, to Lake Ontario, thence along Lake Ontario to the place of beginning, to points in Virginia. The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E205), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pa. 15220. Applicant's representative: Thomas M. Mulroy, 2310 Grant Building, Pittsburgh, Pa. 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals*, in dump vehicles, from points in New York bounded by a line beginning at Lake Ontario, thence along U.S. Highway 15 to Lakeville, N.Y., thence along alternate U.S. Highway 20 to Geneseo, N.Y., thence along New York Highway 63 to junction New York Highway 408, thence along New York Highway 408 to junction New York Highway 19A, thence along New York Highway 19A to junction New York Highway 98, thence along New York Highway 98 to junction New York Highway 39, thence along New York Highway 39 to junction U.S. Highway 20, thence along U.S. Highway 20 to Silver Creek, N.Y., thence along New York Highway 5 to Buffalo, N.Y., thence along the United States-Canada international boundary line to Lake Ontario, thence along Lake Ontario to the place of beginning, to points in Virginia on and south of a line beginning at Staunton, Va., thence along Interstate Highway 81 to junction U.S. Highway 460, thence along U.S. Highway 460 to the Virginia-West Virginia State line, thence along the Virginia-West Virginia State line to the Virginia-Kentucky State line. The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E206), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pa. 15220. Applicant's representative: Thomas M. Mulroy, 2310 Grant Building, Pittsburgh, Pa. 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals*, in dump vehicles, from points in New York bounded by a line beginning at Lake Ontario, thence along U.S. Highway 15 to junction New York Highway 5, thence along New York Highway 5 to Batavia, N.Y., thence along New York Highway 98 to junction Alternate U.S. Highway 20, thence along Alternate U.S. Highway 20 to East Aurora, N.Y., thence along New York Highway 16 to Buffalo, N.Y., thence along the United States-Canada international boundary line to Lake Ontario, thence along Lake Ontario to the place of beginning, to points in West Virginia. The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E207), filed August 26, 1975. Applicant: J. MILLER EXPRESS, INC., 152 Wabash Street, Pittsburgh, Pa. 15220. Applicant's representative: Thomas M. Mulroy, 2310 Grant Building, Pittsburgh, Pa. 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and metals*, in dump vehicles, from points in New York bounded by a line beginning at Lake Ontario, thence along U.S. Highway 15 to Lakeville, N.Y., thence along alternate U.S. Highway 20 to Geneseo, N.Y., thence along New York Highway 63 to junction New York Highway 408, thence along New York Highway 408 to junction New York Highway 19A, thence along New York Highway 19A to junction New York Highway 98, thence along New York Highway 98 to junction New York Highway 39, thence along New York Highway 39 to junction U.S. Highway 20, thence along U.S. Highway 20 to Silver Creek, N.Y., thence along New York Highway 5 to Buffalo, N.Y., thence along the United States-Canada international boundary line to Lake Ontario, thence along Lake Ontario to the place of beginning, to points in Kentucky. The purpose of this filing is to eliminate the gateway of Niagara Falls, N.Y.

No. MC 78228 (Sub-No. E215), filed September 25, 1975. Applicant: J. MILLER EXPRESS, 152 Wabash Street, Pittsburgh, Pa. 15220. Applicant's representative: William J. Lavelle, 2310 Grant Bldg., Pittsburgh, Pa. 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alloys, ores, and silicon metals*, in dump vehicles, from points in that part of Pennsylvania bounded by a line beginning at Butler, Pa., thence along Pennsylvania Highway 68 to junction Pennsylvania Highway 861, thence along Pennsylvania Highway 861 to junction Pennsylvania Highway 28, thence along Pennsylvania Highway 28 to junction Interstate Highway 80, thence along Interstate Highway 80 to junction U.S. Highway 219, thence along U.S. Highway 219 to junction Pennsylvania Highway 31, thence along Pennsylvania Highway 31 to junction Interstate Highway 60, thence along Interstate Highway 60 to junction Interstate Highway 79, thence along Interstate Highway 79 to junction U.S. Highway 40, thence along U.S. Highway 40 to Washington, Pa., thence along U.S. Highway 19 to Pittsburgh, Pa., thence along Pennsylvania Highway 8 to the place of beginning to points in Indiana. The purpose of this filing is to eliminate the gateway of Braddock, Pa.

No. MC 112070 (Sub-No. E10), filed June 4, 1974. Applicant: GRAY MOVING & STORAGE, INC., 1290 South Pearl, Denver, Colo. 80210. Applicant's representative: D. R. Gray (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Mamsemond and Isle of Wight Counties, Va., on the one hand, and, on the other, points in San Juan County, N. Mex. The purpose of this filing is to eliminate the gateway of Easton, Pa., and points within 15 miles thereof, points in Missouri, Denver, Colo., and points within 10 miles thereof.

No. MC 112070 (Sub-No. E11), filed June 4, 1974. Applicant: GRAY MOVING & STORAGE, INC., 1290 South Pearl, Denver, Colo. 80210. Applicant's representative: D. R. Gray (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Virginia on and east of a line beginning at the Virginia-District of Columbia state line and extending along Interstate Highway 95 to the Virginia-North Carolina state line, on the one hand, and, on the other, points in San Juan and McKinley Counties, N. Mex. The purpose of this filing is to eliminate the gateway of Easton, Pa., and points within 15 miles thereof, Missouri, Denver, Colo. and points within 10 miles thereof.

No. MC 112070 (Sub-No. E12), filed June 4, 1974. Applicant: GRAY MOVING & STORAGE, INC., 1290 South Pearl, Denver, Colo. 80210. Applicant's representative: D. R. Gray (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Virginia on and east and south of a line beginning at the Virginia-District of Columbia state line, and extending along Interstate Highway 95 to the North Carolina-Virginia state line, on the one hand, and, on the other, points in Utah. The purpose of this filing is to eliminate the gateway of Easton, Pa. and points within 15 miles thereof, Missouri, Illinois, Iowa, Denver, Colo., and points within 10 miles thereof.

No. MC 112070 (Sub-No. E33), filed June 4, 1974. Applicant: GRAY MOVING & STORAGE, INC., 1290 South Pearl, Denver, Colo. 80210. Applicant's representative: D. R. Gray (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Cheyenne County, Kans., on the one hand, and, on the other, points in Commaron and Texas Counties, Okla. The purpose of this filing is to eliminate the gateway between points in that part of Colorado on, east, and north of a line beginning at the Colorado-Wyoming state line and extending along U.S. Highway 87 to Wellington, Colo., thence along Colorado Highway 1 (formerly U.S. Highway 87) to junction U.S. Highway 287, thence along U.S. Highway 287 (formerly U.S. Highway 87) to Denver, Colo., thence along U.S. Highway 36 to the Colorado-Kansas state line.

No. MC 112070 (Sub-No. E135), filed June 4, 1974. Applicant: GRAY MOVING & STORAGE, INC., 1290 South Pearl, Denver, Colo. 80210. Applicant's representative: D. R. Gray (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Colorado, on the one hand, and, on the other, points in Virginia. The purpose of this filing is to eliminate the gateway of Easton, Pa., and points in Pennsylvania within 15 miles thereof, and points in Missouri.

No. MC 112070 (Sub-No. E136), filed June 4, 1974. Applicant: GRAY MOVING & STORAGE, INC., 1290 South Pearl, Denver, Colo. 80210. Applicant's representative: D. R. Gray (same as above.) Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Delaware, on the one hand, and, on the other, points in Texas on and west of a line beginning at the Texas-Oklahoma state line and extending along U.S. Highway 287, thence along U.S. Highway 287/87 to junction Interstate Highway 20, thence along Interstate Highway 20 to junction Texas Highway 17, thence along Texas Highway 17 to junction U.S. Highway 67, thence along U.S. Highway 67 to the International boundary line between United States and Mexico. The purpose of this filing is to eliminate the gateway of Easton, Pa., and points in Pennsylvania within 15 miles thereof, points in Missouri and Colorado.

No. MC 112304 (Sub-No. E2), filed July 18, 1976. Applicant: ACE DORAN HAULING AND RIGGING COMPANY, 1601 Blue Rock St., Cincinnati, Ohio 45223. Applicant's representative: A. Charles Tell, Columbus Center, Suite 1800, 100 East Broad St., Columbus, Ohio 43215. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Refrac-*

tories (except commodities in bulk), from points in Audrain, Callaway, and Montgomery Counties, Mo., to points in Delaware, Maryland, New Jersey, points in Tennessee on and east of U.S. Highway 23, Virginia, and the District of Columbia. The purpose of this filing is to eliminate the gateway of points in Greenup County, Kentucky.

No. MC 114552 (Sub-No. E60) (correction), filed August 21, 1975, published in the FEDERAL REGISTER issue of June 15, 1977, and republished, as corrected this issue. Applicant: SENN TRUCKING COMPANY, P.O. Drawer 220, Newberry, S.C. 29108. Applicant's representative: William P. Jackson, Jr., 3426 North Washington Blvd., P.O. Box 1267, Arlington, Va. 22210. Authority sought to operate as a *common carrier*, by motor *vehicle*, over irregular routes, transporting: *Gypsum and gypsum products, composition board, urethane and urethane products, and such insulation materials and roofing and roofing materials and supplies as are useful in the manufacture and distribution of roofing and roofing materials* (except in bulk), from points in Virginia, on and east of a line beginning at the Virginia–North Carolina State line, and extending along U.S. Highway 501 to junction Virginia Highway 304, thence along Virginia Highway 304 to junction U.S. Highway 360, thence along U.S. Highway 360 to the Chesapeake Bay, to points in Arkansas. The purpose of this filing is to eliminate the gateway of Wayne County, N.C.

NOTE.—The purpose of this correction is to correct a typographical error in the commodity description.

No. MC 123407 (Sub-No. E319) (correction), filed February 29, 1976, published in the FEDERAL REGISTER issue of June 2, 1977, and republished, as corrected, this issue. Applicant: SAWYER TRANSPORT, INC., U.S. Highway 6, South Haven Square, Valparaiso, Ind. 46383. Applicant's representative: Richard L. Loftus (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber*, used as a building material, from Pennington Counties, S. Dak., to points in Alabama; Florida; Georgia in and south of the counties of Polk, Paulding, Cobb, Fulton, De Kalb, Rockdale, Newton, Jasper, Putnam, Hancock, Warren, McDuffie and Columbia; and South Carolina in and south of the counties of Edgefield, Aiken, Lexington, Richland, Sumter, Lee, Florence, Marion and Horry. The purpose of this filing is to eliminate the gateway of the plantsite of Certain-Teed Products Corporation at East St. Louis, Ill., and the plantsite of Georgia-Pacific Corporation at Taylorsville, Miss.

NOTE.—The purpose of this correction is to state the correct Sub-No. E319 which was previously published incorrectly as Sub-No. E311. The correct Sub-No. E311 was published March 2, 1977.

No. MC 123407 (Sub-No. E320) (correction), filed February 29, 1976, published in the FEDERAL REGISTER issue of June 2, 1977, and republished, as corrected, this issue. Applicant: SAWYER TRANSPORT, INC., U.S. Highway 6, South Haven Square, Valparaiso, Ind. 46383. Applicant's representative: Richard L. Loftus (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Forest products* (except wood chips, and commodities in bulk), *pressure treated poles, pressure treated posts, and pressure treated lumber*, used as a building material, from points in Lawrence and Pennington Counties, S. Dak., to points in West Virginia, Virginia, North Carolina, Kentucky in and east of the counties of Union, Webster, Hopkins, and Christian, and Tennessee in and east of the counties of Montgomery, Dickson, Hickman, Lewis, and Lawrence. The purpose of this filing is to eliminate the gateway of Brookville, Ind.

NOTE.—The purpose of this correction is to state the correct Sub-No. E320 which was previously published incorrectly as Sub-No. E312.

No. MC 123407 (Sub-No. E321) (correction), filed February 29, 1976, published in the FEDERAL REGISTER issue of June 2, 1977, and republished, as corrected, this issue. Applicant: SAWYER TRANSPORT, INC., U.S. Highway 6, South Haven Square, Valparaiso, Ind. 46383. Applicant's representative: Richard L. Loftus (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber and Forest products* (except wood chips and commodities in bulk), *pressure treated poles, pressure treated posts, and pressure treated lumber*, used as a building material, from Lawrence and Pennington Counties, S. Dak., to points in Kentucky in and east of the counties of Jefferson, Bullitt, Nelson, Larue, Green, Metcalfe, and Monroe, and points in Tennessee in and east of the counties of Clay, Jackson, Putnam, White, Van Buren, Bledsoe, and Hamilton. The purpose of this filing is to eliminate the gateway of Port Clinton, Ohio.

NOTE.—The purpose of this correction is to state the correct Sub-No. E321 which was previously published incorrectly as Sub-No. E313. The correct Sub-No. E313 was published March 2, 1977.

No. MC 123407 (Sub-No. E322 (correction), filed February 29, 1976, published in the FEDERAL REGISTER issue of June 2, 1977, and republished, as corrected, this issue. Applicant: SAWYER TRANSPORT, INC., U.S. Highway 6, South Haven Square, Valparaiso, Ind. 46383. Applicant's representative: Richard L. Loftus (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Forest products* (except wood chips and commodities in bulk), *pressure treated poles, pressure treated posts, and pressure treated lumber*, used as a building material, from points in Lawrence and Pennington Counties, S. Dak., to points in West Virginia, Virginia, and North Carolina. The purpose of this filing is to eliminate the gateway of Brookville, Ind.

NOTE.—The purpose of this correction is to state the correct Sub-No. E322 which was previously published incorrectly as Sub.-No. E314. was published March 2, 1977.

No. MC 123407 (Sub-No. E323) (correction), filed February 29, 1976, published in the FEDERAL REGISTER issue of June 2, 1977, and republished, as corrected, this issue. Applicant: SAWYER TRANSPORT, INC., U.S. Highway 6, South Haven Square, Valparaiso, Ind. 46383. Applicant's representative: Richard L. Loftus (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber and forest products* (except wood chips and commodities in bulk), *pressure treated posts, pressure treated poles, and pressure treated lumber*, used as a building material, from points in Lawrence and Pennington Counties, S. Dak., to points in Tennessee, Mississippi, and Arkansas in the counties of Cleveland, Bradley, Lincoln, Drew, Ashley, Phillips, Chicot, and Desha. The purpose of this filing is to eliminate the gateway of the plantsite of Certain-Teed Products Corporation at East St. Louis, Ill.

NOTE.—The purpose of this correction is to state the correct Sub.-No. E323 which was previously published incorrectly as Sub.-No. E315. The correct Sub-No. E315 was published March 2, 1977.

No. MC 123407 (Sub-No. E324) (correction), filed February 29, 1976, published in the FEDERAL REGISTER issue of June 2, 1977, and republished, as corrected, this issue. Applicant: SAWYER TRANSPORT, INC., U.S. Highway 6, South Haven Square, Valparaiso, Ind. 46383. Applicant's representative: Richard L. Loftus (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber and forest products* (except wood chips and commodities in bulk), *pressure treated poles, pressure treated posts, and pressure treated lumber*, used as a building material, from points in Lawrence and Pennington Counties, S. Dak., to points in Pennsylvania. The purpose of this filing is to eliminate the gateway of Warren, Ill. NOTE: The purpose of this correction is to state the correct Sub-No. E324 which was previously published incorrectly as Sub-No. E316. The correct Sub-No. E316 was published March 2, 1977.

By the Commission.

H. G. HOMME, JR.,
Acting Secretary.

[FR Doc.77-19355 Filed 7-6-77;8:45 am]

[No. MC-C-9698]

E-LETTER NOTICE CERTIFICATION PROCEDURES

AGENCY: Interstate Commerce Commission.

ACTION: Notice of Proposed Adoption of Certification Procedures.

SUMMARY: The purpose of this document is to institute a proceeding for the purpose of adopting appropriate procedures pertaining to the certification of E-letter notices.[1]

NOTICE OF INTENTION TO PARTICIPATE MUST BE RECEIVED ON OR BEFORE: July 22, 1977.

SCHEDULE FOR SUBMISSION OF COMMENTS AND REPLY STATEMENTS: To be set by an order to be served concurrently with issuance of the service list of participants in the proceeding.

FOR FURTHER INFORMATION CONTACT:

Marvin Bober, Assistant Deputy Director, Section of Finance, Office of Proceedings, Interstate Commerce Commission, Washington, D.C. 20423, 202-275-7564.

This proceeding is being instituted on our own motion to consider adopting certain procedures pertaining to the certification of E-letter notices.

By report and order entered December 15, 1976, and served January 26, 1977, in Maxwell Co., Petition for Declaratory Orders, 126 M.C.C. 166, the Commission found at page 171 that:

> * * * the rights embodied in a grant of direct service authority, which authority eliminates a gateway, are severable from all, or a portion of, the underlying irregular-route authority, following the standards of section 5(2) and 212(b) of the Interstate Commerce Act, with each such transaction to be considered on its own respective merits; * * *

The above decision by recognizing, in particular, the severability of E-letter notice from their underlying operating authorities, has created uncertainty regarding the jurisdiction of the Commission under section 212 of the Act to suspend, change, revoke, or authorize the transfer of E-letter notice authority. Section 212(a) of the Act refers to the suspension, change or revocation of certificates, permits, and licenses whereas section 212(b) refers to the transfer of certificates or permits. The question has arisen, therefore, as to whether E-letter notice authority, which was granted based upon the joinder of certificated irregular route authorities, should be deemed to be certificated, and thus encompassed within section 212 of the Act.

In Ex Parte No. 55 (Sub-No. 8), Gateway Elimination, 109 M.C.C. 530, it was observed at pages 533-534, that the authorization of direct service in lieu of existing gateway operations was to be based upon a finding of public convenience and necessity considered on a national scale. Accordingly, all authorities based upon E-letter notices were granted pursuant to the finding of public convenience and necessity on a national scale.

It should thus be presumed that E-letter notice authority is certificated authority for all regulatory purposes. Nevertheless, carriers holding E-letter notice authority have not received certificates embracing such authority. Instead, copies of the FEDERAL REGISTER publication notices, evidencing each carrier's grants of E-letter authority, have appeared in each carrier's lead docket.

In instances where the authority encompassed within a particular E-letter notice is to be in part, transferred, cancelled, or revoked, the aforementioned presumption regarding E notice authority will not be observed. Rather, the following procedures will be followed:

(a) Where a carrier transfers or sells a portion, or portions, of the operating authority contained in an E-letter notice, to one or more certificated carriers, and a portion of the operating authority contained in the E-letter notice is retained by the vendor carrier, the vendor and vendee (or vendees) will each receive a certificate covering the pertinent portion of the authority in the E-letter notice authorized to be conveyed or retained.

(b) Where two or more portions of authority contained in an E-letter notice are sold or transferred respectively, to two or more certificated carriers and no authority in the E-letter notice is retained by the vendor, or where the entire authority contained in an E-letter notice is transferred or sold to one certificated carrier, the vendee in the latter situation, or vendees in the former situation, would each receive a certificate covering the pertinent E-letter authority authorized to be acquired.

(c) When a non-carrier acquires all, or a portion, of the authority in an E-letter notice, it will receive a certificate covering the E-letter authority acquired. The vendor, if it retains any portions of the authority in the E-letter will receive a certificate covering the pertinent portions of the E authority to be retained.

(d) When a carrier transfers or sells all of its operating authority, except for the entire authority contained in one or more E-letter notices, it will not receive a certificate covering the E-letter authority retained. If only portions of the authority contained in one or more E-letter notices is retained by the vendor, the vendor will receive certificates covering that retained authority. The foregoing is equally applicable to instances in which a carrier retains exclusively E-letter authority following a cancellation or revocation of its other authority.

(e) A carrier receiving a certificate, pursuant to paragraphs (a) and (b) above, will be assigned the next sequential sub-number under its lead docket.

(f) A carrier retaining the entire authority in an E-letter notice as described in paragraph (c) above will retain its lead docket number, but all of its existing sub-numbers will be cancelled, and the authority contained in the retained E-letter authority will be assigned the next sequential sub-number with the standard notation in the Commission's records that this sub-number is comprised of E-letter authority. This will avoid leaving the carrier without an ICC record.

(g) An applicant under sections 5(2) and 212(b) of the Act, seeking to purchase or transfer authority should state in its application whether any E-letter notice authority of the vendor is to be acquired by the vendee. It should also describe the E-letter authority to be acquired by the vendee and that to be retained by the vendor. Unless the application so provides, the Commission will presume that the vendor will retain its E-letter authority.

(h) When a carrier transfers or sells its E-letter authority and retains the authority underlying the E-letter authority, or alternatively, the carrier sells or transfers the underlying authority and retains the E authority, the separate grants of underlying authority may not be tacked with each other. See Gateway Eliminations, *supra*. Since the restriction against tacking is applicable in all instances, a "no-tacking" restriction will not be placed in each underlying certificate.

The proposed action is not expected to affect significantly the quality of the human environment within the meaning of the National Environmental Policy Act of 1969.

Any person may participate in this proceeding by submitting an initial and/or reply statement of views, arguments, or other comments regarding the proposed regulations. Any person intending to participate shall, on or before July 22, 1977, file an original and 1 copy of a notice of intent to participate with the Office of Proceedings, Room 5349, Interstate Commerce Commission, Washington, D.C. 20423. Because the Commission desires (a) to conserve time, (b) to avoid unnecessary expense, and (c) to limit the service of statements in this proceeding to persons who intend actively to participate, each person filing a notice of intent shall include a detailed statement of whether he wished (1) merely to receive Commission releases in this proceeding; (2) to participate by filing and receiving initial and/or reply statements; and (3) to consolidate his presentation with those of other persons through joint statements; and (4) he shall furnish any other pertinent information to aid in limiting the service list to be issued in this proceeding.

The Commission will prepare and make available to all persons submitting notice of intent to participate a service list which will contain the names and addresses of all persons participating in this proceeding. Such participants shall, whenever possible file an original and 15 copies of each statement filed with the Commission and served on each person on the service list in accordance with the schedule for submissions of comments and reply statements to be set by an order to be served concurrently with issuance of the service list of participants in the proceeding.

All written submissions will be available for public inspection during regular business hours at the Offices of the Interstate Commerce Commission, 12th Street and Constitution Avenues, Washington, D.C. 20432.

[1] This document corrects and reissues a document appearing at page 32342 in the issue for Friday, June 24, 1977.

(This notice of proposed rulemaking is issued under sections 552, 553, and 559 of the Administrative Procedure Act (5 U.S.C. 552, 553, and 559) and sections 5, 207, and 212 of the Interstate Commerce Act (49 U.S.C. 5, 307, and 312).)

By the Commission.

H. G. Homme, Jr.,
Acting Secretary.

[FR Doc.77-19077 Filed 7-5-77;8:45 am]

PIPELINES

Tentative Valuations

Notice is hereby given that tentative valuations are under consideration for the common carriers by pipeline listed below:

1976 Reports

VALUATION DOCKET NO.	
1364	Acorn Pipe Line Company, P.O. Box 5008, Houston, TX 77012
1414	Alleghany Pipeline Company, P.O. Box 2521, Houston, TX 77001
1302	Amoco Pipeline Company, P.O. Box 6110-A, Chicago, IL 60680
1378	Arapahoe Pipe Line Company, 200 East Golf Road, Palatine, IL 60067
1329	ARCO Pipe Line Company, ARCO Building, Independence, KS 67301
1291	Ashland Pipe Line Company, 1409 Winchester Ave., Ashland, KY 41101
1381	Badger Pipe Line Company, P.O. Box 300, Tulsa, OK 74102
1430	Belle Fourche Pipeline Company, P.O. Drawer 2360, Casper, WY 82602
1425	Black Lake Pipe Line Company, P.O. Box 308, Independence, KS 67301
1434	Black Mesa Pipeline, Inc., 610 South Main Street, Los Angeles, CA 90014
1322	Buckeye Pipe Line Company, P.O. Box 368, Emmaus, PA 18049
1362	Butte Pipe Line Company, P.O. Box 2648, Houston, TX 77001
1404	Calney Pipe Line Company, 1901 Slover Avenue, Bloomington, CA 92316
1416	Chevron Pipe Line Company, P.O. Box 599, Denver, CO 80201
1368	Cheyenne Pipeline Company, P.O. Box 370, Cody, WY 82414
1427	Chicap Pipe Line Company, 200 East Golf Road, Palatine, IL 60067
1312	Cities Service Pipe Line Company, P.O. Box 300, Tulsa, OK 74102
1433	Collins Pipeline Company, P.O. Box 2511, Houston, TX 77001
1422	Colonial Pipeline Company, Lenox Towers, P.O. Box 18855, Atlanta, GA 30326
1316	Continental Pipe Line Company, P.O. Drawer 1267, Ponca City, OK 74601
1426	Cook Inlet Pipe Line Company, P.O. Box 900, Dallas, TX 75221
1341	CRA, Inc., 3315 North Oak Trafficway, Kansas City, MO 64116
1352	Crown Central Pipe Line & Transportation Corp., P.O. Box 1759, Houston, TX 77002
1365	Crown-Rancho Pipe Line Corp., P.O. Box 1759, Houston, TX 77002
1349	Diamond Shamrock Corp., P.O. Box 631, Amarillo, TX 79173
1411	Dixie Pipeline Company, P.O. Box 2220, Houston, TX 77001
1385	Emerald Pipe Line Corporation, P.O. Box 631, Amarillo, TX 79173
1338	The Eureka Pipe Line Company, 963 Market Street, Parkersburg, W. VA. 26101
1394	Exxon Pipeline Company, P.O. Box 2220, Houston, TX 7701
1389	Four Corners Pipe Line Company, Box 2648, Houston, TX 77001
1436	Gulf Central Pipeline Company, 5th & Boston, Tulsa, OK 74103
1333	Gulf Refining Company, P.O. Box 3706, Houston, TX 77001
1409	Hess Pipeline Company, P.O. Box 502, Woodbridge, N.J. 07095
1431	Hydrocarbon Transportation, Inc., 2223 Dodge Street, Omaha, NE 68102
1406	Jayhawk Pipeline Corporation, P.O. Box 1030, Wichita, KS 67201
1413	Jet Lines, Inc., 522 Cottage Grove Road, Bloomfield, CT 06002
1375	Kaneb Pipe Line Company, P.O. Box 22029, Houston, TX 77027
1299	Kaw Pipe Line Company, P.O. Box 430, Bellaire, TX 77401
1399	Kenai Pipe Line Company, P.O. Box K, Concord, CA 94524
1429	Kerr-McGee Pipeline Corporation, Kerr-McGee Center, Oklahoma City, OK 73125
1435	Kiantone Pipeline Corporation, P.O. Box 780, Warren, PA 16365
1419	Lake Charles Pipe Line Company, P.O. Drawer 1267, Ponca City, OK 74601
1354	Lakehead Pipe Line Company, Inc., 3025 Tower Avenue, Superior, WI 54880
1403	Laurel Pipe Line Company, P.O. Box 3706, Houston, TX 77001
1395	Mid-America Pipeline System Division, 1800 South Baltimore Ave., Tulsa, OK 74119
1392	Marathon Pipe Line Company, 539 South Main Street, Findlay, OH 45840
1357	Michigan-Ohio Pipeline Corporation, 600 West Pickard Street, Mt. Pleasant, MI 48858
1353	Mid-Valley Pipeline Company, P.O. Box 2039, Tulsa, OK 74102
1384	Minnesota Pipe Line Company, 4111-E, 37th Street, North, Wichita, KS 67220
1311	Mobil Pipe Line Company, 108 South Akard Street, Dallas, TX 75202
1292	Ohio River Pipe Line Company, 1409 Winchester Avenue, Ashland, KY 41101
1380	Okan Pipeline Company, P.O. Box 3706, Houston, TX 77001
1417	Olympic Pipe Line Company, P.O. Box 900, Dallas, TX 75221
1420	Paloma Pipe Line Company, 1600 First National Bank Building, Dallast, TX 75202
1321	Phillips Petroleum Company, 1245 Adams Building, Bartlesville, OK 74004
1320	Phillips Pipe Line Company, 1245 Adams Building, Bartlesville, OK 74004
1372	Pioneer Pipe Line Company, P.O. Box 1267, Ponca City, OK 74601
1343	Plantation Pipe Line Company, P.O. Box 18616, Atlanta, GA 30326
1367	Platte Pipe Line Company, 539 South Main Street, Findlay, OH 45840
1410	Portal Pipe Line Company, 2700-First National Bank Bldg., Dallas, TX 75202
1347	Portland Pipe Line Corporation, P.O. Box 2590-30 Hill Street, South Portland, ME 04106
1437	Powder River Corporation, 4th & Keeler, Bartlesville, OK 74004
1327	Pure Transportation Company, 200 East Golf Road, Palatine, IL 60067
1428	Santa Fe Pipe Line Company, 1200 Thompson Building, 5th & Boston Streets, Tulsa, OK 74103
1369	Shamrock Pipe Line Corporation, P.O. Box 631, Amarillo, TX 79173
1326	Shell Pipe Line Corporation, P.O. Box 2648, Houston, TX 77002
1438	Sinclair Pipeline Company, P.O. Box 1677, Englewood, CO 80150
1402	Skelly Pipe Line Company, 1437 South Boulder, Tulsa, OK 74119
1335	Sohio Pipe Line Company, P.O. Box 5774, Cleveland, OH 44101
1424	Southcap Pipe Line Company, 200 East Golf Road, Palatine, IL 60067
1393	Southern Pacific Pipe Lines, Inc., 610 South Main Street, Los Angeles, CA 90014
1370	Sun Oil Line Company of Michigan, P.O. Box 2039, Tulsa, OK 74102
1315	Sun Pipe Line Company, P.O. Box 2039, Tulsa, OK 74102
1386	Tecumseh Pipe Line Company, P.O. Box 308, Independence, KS 67301
1300	Texaco-Cities Service Pipe Line Company, P.O. Box 430, Bellaire, TX 77401
1408	Texas Eastern Transmission Corporation, (Little Big Inch Division) P.O. Box 2521, Houston, TX 77001
1293	Texas-New Mexico Pipe Line Company, P.O. Box 430, Bellaire, TX 77401
1330	The Texas Pipe Line Company, P.O. Box 430, Bellaire, TX 77401
1379	Trans Mountain Oil Pipe Line Corporation, 400 East Broadway, Vancouver, British Columbia, Canada V5T1X2
1412	Trans-Ohio Pipeline Company, P.O. Box 2521, Houston, TX 77001
1432	UCAR Pipeline Incorporated, P.O. Box 22146, Houston, TX 77027
1388	West Emerald Pipe Line Corporation, P.O. Box 631, Amarillo, TX 79173
1396	West Shore Pipe Line Company, 200 East Randolph Drive, Chicago, IL 60601
1362	West Texas Gulf Pipe Line Company, P.O. Box 3706, Houston, TX 77001
1421	White Shoal Pipeline Corporation, Kerr-McGee Center, Oklahoma City, OK 73102
1423	Williams Pipe Line Company, P.O. Drawer 3448, Tulsa, OK 74101
1377	Wolverine Pipe Line Company, P.O. Box 900, TX 75221
1355	Wyco Pipe Line Company, 200 East Randolph Drive, Chicago, IL 60601
1373	Yellowstone Pipe Line Company, P.O. Drawer 1267, Ponca City, OK 74601

On or before August 8, 1977, persons other than those specifically designated in section 19a(h) of the Interstate Commerce Act having an interest in the valuation of any carrier named above may, pursuant to rule 72 of the Commission's "General Rules of Practice" (49 CFR 1100.72), file an original and three copies of a petition for leave to intervene and, if granted, thus to come within the category of "additional parties as the Commission may prescribe" under section 19a (h) of the act, thereby enabling the party to file a protest. Blanket petition to intervene in all or several of these proceedings is not permissible. Individual petitions to intervene must be filed with respect to each valuation in which participation is sought. It is also required that a copy of the petition to intervene be served at the address shown above upon the carrier whose property is the subject of the tentative valuation and that an appropriate certificate of service be attached to the petition. Persons specifically designated in section 19a(h) of the act need not file a petition; they are entitled to file protest as a matter of right under the statute.

H. G. Homme, Jr.,
Acting Secretary.

[FR Doc.77-19358 Filed 7-6-77;8:45 am]

sunshine act meetings

This section of the FEDERAL REGISTER contains notices of meetings published under the "Government in the Sunshine Act" (Pub. L. 94–409), 5 U.S.C. 552b(e)(3).

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1

[MA–12 Amending M–27, 6–30–77]

NOTICE OF ADDITION OF ITEM TO JULY 5, 1977, MEETING AGENDA

REVISED AGENDA

AGENCY HOLDING THE MEETING: Civil Aeronautics Board.

TIME AND DATE: 10:00 a.m., July 5, 1977.

PLACE: Room 1027, 1825 Connecticut Avenue NW., Washington, D.C. 20428.

SUBJECT: 1. Ratifications of items adopted by notation.[1]

2. Discussion of regulatory reform legislation currently before Congress.

3. Docket 27891, EDR–301, advance notice of proposed rulemaking to amend Part 234 to establish mandatory on-time arrival standards for certificated route air carriers (petition for rulemaking instituted by Aviation Consumer Action project).

4. Docket 23315, *Delta-Northeast Merger Case* (petition of Juanita Wells to compel arbitration of labor dispute) and Docket 22690 *Caribbean-Atlantic Airlines, Inc., Eastern Airlines, Inc., Acquisition Case* (petition of Jose Dones to compel arbitration of labor dispute).

5. Docket 30240, petition of Aviation Consumer Action project for Rulemaking to amend Part 241 to require the airlines to report and to classify as nonoperating expenses all expenditures for lobbying and institutional advertising.

6. Docket 30704, application of Trans World Airlines, Inc., for approval under section 412 of the Federal Aviation Act of 1958 of an agreement between it and British Airways, dated March 31, 1977, regarding new contract cargo rates, bulk specific commodity rates, and container specific commodity rates, in U.K.-U.S. directional markets.

STATUS: Open.

PERSON TO CONTACT:

Phyllis T. Kaylor, the Secretary, 202–673–5068.

SUPPLEMENTARY INFORMATION: At the June 30, 1977, Board meeting, Chairman Kahn indicated that the Board should develop its views on the regulatory reform legislation currently before Congress as soon as possible. It was clear that the subject would require more discussion than the time available at the June 30, 1977, meeting. Accordingly, the following Members voted that agency business required the addition of regulatory reform legislation currently before Congress to the agenda of the July 5, 1977, meeting agenda as Item 2 and that no earlier announcement of the change was possible:

Chairman Alfred E. Kahn
Vice Chairman Richard J. O'Melia
Member G. Joseph Minetti
Member Lee R. West

Because of time limitations at the July 5, 1977, meeting, Chairman Kahn stated that it might be necessary at that meeting to postpone consideration of some or all of the other items on the agenda. If that is necessary, the appropriate Sunshine votes will be taken at the meeting.

[S–820–77 Filed 7–1–77;4:12 pm]

[1] The ratification process provides an entry in the Board's minutes of items already adopted by the Board through the written Notation process (memoranda circulated to the Members sequentially). A list of items ratified at this meeting will be available in the Board's Public Reference Room (Room 710, 1825 Connecticut Avenue NW., Washington, D.C. 20428) following the meeting.

2

AGENCY HOLDING THE MEETING: Commodity Futures Trading Commission.

TIME AND DATE: 11 a.m., July 8, 1977.

PLACE: 2033 K Street NW., Washington, D.C., 8th Floor Conference Room.

STATUS: Closed.

MATTERS TO BE CONSIDERED: Market surveillance briefing.

CONTACT PERSON FOR MORE INFORMATION:

Jane Stuckey (254–6314).

[S–822–77 Filed 7–1–77;4:12 pm]

3

AGENCY HOLDING THE MEETING: Commodity Futures Trading Commission.

TIME AND DATE: 11 a.m., July 7, 1977.

PLACE: 2033 K Street NW., Washington, D.C., 5th Floor Hearing Room.

STATUS: Parts of this meeting will be open to the public. The rest of the meeting will be closed to the public.

MATTERS TO BE CONSIDERED:

Portions open to the public: Aggregation policy; Commission Quarterly Review: second quarter fiscal year 1977; Commission calendar; decision on filing of amicus curiae in Ames v. Merrill, Lynch, Pierce Fenner & Smith.

Portions closed to the public: Enforcement matters; audit report.

CONTACT PERSON FOR MORE INFORMATION:

Jane Stuckey (254–6314).

[S–822–77 Filed 7–1–77;4:12 pm]

4

AGENCY HOLDING THE MEETING: Federal Trade Commission.

TIME AND DATE: 10 a.m., Tuesday, July 12, 1977.

PLACE: Room 432, Federal Trade Commission Building, 6th Street and Pennsylvania Avenue NW., Washington, D.C. 20580.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

Nonajudicative matters. (1) Approval of minutes of nonadjudicative matters considered at meeting of June 14, 17, 21, 27, and 28, 1977.

(2) Consideration of proposed complaint in a (nonpublic) Part II matter.

(3) Consideration of proposed resolution authorizing compulsory process in a (nonpublic) Part II matter.

(4) Consideration of proposed resolution authorizing compulsory process and order to file special report in a (nonpublic) Part II matter.

(5) Consideration of issuance of proposed complaint in a (non-public) Part II matter.

Adjudicative matters under Part 3 of the rules of practice. (1) Approval of minutes of adjudicative matters considered at meeting of June 21 and 28, 1977.

(2) Consideration of reopening proceedings for modification of final order in Beneficial Corp. et al., Docket No. 8922.

(3) Consideration of motion to withdraw matter from adjudication in Bankers Life and Casualty Co., et al., Docket No. 9075.

(4) Consideration of petition for extraordinary review of ALJ's order denying motion to dismiss for lack of subject matter jurisdiction in the Reuben H. Donnelley Corp., Docket No. 9079.

CONTACT PERSON FOR MORE INFORMATION:

Leonard J. McEnnis, Jr., Office of Public Information, 202-523-3830; recorded message, 202-523-3806.

[S-828-77 Filed 7-5-77;10:54 am]

5

AGENCY HOLDING THE MEETING: Federal Trade Commission.

TIME AND DATE: 10 a.m., Wednesday, July 13, 1977.

PLACE: Room 432, Federal Trade Commission Building, 6th Street and Pennsylvania Avenue NW., Washington, D.C. 20580.

STATUS: Open.

MATTERS TO BE CONSIDERED: (1) Consideration of proposed rules implementing Title II of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (pre-merger notification).

(2) Consideration of proposed trade regulation rule regarding reasonable duties under a full warranty.

(3) Report from general counsel on congressional matters.

CONTACT PERSON FOR MORE INFORMATION:

Leonard J. McEnnis, Jr., Office of Public Information, 202-523-3830; recorded message, 202-523-3806.

[S-829-77 Filed 7-5-77;10:54 am]

6

[USITC SE-77-43]

AGENCY HOLDING THE MEETING: United States International Trade Commission.

TIME AND DATE: 9:30 a.m., July 15, 1977.

PLACE: Room 117, 701 E Street NW., Washington, D.C. 20436.

STATUS: Open to the public.

MATTER TO BE CONSIDERED: 1. Briefing on certain headwear (Inv. TA-201-23).

CONTACT PERSON FOR MORE INFORMATION:

Kenneth R. Mason, Secretary (202-523-0161).

[S-826-77 Filed 7-5-77;8:47 am]

7

[USITC SE-77-41B]

AGENCY HOLDING THE MEETING: United States International Trade Commission.

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT: 42 FR 3312.

PREVIOUSLY ANNOUNCED TIME AND DATE OF THE MEETING: 9:30 a.m., July 7, 1977.

CHANGES IN THE MEETING: Additional items added to the agenda as follows:

10. Certain color television receiving sets (Inv. 337-TA-23)—consideration of consent orders (discussion and vote).

11. Parts for paving equipment (Inv. AA 1921-166)—possible reconsideration of the vote.

PORTIONS CLOSED TO THE PUBLIC:

1. Reorganization (portions respecting the selection of personnel).

NOTE.—The original agenda, as published, was for a meeting all portions of which would be open to the public. As revised, the agenda contemplates both open and closed sessions for consideration of item 1 (reorganization).

[S-825-77 Filed 7-5-77;8:47 am]

8

[USITC SE-77-42]

AGENCY HOLDING THE MEETING: United States International Trade Commission.

TIME AND DATE: 9:30 a.m., July 14, 1977.

PLACE: Room 117.

STATUS: Part of this meeting will be open to the public. The rest of the meeting will be closed to the public.

MATTERS TO BE CONSIDERED: 1. Reorganization.

2. Agenda.

3. Fresh cut flowers (TA-201-22)—vote.

4. Request by the Environmental Protection Agency for certain confidential data (see memoranda from the General Counsel, Environmental Protection Agency).

5. Summary of information on import relief (see action jacket ID-77-39).

6. Certain television receivers (337-TA-23)—Consideration of consent decision—if necessary.

7. Cast-iron stoves (Inv. TA-201-24)—vote.

8. Any items left over from previous agenda.

PORTION CLOSED TO THE PUBLIC: 1. Reorganizaion (portions respecting the selection of personnel).

CONTACT PERSON FOR MORE INFORMATION:

Kenneth R. Mason, Secretary, (202-523-0161).

[S-824-77 Filed 7-5-77;8:47 am]

9

AGENCY HOLDING THE MEETING: National Science Board's Executive Committee.

TIME AND DATE: July 15, 1977.

PLACE: National Science Foundation, Room 540, 1800 G Street NW., Washington, D.C. 20550.

STATUS: This meeting will be closed to the public.

MATTERS TO BE CONSIDERED: Consideration of proposed awards.

CONTACT PERSON FOR MORE INFORMATION:

Miss Vernice Anderson (202-632-5840).

[S-823-77 Filed 7-5-77;8:46 am]

10

AGENCY HOLDING THE MEETING: National Transportation Safety Board.

TIME AND DATE: 2 p.m., Thursday, July 14, 1977 (NM-77-19).

PLACE: NTSB Board Room, National Transportation Safety Board, 800 Independence Avenue SW., Washington, D.C. 20594.

STATUS: Open.

MATTER TO BE CONSIDERED: 1. Recommendation to Federal Aviation Administration re improved pilot/controller communications procedures to eliminate possible misunderstandings.

CONTACT PERSON FOR MORE INFORMATION:

Sharon Flemming (202-755-4930).

[S-818-77 Filed 7-1-77;3:51 pm]

11

AGENCY HOLDING THE MEETING: National Transportation Safety Board.

TIME AND DATE: Immediately following open meeting, Thursday, July 14, 1977 (NM-77-20).

PLACE: NTSB Board Room, National Transportation Safety Board, 800 Independence Avenue SW., Washington, D.C. 20594.

STATUS: Closed.

MATTERS TO BE CONSIDERED: 1. *Order.—Administrator* v. *Danielson*, Dkt. SE-3213; disposition of Administrator's petition for reconsideration.

2. *Opinion and order.—Commandant* v. *O'Callaghan*, Dkt. ME-58; disposition of mariner's appeal.

3. Discussion of fiscal year 1979-80 authorization request.

4. Discussion of internal personnel matters.

CONTACT PERSON FOR MORE INFORMATION:

Sharon Flemming (202-755-4930).

[S-819-77 Filed 7-1-77;3:51 pm]

12

AGENCY HOLDING THE MEETING: Nuclear Regulatory Commission.

TIME AND DATE: Thursday, July 7, 1977.

PLACE: Commissioners' Conference Room, 1717 H Street NW., Washington, D.C.

STATUS: Open.

OPEN MATTERS TO BE CONSIDERED:

THURSDAY, JULY 7

10 a.m.—Briefing on containment safety (approx. 1½ hrs.) (public briefing).

2 p.m.—1. Briefing on reactor licensing schedules (approx. 1 hr.) (public briefing). 2. Briefing on current status of NRC EEO program (approx. 1 hr.) (public briefing).

CONTACT PERSON FOR MORE INFORMATION:

Walter Magee (202–634–1410).

Dated: June 30, 1977.

WALTER MAGEE,
Office of the Secretary.

[S-816-77 Filed 7-1-77;3:07 pm]

13

AGENCY HOLDING THE MEETING: The Renegotiation Board.

DATE AND TIME: Friday, July 1, 1977, 2 p.m.

PLACE: Conference Room, 4th Floor, 2000 M Street, NW., Washington, D.C. 20446.

STATUS: Closed.

MATTER TO BE CONSIDERED: Guidelines for application of statutory factors.

CONTACT PERSON FOR MORE INFORMATION:

Kelvin H. Dickinson, Assistant General Counsel—Secretary, 2000 M Street NW., Washington, D.C. 20446 (202–254–8277).

Dated: July 1, 1977.

GOODWIN CHASE,
Chairman.

[S-817-77 Filed 7-5-77;1:59 pm]

14

AGENCY HOLDING THE MEETING: The Renegotiation Board.

DATE AND TIME: Friday, July 8, 1977, 9 a.m.

PLACE: Conference Room, 4th Floor, 2000 M Street NW., Washington, D.C. 20446.

STATUS: Matter 1 will be open to the public; matter 2 will be closed to the public.

MATTERS TO BE CONSIDERED: 1. Reports of regional board observations. 2. Guidelines for application of statutory factors.

CONTACT PERSON FOR MORE INFORMATION:

Kelvin H. Dickinson, Assistant General Counsel—Secretary, 200 M Street NW., Washington, D.C. 20446 (202–254–8277).

Dated: July 1, 1977.

GOODWIN CHASE,
Chairman.

[S-827-77 Filed 7-5-77;10:54 am]

federal register

THURSDAY, JULY 7, 1977

PART II

DEPARTMENT OF THE INTERIOR

Mining Enforcement and Safety Administration

■

NEW AND REVISED HEALTH STANDARDS

Notice of Proposed Rulemaking

DEPARTMENT OF THE INTERIOR

Mining Enforcement and Safety Administration

[30 CFR Parts 55, 56, and 57]

NEW AND REVISED HEALTH STANDARDS

Notice of Proposed Rulemaking

AGENCY: Department of the Interior, Mining Enforcement and Safety Administration (MESA).

ACTION: Notice of proposed rulemaking.

SUMMARY: The Secretary of the Interior is soliciting comments on a proposed definition for the term "potable water," proposed new mandatory standards with respect to the major health hazards of silicosis and other respiratory diseases related to excessive concentrations of silica dust, and lung cancer and other diseases related to exposure to asbestos dust, and proposed new mandatory standards limiting the use and storage of certain specified toxic or harmful chemical substances.

"Potable" as used in 30 CFR Parts 55, 56, and 57 is vague. The proposed definition of the term "potable water" will provide clarity and uniformity in compliance and enforcement of mandatory standards §§55.20–2, 56.20–2, and 57.20–2 by providing applicable minimum health requirements for drinking water. New mandatory standards will place limitations on the use of silica sand, or other materials, containing more than 1 percent free silica in abrasive blasting operations on the surface and precludes such use underground, and generally prohibit the use and storage of certain specified harmful chemical substances, and reduce the 8-hour time-weighted average airborne concentration of asbestos dust to which workers are exposed from 5 fibers per milliliter greater than 5 microns in length to 2 fibers per milliliter. The proposed amendments will improve health conditions to which mine workers are exposed and provide mine workers with an equivalent degree of protection as workers in other industries and subject to similar hazards.

DATES: Comments must be received on or before August 22, 1977.

ADDRESSES: The Administrator, Mining Enforcement and Safety Administration, Department of the Interior, Room 618, Ballston Tower No. 3, 4015 Wilson Boulevard, Arlington, Virginia 22203.

FOR FURTHER INFORMATION CONTACT:

Dr. Aurel Goodwin, Chief, Division of Health, Metal and Nonmetal Mine Health and Safety, Room 728, Ballston Tower No. 3, 4015 Wilson Boulevard, Arlington, Virginia 22203, 703–235–8307.

SUPPLEMENTARY INFORMATION

STATUTORY RULEMAKING PROVISIONS

Notice is hereby given that pursuant to the rulemaking authority of section 6 of the Federal Metal and Nonmetallic Mine Safety Act (30 U.S.C. 725) to develop, revise, and promulgate health and safety standards for the purpose of the protection of life, the promotion of health and safety, and the prevention of accidents and occupational illnesses and diseases, it is proposed to amend Parts 55, 56, and 57, Subchapter N, Chapter I, Title 30, Code of Federal Regulations. The health standards are to be amended by: (1) revising the definition of "potable" to "potable water" which will provid the minimum health requirements for drinking water as established by the State or community in which the mine is located, or the Public Health Service drinking water standards published in Subpart J of 42 CFR Part 72; (2) prohibiting the use or storage of certain specified toxic chemical substances except under laboratory conditions approved by a nationally recognized agency acceptable to the Secretary; (3) revising existing mandatory standards by reducing the 8-hour time-weighted average airborne concentration of asbestos dust to which employees are to be exposed from 5 fibers per milliliter greater than 5 microns in length to 2 fibers per milliliter; and (4) prohibiting silica sand or other materials containing more than 1 percent free silica from being used as an abrasive substance in abrasive blasting cleaning operations underground and limiting such use in surface activities only with the use of full-flow respiratory protection, or equivalents to all exposed persons.

These health standards have been developed after consultation with the Federal Metal and Nonmetal Mine Safety Advisory Committee appointed under section 7 of the Act (30 U.S.C. 726). Each proposed mandatory health standard has been recommended as a "mandatory" standard by the Advisory Committee. Under subsections (b) and (c) of section 6 of the Act (30 U.S.C. 725 (b) and (c)) each standard which is to be a mandatory standard is so designated by the word "Mandatory" which appears at the beginning of the subsection in which the standard is prescribed. Since the Advisory Committee has recommended these mandatory health standards, the standards are preceded by the word "Mandatory" and the letters "MNMSAC" in this manner "Mandatory. MNMSAC. _____."

According to the provisions of subsection (c) of section 6 of the Act, interested persons may submit written data, views, or arguments concerning these proposed standards. However under subsection (e) of section 6 of the Act, these proposed mandatory standards which are recommended by the Federal Metal and Nonmetal Mine Safety Advisory Committee are not subject to public hearings.

MEMORANDUM OF UNDERSTANDING

The Mining Enforcement and Safety Administration and the Occupational Safety and Health Administration entered into a Memorandum of Understanding on April 22, 1974, to (1) clarify the jurisdiction responsibilities of each agency and (2) provide a procedure for the coordination and adoption of OSHA regulations which have significant application to working conditions in mines and mills subject to the Federal Metal and Nonmetallic Mine Safety Act. This Memorandum of Understanding was published in the FEDERAL REGISTER on Friday, July 26, 1974 (39 FR 27382–27384). Article D1(c) of the Memorandum of Understanding requires the Secretary of the Interior to publish in the FEDERAL REGISTER (1) those OSHA regulations which the Secretary proposes to publish without change, and (2) those OSHA regulations which the Secretary proposes to adopt with modification or revision because specific conditions associated with the metal and nonmetal mining industries warrant such modification or revision. The memorandum also provides that the Secretary publish the text of the proposed modified or revised standards and indicates the reasons for the modifications or revisions.

A comparison has been made between the language and substantive requirements of each proposed definition and mandatory health standard with the corresponding OSHA definition and regulation. In each instance, the proposed definition or mandatory health standard affords at least the same degree of health protection to the individuals working in the metal and nonmetal mining industries as its counterpart OSHA definition or regulation affords those persons working in the general and construction industries subject to the Occupational Safety and Health Act.

The wording of these proposed definitions and mandatory health standards are like, but not identical with, their corresponding OSHA definition and regulations. The wording has been specifically recommended to the Secretary by the Federal Metal and Nonmetal Mine Safety Advisory Committee on the basis of recognized hazards in metal and nonmetal mining, the needs of workers, and the general practice of preparing standards in short and concise statements that are readily understandable by persons working in the metal and nonmetal mining industries.

In consideration of the foregoing, it is proposed to amend Parts 55, 56, and 57 of Subchapter N, Chapter I, Title 30, Code of Federal Regulations, as set forth below.

PERMISSIBLE LEVELS OF EXPOSURE TO ASBESTOS

Because of scientific data developed in the late 1960's and early 1970's, the asbestos standards 30 CFR 55.5–1, 56.5–1, and 57.5–1 were amended in 1974 to provide the current limit of 5 fibers/ml greater than 5 microns (micrometers) in length. In keeping with the Secretary's responsibilties, MESA continued to study the available data on asbestos dust and, as a result of these studies, in June 1976 submitted to the advisory committee a recommendation to reduce the 5 fibers/ml limit to 2 fibers/ml. The reason for the reduction to 2 fibers/ml limit is to prevent asbestosis and to protect to a greater degree against cancer. The 2 fibers/ml limit is consistent with MESA's

current asbestos dust standard for surface work areas of underground coal mines and surface coal mines and OSHA's current standards for general industries and the construction industry. A reduction from 5 fibers/ml level to 2 fibers/ml will improve significantly the working environment of miners.

Some prominent medical and health authorities have indicated that permissible exposures up to 2 fibers/ml may still be too high to adequately protect the health of miners exposed to asbestos dust during a working lifetime. MESA, therefore, is continuing its studies into the necessity and feasibility of further reducing the 2 fibers/ml limit and will be seeking the active cooperation of the mining industry, miners and other interested persons and organizations prior to beginning formal rulemaking procedures. OSHA has published in the FEDERAL REGISTER and solicited comments on a proposal to reduce asbestos exposure levels from 2 to 0.5 fibers/ml for all industries except the construction industry which will be considered separately at some later date. NIOSH has recommended to OSHA an asbestos standard of 0.1 fiber/ml.

DRAFTING INFORMATION

The principal persons responsible for preparation of these proposed health standards are: Arthur P. Nelson, Assistant Administrator, Metal and Nonmetal Mine Health and Safety, MESA; Aurel Goodwin, Chief, Division of Health; and, Donald R. Tindal, Assistant Solicitor, Metal and Nonmetallic Mine Health and Safety, Office of the Solicitor.

IMPACT STATEMENTS

NOTE.—The Department of the Interior has determined that this document does not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11821, as amended by Executive Order 11949 dated December 31, 1976, and OMB Circular A-107; and further, that it is not a major Federal action significantly affecting the quality of the human environment which would require preparation of an Environmental Impact Statement.

Dated: June 28, 1977.

JOAN M. DAVENPORT,
Assistant Secretary of the Interior.

PART 55—HEALTH AND SAFETY STANDARDS—METAL AND NONMETALLIC OPEN PIT MINES

1. It is proposed to revise the definition of "Potable" in § 55.2 as follows:

§ 55.2 Definitions.

* * * * *

"Potable water" (MNMSAC) means water which shall meet the applicable minimum health requirements for drinking water established by the State or community in which the mine is located. Where no such requirements are applicable, the drinking water provided shall conform with the Public Health Service Drinking Water Standards, Subpart J, pages 527–533, 42 CFR Part 72, revised, as of October 1, 1976, and which is made a part hereof. Title 42 of the Code of Federal Regulations, Part 72, Subpart J, revised as of October 1, 1976, is available for inspection at each Metal and Nonmetal Mine Health and Safety Subdistrict Office of the Mining Enforcement and Safety Administration and may be obtained from the U.S. Government Printing Office, Washington, D.C. 20402.

* * * * *

2. It is proposed to revise paragraph (b) of mandatory standard 55.5–1 and add new mandatory standards 55.5–6 and 55.5–10 as follows:

§ 55.5 Air quality and physical agents.

* * * * *

55.5–1 *Mandatory. MNMSAC.*

* * * * *

(b) The 8-hour time-weighted average airborne concentration of asbestos dust to which employees are exposed shall not exceed 2 fibers per milliliter greater than 5 microns in length, as determined by the membrane filter method at 400–450 magnification (4 millimeter objective) phase contrast illumination. No employees shall be exposed at any time to airborne concentrations of asbestos fibers in excess of 10 fibers per milliliter of air, as determined by the membrane filter method over a minimum sampling time of 15 minutes. "Asbestos" is a generic term for a number of hydrated silicates that, when crushed or processed, separate into flexible fibers made up of fibrils. Although there are many asbestos minerals, the term "asbestos" as used herein is limited to the following minerals: chrysolite, amosite, crocidolite, anthophylite asbestos, tremolite asbestos, and actinolite asbestos.

* * * * *

55.5–6 *Mandatory. MNMSAC.* The following chemical substances shall not be used or stored except by competent persons under laboratory conditions approved by a nationally recognized agency acceptable to the Secretary:

(a) Carbon tetrachloride
(b) Phenol
(c) 4-Nitrobiphenyl
(d) Alpha-naphthylamine
(e) 4,4-Methylene Bis (2-chloroaniline)
(f) Methyl-chloromethyl ether
(g) 3,3 Dichlorobenzidine
(h) Bis (chloromethyl) ether
(i) Beta-napthylamine
(j) Benzidine
(k) 4-Aminodiphenyl
(l) Ethyleneimine
(m) Beta-propiolactone
(n) 2-Acetylaminofluorene
(i) 4-Dimenthylaminoazobenzene
(p) N-Nitrosodimethylamine

* * * * *

55.5–10 *Mandatory. MNMSAC.* Silica sand, or other materials containing more than 1 percent free silica, shall not be used as an abrasive substance in abrasive blasting cleaning operations without requiring full-flow respiratory protection, or equivalent, to all exposed persons.

PART 56—HEALTH AND SAFETY STANDARDS—SAND, GRAVEL, AND CRUSHED STONE

3. It is proposed to revise the definition of "Potable" in § 56.2 as follows:

§ 56.2 Definitions.

* * * * *

"Potable water" (MNMSAC) means water which shall meet the applicable minimum health requirements for drinking water established by the State or community in which the mine is located. Where no such requirements are applicable, the drinking water provided shall conform with the Public Health Service Drinking Water Standards, Subpart J, pages 527–533, 42 CFR Part 72, revised as of October 1, 1976, and which is made a part hereof. Title 42 of the Code of Federal Regulations, Part 72, Subpart J, revised as of October 1, 1976, is available for inspection at each Metal and Nonmetal Mine Health and Safety Subdistrict Office of the Mining Enforcement and Safety Administration, and may be obtained from the U.S. Government Printing Office, Washington, D.C. 20402.

* * * * *

4. It is proposed to revise paragraph (b) of mandatory standard 56.5–1 and add new mandatory standards 56.5–6 and 56.5–10 as follows:

§ 56.5 Air quality and physical agents.

* * * * *

56.5–1 *Mandatory. MNMSAC.*

* * * * *

(b) The 8-hour time-weighted average airborne concentration of asbestos dust to which employees are exposed shall not exceed 2 fibers per milliliter greater than 5 microns in length, as determined by the membrane filter method at 400–450 magnification (4 millimeter objective) phase contrast illumination. No employees shall be exposed at any time to airborne concentrations of asbestos fibers in excess of 10 fibers per milliliter of air, as determined by the membrane filter method over a minimum sampling time of 15 minutes. "Asbestos" is a generic term for a number of hydrated silicates that, when crushed or processed, separate into flexible fibers made up of fibrils. Although there are many asbestos minerals, the term "asbestos" as used herein is limited to the following minerals: chrysotile, amosite, crocidolite, anthophylite asbestos, tremolite asbestos, and actinolite asbestos.

* * * * *

56.5–6 *Mandatory. MNMSAC.* The following chemical substances shall not be used or stored except by competent persons under laboratory conditions approved by a nationally recognized agency acceptable to the Secretary:

(a) Carbon tetrachloride
(b) Phenol
(c) 4-Nitrobiphenyl
(d) Alpha-naphthylamine
(e) 4,4-Methylene Bis (2-chloroaniline)
(f) Methyl-chloromethyl ether
(g) 3,3 Dichlorobenzidine
(h) Bis (chloromethyl) ether
(i) Beta-napthylamine
(j) Benzidine
(k) 4-Aminodiphenyl
(l) Ethyleneimine
(m) Beta-propiolactone
(n) 2-Acetylaminofluorene
(o) 4-Dimethylaminoazobenzene
(p) N-Nitrosodimethylamine

* * * * *

56.5–10 *Mandatory. MNMSAC.* Silica sand, or other materials containing more than 1 percent free silica, shall not be used as an abrasive substance in abrasive blasting

cleaning operations without requiring full-flow respiratory protection, or equivalent, to all exposed persons.

PART 57—HEALTH AND SAFETY STANDARDS—METAL AND NONMETALLIC UNDERGROUND MINES

§ 57.2 Definitions.

5. It is proposed to revise the definition of "potable" in § 57.2 as follows:

* * * * *

"Potable water" (MNMSAC) means water which shall meet the applicable minimum health requirements for drinking water established by the State or community in which the mine is located. Where no such requirements are applicable, the drinking water provided shall conform with the Public Health Service Drinking Water Standards, Subpart J, pages 527–533, 42 CFR Part 72 revised, as of October 1, 1976, and which is made a part hereof. Title 42 of the Code of Federal Regulations, Part 72, Subpart J, revised as of October 1, 1976, is available for inspection at each Metal and Nonmetal Mine Health and Safety Subdistrict Office of the Mining Enforcement and Safety Administration, and may be obtained from the U.S. Government Printing Office, Washington, D.C. 20402.

* * * * *

6. It is proposed to revise § 57.5 paragraph (b) of mandatory standard 57.5–1 which is applicable to surface and underground; to add new mandatory standard 57.5–6, applicable to surface and underground; to add mandatory standard 57.5–10, applicable to surface; and 57.5–16, applicable to underground:

§ 57.5 Air quality, ventilation, radiation, and physical agents.

57.5–1 *Mandatory. MNMSAC.*

* * * * *

(b) The 8-hour time-weighted average airborne concentration of asbestos dust to which employees are exposed shall not exceed 2 fibers per milliliter greater than 5 microns in length, as determined by the membrane filter method at 400–450 magnification (4 millimeter objective) phase contrast illumination. No employees shall be exposed at any time to airborne concentrations of asbestos fibers in excess of 10 fibers per milliliter of air, as determined by the membrane filter method over a minimum sampling time of 15 minutes. "Asbestos" is a generic term for a number of hydrated silicates that, when crushed or processed, separate into flexible fibers made up of fibrils. Although there are many asbestos minerals, the term "asbestos" as used herein is limited to the following minerals; chrysotile, amosite, crocidolite, anthophyllite asbestos, tremolite asbestos, and actinolite asbestos.

* * * * *

57.5–6 *Mandatory. MNMSAC.* The following chemical substances shall not be used or stored except by competent persons under laboratory conditions approved by a nationally recognized agency acceptable to the Secretary:

(a) Carbon tetrachloride
(b) Phenol
(c) 4-Nitrobiphenyl
(d) Alpha-napthylamine
(e) 4,4-Methylene Bis (2-chloroaniline)
(f) Methyl-chloromethyl ether
(g) 3,3 Dichlorobenzidine
(h) Bis (chloromethyl) ether
(i) Beta-napthylamine
(j) Benzidine
(k) 4-Aminodiphenyl
(l) Ethyleneimine
(m) Beta-propiolactone
(n) 2-Acetylaminofluorene
(o) 4-Dimethylaminoazobenzene
(p) N-Nitrosodimethylamine

* * * * *

57.5–10 *Mandatory. MNMSAC.* Silica sand, or other materials containing more than 1 percent free silica, shall not be used as an abrasive substance in abrasive blasting cleaning operations without requiring full-flow respiratory protection, or equivalent, to all exposed persons.

* * * * *

57.5–16 *Mandatory. MNMSAC.* Silica sand, or other materials containing more than 1 percent free silica, shall not be used as an abrasive substance in abrasive blasting cleaning operations.

[FR Doc.77-19312 Filed 7-6-77;12:05 pm]

federal register

THURSDAY, JULY 7, 1977

PART III

COMMODITY FUTURES TRADING COMMISSION

■

TRADING STANDARDS

Interpretive Statement and Specification of Terms and Conditions for Certain Exemptions

Title 17—Commodity and Securities Exchanges

CHAPTER I—COMMODITY FUTURES TRADING COMMISSION

PART 155—TRADING STANDARDS

Interpretive Statement and Specification of Terms and Conditions for Certain Exemptions

AGENCY: Commodity Futures Trading Commission.

ACTION: Interpretive Statement and Specification of Terms and Conditions for Certain Exemptions.

SUMMARY: The Commodity Futures Trading Commission ("Commission") has adopted interpretations of, and specified terms and conditions for exemptions from the Commission regulation dealing with trading standards for floor brokers. The interpretations will be used in the Commission's analysis of each contract market's proposed rules implementing the floor broker trading standards, which have been submitted to the Commission pursuant to section 5a(12) of the Commodity Exchange Act, as amended. The specified terms and conditions will be used in the Commission's section 5a(12) analysis of proposed rules which accompany a petition for exemptions.

DATES: Comments must be received on or before: August 8, 1977. Effective date: May 10, 1977.

ADDRESSES: Comments should be sent to: Commodity Futures Trading Commission, 2033 K Street, N.W., Washington, D.C. 20581, Attention: Secretariat.

FOR FURTHER INFORMATION CONTACT:

Maureen E. Lally, Contract Markets Section, Division of Trading and Markets, Commodity Futures Trading Commission, 2033 K Street, NW., Washington, D.C. 20581, 202-254-5208.

SUPPLEMENTAL INFORMATION: On December 20, 1976, the Commission adopted a new Part 155, establishing trading standards for floor brokers and for those futures commission merchants which are members of contract markets (41 FR 56134, December 23, 1976). While the Commission determined to adopt Part 155 in the form as published, it also announced that it would "consider any comments on the new regulation submitted by interested persons on or before January 21, 1977, in determining whether any further or different action should be taken with respect to any of the matters dealt with in these regulations."[1] Numerous oral and written comments were received requesting that that Commission clarify certain aspects of the regulation.[2] The Commission has analyzed these comments and, on May 10, 1977, adopted interpretations of regulations 155.2(c) and 155.2(e).

The Commission has the authority under regulation 155.10 to exempt, upon terms and conditions it deems appropriate, a contract market or other person from the provisions of Part 155. In this regard, on May 10, 1977, the Commission specified the terms and conditions under which it will grant exemptions from the provisions of regulation 155.2(c).

Interested persons may submit comments for a period of thirty (30) days from the date hereof. The Commission will consider these comments in determining whether any further or different action should be taken with respect to these interpretations and specifications.

Set forth below are the adopted interpretations and the erms and conditions for exemptions from the provisions of regulation 155.2(c).

Interpretations

1. Regulation 155.2(c) prohibits a floor broker from executing any transaction for any account of another person over which he has the authority to originate orders or for which transactions can be executed by the broker without the prior specific consent of the account owner. Such order must be placed with another member for execution. Regulation 155.2(c) was designed, in part, to prevent a floor broker's allocation of profitable trades to his own personal trading account or accounts of favored customers to the detriment of his descretionary account customers. In announcing new Part 155, the Commission stated that regulation 155.2(c) did not require that orders giving the broker discretion as to time and price must be handed off for execution. 41 FR 56136, December 23, 1976.[3]

A question has arisen as to whether a floor broker may execute any other type of discretionary order and still be in compliance with regulation 155.2(c). The reason for the Commission's determination regarding price and time discretion orders was that the customer has limited the floor broker's discretion when he gives the broker only time and price discretion. In these situations the customer actually originates the order, not the floor broker. However, the more details of the order the broker decides the greater his exercise of discretion and the greater the potential for abuse that regulation 155.2(c) is designed to prevent. Therefore, as interpreted by the Commission, regulation 155.2(c) requires that discretionary orders giving the broker more latitude than price and time discretion must be handed off for execution.

2. Regulation 155.2(e) prohibits a floor broker from taking the other side of an order of another person "except with such other person's prior consent" and in conformity with contract market rules approved by the Commission. The purpose of this regulation is to require contract markets to adopt and enforce rules similar to section 4b(D) of the Act which, among other things, prohibits anyone from taking the other side of another person's order without such person's prior consent.

(A) A question has arisen as to whether the term "other person" in regulation 155.2 (e) refers to the account owner-customer or to the futures commission merchant placing the order with the floor broker. Since the purpose of regulation 155.2(e) is to protect the account owner-customer on the other side of the transaction from trading abuses, the Commission interprets the regulation to require that the prior consent is to be obtained from that customer.

(B) Another question that has arisen is whether the prior consent must be obtained for each transaction. Commentators have stated that if the contract market member has obtained the prior consent from the account owner-customer in the form of a written agreement which is separate and distinct from the customer agreement, then the purposes of the regulation are served. While the Commission believes that it is important that the customer is aware that the broker is taking the other side of a transaction, the Commission believes that the objectives of the regulation would be met if the prior consent of the account owner-customer is obtained in the form of a written agreement which is separate and distinct from the customer agreement.

(C) A third question that has arisen is whether contract market rules which set forth the procedures outlined in Commission regulation 1.39 are acceptable contract market rules for purposes of regulation 155.2 (e). Regulation 1.39 sets forth the conditions and requirements for the execution of simultaneous buying and selling orders of different principals.[4] The Commission believes that the objective of regulation 1.39, which is to minimize the potential for abuse by the floor broker, is likewise applicable when the floor broker takes the other side of the transaction. Therefore, the Commission believes that proposed contract market rules which implement the procedures outlined in Commission regulation 1.39 are acceptable for purposes of regulation 155.2(e).

Terms and Conditions for Exemptions

As discussed above, regulation 155.2(c) prohibits a floor broker from executing any order which he has the authority to originate. Such order must be placed with another member for execution.

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[1] 41 FR 56144, December 23, 1976. The effective date of the newly adopted Part 155 was extended to March 16, 1977 and the period for the submission of comments was extended to February 22, 1977. (42 FR 4120, January 21, 1977.)

[2] The Commission today published in the Federal Register a proposal to amend regulation 155.2(g) to eliminate the absolute prohibition of allocation of trades by a floor broker among accounts by permitting allocation in accordance with contract market rules approved by the Commission. *See* 42 FR 35007 July 7, 1977.

[3] Of course, the "customer first" provisions of regulation 155.2 (a) and (b) applies to price and time discretion orders so that broker may not trade for his own account until that order, which is theoretically always executable at the market, is filled.

[4] Regulation 1.39 provides that a broker may match simultaneous buying and selling orders of different principals at the market price if such matching is done in conformity with written rules of the contract market which have been approved by the Commission. The 1.39 procedures require that both orders must be openly and competitively offered and the offer must be higher than the bid by not more than the minimal permissible price fluctuation for the commodity where neither the bid nor offer is accepted. The broker must execute these orders "in the presence of an official representative of such contract market designated to observe such transactions." All these transactions must be clearly identified, including the time, on the broker's trading card at the time of execution and must be verified and initialed by the official representative. In addition, the contract market must keep a record of all these transactions.

An issue has arisen as to whether a floor broker is required to hand off orders for discretionary accounts or discretionary orders originated by the broker for members of the floor broker's immediate family, for contract market members, or for the proprietary accounts of contract market member firms. Commentators have stated that regulation 155.2(c) was designed primarily to protect those discretionary account customers who are not in a position to oversee directly the trading activities of the floor broker exercising the discretion and, therefore, the regulation should not apply to orders originated for contract market members, the proprietary accounts of contract market member firms and, to a certain extent, members of a broker's immediate family.

The Commission agrees and will entertain, on the basis of the terms and conditions set forth below, a contract market's petition for exemption from the requirements of regulation 155.2(c) with respect to orders originated on behalf of any one or all of the following:

(1) Members of the floor broker's immediate family;

(2) Contract market members; and

(3) The proprietary accounts of contract market member firms.

Such petition is to be accompanied by proposed contract market rules which define the customers for whom exemption from the requirement of handing off orders is sought and which provide that customers' orders, including price and time discretion orders, are executed before discretionary account orders or discretionary orders for family members, contract market members or the proprietary accounts of contract market member firms.

Issued in Washington, D.C. on June 29, 1977.

By the Commission.

WILLIAM T. BAGLEY,
Chairman, Commodity Futures Trading Commission.

[FR Doc.77-19203 Filed 7-6-77;8:45 am]

federal register

THURSDAY, JULY 7, 1977
PART IV



COMMODITY FUTURES TRADING COMMISSION

■

TRADING STANDARDS FOR FLOOR BROKERS

COMMODITY FUTURES TRADING COMMISSION

[17 CFR Part 155]

TRADING STANDARDS

Proposed Rule Change

AGENCY: Commodity Futures Trading Commission.

ACTION: Proposed Rule Change.

SUMMARY: The Commodity Futures Trading Commission ("Commission") is proposing to eliminate the absolute prohibition of allocation of trades by floor brokers among accounts by permitting allocation in accordance with contract market rules approved by the Commission pursuant to section 5a(12) of the Commodity Exchange Act, as amended. The intended effect of the proposed rule change is that contract markets be permitted to adopt and receive Commission approval of rules which set forth specific procedures by which floor brokers may allocate trades.

DATES: Comments must be received on or before: August 8, 1977.

ADDRESS: Comments on the proposal should be sent to: Commodity Futures Trading Commission, 2033 K Street, NW., Washington, D.C. 20581, Attention: Secretariat.

FOR FURTHER INFORMATION CONTACT:

Maureen E. Lally, Contract Markets Section, Division of Trading and Markets, Commodity Futures Trading Commission, 2033 K Street, NW., Washington, D.C. 20581, (202) 254-5208.

SUPPLEMENTAL INFORMATION: On December 20, 1976, the Commission adopted a new Part 155 of the Commission regulations, establishing trading standards for floor brokers and for those futures commission merchants which are members of contract markets. (41 FR 56134, December 23, 1976). While the Commission determined to adopt Part 155 in the form as published, it also announced that it would "consider any comments on the new regulation submitted by interested persons on or before January 21, 1977, in determining whether any further or different action should be taken with respect to any of the matters dealt with in these regulations."[1] Numerous oral and written comments were received requesting that the Commission clarify whether any type of allocation is permissible under regulation 155.2(g).[2]

Regulation 155.2(g) presently prohibits allocation by a floor broker of trades among accounts. While the present language of regulation 155.2(g) does not permit any type of allocation, the Commission previously stated that the purpose behind the regulation is to prevent discretionary allocation which permits floor brokers to allocate "the best trades to their own accounts and the accounts of their preferred customers to the detriment of their other customers." 41 FR 56137. The Commission recognized that there may be times when the floor broker must assign trades among accounts and suggested a nondiscriminatory method for such assignment, e.g., assignment on the basis of the order of receipt by the broker of the orders in the pit.[3]

Commentators have raised two general objections to the present regulation. First, they believe that a floor broker's assignment of trades on the basis of an objective factor such as time stamp should be a permissible method of allocation. Second, since it is impossible to assign trades on the basis of time stamp when there are identical time stamps or when there is no written time stamp record,[4] contract markets should be permitted to devise other allocation procedures.

The proposed amendment would eliminate the absolute prohibition of a floor broker's allocation of trades among accounts by permitting allocation in accordance with contract market rules approved by the Commission pursuant to section 5a(12) of the Act. Therefore, contract markets who wish to permit any type of allocation may adopt and submit for Commission approval pursuant to section 5a(12) of the Act rules setting forth specific allocation procedures which are consistent with the purpose of the regulation, i.e., to prohibit discriminatory allocation by floor brokers of trades among accounts.[5]

Interested persons may submit comments on or before the above date. The Commission will consider these comments in determining whether to adopt the proposed amendment to regulation 155.2(g).

In consideration of the foregoing and pursuant to sections 4b, 4g, 4j and 8a of the Act, 7 U.S.C. 6b, 6g, 6j and 12a, the Commission hereby proposes to amend 17 CFR 155.2 by revising § 155.2(g) to read as follows:

§ 155.2 Trading standards for floor brokers.

* * * * *

(g) Prohibit such member from allocating trades among accounts except in accordance with rules of the contract market which have been approved by the Commission.

* * * * *

Issued in Washington, D.C. on June 29, 1977.

By the Commission.

WILLIAM T. BAGLEY,
Chairman, Commodity Futures Trading Commission.

[FR Doc.77-19204 Filed 7-6-77;8:45 am]

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[1] 41 FR 56144, December 23, 1976. The effective date of Part 155 was extended to March 16, 1977 and the period for the submission of comments was extended to February 22, 1977. (42 FR 4120, January 21, 1977).

[2] The Commission today published in the FEDERAL REGISTER interpretations of regulation 155.2(c) and 155.2(e) and specified terms and conditions for certain exemptions from various provisions of regulation 155.2. *See* 42 FR 35003 July 7, 1977.

[3] 41 FR 56137, n. 13, December 23, 1976.

[4] In this connection, the Commission has proposed that present regulations 1.35(a-1)(2) and (3) be changed to provide that all orders, including those received from another member on the floor, be written and time stamped. In this way, there would be a written, time stamped order for almost every trade. (41 FR 55887, December 23, 1976).

[5] In a related area, some commentators have questioned whether a floor broker can correct his errors while holding customer orders which are executable at the market price on the opening or opening call and still comply with the requirements of regulations 155.2 (a) and (b). Regulations 155.2 (a) and (b) prohibit a floor broker from executing any transaction for his own account while holding the order of another person which is executable at the market. These regulations incorporate a "customer first" rule which is intended to prohibit a floor broker from trading ahead of a customer order in any delivery month of the futures contract specified in the customer's order.

Commentators have stated that a floor broker will correct his errors from the previous day as soon as possible the next morning even if it means handing off his deck to another broker during the opening period or refusing to accept any customer orders for the opening. The customer, therefore, may be disadvantaged in that he would be unable to use the expertise of a particular broker for the execution of his opening orders. These commentators have requested an exemption from the "customer first" rule of regulation 155.2 (a) and (b) to permit a floor broker on the opening or opening call to correct his errors.

The Commission believes that contract markets should address this concern in the context of proposed rules submitted to comply with proposed regulation 155.2(g), if adopted. The primary purpose behind both the "customer first" rule of regulations 155.2 (a) and (b) and the regulation 155.2(g) prohibition of allocation is protection of the customer. When a floor broker is permitted to correct errors before executing his customer orders on the opening or opening call, there is a potential that the floor broker will allocate the most favorable trades to his own account to correct his errors to the detriment of his customer. This discriminatory allocation could occur without detection by the contract market since most contract markets do not presently require that each transaction be time stamped upon execution and since contract markets' time and sales information for the opening or opening call is often quote in terms of a range rather than in consecutive price changes. The contract market may have difficulty, therefore, in determining whether the customer relationship was abused by permitting the floor broker to correct his errors before executing his customer's orders.

To resolve this concern, if the proposed amendment to regulation 155.2(g) is adopted, the Commission will consider proposed contract market rules which allow a floor broker to correct his errors on the opening or opening call before executing trades for his customers only if proposed contract market rules: (1) set forth specific allocation procedures which are designed to prohibit discriminatory allocation of trades on the opening or opening call and (2) provide that the floor broker indicate on the records he keeps for the contract market that the transaction was executed to correct an error.

federal register

THURSDAY, JULY 7, 1977

PART V

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Assistant Secretary for Housing—Federal Housing Commissioner (Federal Housing Administration)

Office of Assistant Secretary for Consumer Affairs and Regulatory Functions

■

MOBILE HOMES

Title 24—Housing and Urban Development

CHAPTER II—OFFICE OF ASSISTANT SECRETARY FOR HOUSING—FEDERAL HOUSING COMMISSIONER (FEDERAL HOUSING ADMINISTRATION), DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. 77-446]

PART 280—MOBILE HOME CONSTRUCTION AND SAFETY STANDARDS

Modular Homes; Exemption from Standards Extended

AGENCY: Department of Housing and Urban Development (HUD).

ACTION: Extension of time.

SUMMARY: This extension continues until June 30, 1978, the exemption of certain modular homes from the Federal Mobile Home Construction and Safety Standard. After the issuance of the Federal standard on December 18, 1975, the Department learned that units considered to be modular homes fell under the statutory definition of mobile home. This further extension is necessary to allow the Department time to develop and obtain legislation concerning the modular-mobile issue. If appropriate legislation is enacted, then the interim rule will be withdrawn.

EFFECTIVE DATE: This extension will be in effect until June 30, 1978, or such other time prior to June 30, 1978 as the Secretary may direct.

FOR FURTHER INFORMATION CONTACT:

Russell H. Dawson, Director, Mobile Home Standards Division, Office of Neighborhoods, Voluntary Associations and Consumer Protection, Department of Housing and Urban Development, Washington, D.C. 30410, 202-755-7970.

SUPPLEMENTARY INFORMATION: "Modular-mobile" homes were temporarily exempted from the mobile home standard on June 21, 1976, through an amendment to 24 CFR, 280.7 at 41 FR 24968 and again on December 30, 1976, at 41 FR 57014. The current exemption expires on June 30, 1977.

The Department maintains the position stated in the December 30, 1976, interim rule that structures which meet the statutory definition of mobile home are governed by the Act. Further, we believe for the reasons stated in the December 30 interim rule that the Department should continue to exempt "modular-mobile" homes from the standard until a permanent solution can be found. Under a separate rule issued on December 30, 1976, the Department established an enforcement mechanism under § 615 of the Act, 42 U.S.C. 5414, with respect to these modular homes relating to the actions required of manufacturers where imminent safety hazards are discovered. Another document published concurrently with this extension continues the applicability of the Enforcement regulations to modular-mobile homes for one year.

The Department has considered the various alternatives in dealing with the problem and has preliminarily concluded that legislation is most appropriate. Such legislation is now being considered by the Congress. Therefore, the Department has decided to extend further the exemption of modular homes from the standard for one year. This additional time will also permit the Department to explore further the complex issues involved and to evaluate the possible solutions.

A Finding of Inapplicability of section 102(2)(c) of the National Environmental Policy Act of 1969 has been made in accordance with HUD Handbook 1390.1. It is available for public inspection in the office of the Rules Docket Clerk, Room 5218, U.S. Department of Housing and Urban Development, 451 Seventh Street, S.W., Washington, D.C. 20410, during normal business hours.

NOTE.—It is hereby certified that the economic and inflationary impacts of this rule have been carefully evaluated in accordance with Executive Order No. 11821.

In consideration of the foregoing, 24 CFR 280.7 is revised to read as follows:

§ 280.7 Modular Homes.

A structure which meets the definition of "mobile home" set out in § 280.2(a)(16) is not subject to the provisions of this part if it enters the first stage of production before June 30, 1978, and meets any one or more of the following criteria:

(a) The structure is manufactured in accordance with and meets the following codes or the most recent edition of the following codes published by Building Officials and Code Administrators (BOCA) and the National Fire Protection Association (NFPA):

(1) BOCA Basic Building Code—1975;

(2) BOCA Basic Industralized Dwelling Code—1975;

(3) BOCA Basic Mechanical Code—1975;

(4) BOCA Basic Plumbing Code—1975; and

(5) National Electrical Code—NFPA 70—1975.

(b) The structure is manufactured in accordance with and meets the following codes or the most recent edition of the following codes published by the Southern Building Code Congress (SBCC) and the NFPA:

(1) Standard Building Code—1976;

(2) Standard Gas Code—1976;

(3) Standard Mechanical Code—1976;

(4) Standard Plumbing Code—1975, with 1976 revision; and

(5) National Electrical Code—NFPA 70—1975.

(c) The structure is manufactured in accordance with and meets the following codes or the most recent edition of the following codes published by the International Conference of Building Officials (ICBO), the International Association of Plumbing and Mechanical Officials (IAPMO), and the NFPA.

(1) Uniform Building Code—1973; (ICBO);

(2) Uniform Mechanical Code—1975; (ICBO) and (IAPMO);

(3) National Electrical Code—NEPA 70—1975; and

(4) Uniform Plumbing Code—1973, (IAPMO).

(d) The structure is manufactured in accordance with and meets the following codes published by BOCA, SBCC, ICBO, the American Insurance Association and the NFPA:

(1) One- and Two-Family Dwelling Code, 1975 edition; and

(2) National Electrical Code—70—1975.

(e) The structure meets a standard established by a state for modular homes, as distinct from mobile homes as they are defined by the state.

(f) The structure is built in accordance with an FHA Structural Engineering Bulletin and FHA Minimum Property Standards and is eligible for long-term financing under section 203(b) of the National Housing Act, 12 U.S.C. 1701 et seq.

(g) The structure is manufactured with and meets the following codes or the most recent edition of the following codes published by the American Insurance Association, (NEPA), (BOCA), (SBCC), (ICBO), (IAPMO), and the National Association of Plumbing-Heating-Cooling Contractors (NAPHCC):

(1) The National Building Code—1976;

(2) National Electrical Code—NFPA—70—1975;

(3) BOCA Basic Plumbing Code—1975 or Standard Plumbing Code with 1976 revision or Uniform Plumbing Code (IAPMO)—1973 or National Standard Plumbing Code (NAPHCC)—1973.

Provided, that any aspects of the cited codes or any state codes which are intended to apply to mobile homes, as such codes may define them, are pre-empted by the comparable aspects of the Federal standards.

(Sections 604 and 625 of the National Mobile Home Construction and Safety Standards Act of 1974, 42 U.S.C. 5403, 5404 and 7(d) of the Department of Housing and Urban Development Act, 42 U.S.C. 3535(d).)

GENO C. BARONI,
Assistant Secretary for Neighborhoods, Voluntary Associations and Consumer Protection.

LAWRENCE B. SIMONS,
Assistant Secretary for Housing, Federal Housing Commissioner.

[FR Doc.77-19396 Filed 7-6-77;8:45 am]

CHAPTER XX—OFFICE OF ASSISTANT SECRETARY FOR CONSUMER AFFAIRS AND REGULATORY FUNCTIONS, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. 77-445]

PART 3282—MOBILE HOME PROCEDURAL AND ENFORCEMENT REGULATIONS

Modular Housing; Applicability of Imminent Safety Hazard Provisions

AGENCY: Department of Housing and Urban Development (HUD).

ACTION: Interim rule.

SUMMARY: This amendment states that modular homes meeting the statutory definition of "mobile home" and manufacturers of such homes are subject to the mobile home procedural and enforcement regulations with respect to imminent safety hazards. It also staes that such modular homes and manufacturers are subject to the other provisions of the procedural and enforcement regulations to the extent necessary to enforce the provisions of Law. The purpose of the amenndment is to reflect the Department's conclusion that modular homes that meet the Statutory definition of mobile home as well as the manufacturers of such homes, are subject to Statutory Safety provisions and particularly to the requirement that manufacturers correct imminent safety hazards that are disclosed or determined to exist in the homes. There is no intent to require modular home manufacturers to certify their homes as meeting the Federal mobile home standards or to require that modular home manufacturers obtain the design and production approval required of mobile home manufacturers that are subject to the Federal mobile home standards.

DATES: This rule is effective July 7, 1977 and will continue in effect until June 30, 1978, or until such other time prior to June 30, 1978, as the Secretary may direct.

FOR FURTHER INFORMATION CONTACT:

Russell H. Dawson, Director, Mobile Home Standards Division, Office of Neighborhoods, Voluntary Associations and Consumer Protection, Department of Housing and Urban Development, Washington, D.C. 20410, 202-755-7970.

SUPPLEMENTARY INFORMATION: "Modular-mobile" homes were originally subjected to the imminent safety hazard provisions of the enforcement regulations on December 30, 1976, through an amendment to 24 CFR 3282.8(m) at 41 FR 57015. The Department maintains its position stated in the December 30, 1976, interim rule that modular homes which meet the statutory definition of mobile home are subject to the standards and the procedural and enforcement regulations. Another document published concurrently with this rule extends the exemption of modular-mobiles from the Federal Standard until June 30, 1978, to allow the Department time to develop and obtain legislation concerning the modular-mobile issue. If appropriate legislation is enacted, then this interim rule will be withdrawn.

The Department received 6 comments in response to the December 30, 1976, publication. Five of the commenters stated reasons why modulars should not fall under the jurisdiction of the mobile home standards. Three of those commenters discussed the fact that modular homes are built to different standards than are mobile homes, and two questioned whether it was the intent of Congress for modular homes to be regulated under the National Mobile Home Construction and Safety Standards Act of 1974.

Three commenters stated that purchasers of modular housing are offered adequate consumer protections under the existing codes and regulations. One stated that for HUD to impose its regulations upon the modular manufacturers which comply with existing remedies and controls would be an unnecessary and extremely expensive duplication of existing regulations.

A Finding of Inapplicability of Section 102(2)(c) of the National Environmental Policy Act of 1969 has been made in accordance with HUD Handbook 1390.1. It is available for public inspection in the office of the Rules Docket Clerk, Room 5218, U.S. Department of Housing and Urban Development, 451 Seventh Street, S.W., Washington, D.C. 20410, during normal business hours.

NOTE.—It is hereby certified that the economic and inflationary impacts of this rule have been carefully evaluated in accordance with Executive Order No. 11821.

Accordingly, 24 CFR 3282.8(m) is amended as follows:

§ 3282.8 Applicability.

* * * * *

(m) *Modular Homes.* Modular homes meeting the definition of mobile home set out at 24 CFR 3282.7(u) (modular-mobile homes) and manufacturers of such homes are subject to all provisions of Part 3282 unless the modular-mobile home is exempt from the mobile home standards under 24 CFR 280.7. A modular-mobile home that is exempt from the Federal mobile home standards under 280.7 and the manufacturer of such a home are subject to Part 3282 to the extent necessary to assure that the manufacturer meets its responsibilities under § 615 of the Act, 42 U.S.C. 5414. Specifically, modular-mobile homes that are exempt from the Federal mobile home standards under 24 CFR 280.7 and manufacturers of such homes are subject to the provisions of Subpart I of Part 3282 with respect to imminent safety hazards. To the extent that other sections or subparts of Part 3282 must be followed in order to enforce § 615 of the Act, those sections and subparts will govern. In particular, Subpart D of Part 3282 will govern any hearings, presentations of views or investigations that are related to possible imminent safety hazards in modular-mobile homes. Modular-mobile homes that are exempt from the Federal mobile home standards under 24 CFR 280.7 and manufacturers of such homes are not subject to the requirements of the Subparts E and H with respect to certification of the modular-mobile home and with respect to the requirement that designs be approved and that production be subject to surveillance. This paragraph is effective until June 30, 1978.

(Sections 615 and 625 of the National Mobile Home Construction and Safety Standards Act of 1974, 42 U.S.C. 5414 and 5424 and Section 7(d) of the Department of Housing and Urban Development Act, 42 U.S.C. 3535(d).)

GENO C. BARONI,
Assistant Secretary for Neighborhoods, Voluntary Associations and Consumer Protection.

[FR Doc. 77-19395 Filed 7-6-77; 8:45 am]

federal register

THURSDAY, JULY 7, 1977

PART VI



INTERSTATE COMMERCE COMMISSION

■

UNIFORM SYSTEM OF ACCOUNTS FOR RAILROADS

Revision

Title 49—Transportation

CHAPTER X—INTERSTATE COMMERCE COMMISSION

SUBCHAPTER C—ACCOUNTS, RECORDS AND REPORTS

[No. 36367]

UNIFORM SYSTEM OF ACCOUNTS FOR RAILROADS

Revision

AGENCY: Interstate Commerce Commission.

ACTION: Final rule.

SUMMARY: The Interstate Commerce Commission has adopted a comprehensive revision of the Uniform System of Accounts for Railroad Companies (USOA). This revision updates the current accounting system and provides a more reliable acounting information system which will aid the Commission in adequately determining the cost of rail transportation service. In addition, this revision responds to the requirements of section 307 of the Railroad Revitalization and Regulatory Reform Act of 1976 (4R Act), Public Law 94-210 which directed the Commission to issue not later than June 30, 1977, regulations and procedures prescribing a uniform cost and revenue accounting and reporting system for all railroads ubject to the Interstate Commerce Act, to be effective not later than January 1, 1978.

EFFECTIVE DATE: January 1, 1978.

FOR FURTHER INFORMATION CONTACT:

Mr. John A. Grady, Director, Bureau of Accounts, Interstate Commerce Commission, Washington, D.C. 20423. Phone No.: 202-275-7565.

SUPPLEMENTARY INFORMATION: Comments to the Commission's August 2, 1976, Notice of Proposed Rulemaking published at 42 FR 33016, August 6, 1976, were received from 19 railroads, 2 industry associations, 2 shipper associations and 3 governmental agencies. Their comments are summarized below by two major categories of interest.

Discussion of Major Issues

COMMENTS CONCERNING OPERATING EXPENSES

We have restructured the elements of cost in the operating expense schedule 320 to consist of natural expense accounts, activities, and functions. This restructuring facilitates the development of meaningful costs as required by the 4R Act.

The natural expense accounts will provide the total cost of each input factor, such as total cost of labor, and total cost of material, on a system-wide basis. The natural expense accounts will allow for better analysis of the relationship between variable and fixed costs in any costing methodology and will permit improved financial analysis especially in connection with general rate cases involving cost increases in particular natural expenses.

The functions describe active railroad operations and where appropriate they are separated into affected property types. Expenses reported by precisely defined functions provide a more accurate and meaningful approach to costing.

The activities and sub-activities provide for improved departmentalization of operating expenses and allow for the development of cost centers within the new activities.

We hope to develop guidelines by which railroads may structure their cost center data in a consistent basis. We also agree that this information need not be reported to the Commission on a routine basis. This would be consistent with Section 307 of the 4R Act which requires that accounting data be reported or otherwise disclosed only for essential regulatory purposes.

However, we do believe this type of information must be accumulated to meet the requirements of the 4R Act. Moreover, we envision railroads submitting cost center type information, consistent with cost center guidelines we might prescribe, to support rate change requests, abandonment of facilities requests and for other purposes.

COMMENTS CONCERNING THE 4R ACT

On February 5, 1976, the President signed the 4R Act. The 4R Act directed the Commission to revise the railroad accounting system. Specifically, Section 307 required the following be defined:

(i) Operating and non-operating revenue accounts;

(ii) Direct cost accounts for determining fixed and variable costs for materials, labor, and overhead components of operating expenses and the assignment of such costs to various functions, services, or activities including maintenance of way, maintenance of equipment (locomotive and car), transportation (train, yard, and station, and accessorial services), and general and administrative expenses; and

(iii) Indirect cost accounts for determining fixed, common, joint, and constant costs, including cost of capital, and the method for the assignment of such costs to the various functions, services or activities.

Section 307 of the 4R Act requires the revised USOA to the extent possible "be cost effective, nonduplicative, and compatible with present and desired managerial and responsibility accounting requirements of the carriers and give due consideration to appropriate economic principles."

On March 5, 1976, the Bureau of Accounts issued a draft accounting system containing definitions, instructions, and account texts. The Bureau continued to explore the possibility of implementing a restructured chart of accounts with simplified natural classifications assignable to existing activities that responds to the requirements of the 4R Act.

The 4R Act also provided funds to procure outside consulting assistance. The accounting and consulting firms of Haskins and Sells and Peat, Marwick, Mitchell & Co. (consultants) were engaged to assure proper implementation of the new uniform system of accounts by railroads. Their work included selecting two railroads as pilot models to test the new USOA. In this connection, the Norfolk and Western Railway Company and the Seaboard Coast Line Railroad Company both agreed to participate with the consultants as pilot carriers.

Both pilot programs provided insight into areas of the proposed system requiring revision. The consultants developed recommended changes to the initial accounting system based on information obtained from both pilot programs.

At our direction the consultants established an Association of American Railroads (AAR) Contact Committee to provide a vehicle for industry as well as all interested party input. Six public meetings were held by the consultants and the contact committee which were open to interested parties to the proceeding—a notice was published in the Federal Register (41 FR 37689) soliciting names and addresses of all parties interested in receiving advance notice of these public meetings. All interested parties were given an opportunity to discuss problems they had with the proposed regulations, and minutes were taken of these meetings. These minutes were then mailed to those on the interested parties mailing list and were also placed in the public docket. Input at these meetings resulted in some revisions to the notice.

As a result of written comments received in the proceeding and discussions in public meetings, changes were made to the proposed system of accounts published August 2, 1976. These changes mainly incorporated proposed requirements in the AAR and Department of Transportation alternate proposals. Also, changes to the published accounting system were developed through the consultants' cost methodology studies as well as their basic review of the published proposed system.

We have reviewed the responses concerning these requirements. It is the Commission's desire to promulgate an accounting system that attempts to balance both regulatory requirements and those of the carriers.

We believe the qualifying phrase, "to the extent possible," indicates that the concepts of cost effectiveness, nonduplication, and compatibility were not designed to be overriding requirements restricting systems design. Moreover, the 4R Act further qualifies managerial and responsibility accounting requirements of the carriers with the phrase "present and desired."

Undoubtedly, a cost system designed for the Commission's regulatory needs could not fully replace a railroad's management accounting system. While we recognize that cost effectiveness, nonduplication and compatibility are worthwhile goals, we believe managerial and regulatory requirements necessitate interdependency—one system alone could not fully satisfy the needs of both. However, we believe the accounting and re-

porting system here published is, to the extent possible, cost effective, nonduplicative, and compatible with managerial and responsibility requirements.

It is ordered, That, effective January 1, 1978, the regulations prescribed in Part 1201, be, and they are hereby, revised and the regulations prescribed in Parts 1240, 1241 and 1243, of Chapter X, Subchapter C of Title 49 of the Code of Federal Regulations be, and they are hereby, amended as shown in the appendices to the above mentioned report.

H. G. HOMME, Jr.,
Acting Secretary.

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I. Uniform systems of accounts; Appendix A.
II. Classes of Carriers; Appendix B.
III. Implementing instructions for revised road property accounts; Appendix C.
IV. Reports and schedules; Appendix D.
V. Respondents to NPR; Appendix E.

APPENDIX A

Part 1201, Chapter X, Title 49 of the Code of Federal Regulations is revised as follows:

PART 1201—RAILROAD COMPANIES

LIST OF INSTRUCTIONS AND ACCOUNTS

REGULATIONS PRESCRIBED

(i) Regulations prescribed.
(ii) Definitions.

GENERAL INSTRUCTIONS

1-1 Classification of carriers.
1-2 Classification of accounts.
1-3 Records.
1-4 Accounting period.
1-5 Accrual method of accounting.
1-6 Charges to be just and reasonable.
1-7 Delayed items.
1-8 Distribution of expenses for material, tools, fuel, lubricants, purchased services and general.
1-9 Transactions with affiliated companies.
1-10 Accounting for income taxes.
1-11 Items in texts of accounts.
1-12 Distribution of pay and expenses of employees.
1-13 Payroll related expenses.
1-14 Submission of questions.

INSTRUCTIONS FOR PROPERTY ACCOUNTS

2-1 Items to be charged.
2-2 Minimum rule applicable to additions to property.
2-3 Land.
2-4 Structures.
2-5 Equipment.
2-6 Components of construction cost.
2-7 Additions to and retirements of property—General.
2-8 Additions to and retirements of units of property.
2-9 Additions and retirements of other than units of property.
2-10 Expenses in connection with additions and betterments.
2-11 Units of property rebuilt or converted.
2-12 Changes in line of road.
2-13 Relocation of yard tracks.
2-14 Track connections.
2-15 Merger, consolidation, and purchase of railway operating entity or system.
2-16 Reorganization of railway.
2-17 Construction projects in which governmental agencies, individuals, or others, and the carrier participate.
2-18 Leased property improvements and retirements.
2-19 List of units of property.

INSTRUCTIONS FOR MAINTENANCE EXPENSES

3-1 Items to be charged.

INSTRUCTIONS FOR DEPRECIATION ACCOUNTS

4-1 Method.
4-2 Rates of depreciation.
4-3 Depreciation records to be kept.
4-4 Leased property—depreciation.
4-5 Jointly used property—depreciation.

INSTRUCTIONS FOR INCOME AND BALANCE SHEET ACCOUNTS

5-1 Current assets.
5-2 Recorded value of securities owned.
5-3 Discounts, expenses and premiums on debt.
5-4 Discount, premium and assessment on capital stock.
5-5 Joint liabilities.
5-6 Contingent assets and liabilities.

INSTRUCTIONS FOR CLEARING ACCOUNTS

6-1 Items to be charged.
6-2 Material and stationery store expenses.
6-3 Shop expenses.
6-4 Gravel and sand pits and quarries.
6-5 Power plant operations.

PROPERTY ACCOUNTS

Road

0 Road.
1 Engineering.
2 Land for transportation purposes.
3 Grading.
4 Other right-of-way expenditures.
5 Tunnels and subways.
6 Bridges, trestles and culverts.
7 Elevated structures.
8 Ties.
9 Rails.
10 Other track material.
11 Ballast.
12 Track laying and surfacing.
13 Fences, snowsheds and signs.
16 Station and office buildings.
17 Roadway buildings.
18 Water stations.
19 Fuel stations.
20 Shops and enginehouses.
22 Storage warehouses.
23 Wharves and docks.
24 Coal and ore wharves.
25 TOFC/COFC terminals.
26 Communication systems.
27 Signals and interlockers.
29 Power plants.
31 Power-transmission systems.
35 Miscelleneous structures.
37 Roadway machines.
39 Public improvements; construction.
44 Shop machinery.
45 Power-plant machinery.

Equipment

50 Equipment.
52 Locomotives.
53 Freight-train cars.
54 Passenger-train cars.
55 Highway revenue equipment.
56 Floating equipment.
57 Work equipment.
58 Miscellaneous equipment.

General Expenditures

70 General expenditures.
76 Interest during construction.
77 Other expenditures; general.

Other Property Accounts

80 Other elements of investment.
90 Construction in progress.

RAILWAY OPERATING REVENUE ACCOUNTS

Transportation Revenue Accounts

100 Transportation; rail line.
101 Freight.
102 Passenger.
103 Passenger-related.
104 Switching.
105 Water transfers.
106 Demurrage.
110 Incidental.

Joint Facility Revenue Accounts

120 Joint facility.
121 Joint facility—Cr.
122 Joint facility—Dr.

RAILWAY OPERATING EXPENSE ACCOUNTS

100000 Personnel.
110000 Salaries and wages.
120000 Fringe benefits.
200000 Materiel.
210000 Materials, tools, supplies, fuels and lubricants.
300000 Purchased services.
310000 Lease rentals—Debit.
320000 Lease rentals—Credit.
330000 Joint facility rents—Debit.
340000 Joint facility rents—Credit.
350000 Other rents—Debit.
360000 Other rents—Credit.
370000 Joint facility—Debit.
380000 Joint facility—Credit.
390000 Repairs billed by others—Debit.
400000 Repairs billed to others—Credit.
410000 Other purchased services.
500000 Claims and insurance.
510000 Loss and damage claims.
520000 Other casualties.
530000 Insurance.
600000 General.
610000 Other expenses.
620000 Depreciation.
630000 Uncollectible accounts.
640000 Property taxes.
650000 Other taxes.

INCOME ACCOUNTS

501 Railway operating revenues.
506 Revenues from property used in other than carrier operations.
510 Miscellaneous rent income.
512 Separately operated properties; profit.
513 Dividend income.
514 Interest income.
516 Income from sinking and other funds.
517 Release of premiums on funded debt.
518 Contributions from other companies.
519 Miscellaneous income.
531 Railway operating expenses.
534 Expenses of property used in other than carrier operations.
535 Taxes on property used in other than carrier operations.
543 Miscellaneous rent expenses.
544 Miscellaneous taxes.
545 Separately operated properties; loss.
546 Interest on funded debt.
547 Interest on unfunded debt.
548 Amortization of discount on funded debt.
549 Maintenance of investment organization.
550 Income transferred to other companies.
551 Miscellaneous income charges.
553 Uncollectible accounts.
555 Unusual or infrequent items (debit) credit.
556 Income taxes on ordinary income.
557 Provision for deferred taxes.
560 Income or loss from operations of discontinued segments.
562 Gain or loss on disposal of discontinued segments.
570 Extraordinary items (net).
590 Income taxes on extraordinary items.
591 Provision for deferred taxes—extraordinary items.

592 Cumulative effect of changes in accounting principles.

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601.5 Prior period adjustments to beginning retained earnings account.
602 Credit balance transferred from income.
603 Appropriations released.
606 Other credits to retained earnings.

Debit

611 Debit balance (at beginning of calendar year).
612 Debit balance transferred from income.
616 Other debits to retained earnings.
620 Appropriations for sinking and other funds.
621 Appropriations for other purposes.
623 Dividends.

GENERAL BALANCE SHEET ACCOUNTS

Assets

701 Cash.
702 Temporary cash investments.
703 Special deposits.
704 Loans and notes receivable.
705 Accounts receivable; Interline and other balances.
706 Accounts receivable; Customers.
707 Accounts receivable; Other.
708 Interest and dividends receivable.
708.5 Receivables from affiliated companies.
709 Accrued accounts receivable.
709.5 Allowance for uncollectible accounts.
710 Working funds.
711 Prepayments.
712 Material and supplies.
713 Other current assets.
714 Deferred income tax debits.
715 Sinking funds.
716 Capital funds.
717 Other funds.
721 Investments and advances; Affiliated companies.
721.5 Adjustments; Investments and advances—Affiliated companies.
722 Other investments and advances.
723 Adjustments; Other investments and advances.
724 Allowances for net unrealized loss on noncurrent marketable equity securities—Credit.
731 Road and equipment property.
732 Improvements on leased property.
733 Accumulated amortization; Improvements on leased property.
734 Accumulated amortization; Improvements on leased property—Defense projects.
735 Accumulated depreciation; Road and equipment property.
736 Accumulated amortization; Road and equipment property—Defense projects.
737 Property used in other than carrier operations.
738 Accumulated depreciation; Property used in other than carrier operations.
739 Organization expenses.
741 Other assets.
743 Other deferred debits.
744 Accumulated deferred income tax debits.

Liabilities

751 Loans and notes payable.
752 Accounts payable; Interline and other balances.
753 Audited accounts and wages payable.
754 Accounts payable; Other.
755 Interest payable.
756 Dividends payable.
757 Payables to affiliated companies.
759 Accrued accounts payable.
760 Federal income taxes accrued.
761 State and other income taxes accrued.
761.5 Other taxes accrued.
762 Deferred income tax credits.
763 Other current liabilities.
764 Equipment obligations and other long-term debt due within one year.
765 Funded debt unmatured.
766 Equipment obligations.
767 Receivers' and trustees' securities.
768 Debt in default.
769 Accounts payable; Affiliated companies.
770.1 Unamortized debt discount.
770.2 Unamortized premium on debt.
771 Accrued liability; Pension and welfare.
772 Accrued liability; Leased property.
774 Accrued liability; Casualty and other claims.
775 Other accrued liabilities.
781 Interest in default.
782 Other liabilities.
785 Other deferred credits.
786 Accumulated deferred income tax credits.

Shareholders' Equity

791 Capital stock.
792 Liability for conversion of capital stock.
793 Discount on capital stock.
794 Premiums and assessments on capital stock.
795 Other capital.
797 Retained earnings; Appropriated.
798 Retained earnings; Unappropriated.
798.1 Net unrealized loss on noncurrent marketable equity securities.
798.5 Treasury stock.

REGULATIONS PRESCRIBED

(i) *Regulations prescribed.* Carriers by railroad subject to provisions of the Interstate Commerce Act and not independently operated as electric lines, and each lessor of such a carrier, shall comply with regulations in this part as presented hereinafter.

(ii) *Definitions.*

1. "Accounts" means the accounts prescribed in this system of accounts.

2. "Actually issued" as applied to funded debt securities or capital stock issued or assumed by the company, means those which have been sold to bona fide purchasers or holders for a valuable consideration (including those issued in exchange for other securities or other property) and such purchasers or holders secured them free from control by the carriers. Also securities issued as dividends on stock.

3. "Actually outstanding" as applied to funded debt securities or capital stock issued or assumed by the carrier means those which have been actually issued and are neither retired and canceled nor reacquired and held by or for the accounting company.

4. (a) "Affiliated companies" means companies or persons that directly, or indirectly through one or more intermediaries control, or are controlled by, or are under common control with, the accounting carrier.

(b) "Control" (including the terms "controlling", "controlled by", and "under common control with") means the possession directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority of minority ownership or voting of securities, common directors, officers or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.

5. "Amortization" means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period dependent on the requirements of regulatory bodies, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

6. "Carrier" as used herein and when not otherwise indicated in the context means any carrier to which this system of accounts is applicable.

7. "Commission" means the Interstate Commerce Commission.

8. "Cost of removal" means cost of demolishing, dismantling, tearing down or otherwise removing property.

9. "Debt expense" means all expenses in connection with the issuance and sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees for issuing or recording evidences of debt; cost of engraving and printing bonds and certificates of indebtedness; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesmen for marketing such evidences of debt; fees and expenses of listing on exchanges; and other like costs.

10. "Discount" as applied to funded debt securities or capital stock issued or assumed by the carrier, means the excess of the par or face value of the securities plus interest or dividends accured at the date of the sale over the cash value of the consideration received from their sale.

11. "Ledger value" of property means the value at which the property is carried in the property investment account in the general ledger of the carrier. In case the value of any item of property is not shown separately in the ledger, the ledger value of that item shall be its proportionate share of the value of the entire group in which the particular property is included.

12. "Minor items of property" means the associated parts or items of which units of property are composed.

13. "Nominally issued" as applied to funded debt securities or capital stock issued or assumed by the carrier, means those which have been signed, certified by trustees, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the accounting company, but which have not been sold or issued directly to the trustees of such fund in accordance with contractual requirements.

14. "Nominally outstanding" as applied to funded debt securities or capital

stock issued or assumed by the carrier, means those which, after being actually issued, have been reacquired by or for the accounting company under such circumstances which require them to be considered as held alive and not retired and canceled.

15. "Premium" as applied to funded debt securities or capital stock issued or assumed by the carrier, means the excess of the cash value of the consideration received from their sale over the sum of their par (stated value of no par stock) or face value and interest or dividends accured at the date of sale.

16. "Property retired" means units of property which have been removed, sold, abandoned, destroyed, or which for any cause have been permanently withdrawn from service; also minor items of property not replaced.

17. "Salvage value" means the amount received from the sale of operating property retired less any expenses in connection with the sale or in preparing the property for sale. If the property is retained for reuse, the salvage value shall be recorded in account 712, Materials and Supplies, or other appropriate account at an amount not to exceed its recorded cost (ledger value), average cost, or current market value, whichever is lower.

18. "Service life" means the period between the date when operating property is placed in service and the date of its retirement.

19. "Service value" means the ledger value of operating property less its salvage value (see definition 17).

20. (a) "Income taxes" means taxes based on income determined under provisions of the United States Internal Revenue Code and foreign, state and other taxes (including franchise taxes) based on income.

(b) "Income tax expense" means the amount of income taxes (whether or not currently payable or refundable) allocable to a period in the determination of net income.

(c) "Pretax accounting income" means income or loss for a period, exclusive of related income tax expense.

(d) "Taxable income" means the excess of revenues over deductions or the excess of deductions over revenue to be reported for income tax purposes for a period.

(e) "Timing differences" means differences between the periods in which transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income. Timing differences originate in one period and reverse or "turn around" in one or more subsequent periods. Some timing differences reduce income taxes that would otherwise be payable currently; others increase income taxes that would otherwise be payable currently.

(f) "Permanent differences" means differences between taxable income and pretax accounting income arising from transactions that, under applicable tax laws and regulations, will not be offset by corresponding differences or "turn around" in other periods.

(g) "Tax effects" means differentials in income taxes of a period attributable to (1) revenue or expense transactions which enter into the determination of pretax accounting income in one period and into the determination of taxable income in another period, (2) deductions or credits that may be carried backward or forward for income tax purposes and (3) adjustments of prior periods and direct entries to other stockholders' equity accounts which enter into the determination of taxable income in a period but which do not enter into the determination of pretax accounting income of that period. A permanent difference does not result in a "tax effect" as that term is used in this definition.

(h) "Deferred taxes" means tax effects which are deferred for allocation to income tax expense of future periods.

(i) "Interperiod tax allocation" means the process of apportioning income taxes among periods.

(j) "Tax allocation within a period" means the process of apportioning income tax expense applicable to a given period between income before extraordinary items and extraordinary items, and of associating the income tax effects of adjustments of prior periods and direct entries to other stockholders' equity accounts with these items.

21. (a) "Investor" means a business entity that holds an investment in voting stock of another company.

(b) "Investee" means a corporation that issued voting stock held by an investor.

(c) "Corporate joint venture" is a company owned and operated as a separate and specific business or project for the mutual benefit of the members of the group. Joint facilities for purposes of this system of accounts are not considered corporate joint ventures.

(d) "Dividends", unless otherwise specified, means dividends paid or payable in cash, other assets, or another class of stock and does not include stock dividends or stock splits.

(e) "Earnings or losses of an investee" and "financial position of an investee" refer to net income (or net loss) and financial position of an investee determined in accordance with generally accepted accounting principles.

(f) "Undistributed earnings of an investee" means net income less dividends declared whether received or not.

(g) "Date of acquisition" is the date on which the investor assumes the rights of ownership. Ordinarily, this is the date assets are received and other assets are given or securities issued.

22. "Cost of renewal" means the cost of additional material applied (other than the value assigned second-hand parts remaining in the rebuilt unit) plus the cost of labor used in the rebuilding process, exclusive of the portion applicable to dismantling and repair of old parts reused.

23. (a) "Segment of a business" refers to a component of an entity whose activities represent a separate major line of business or class of customer. A segment may be in the form of a subsidiary, a division, or a department, and in some cases a joint venture or other non-subsidiary investee, provided that its assets, results of operations, and activities can be clearly distinguished, physically and operationally and for financial reporting purposes, from the other assets, results of operations, and activities of the entity. The fact that the results of operations of the segment being sold or abandoned cannot be separately identified strongly suggests that the transaction should not be classified as a disposal of a segment of business.

(b) "Measurement date" means the date on which the management having authority to approve the action commits itself to a formal plan to dispose of a segment of the business, whether by abandonment or sale. The measurement date for disposals requiring Commission approval shall be the service date of the Order authorizing the disposal.

(c) "Disposal date" refers to the date of closing the sale, if the disposal is by sale or the date that operations cease if the disposal is by abandonment.

24. (a) "Compensating balance" means the portion of any demand deposit (or any time deposit or certificate of deposit) maintained by a carrier (or by any person on behalf of the carrier) which constitutes support for existing borrowing arrangements of the carrier with a lending institution. Such arrangements include both outstanding borrowings and the assurance of future credit availability. (The compensating balance requirement should be adjusted by the amount of float unless such adjustment would cause the compensating balance to be greater than the cash balance per carrier's books. The float adjustment is made by subtracting the float from the compensating balance requirement if the collected bank ledger balance exceeds the cash balance per carrier's books or by adding the float to the compensating balance requirement if the collected bank ledger balance is less than the cash balance per carrier's books.)

(b) "Float" means deposits and withdrawals in transit which constitute a difference between the collected bank ledger balance and the cash balance per carrier's books.

25. "Joint facility" means any owned or leased carrier operating property occupied or operated jointly by the carrier and one or more other carriers, under an arrangement whereby the cost and income are apportioned to the parties to the joint agreement. Portions of a structure or other property used exclusively by each of two or more carriers are not joint facilities.

26. (a) "Merger" means the acquisition of one company by another. See Instruction 2-15.

(b) "Consolidation" means the formation of a new company. See Instruction 2-15.

27. "Abandonment" means the withdrawal from transportation service of a branch line or other track segment or facility, representing a permanent reduction in plant.

28. "Work equipment" means equipment which can be coupled in a train

for movement over the carrier's tracks, and which is used in the carrier's work service. See equipment listing for account 57, "Work equipment".

29. (a) "Activities" are as follows:

(1) "Way and Structures" activity refers to repairing, maintaining, leasing, renting, depreciating, and retiring right-of-way and trackage, structures, buildings, and facilities. It includes all natural expense object subclassifications such as salaries and wages, fringe benefits, material and supplies, lease rentals, purchased services, casualties, depreciation and retirements, where such objects are in the performance or support of the functions, as defined above, in the Way and Structures activity. Specifically included are all natural expense objects in the performance of the above described functions on property of the type included in property accounts 1 through 45, whether such property is owned or leased. The costs of operating work trains in support of the Way and Structures activity are to be included herein.

This activity excludes all expenses related to transportation and other equipment described in property accounts 52 through 58, all of which should be charged to the Equipment activity. It also excludes expenses in performance or support of Transportation, General and Administrative activities, property used for noncarrier operations, nonoperating property, and interest or other fixed charges.

(2) "Equipment" activity refers to repairing, maintaining, leasing, renting, depreciating, and retiring transportation and other operating equipment. It includes all natural expense object subclassifications such as salaries and wages, fringe benefits, material and supplies, lease rentals, purchased services, casualties, depreciation, and retirements, where such objects are in performance or support of the functions, as defined above, in the Equipment activity. Specifically included are all natural expense objects in the performance of the above functions on property of the type included in property accounts 52 through 58, whether such property is owned or leased. The costs of operating work trains in support of the Equipment activity are to be included herein.

This activity excludes all expenses related to road property as described in property accounts 1 through 45, all of which should be charged to the Way and Structures activity. It also excludes expenses in performance of, or support for Transportation, General and Administrative activities, property used for noncarrier operations, nonoperating property, and interest or other fixed charges.

(3) "Transportation" activity refers to operating, servicing, inspecting, weighing, assembling, and switching trains; operating highway revenue services; operating facilities in connection with carrier transportation operations including coal and ore terminals, intermodal terminals, terminal grain elevators, and others; operating carfloat and carferry services and related facilities; operating communications systems which primarily support train operations; and joint facility transportation operations. It includes various administrative functions directly supporting transportation operations including those described in the Administrative Support Operations subactivity. Work train costs in support of the Way and Structures or the Equipment activities should be charged to those activities, whereas shipments of company materials, handled in predominantly revenue freight trains, are appropriately included in this activity. The activity includes all natural expense object subclassifications such as salaries and wages, fringe benefits, material and supplies, purchased services, lost or damaged freight, and casualties.

This activity excludes all expenses assignable to the Way and Structures, Equipment, and General and Administrative activities, as well as those expenses for noncarrier operations and nonoperating functions.

(4) "General and Administrative" activity refers to the providing of overall administration or other general support for carrier operations. It comprehends only that portion of general and administrative activity that relates to carrier operations (as distinguished from noncarrier operations or nonoperating activities) including executive, legal, financial, treasury, accounting, budgeting, taxation, corporate planning, costing, marketing, advertising, traffic, corporate secretary, public relations, real estate, insurance administration, personnel administration, pension plan administration, general purchasing, labor relations, internal auditing, industrial engineering, and regulatory reporting.

This activity excludes expenses incurred for noncarrier operations of the carrier company as well as for general administration of the corporate entity and nonoperating income or expenses. It also excludes expenses in performance of or direct support for Way and Structures, Equipment, and Transportation activities, with particular attention to the Administrative Support Operations subactivity.

(b) "Subactivities" are as follows:

(1) "Running" subactivity of the Way and Structures activity refers to the functions of repairing, maintaining, leasing, renting, depreciating, and retiring right-of-way, trackage, signals and interlockers, and highway grade crossings for running tracks, passing tracks, crossovers, etc., including turn-outs from those tracks to clearance points. It includes all natural expense object subclassifications under the Way and Structures Activity that are applicable to right-of-way and trackage as defined above. The subactivity specifically excludes expenses incurred in operating signals and interlockers and highway grade crossings, which are properly charged to the Transportation activity.

(2) "Switching" subactivity of the Way and Structures activity refers to the function of repairing, maintaining, leasing, renting, depreciating, and retiring right-of-way, trackage, signals and interlockers, and highway grade crossings for yards where separate switching services are maintained, including classification, house, team, industry, and other tracks switched by yard locomotives, and for station, team, industry, and other switching tracks for which no separate switching service is maintained. It includes all natural expense object subclassifications under the Way and Structures activity that are applicable to right-of-way and trackage as defined above. The subactivity specifically excludes expenses incurred in operating signals and interlockers, and highway grade crossings, which are properly charged to the Transportation activity.

(3) "Other" subactivity of the Way and Structures activity refers to the function of repairing, maintaining, leasing, renting, depreciating, and retiring other roadway property structures, buildings, and facilities not provided for in the Running and Switching subactivities. It includes all natural expense object subclassifications under the Way and Structures activity that are applicable to the structures, buildings, and facilities as defined above. The subactivity specifically excludes expenses incurred in operating such structures, buildings, and facilities, which are properly charged to the Equipment, Transportation, and General and Administrative activities.

(4) "Locomotives" subactivity of the Equipment activity refers to repairing, maintaining, leasing, renting, depreciating, and retiring locomotives. It includes all natural expense object subclassifications under the Equipment activity that are applicable to locomotives. The subactivity specifically excludes expenses incurred in operating locomotives, such as locomotive fuel and lubricants, train crew wages, operating supplies, servicing (as opposed to maintaining or repairing), and cleaning which are includible in the Transportation activity, except when locomotive use is clearly in support of other activities or subactivities. When locomotives are operated in support of repairing or maintaining locomotives, the operating costs are chargeable to the Locomotives subactivity.

(5) "Freight Train Cars" subactivity of the Equipment activity refers to repairing, maintaining, leasing, renting, depreciating, and retiring freight train cars. It includes all natural expense object subclassifications under the Equipment activity that are applicable to freight train cars. The subactivity pertains to all freight train cars described in property account 53, whether owned or leased, including freight cars used for hauling freight in company service and cabooses. It does not pertain to work equipment. The subactivity specifically excludes expenses incurred in running trains or operating freight cars, such as for locomotive fuel and lubricants, train crew wages, inspecting trains, operating supplies, servicing (as opposed to maintaining or repairing), and cleaning, which are includible in the Transportation activity, except where such costs are clearly in support of repairing or maintaining freight cars, other activities or

subactivities. When locomotives or trains are operated in support of repairing or maintaining freight cars, the operating costs are chargeable to the Freight Train Cars subactivity.

(6) "Other Equipment" subactivity of the Equipment activity refers to repairing, maintaining, leasing, renting, depreciating, and retiring other equipment. It includes all natural expense object subclassifications under the Equipment activity which are applicable to other equipment. The subactivity pertains to all equipment described in property accounts 54 through 58, whether such property is owned or leased. The subactivity specifically excludes expenses incurred in operating other equipment, such as for fuel and lubricants, crew wages, inspecting equipment, operating supplies, servicing (as opposed to maintaining or repairing), and cleaning, which are includible in the Transportation activity, except where such costs are clearly in support of other activities or subactivities. When locomotives, trains, or other equipment are operating in support of repairing or maintaining other equipment, the operating costs are chargeable to the Other Equipment subactivity.

(7) "Train Operations" subactivity of the Transportation activity refers to operations of all trains except those performing yard functions in terminals. It includes running trains in road or way service; switching trains except where such switching is performed within yards or terminals; and making customer pick-ups and deliveries except in yards and terminals.

It also provides for dispatching, controlling, reporting, and monitoring road train movements; inspecting and lubricating trains; servicing, fueling, and cleaning (not repairing or maintaining) locomotives; purchasing or producing electric power for motive power; and operating supporting activities such as communications, signaling, crossing protection, and interlockings.

This activity also includes crew calling and transporting; crew lodging, meals, and other expenses; lost or damaged freight; casualties and insurance; clearing wrecks; and operating joint tracks and facilities except for yards or specialized services. It also includes salaries and wages, fringe benefits, material and supplies, fuel and lubricants, purchased services, casualty and damages, and other natural expense elements incurred in operating trains.

The Train Operations subactivity excludes the operation of specialized services, all of which should be charged to the Specialized Services Operations subactivity. However, road or way switching between trains and specialized service facilities outside of terminal areas belongs to the Train Operations subactivity.

Work and other nonrevenue train operating costs are to be charged to the appropriate supported activity. Shipments of company materials normally should be charged to this subactivity, except where the train movement is exclusively or predominantly for such nonrevenue purpose where the supported activity should bear the train operating costs.

(8) "Yard Operations" subactivity of the Transportation activity refers to classifying cars to make-up or breakdown trains; sorting and handling waybills in connection with freight car classification and switching in yards or terminals; inspecting, servicing, fueling, and cleaning (not repairing or maintaining) locomotives and cabooses used to provide yard or terminal services; purchasing or producing electric power for motive power; diverting or holding cars; and reporting operating and car movement data related to yards and terminals. It also includes operating supporting activities in yards or terminals, such as communications, signaling, and interlockings; yard crew calling and transporting; yard crew lodging, meals, and other expenses; lost or damaged freight specifically traceable to occurrences resulting from the performance of yard operations; casualties and insurance related to yard operations; clearing wrecks which occurred in the performance of yard operations; and operating joint yards and terminals.

Within terminals, the subactivity includes pick-up or delivery of freight cars from or to customer spur tracks, team tracks, freight houses, interchange tracks, rip tracks, and specialized service facilities. It also includes salaries and wages, fringe benefits, material and supplies, fuel and lubricants, purchased services, casualty and damages, and other natural expense elements incurred in operating yards and terminals.

The Yard Operations subactivity includes the cost of switching operations within facilities for Specialized Services and switching or transfer operations between yards and the specialized service facility belong to the Yard Operations subactivity. The latter is not limited or affected by definitions or restrictions contained in carrier operating rules or labor agreements. It is related solely to the defined operations when they are performed in a yard or terminal area.

(9) "Train and Yard Common" subactivity of the Transportation activity refers to the function of adjusting and transferring loads; and placing and removing car loading devices and grain doors. It also includes lost or damaged freight not specifically traceable to numerous activities resulting from performance of train, yard, or specialized services operations. It also includes salaries and wages, fringe benefits, material and supplies, purchased services, and other natural expense elements incurred in performing the functions defined above. It excludes the natural expense elements of casualties and insurance, which shall be charged to the Train Operations and Yard Operations subactivities.

(10) "Specialized Services Operations" subactivity of the Transportation activity refers to operating services which are specialized in nature and in cost characteristics, including all of those so designated by the Commission. The purpose of segregating the cost of such services is primarily to preclude distortion of general costs applicable to the Train Operations and Yard Operations subactivities. Secondarily, further breakout of the costs of operating individual specialized services can be provided in less detail than the full range of natural expense accounts, in reports used for recurring cost analysis purposes pertaining to each type of specialized service.

The designated specialized services operations are as follows:

(a) "TOFC/COFC Operations" refers to the function of operating rail-to-ground or water and ground or water-to-rail transfer facilities for handling trailers or containers, including related storage; and the highway movement of trailers or containers within a terminal area for purposes of pick-up, delivery, or interchange.

The function includes loading, tie-down, and/or unloading flat cars or dollies and piggyback trailers to or from highway tractors; moving trailers, dollies, or containers within the facility; servicing, cleaning, and fueling (but not repairing or maintaining) facility equipment; operating storage areas; and casualties, claims, and insurance relating to the facility.

TOFC/COFC Operations do not include Plan V or other arrangements, where there is a division of revenues between the rail and motor carrier. They do not include switching services performed within the facility by yard or road crews. They also do not include the functions of the Way and Structures, Equipment, and General Administrative activities, or the Train, Yard, Train and Yard Common, or Administrative Support Operations subactivities.

(b) "Floating Operations" refers to operations of water vessels and equipment in revenue service. They include the operation of carferries, tugs, barges, lighterage, and all other forms of water craft.

Floating operations exclude operations includable in the Administrative Support Operations subactivity, and the switching transfer of cars between general yards or trains and the facility or a dedicated yard serving the facility, or switching within the dedicated supporting terminal facility when performed by yard crews. They also do not include costs appropriate to the Way and Structures, Equipment, or General and Administrative activities.

Floating operations should be classified by line and terminal operations. The distribution should be made based on the nature of the operation and not the facility or equipment. When the service occurs between distinct terminals, the operation and all supporting docks, etc., should be considered a line operation. When the service is conducted within a general terminal or harbor area, the operation of all supporting docks, etc. should be considered a terminal operation.

(c) "Coal Terminal Operations and Ore Terminal Operations" refers to operations of rail-to-water or water-to-rail

transloading facilities for coal or for ores, including related storage, blending, and other processing or handling at the facility. These operations include loading and/or unloading rail cars or water vessels at the facility; moving commodities within the facility by whatever means; operating the facility's pollution control equipment; operating and directing the operations of moorings and tugboats; servicing, cleaning, and fueling (but not repairing or maintaining) facility equipment; operating storage areas; and casualties, claims, and insurance relating to the facility.

These terminal operations do not include costs appropriate to the Way and Structures, Equipment, or General and Administrative activities. They also do not include costs appropriate to the Train Operations, Yard Operations, Train and Yard Operations Common, or Administrative Support Services Operations subactivities. Switching transfer of cars between general yards or trains and the facility or a dedicated yard serving the facility and switching within the dedicated supporting terminal facility when performed by yard crews should be charged to the Yard Operations subactivity.

(d) "Other Marine Terminal Operations" refers to the operations of marine terminals other than those for which a separate designated specialized services operations category is provided.

(e) "Motor Vehicle Loading and Distribution Facility Operations" refers to the operations of facilities for loading, unloading, or storing motor vehicles.

(f) "Protective Service Operations" refers to the function of servicing, cleaning, and fueling (but not repairing or maintaining) mechanical protective service equipment.

(g) "Other Specialized Services Operations" refers to the function of performing rail substitute service, other highway revenue service, LCL terminal operations, warehouse operations, freight car transloading, grain elevator terminal operations, livestock feeding operations, and other specialized services designated by the Commission. It includes the transportation operating expenses of services not otherwise designated and which are not general in nature, applicable to only a small portion of total shipments, and are not properly includible in other subactivities as defined.

(11) "Administrative Support Operations" subactivity refers to operations providing direct administrative support to the overall Transportation activity. It includes administrative support for the Train Operations, the Yard Operations, the Train and Yard Operations Common, and the Specialized Services Operations subactivities. The administrative support operations includes receiving and processing customer orders, requesting cars, preparing waybills, rating shipments, billing customers, collecting customer receivables in the ordinary course of business (not to include treasury, legal, general accounting, revenue accounting, or credit operations, all of which are chargeable to the General and Administrative activity), billing and recording demurrage, reporting interchanges, reporting advances, and the initial reporting and summarization of input documents for purposes of cash collection and accounting. Any operations beyond the initial summarization and reporting of input data are assignable to the General and Administrative activity except for those otherwise included in the definition of this subactivity.

Carrier staff, administrative, or clerical operations related to operating or transportation department general administration should not be charged to this subactivity. The Administrative Support Operations subactivity may be performed at local stations, regional offices, or even at the general offices; however, the location of the operation performance does not affect its nature. The operations included in this subactivity should reasonably correlate to the quantity of shipments or to the quantity of carloadings.

(c) "Functions" are as follows:

(01) Administration, General—General administration and supervision of central, regional, and divisional repair and maintenance, operational, and general functions. Included are:

General engineering and design.
Valuation engineering for maintenance and improvements.
Planning and supervision of repair and maintenance of equipment.
Planning and supervision of train, yard, common, specialized services and support operations.
Planning and supervision of general and administrative functions.
Budget preparation, clerical support, and similar functions—Used in all activities except Way and Structures and Transportation—Train and Yard Common.

(02) Administration, Track—General administration and supervision of central, regional, and divisional engineering functions related to repair and maintenance of track. Used only in Way and Structures—Other. Included are:

General engineering and design.
Valuation engineering for maintenance and improvements.
Planning and supervision of repair and maintenance work.
Budget preparation, clerical support, and similar functions.

(03) Administration, Bridges and Buildings—General administration and supervision of central, regional and divisional engineering functions related to repair and maintenance of bridges and buildings. Used only in Way and Structures—Other. Included are:

General engineering and design.
Valuation engineering for maintenance and improvements.
Planning and supervision of repair and maintenance work.
Budget preparation, clerical support, and similar functions.

(04) Administration, Signals—General administration and supervision of central, regional, and divisional engineering functions related to repair and maintenance of signals. Used only in Way and Structures—Other. Included are:

General engineering and design.
Valuation engineering for maintenance and improvements.
Planning and supervision of repair and maintenance work.
Budget preparation, clerical support, and similar functions.

(05) Administration, Communications—General administration and supervision of central, regional, and divisional engineering functions related to repair and maintenance of communication facilities. Used only in Way and Structures—Other. Included are:

General engineering and design.
Valuation engineering for maintenance and improvements.
Planning and supervision of repair and maintenance work.
Budget preparation, clerical support, and similar functions.

(06) Administration, Other—General administration and supervision of central, regional, and divisional engineering functions related to repair and maintenance of other roadway property. Used only in Way and Structures—Other. Included are:

General engineering and design.
Valuation engineering for maintenance and improvements.
Planning and supervision of repair and maintenance work.
Budget preparation, clerical support, and similar functions.

REPAIR AND MAINTENANCE

This group of functions includes:

Repair and maintenance work on road property and equipment, including gang foreman, shop foreman, and other supervisors with direct authority over workers; all higher levels of supervision are included in the Administration functions.
Work train service. Crew wages are to be charged directly; other work train expenses except fuel may be apportioned if not solely identifiable to work train service.

(10) Repair and Maintenance, Roadway—Roadway, cuts, fills, banks, embankments, subgrade, roadbed, ditches, drains, landscaping; cutting and removing grass, brush, debris; dressing ballast; preventing and extinguishing fires; patrolling and inspection; roadway relocation.

(11) Repair and Maintenance, Tunnels and Subways—Repaving, ventilating, lighting, other maintenance.

(12) Repair and Maintenance, Bridges and Culverts—Bridges, trestles, culverts and elevated structures which carry tracks; repairing, filling, dredging, cleaning, watching these structures.

(13) Repair and Maintenance, Ties—Cross, switch, bridge, and other track ties.

(14) Repair and Maintenance, Rails.

(15) Repair and Maintenance, Other Track Material—All track material used in repair of tracks, except ballast, ties, and rails.

(16) Repair and Maintenance, Ballast—Gravel, stone, slag, cinders, sand, and like material.

(17) Repair and Maintenance, Track Laying and Surfacing—Applying ballast, ties, rails and other track material;

aligning, reinforcing, gauging, shimming tracks; tightening bolts and spikes.

(19) Repair and Maintenance, Signals and Interlockers—Signals and interlockers and related apparatus governing train movement.

(20) Repair and Maintenance, Communications Systems—telephone, telegraph, radio, radar, inductive train communication, and other communication systems, including terminal equipment.

(21) Repair and Maintenance, Electric Power Systems—power plants, substations, transmission and distribution systems.

(22) Repair and Maintenance, Highway Grade Crossings—Highway grade crossing signals, gates, and related apparatus.

(23) Repair and Maintenance, Station and Office Buildings—Station and office buildings, fixtures, appurtenances, and grounds.

(24) Repair and Maintenance, Shop Buildings — Locomotives — Shops and buildings, fixtures, appurtenances, and grounds, used for the repair, maintenance and servicing of locomotives.

(25) Repair and Maintenance, Shop Buildings—Freight Cars—Shops and buildings, fixtures, appurtenances, and grounds used for the repair, maintenance, and servicing of freight cars.

(26) Repair and Maintenance, Shop Buildings—Other—Shops and buildings, fixtures, appurtenances, and grounds used for the repair, maintenance, and servicing of revenue service equipment other than locomotives and freight cars; roadway machines; work equipment and the like.

(27) Repair and Maintenance, Locomotive Servicing Facilities—Fuel and water stations, fixtures, appurtenances, and grounds.

(28) Repair and Maintenance, Miscellaneous Buildings and Structures—All permanent buildings and structures, and their fixtures, appurtenances, and grounds, not otherwise provided for.

(29) Repair and Maintenance, Coal Terminals—Wharves, docks, and other loading or unloading facilities for handling coal, including conveyors, machinery and fixtures.

(30) Repair and Maintenance, Ore Terminals—Wharves, docks, and other loading or unloading facilities for handling ores and other bulk mineral commodities, including conveyors, machinery and fixtures.

(31) Repair and Maintenance, TOFC/COFC—Terminals—TOFC/COFC terminal structures, fixtures, machinery and appurtenances, used for transfer of trailers and containers.

(32) Repair and Maintenance, Other Marine Terminals — Marine terminal structures, fixtures, machinery and appurtenances not otherwise provided for.

(33) Repair and Maintenance, Motor Vehicle Loading and Distribution Facilities—buildings, structures, fixtures, machinery and appurtenances used for receipt, loading, unloading, and distribution of motor vehicles.

(35) Repair and Maintenance, Facilities for Other Specialized Services Operations—Buildings, structures, machinery, fixtures and grounds, used as part or whole of a revenue-producing specialized service.

(36) Repair and Maintenance, Roadway Machines—Machines and equipment used for repairs of roadway and structures.

(37) Small Tools and Supplies—Cost of small tools and supplies used in repair and maintenance.

(38) Snow Removal—Removal of snow and ice; plow and flange service; setting up, taking down and storing fences.

(39) Dismantling Retired Property—Dismantling retired road property when the property is not to be replaced through normal maintenance, addition or betterment.

(40) Repair and Maintenance, Shop Machinery—Repair of shop machinery and other apparatus, including special foundations.

(41) Repair and Maintenance, Locomotives—Repair of locomotives in revenue service.

(42) Repair and Maintenance, Freight Cars—Repair of freight cars and attached motor equipment in revenue service.

(43) Repair and Maintenance, Trucks, Trailers, Containers in Revenue Service—Repair, inspection, and lubrication of trucks, trailers and containers in revenue service.

(44) Repair and Maintenance, Floating Equipment in Revenue Service—Floating equipment including appurtenances.

(45) Repair and Maintenance, Passenger and Other Revenue Equipment—Repair, inspection and lubrication of passenger train cars and attached motor equipment, and other equipment used in revenue service.

(46) Repair and Maintenance, Computers and Data Processing Systems—Computers and attached peripheral equipment; data recording and punch-card processing equipment.

(47) Repair and Maintenance, Work and Other Non-Revenue Equipment—Rail and floating work equipment and appurtenances, and all other equipment not used in revenue service and not provided for elsewhere.

(48) Road Property and Equipment Damaged—Repair of roadway property and structures, locomotives, freight cars, other equipment used in revenue service, and all equipment not used in revenue service, when damage is caused by derailments, collision, fire, explosions, sabotage, other casualties, and excluding damage resulting through normal operations or use, such as part failures, overloads, overheating, short circuits and similar events.

OPERATIONS

(56) Engine Crews—Operation of trains in line-haul revenue service by enginemen, including crew meals, lodging, deadheading and other expenses.

(57) Train Crews—Operation of trains in line-haul revenue service by trainmen, including crew meals, lodging, deadheading, and other expenses.

(58) Dispatching Trains—Costs include dispatchers, supporting staff, train order stations and operators, office and supplies expense.

(59) Operating Switches, Signals, Interlockers Retarders, Humps—Operators, switch tenders, supplies, etc.

(60) Operating Drawbridges—Engineers, tenders, watchmen, supplies, etc.

(61) Highway Crossing Protection—Gatekeepers, flagmen, lighting, supplies, etc.

(62) Train Inspection and Lubrication—Inspection and lubrication of trains, including minor repairs made by inspectors.

(63) Clearing Wrecks—Removal of equipment, freight or other goods, and property of others damaged in wrecks; note that repair of wreck damage caused to roadway property and equipment is classified as function Code 48—Road Property and Equipment Damaged.

(64) Switch Crews—Operation of trains and locomotives in yard and terminal revenue switching service by enginemen and trainmen, including associated expenses.

(65) Controlling Operations—Directing the operations of yard and terminal interchange and classification service, including office and supplies expense.

(66) Yard and Terminal Clerical—Clerical work in support of the operation of yard and terminal switching and classification service, including office and supplies expense.

(67) Locomotive Fuel—Cost of locomotive fuel used in all service, including the receipt, storage, and dispensing of the fuel.

(68) Electric Power Purchased/Produced for Motive Power—Purchase cost and cost of producing electric power for use by electrically-powered motive equipment in all service.

(69) Servicing Locomotives—Preparing locomotives for switching service in yards and for train service, including moving locomotives around engine yards.

(70) Cleaning Car Interiors—Cleaning and preparing car interiors for revenue service, including minor repairs made by car cleaners.

(71) Adjusting and Transferring Loads — Transferring, picking up, straightening, and reloading freight in the ordinary course of transportation.

(72) Car Loading Devices and Grain Doors—Servicing car loading devices and placing and removing grain doors.

(73) Pickup & Delivery, Marine Line Haul & Rail Substitute Service—Operation of trucks, floating equipment, and all other specialized equipment providing line haul movement for revenue including TOFC/COFC pick-up and delivery.

(74) Loading & Unloading and Local Marine—All other specialized services in the transportation activity such as TOFC/COFC loading, unloading, and tie down; coal and ore loading and unloading; and other similar functions.

(75) Protection Services—Inspecting, servicing, cleaning, and fueling protective equipment and devices.

(76) Clerical and Accounting Employees—Direct administrative support to the transportation activity, including

receiving and processing customer orders, requesting cars, preparing waybills, rating shipments, billing customers, collecting customer receivables in the ordinary course of business, billing and recording demurrage, reporting interchanges, reporting advances, and the initial summarization and reporting of input data.

(77) Communications Systems Operation—Cost of operating communications systems; when such operations are an integral part of other functions, only specifically identifiable costs of operating communications systems are to be allocated to this function.

(78) Loss and Damage Claims Processing—Receipt, investigation, other handling, and adjustment and settlement of claims for loss or damage of freight or other goods carried in revenue service. Does not include handling claims for personal injury or for loss or damage of other property.

GENERAL

(86) Accounting, Auditing, Finance—General and corporate accounting, auditing by internal auditors and outside accountants, treasury, tax accounting and returns, financial reporting, corporate planning related to investment decisions and budgeting.

(87) Management Services and Data Processing—Systems planning and design, programming, computer operations, data control, key entry of data, and related activities.

(88) Marketing—Market planning and analysis, traffic analysis, costing, pricing, and related activities.

(89) Sales—Traffic solicitation and related sales efforts.

(90) Industrial Development—Efforts to locate industries on real estate accessible to the railroad's lines for the purpose of creating future revenues.

(91) Personnel and Labor Relations—Efforts to attract and retain employees, handle fringe benefits plans, monitor and negotiate labor contracts, maintain employee data and records, coordinate training programs, handle grievances, handle employee transfers, operate job safety and equal opportunity programs, and related activities.

(92) Legal and Secretary—Legal functions handled by attorneys and supporting staff; including lawsuits, injury and damage claims, commerce matters, and similar functions; corporate secretarial functions involving shareholder records, corporate minutes, stock certificates, and similar items.

(93) Public Relations and Advertising—Public relations activities with governmental bodies, shippers, and the general public; advertising in the media, booklets, publications; open houses and tours; and similar activities.

(94) Research and Development—Research into the use of methods, procedures, practices, equipment, machinery tools, and plant, and in determining and measuring the impact of factors or costs not previously known, with the intention of finding ways to improve maintenance, operations, administration, rates, productivity, environmental impact, and similar items. Does not include specific studies or development efforts for which an implementation decision has already been made.

OTHER

(99) Other—All functions not properly includable in other functions.

30. "Cost Center": An organizational subdivision for which cost data are desired and for which provision is made to accumulate costs such as a terminal, yard, or track segment. A cost center may correspond to a given area of responsibility for which costs are presently accumulated for planning and control. A cost center is the smallest segment of activity or area of responsibility for which costs are accumulated and directly traceable.

31. "Net Railway Operating Income:" Operating revenue remaining after deducting operating expenses, provision for income taxes, and taxes applicable to accounts 560 and 562. Also, in arriving at NROI, deduct the Income from Lease of Road and Equipment and add the Rent for Leased Roads and Equipment, formerly accounts 509 and 542, respectively.

32. (a) "Equity security" encompasses any instrument representing ownership shares (e.g., common, preferred, and other capital stock), or the right to acquire (e.g., warrants, rights, and call options) or dispose of (e.g., put options) ownership shares in an enterprise at fixed or determinable prices. The term does not encompass preferred stock that by its terms either must be redeemed by the issuing enterprise or is redeemable at the option of the investor, nor does it include treasury stock or convertible bonds.

(b) "Marketable," as applied to an equity security, means an equity security as to which sales prices or bid and ask prices are currently available on a national securities exchange (i.e., those registered with the Securities and Exchange Commission) or in the over-the-counter market. In the over-the-counter market, an equity security shall be considered marketable when a quotation is publicly reported by the National Association of Securities Dealers Automatic Quotations System or by the National Quotations Bureau, Inc. (provided, in the latter case, that quotations are available from at least three dealers). Equity securities traded in foreign markets shall be considered marketable when such markets are of a breadth and scope comparable to those referred to above. This definition is not met by restricted stock (securities for which sale is restricted by a governmental or contractual requirement except where such requirement terminates within one year or where the holder has the power to cause the requirement to be met within one year). Any portion of the stock which can reasonably be expected to qualify for sale within one year, such as may be the case under Rule 144 or similar rules of the Securities and Exchange Commission, is not considered restricted.

(c) "Market value" refers to the aggregate of the market price of a single share or unit times the number of shares of units of each marketalbe equity security in the portfolio. When an equity has taken positions involving short sales, sales of calls, and purchases of puts for marketable equity securities and the same securities are included in the portfolio, those contracts shall be taken into consideration in the determination of market value of the marketable equity securities.

(d) "Cost," as applied to a marketable equity security, refers to the original cost unless a new cost basis has been assigned based on recognition of an impairment of value that was deemed other than temporary or as the result of a transfer between current and noncurrent classifications. In such cases, the new cost basis assigned shall be considered cost.

General Instructions

1-1 *Classification of carriers.* (a) For purposes of the accounting and reporting regulations, carriers are grouped into the following two classes:

Class I: Carriers having annual carrier operating revenues of $50 million or more.

Class II: Carriers having annual carrier operating revenues of less than $50 million.

(b) (1) The class to which any carrier belongs shall be determined by annual carrier operating revenue. If at the end of any calendar year such annual carrier operating revenue is greater than the maximum for the class in which the carrier is classified, the carrier shall adopt the accounting and reporting requirements of the higher class in which it falls. Class II carriers shall adopt Class I classification effective as of January 1 of the following year.

(2) If at the end of any calendar year a Class I carrier's annual operating revenue is less than $50 million, and has been for three consecutive years, the carrier shall adopt the accounting reporting requirements for Class II carriers. Such adoption shall be effective as of January 1 of the following year.

(3) Carriers shall notify the Commission of any change in classification by completing and returning the Carrier Classification Form with the Quarterly Financial Report for the third calendar quarter, if appropriate, or by October 31.

(4) Newly organized carriers shall be classified on the basis of their annual carrier operating revenues for the latest period of such operation. If actual data are not available, new carriers shall be classified on the basis of their carrier operating revenue known and estimated for a year.

(5) When a business combination occurs, such as merger, reorganization, or consolidation, the surviving carrier shall be reclassified effective January 1 of the next calendar year on the basis of the combined revenue for the year when the combination occurred.

(6) In unusual circumstances, such as partial liquidation, and curtailment or the classification regulations will unduly burden the carrier, the carrier may re-elimination of contracted services, where

quest the Commission for an exception to the regulations. This request shall be in writing specifying the conditions justifying an exception.

(c) Class I carriers shall keep all of the accounts of this system of accounts which are applicable to their operations. Class II carriers shall keep all of the system of accounts which are applicable to their operations, except that their accounts for operating expenses may be kept under the accounts of the respective condensed groupings provided for herein. Class II carriers shall combine their accounts in accordance with the grouping for the purposes of making entries in reports filed with the Commission.

(d) In applying the classification grouping to any switching or terminal company which is operated as a joint facility of owning or tenant railways, the sum of the annual carrier operating revenues, the joint facility rent income, and the totals of the joint facility credit accounts in operating expenses, shall be used in determining its class.

1–2 *Classification of accounts.* (a) Accounts are prescribed to cover cost of property used in transportation operations and operations incidental thereto and for revenues, expenses, taxes, rents, and other items of income for such operations. Separate accounts are prescribed for investment in property not used in transportation operations and for other investments and income therefrom; for unusual and infrequent items; for operations and disposal of discontinued segments; for extraordinary items and accounting changes; and for assets, liabilities and capital includable in the balance sheet statement. Retained earnings accounts form the connecting link between the income account and the equity section of the balance sheet. They are provided to record the transfer of net income or loss for the year; certain capital transactions; and, when authorized by the Commission, other items.

(b) The cost of property, and the revenues, expenses, taxes and rents for miscellaneous operations involving the use of such facilities as hotels, restaurants, grain elevators, storage warehouses, power plants, cold storage plants, etc., shall not be included in the accounts prescribed for transportation operations unless the operation of the facilities is conducted by the railway companies in connection with furnishing transportation services. Likewise, the cost of property, the revenues, expenses, taxes, and rents arising from the operation of stockyards shall not be included in accounts prescribed for transportation operations unless operation of the facilities is conducted in connection with transportation of livestock. It is not intended that cost of property and income arising from incidental public stockyards service rendered by stockyards primarily devoted to transportation services shall be excluded from transportation operation accounts.

(c) Joint facility accounts are provided for the joint users of tracks, bridges, yards, wharves, stations, and other facilities in which to record items in settlement for use of such facilities. When the compensation for the use of facilities is a fixed amount or is based upon a charge per passenger, ton, car or other unit, the amount shall be fairly apportioned by the operating company among the joint facility operating expense and income accounts. The creditor shall show the distribution of these charges upon its bills, and such distribution shall be adhered to by the debtor. Train service in connection with the line haul of traffic, including that operated under a joint arrangement for the benefit of two or more carriers, is not considered a joint facility operation.

(d) (1) *Extraordinary Items.* All items of profit and loss recognized during the year are includable in ordinary income unless evidence clearly supports their classification as extraordinary items.

Extraordinary items are characterized by both their unusual nature and infrequent occurrence taking into account the environment in which the firm operates; they must also meet the materiality standard.

Unusual means the event or transaction must possess a high degree of abnormality and be of a type clearly unrelated to, or only incidentally related to the ordinary and typical activities of the entity.

Infrequent occurrence means the event or transaction shall be of a type not reasonably expected to recur in the foreseeable future.

(2) *Unusual or Infrequent Items.* Material events unusual in nature or infrequent in occurrence but not both, thus not meeting both criteria for classification as extraordinary, shall be includible in the accounts provided as separate components of income/expense from continuing operations.

(3) *Discontinued Operations.* The results of continuing operations shall be reported separately from discontinued operations and any gain or loss resulting from disposal of a segment of a business (see definition 23(a)) shall be reported in conjunction with the related results of discontinued operations and not as an extraordinary item. The disposal of a segment of a business shall be distinguished from other disposals of assets incident to the evolution of the entity's business, such as the disposal of part of a line of business, the shifting of production or marketing activities for a particular line of business from one location to another, the phasing out of a product line or class of service, and other changes occasioned by technological improvements. If a loss is expected from the proposed sale or abandonment of a segment, the estimated loss shall be provided for at the measurement date (see definition 23(b)). If a gain is expected, it shall be recognized when realized, which ordinarily is the disposal date (see definition 23(c)).

(4) *Prior Period Adjustments.* Adjustments occurring in the current accounting period relating to events or transactions which occurred in a prior period, the accounting effects of which could not be determined with reasonable assurance at that time, shall be reported as prior period adjustments. A prior period adjustment, after income tax effect, should be reported by restating the beginning balance of retained earnings of the current year and correspondingly adjusting related prior year balances presented for comparative purposes. Such adjustments shall not be considered prior period unless: (1) they are material, and (2) can be specifically identified with and directly related to the business activities of particular prior periods, and (3) are not attributable to economic events occurring subsequent to the date of the financial statements for the prior period, and (4) depend primarily on determinations by persons other than management, and (5) were not susceptible of reasonable estimation prior to such determination. If an adjustment does not meet such criteria, it shall be separately disclosed as to year of origin, nature, and amount and classified in the current period in the same manner as the original item. If the adjustment is the correction of an error, it shall be reported as a prior period adjustment.

(5) *Accounting Changes.* A change in accounting principle or accounting entity should be referred to this Commission for approval. The cumulative effect of a change in accounting principle should ordinarily be reflected in the account provided for in determining net income; in certain cases accounting changes may be reflected as prior period adjustments. Changes in accounting estimates should ordinarily be reflected prospectively.

(6) *Materiality.* As a general standard an item shall be considered material when it exceeds 10 percent of annual income (loss) before extraordinary items. An item may also be considered in relation to the trend of annual earnings before extraordinary items or other appropriate criteria. Items shall be considered individually and not in the aggregate in determining materiality. However, the effects of a series of related transactions arising from a single specific and identifiable event or plan of action shall be aggregated to determine materiality.

(7) *Commission Approval and Accountant's Letter.* Items shall be included in the accounts provided for extraordinary items, unusual or infrequent items, discontinued operations, prior period adjustments and cumulative effect of changes in accounting principles only upon approval of the Commission. If the carrier retains the service of an independent accountant, a request for using these accounts shall be accompanied by a letter from the independent accountant approving or otherwise commenting on the request.

NOTE.—The carrier may refer to generally accepted accounting principles for further guidance in applying paragraph (d) above.

1–3 *Records.* (a) Each carrier shall keep its books of account, and all other

books, records, and memoranda which support the entries in such books of account so as to be able to furnish readily full information as to any item included in any account. Each entry shall be supported by such detailed information as will permit ready identification, analysis, and verification of all facts relevant thereto.

(b) All expenditures including the expense accounts of officers and employees shall be supported by vouchers, payrolls, receipted bills, canceled checks, receipts for petty cash payments, or other evidences of the expenditures incurred.

(c) The books referred to herein include not only books of accounts in a limited technical sense but all other records such as minute books, stock books, reports, correspondence, memoranda, etc., which will be useful in developing the history of or facts regarding any transaction.

(d) No carrier shall destroy any books, records, memoranda, etc., which support entries to its accounts unless destruction is permitted by the regulations governing preservation of records, Part 1220 of this chapter.

(e) In addition to prescribed accounts, clearing accounts, temporary accounts, and subdivisions of any accounts may be kept, provided the integrity of the prescribed accounts is not impaired.

(f) Cost detail shall be maintained by cost centers for purposes of cost assignments effective 1/1/79. This provides for cost control and cost planning at any designated area of responsibility. These cost centers shall be similarly defined as the railroads' existing responsibility centers. Cost center information shall therefore be kept at the same level of detail presently collected, categorized, and maintained in railroad internal managerial accounting systems. This detailed information shall not be reported to the Commission on an ongoing basis. However, the carrier shall keep the detailed information to provide a ready analysis and verification of the costs collected by cost center.

1–4 *Accounting period.* (a) Each carrier shall keep its books on a monthly basis so that known transactions, as nearly as may be ascertained, shall be entered in the accounts not later than 60 days after the last day of the period for which the accounts are stated, except that the time within which the final entries for the year ending December 31 shall be made may be extended to such date in the following March as shall not interfere with the preparation and filing of annual report.

(b) A trial balance of the general ledger accounts shall be prepared at the close of each month setting out the account number, title, and amount of each ledger account. (Mechanical, electronic or automatic data processing printout documentation producing the equivalent of manually prepared trial balances shall identify balances by account numbers.) At the end of the calendar year, the revenue, expense, and other income accounts shall be closed into retained earnings account, and the balance sheet account balances shall be brought forward to the general ledger for the succeeding year.

(c) No changes shall be made in the accounts for periods covered by quarterly and annual reports that have been filed with the Commission unless the changes have first been authorized by the Commission.

1–5 *Accrual method of accounting.* The accounting for operating revenues, operating expenses, income and other items each month and year shall be, as nearly as practicable, upon the basis of accruals consistently applied. Any change in practice of accounting for accruals or any unusual accruals involving material amounts shall be reported promptly to the Commission.

1–6 *Charges to be just and reasonable.* All charges to the accounts prescribed in this system of accounts for carrier property, operating revenues, operating and maintenance expenses, and other carrier expenses, shall be just, reasonable and not exceed amounts necessary to the honest and efficient operation and management of carrier business. Payments shall not exceed the fair market value of goods and services acquired in an arm's length transaction. Any payments in excess of such just and reasonable charges shall be included in account 551, "Miscellaneous income charges."

1–7 *Delayed items.* Ordinary delayed items and adjustments arising during the current year which are applicable to prior years shall be included in the same account which would have been charged or credited if the item had been taken up or the adjustment made in the year to which it pertained. When the amount of a delayed item or adjustment is relatively so large that its inclusion in net income for a single month would seriously distort the accounts for the month (but not for the year), such amount may be distributed in equal monthly charges or credits, as the case may be, to the remaining months of the calendar year.

1–8 *Distribution of Expenses for Material, Tools, Fuel, Lubricants, Purchased Services and General.* (a) These expenses shall be assigned directly to activities based on usage whenever possible. (b) When it is necessary to apportion these expenses to two or more activities they shall be equitably apportioned only to the activities in which they are actually used or to the activities they support.

1–9 *Transactions with affiliated companies.* (a) The records and supporting data of all transactions with affiliated companies shall be maintained in a separate file. The types of transactions referred to in this paragraph are for management services or any other type of services rendered, sale or use of facilities or any other type of assets or property. The file shall be maintained so as to enable the carrier, upon a Commission request, to furnish accurate information with supporting documentation about particular transactions within 15 days of the request. We do not intend the file to include data relating to ordinary carrier operations (e.g. lawful tariff charges or interchange of equipment.

(b) Each bill rendered by an affiliated company shall state specifically the basis used for determining charges, unless the file contains the information to support the specific basis for charges.

(c) Punched cards, magnetic tapes, discs, or other machine-sensible devices used for recording, consolidating, and summarizing accounting transactions and records with a carrier's electronic or automatic data processing system may constitute a file within the meaning of this instruction.

(d) The carrier shall record, as the cost of assets or services received from an affiliated supplier, the invoice price (plus any incidental costs related to those transactions) in those cases where the invoice price can be determined from a prevailing price list of the affiliated supplier available to the general public in the normal course of business. If no such price list exists, the charges shall be recorded at the lower of their cost to the originating affiliated supplier (less all applicable valuation reserves in case of asset sales), or their estimated fair market value determined on the basis of a representative study of similar competitive and arm's-length or bargained transaction. Any difference between actual transaction price and the above, as well as charges that are not transportation related, shall be considered of a financing nature and shall be recorded, accordingly, as nonoperating charges or credits. (See Instruction 1–6.)

(e) Nothing contained herein shall be construed as restraining the carrier from subdividing accounts (see Instruction 1–3(e)) for the purpose of recording separately transactions with affiliated companies.

1–10 *Accounting for income taxes.* (a) The interperiod tax allocation method of accounting shall be applied where material timing differences (see definition 20(e)) occur between pretax accounting income and taxable income. Carriers may elect, as provided by the Revenue Act of 1971, to account for the investment tax credit by either the flow through method or the deferred method of accounting. See paragraphs (d) and (e) below. All income taxes (Federal, state and other) currently accruable for income tax return purposes shall be charged to account 556, "Income taxes on ordinary income," and account 590, "Income Taxes on Extraordinary Items," as applicable.

(b) Under the interperiod tax allocation method of accounting the tax effect of timing differences (see definitions 20 (g) and (e)) originating in the current accounting period are allocated to income tax expense of future periods when the timing differences reverse. Similar timing differences originating and reversing in the current accounting period should be combined into groups and the current tax rates applied to determine the tax effect of each group. A carrier shall not apply other than current tax rates in determining the tax effect of reversing differences except upon ap-

proval of the Commission. When determining the amount of deferred taxes, rather than computing state and other taxes individually by jurisdiction, the Federal income tax rate may be increased by a percent equivalent to the effect of taxes imposed by the jurisdictions.

(c) The future tax benefits of loss carryforwards shall normally be recognized in the year in which such loss is applied to reduce taxes. Only in those unusual instances when realization is assured beyond any reasonable doubt should the future tax benefits of loss carryforwards be recognized in the year of loss. The tax effects of any realizable loss carrybacks shall be recognized in the determination of net income (loss) of the loss periods; appropriate adjustments of existing net deferred tax credits may also be necessary in the loss period.

(d) Carriers electing to account for the investment tax credit by the flow through method shall credit account 556, "Income taxes on ordinary income," or account 590, "Income taxes on extraordinary items," as applicable, and charge account 760, "Federal income taxes accrued," with the amount of investment tax credit utilized in the current accounting period. When the flow through method is followed for the investment tax credit, account 557, "Provision for Deferred Taxes," shall reflect the difference between the tax payable (after recognition of allowable investment tax credit) based on taxable income and tax expense (with full recognition of investment tax credit that would be allowable based on accounting income) based on accounting income.

(e) Carriers electing to account for the investment tax credit by the deferred method shall concurrently with making the entries prescribed in (d) above charge account 557, "Provision for deferred taxes," or account 591, "Provision for deferred taxes—extraordinary items," as applicable, and shall credit account 786, "Accumulated deferred income tax credits," with the investment tax credit utilized as a reduction of the current year's tax liability but deferred for accounting purposes. The investment tax credit so deferred shall be amortized by credits to account 557, "Provision for deferred taxes."

NOTE A.—Any change in practice of accounting for the investment tax credit shall be reported promptly to the Commission. Carriers desiring to clear deferred investment tax credits because of a change from the deferral method to the flow through method shall submit the proposed journal entry to the Commission for consideration and advice.

NOTE B.—The carrier shall follow generally accepted accounting principles where an interpretation of the accounting rules for income taxes is needed or obtain an interpretation from its public accountant or the Commission.

1–11 *Items in texts of accounts.* The items appearing in the texts of the accounts or elsewhere herein are for the purpose of more clearly indicating the application of the prescribed accounting. The items are intended to be representative, but not exhaustive. The appearance of an item in the text of a primary account warrants the inclusion of the item in the account mentioned only when the whole text also indicates inclusion inasmuch as the same item frequently appears in more than one primary account. The proper entry in each instance must be determined by the entire text of each primary account.

1–12 *Distribution of pay and expenses of employees.* (a) The pay and expenses of officers or employees regularly assigned to specific duties who perform incidental services of a different nature involving small expense may be included in the appropriate expense accounts for the duties to which such officers or employees are regularly assigned.

(b) When it is necessary to apportion the pay of officers and employees among various accounts, the carrier shall apportion the pay on the basis of the directly assignable pay to the various accounts.

1–13 *Payroll related expenses.* (a) Fringe benefits (account series 12–00–00) may (1) be included in each natural classification and distributed to the appropriate activities or (2) they may be accumulated in the appropriate accounts as described in the account explanations and distributed to the activities using one of the following techniques (in order of preference):

(1) Apply appropriate factors to the amount in each account, or to the total of the fringe expense accounts, in such a way as to distribute an equitable proportion of cost to each activity. These factors shall be developed to take into account variables such as the following:

(i) The effect of seniority on the expense. For example, profit sharing or pensions may be available to only certain categories of employees, which may be more predominant in one activity than another.

(ii) The effect of the type of work performed. For example, workmen's compensation expense may vary for each category of employees because of the rate charged or the claims experience of the category.

(iii) Any other variable which may have an appreciable effect on the equity of the apportionment.

(2) Distribute the amount in each account, or the total of the other fringes, in the same proportion as the pay charged to each activity in account series 11–00–00 (salaries and wages).

(3) Distribute the amounts in each account, or the total of the other fringes, using any other equitable basis which the carrier can substantiate.

(b) All carriers shall be prepared to describe the basis of apportionment used to distribute expenses included in this instruction.

(c) Any carrier which finds it impracticable to distribute expenses as required by this instruction should furnish the Commission with full particulars of the conditions which prevent the proper distribution. Upon receipt of such information carrier will be advised of the procedure to be followed.

1–14 *Submission of questions.* To maintain uniformity of accounting, carriers shall submit questions of doubtful interpretation to the Commission for consideration and decision.

INSTRUCTIONS FOR PROPERTY ACCOUNTS

2–1 *Items to be charged.* (a) To the road and equipment property accounts shall be charged the cost of purchasing land, the cost of purchasing and constructing buildings, facilities and equipment, and the cost of additions and betterments to property. "Cost" means the amount of money actually paid for property or services. When the consideration given for the property is other than cash in a purchase and sale transaction, as distinguished from a transaction involving the issuance of capital stock in reorganization or a merger and pooling of interest, the value of the consideration shall be determined on a cash equivalent basis. The carrier shall be prepared to furnish the Commission the particulars of its determination of the cash value of the consideration if other than money.

(b) The cost of operating property purchased under a plan involving deferred payments, including leases which are in substance installment purchases, shall be capitalized in the appropriate property accounts. The carrier shall not include in the property account charges for interest, insurance or other expense related to such payments.

(c) Suitable records shall be maintained showing expenditures during the year for original road and equipment and road extensions; for merger and purchase of existing lines and reorganizations; for additions and betterments; and credits for property retired.

2–2 *Minimum rule applicable to additions to property.* An exception to the rule in instruction 2–1 is that when the cost of acquisition of units of road property and of additions and betterments to existing units of road property (other than land or tracks) is less than $2000 such cost shall be charged to operating expenditures under a general plan for the purpose of bringing the accounting for such expenditures within this minimum rule. An amount of less than $2000 may be adopted for purposes of this rule provided the carrier first notifies the Commission of the amount it proposes to adopt and thereafter makes no change in the amount unless authorized to do so by the Commission. An amount so adopted shall be adhered to in reporting property changes for valuation purposes.

2–3 *Land.* (a) Accounts are provided for the cost of land used in transportation operations and also for land used in other than transportation operations. When land is retired from transportation operations but is retained by the carrier the original cost (estimated, if not known) shall be transferred to the account prescribed for property used in other than transportation operations. It is not contemplated that irregular parcels of land acquired in connection with acquisition of right-of-way which have no value as commercial property shall be thus transferred, either for the purpose of making right-of-way boundaries run

more or less regular or for the purpose of eliminating from transportation property account the cost of unoccupied lands between tracks in yards and terminals. When any land, the cost of which is included in the accounts, is sold or otherwise retired, the ledger value shall be credited to the appropriate property investment account. The profit or loss from sale or loss from retirement or land shall be included in the accounts prescribed for such amounts.

(b) When the carrier exchanges land for other land with no other consideration involved, the land received shall be recorded at the ledger value of the land relinquished. Where the carrier receives a monetary consideration in the exchange, the carrier shall recognize gain on the exchange to the extent that the consideration received exceeds a proportionate share of the recorded cost of the land surrendered. The portion of the cost applicable to the realized amount shall be based on the ratio of the monetary consideration to the total consideration received (monetary consideration plus the estimated fair value of the land received) or, if more clearly evident, the fair value of the land transferred. Where the carrier pays a monetary consideration in such exchange, it shall not recognize any gain on the transaction but shall record the land received at the amount of the monetary consideration paid plus the recorded costs of the land surrendered. If a loss is indicated by the terms of an exchange transaction described herein, the carrier shall recognize the entire indicated loss on the exchange. Immaterial gains and losses on these exchanges shall be included in accounts 519, "Miscellaneous income," or 551, "Miscellaneous income charges," as appropriate. Material amounts shall be recorded in accordance with Instruction 1-2(d).

2-4 *Structures.* Accounts are provided for the cost of several classes of buildings and facilities, including fixtures permanently attached to and made a part thereof. When a building or other structure is used or held primarily for transportation operations and is an integral part of the carrier's transportation plant, but a part thereof is used or held for commercial purposes such as for rental to others or for use in other than transportation operations by the carrier, the entire cost of the building or other structure is includible in the accounts for transportation property. When a building or other structure is used or held primarily for commercial purposes or for use in other than transportation operations by the carrier, the entire cost of the building or structure is includible in account 737, "Property used in other than carrier operations." Reclassification of property from its primary classification as transportation or other than transportation property, as the case may be, to the other classification is not required where changes in use are of a temporary nature or for a short period of time. The accounting for costs of maintenance, taxes, other operating costs, and for revenues and rentals shall be consistent with the classification of the building or other structure.

2-5 *Equipment.* Accounts are provided for several classes of equipment, such as locomotives, passenger-train cars, freight-train cars, highway revenue equipment, work equipment, floating equipment, and the necessary appurtenances, furniture, and fixtures first to equip for service, including the cost of inspection, setting up, and trying out, and transportation over foreign lines; also the cost of additions and betterments, such as improved appliances, parts, or appurtenances. When retired equipment is held without being torn down, the estimated value of the salvage therefrom shall be included in account 741, "Other assets," until the salvage is recovered, except that the estimated scrap value of retired equipment held for sale in the ordinary course of business, and on which sale and realization of the proceeds within one year is assured, is includible in account 713, "Other current assets."

2-6 *Components of construction cost.* The cost of constructing property includible in the property accounts shall include the direct and other costs as described hereunder.

(a) *Cost of labor.* This includes the amount paid for labor expended by the carrier's own employees, including the cost of labor expended for preliminary work, such as sinking test holes or making soundings for tunnels, grading, buildings, and other structures; and cost of labor expended in laying and taking up tracks for temporary use in construction, except the cost of labor expended on tracks provided for the protection of traffic during the progress of addition and betterment work. The cost of labor shall also include the accounting company's expenditures for associated fringe benefits, such as vacation and holiday pay, health and welfare group insurance, pensions and retirement plans, payroll taxes and unemployment insurance. Office expenses and traveling and other personal expenses of employees, when borne by the carrier, shall be considered a part of the cost of the labor, as shall also the cost of fidelity bonds and employer's liability insurance premiums. When officers or employees are especially assigned to construction work their pay and their traveling and incidental expenses while thus engaged shall be included in the cost of the work. No charge shall be made against road and equipment accounts for the pay of officers and employees who merely render services incidentally in connection with extensions, additions, or betterments, although traveling and incidental expenses incurred by such officers and employees solely on account of such work shall be included in the account to which the cost of the work is chargeable.

(b) *Cost of materials and supplies.* This includes the purchase price of materials and supplies, including small tools, at the point of free delivery plus the cost of inspection and loading assumed by the carrier; a suitable proportion of store expenses; also sales and excise taxes on materials and supplies except as otherwise provided in the text of account 712, "Material and supplies." In calculating the cost of materials used, proper allowance shall be made for the value of unused portions and of cuttings, turnings, borings, etc.; for the value of the material recovered from temporary tracks, scaffolding, cofferdams, and other temporary structures used in construction; and for the value of small tools recovered and used for other purposes.

(c) *Cost of work-train service.* This includes amounts paid to others for rent and maintenance of equipment used; cost of labor of enginemen, trainmen, and enginehousemen, including wages of engine crews and train crews held in readiness for such service; and cost of fuel and other supplies consumed in connection with the operation of work trains. It shall also include the cost of maintaining the carrier's own equipment used in construction service. Amounts representing constructive rent or return upon the investment in owned equipment shall not be included as a part of the cost of work-train service.

(d) *Cost of special machine service.* This includes the cost of labor expended and of materials and supplies consumed in maintaining and operating power shovels, scrapers, rail unloaders, ballast unloaders, pile drivers, dredges, ditchers, weed burners, and other labor-saving machines; also rents paid for use of such machines.

(e) *Cost of transportation.* This includes the amounts paid to other companies or individuals for the transportation of men, materials and supplies, special machine outfits, appliances, and tools in connection with construction. Freight charges paid foreign lines for the transportation of construction material to the carrier's line shall be included, so far as practicable, as a part of the cost of the material.

(f) *Cost of contract work.* This includes amounts paid for work performed under contract by other companies, firms, or individuals, and costs incident to the award of the contract.

(g) *Cost of protection from casualties.* This includes expenditures for protection against fire, such as payments for discovery or extinguishment of fires, cost of detecting and prosecuting incendiaries, witness fees in relation thereto, amounts paid to municipal corporations and others for fire protection, and other analogous items of expenditure incurred directly in connection with construction work.

(h) *Cost of injuries and damages.* This includes expenditures on account of injuries to persons or damage to property when incurred directly as a result of construction projects, and shall be included in the cost of the work in connection with which the injury or damage occurs. It also includes that portion of premiums paid for insuring property applicable to the period prior to the completion or coming into service of the property insured. Insurance recovered on account of compensation paid for injuries to persons incident to construction shall be

credited to the accounts to which such compensation is charged, and insurance recovered on account of damages to property incident to construction shall be credited to the accounts chargeable with the expenditures necessary for restoring the damaged property. The cost of injuries and damages incident to the removal of old structures, or parts thereof, shall be charged to operating expenses, except that such costs in connection with the removal of old structures which are incumberances on newly acquired lands shall be included in accounts 2, "Land for transportation purposes," or 3, "Grading," as appropriate.

(i) *Cost of privileges.* This includes compensation for temporary privileges, such as the use of public property or streets, in connection with the construction of the property of the carrier.

(j) *Material excavated.* The cost of disposing of material excavated in connection with construction shall be considered as a part of the cost of work, except that when such material is used for filling, the cost of removal and dumping shall be equitably apportioned between the work in connection with which the removal occurs and the work in connection with which the material is used.

2–7 *Additions to and retirements of property—General.* (a) In accounting for additions to and retirements and replacements of road and equipment property (excluding land) used in transportation operations, such property changes shall be considered as consisting of (1) units of property and (2) other than units of property (minor items). A list of units of property to be used for this purpose is prescribed in Instruction 2–19.

(b) The cost of removal of retired property, both depreciable and other than depreciable, when borne by the carrier, shall be charged, as appropriate, to account 11–13–39, Personnel—Salaries and Wages—Way and Structures—Other—Dismantling retired property," or 11–23–39, "Personnel—Salaries and Wages—Equipment—Other Equipment —Dismantling retired property," and other appropriate accounts.[1]

(c) An equitable proportion of a balance in primary accounts 1, "Engineering," 76, "Interest during construction," 77, "Other expenditures; general," and 80, "Other elements of investment," applicable to retired property, shall be cleared from those accounts concurrently with the retirement accounting.

(d) When retired property is held and not removed, the estimated value of the salvage therefrom shall be included in account 741, "Other assets," until the salvage is recovered, except that the estimated scrap value of retired property held for sale in the ordinary course of business, and on which sale and realization of the proceeds within one year is assured, is includible in account 713, "Other current assets."

2–8 *Additions to and retirements of units of property.* (a) When a unit of road or equipment property is added to the plant, the cost thereof shall be included in the appropriate primary account. When a unit of property is retired, with or without replacement, the cost thereof shall be written out of the property account at time of retirement.

(b) When a unit of road or equipment property (or a minor item not replaced) classified as depreciable and included in the accounts prescribed for depreciable property is retired the service value shall be charged to account 735, "Accumulated depreciation; Road and equipment property."

(c) When road property (other than a minor item constituting repairs) classified as other than depreciable property is retired, the cost thereof shall be cleared from the property account and the service value shall be charged to account 61–13–99, "General—Other Expenses—Way and Structures—Other—Other." When the retirement requires Commission approval, the carrier shall clear the cost from the property account upon the Commission's approval. Subactivities 11 and 12 also apply.

(d) When property included in the depreciable accounts but excluded from the depreciation base is retired, the service value (including engineering expenditures assignable to retired property but not included in the depreciation base) shall be charged to operating expense.

2–9 *Additions and retirements of other than units of property.* (a) When an item of road or equipment property, other than a complete unit, is added to the plant and the addition is not a replacement, the cost thereof shall be accounted for in the same manner as an addition of a complete unit of property, subject to the $2000 minimum rule applicable to road property. When an item of property other than a complete unit (minor item) is replaced, independent of the complete unit of which it is a part, the cost of replacement shall be treated as maintenance and charged to operating expenses; except that, when the replacement effects a substantial betterment through the application of superior parts, the primary aim of which is to make the property affected more useful, more efficient or of greater durability, or of greater capacity, the excess cost of new parts over the current cost of new parts of the kind replaced shall be charged to the appropriate primary property account. The cost of removing the old appliances and applying the improved parts shall be charged to operating expenses. (See instruction 2–8(b) covering retirement of a minor item not replaced.)

(b) The term "current cost of new parts of the kind replaced" shall not be construed as requiring an estimate based on the current price of parts or material identical with the parts or material replaced when such parts or material are no longer obtainable at reasonable price or would not be used if replacement without betterment were undertaken. In such cases the current cost shall be based on the fair and reasonable cost of parts or material comparable to those being replaced.

(c) When second-hand property acquired is in such physical condition that it is necessary to rehabilitate the property to bring it up to the standard required by the carrier, the cost of such rehabilitation shall be included in the appropriate account for the property.

2–10 *Expenses in connection with additions and betterments.* The cost of removing old material from equipment and from buildings, bridges, wharves, tracks, and other fixed improvements, shall be charged to the appropriate operating expense accounts. Such charges shall include the cost of removing old foundations and filling old excavations, and restoring condition of grounds after addition and betterment work; and maintaining or protecting traffic during the progress of addition and betterment work, including the cost of constructing, maintaining, and removing temporary tracks required for maintaining traffic during the progress of the work.

2–11 *Units of property rebuilt or converted.* (a) A unit of road property or equipment shall be treated as rebuilt or as converted in the circumstances described in the following paragraphs (b) and (c) of this instruction and such unit shall be accounted for as an addition and the old unit accounted for as retired from service.

(b) When the cost of renewals (see Definition 22) of a unit of road property or equipment, exclusive of the expense of dismantling, the value assigned old parts reused and the cost of repairs of old parts reused, exceeds fifty percent of the cost of a new unit of the same kind and class at the time of rebuilding.

(c) When a unit of road property or equipment is transferred from one class of service to another, with or without physical conversion, and becomes includible in a prescribed primary investment account other than in which the unit previously has been carried.

(d) The charge to the appropriate road and equipment account for rebuilt or converted units shall be the sum of (1) the cost (estimated if necessary) less a fair allowance for depreciation or the salvage value, whichever is lower, of the parts reused, and (2) the cost of labor expended in rebuilding or in the conversion process and the cost of additional material applied. In no case shall the total amount charged to the property accounts for such units exceed the estimated cost of units of the same kind and class with a fair allowance for depreciation.

2–12 *Changes in line of road.* When changes are made in a line of road for the purpose of reducing curves or grades, or to eliminate bridges, tunnels, tracks in the installation of a centralized traffic control system, or other physical features, the part of the line so changed shall be considered property retired and its ledger value credited to the property accounts. The new line of road, includ-

[1] The references to solely related freight operating expense activity/subactivity numbers and titles used throughout the system are for convenience and brevity. Refer to the specific account texts to determine the appropriate solely related passenger and/or common expense activity/subactivity numbers.

ing land, grading, ballast, track elements, and other transportation facilities serving the road shall be considered an addition and the cost thereof to the carrier charged to the property accounts. The cost of such track changes which do not involve change in the existing roadbed shall be charged to operating expenses, even though the tracks may be dismantled in the process, but the resulting track extensions or reductions shall be accounted for as additions or retirements, as appropriate, and the betterment cost of improved parts applied shall be charged to property account.

2–13 *Relocation of yard tracks.* The cost of shifting or rearranging tracks within a yard shall be charged to operating expenses, even though the tracks may be dismantled in the process, but resulting increases or decreases in grading, ballast, or track length shall be accounted for as additions or retirements, as appropriate, and the betterment cost of improved parts applied shall be charged to the property accounts. Where tracks in whole or in part within a yard are determined to be no longer permanently used the ledger value of such tracks shall be eliminated from the property account. In case yard tracks and facilities are constructed in another location to take the place of tracks retired, such tracks and facilities shall be accounted for as additions and the cost thereof shall be included in the property account.

2–14 *Track connections.* (a) When the accounting carrier bears the construction cost of a connecting track situated on the property of another carrier, but acquires the salvage rights to the track, the cost of the track construction shall be charged to account 731, "Road and equipment property."

(b) When carriers (1) share the cost of constructing a connecting track of which a portion is situated on each carrier's right-of-way, and (2) own and obtain the salvage rights to the track segment located on their respective properties, the construction cost borne by each carrier shall be charged to account 731, "Road and equipment property."

(c) The cost of constructing a track connection on the right-of-way of another carrier which acquires the ownership of and salvage rights to the track, shall be charged by the carrier bearing such cost to accounts 37–11–00, "Purchased service—Joint facility—Debit—Way and Structures—Running," or 37–12–00, "Purchased services—Joint facility—Debit—Way and Structures—Switching." The owner carrier shall charge the amount of the construction cost to account 731, "Road and equipment—property," with contra credit to accounts 38–11–00, "Purchases services—Joint facility—Credit—Way and Structures—Running," or 38–12–00, "Purchases services—Joint facility—Credit—Way and Structures—Switching." Material amounts for such costs shall be referred to the Commission for consideration and decision.

(d) The cost of constructing a side track under a deposit refund agreement shall be charged to account 731, "Road and equipment property." The deposit shall be credited to account 782, "Other liabilities." Deposit amounts refunded during the agreement period shall be charged to account 782, "Other liabilities." Upon termination of the agreement, the amount of any unrefunded deposit shall be credited to the applicable primary property accounts on an equitable basis.

2–15 *Merger, consolidation, and purchase of a railway operating entity or system.* (a) When a railway or portion thereof constituting an operating unit or system is acquired by merger or consolidation in a pooling of interests or by purchase the cost of acquisition represented by cash, capital stock or other securities issued or assumed, liabilities assumed, and other consideration, shall be recorded in the accounts in the manner stated hereunder. Separate instructions are provided for a merger of subsidiaries.

(b) Pooling of interests:

(1) When the acquisition results from a merger or consolidation constituting a pooling of interests, in which all or substantially all of the equity interest in predecessor companies continue, as such, in a surviving company or a new company created for the purpose, the road and equipment, the other assets, and the liabilities of the predecessor companies, together with the balances in the accumulated amortization and depreciation accounts and the retained earnings accounts shall be recorded in the appropriate balance sheet accounts at the amounts shown in the accounts of predecessor companies, adjusted as may be necessary to conform with the accounting rules of the Commission. Such adjustments shall be included in retained earnings or the other accounts that would have been appropriate had the adjustments been made in the books of account of the predecessor company.

(2) When the total par or the stated value of no par capital stock issued or outstanding pursuant to the pooling of interests is more than the aggregate amount of the capital stock of the separate companies before such pooling of interests, the excess shall be charged to account 795, "Other capital," if unrestricted capital is available for such purpose; otherwise, the excess shall be charged to retained earnings.

(3) When the total par or stated value of no par capital stock issued or outstanding pursuant to the pooling of interests is less than aggregate amount of the capital stock of the separate companies before such pooling of interests, the difference for reduction in capital stock shall be credited to account 795, "Other capital."

(c) Purchase:

(1) When the acquisition results from a purchase (except from subsidiaries controlled through ownership of the majority share of voting stock) including mergers or consolidations other than pooling of interests, the amount includible in account 731, "Road and equipment property," shall be the cost at the date of acquisition to the purchaser of the transportation property acquired. The cost assigned the property, as well as other assets acquired, shall be the amount of the cast consideration given. Where property and other assets are acquired for other than cash, including liabilities assumed and shares of stock issued, cost shall be determined by either the fair value of the consideration given or the fair value of the assets acquired, whichever is more clearly evident. In addition to any liabilities assumed, provision shall be made for such estimated liabilities as may be necessary.

(2) When the costs of individual units or classes of transportation property are not specified in the agreement, the cost assigned such property shall be apportioned among the appropriate primary accounts using the percentage relationship between the fair values for each class of property acquired and the total of such values.

(d) Merger of subsidiaries:

The acquisition and merger of property of subsidiaries controlled through ownership of the majority shares of voting stock is to be accounted for as a pooling of interests or as a purchase depending on the circumstances in each case. Where control was initially acquired through issuance of capital stock to stockholders of the subsidiary the rule applicable to pooling of interests ordinarily is applicable. Where control was initially acquired through purchase of stock the rule applicable to purchase of property may be appropriate even though the shares were purchased gradually from time to time over a period of years, in which event recognition of retained earnings since date of acquisition assignable to such shares may be proper. The journal entry pertaining to acquisition of property of subsidiaries shall be submitted to the Commission for consideration based on the principles herein and procedures for which there is authoritative support, and the accounting for the merger shall become final only after approval by the Commission.

2–16 *Reorganization of railway.* (a) When a railway reorganization or receivership has been consummated, the assets acquired, liabilities assumed, and the capital stock or other securities issued or assumed, and other consideration, shall be recorded in the accounts in the manner stated hereunder. An adjustment of capitalization resulting in modification and reformation of classes of securities pursuant to voluntary action of the holders of securities but not resulting in a formal reorganization following a bankruptcy or other receivership proceedings (sometimes called a quasi-reorganization) is not covered by this Instruction 2–16. Reduction of capital stock and other contributions to capital by stockholders shall be recorded in accordance with the instructions in the text of account 795, "Other capital."

(b) The amounts includable in primary road and equipment property accounts shall be recorded at cost as shown in the predecessor companies' accounts except as otherwise provided in paragraphs (c) and (d) of this Instruction

2-16. The remaining assets and the liabilities of the predecessor companies, adjusted as necessary to conform with the accounting rules of the Commission, together with the balances in the accumulated amortization and depreciation accounts, shall be recorded in the appropriate balance sheet accounts.

(c) When the amount recorded for assets acquired is more than the par or stated value of no par capital stock issued and other consideration paid, including liabilities assumed, the difference shall be applied to such extent as necessary and is available to provide first for any deficiency in past accrued depreciation on property classified as depreciable; and, second, for any estimated loss from retirement of a branch line, segment of track or other important facility indicated by supporting records to be imminent. The remaining amount of the difference, if any, shall be applied proportionately to reduce the amounts includible in the property accounts in accordance with paragraph (b) of this Instruction 2-16, based on the percentage relationship between such difference and the aggregate cost of the property shown in the predecessor companies' accounts.

(d) When the amount applicable to the assets acquired is less than the par or stated value of no par capital stock issued and other consideration paid, including liabilities assumed, the accounting shall be referred to the Commission for consideration and decision.

2-17 *Construction projects in which governmental agencies, individuals, or others, and the carrier participate.* (a) The amount includible in the property account for construction projects in which the carrier and governmental agencies, individuals, or others participate shall be (1) the payment made by the carrier for its share of the cost of construction plus (2) the recorded cost (estimated if unknown) of property relinquished as a direct result of the arrangement and retired from service less the value of salvage recovered therefrom by the carrier and less depreciation accrued on depreciable property, which is part of the carrier's cost of the project. The amount so includible in the property account shall be distributed equitably among the primary accounts applicable to railway property constructed. This amount shall first be applied to railway facilities includible in accounts other than 4, "Other right-of-way expenditures," or 39, "Public improvements—Construction," then any remaining balance shall be included in account 4 or 39, as appropriate. In no case shall the amount included in the primary accounts for the railway facilities acquired exceed the actual cost of constructing such facilities. The property account shall not include any cost or value for facilities or land contributed or paid for by governmental agencies, individuals or others. Property acquired as a specific contribution to capital by stockholders does not come under this rule. (See text of account 795, "Other capital.")

(b) Construction projects as used in this section means widening of highways, construction of spillways, drainage canals, farm and other private passes, pipelines, drains or other facilities across the right-of-way; construction of overhead highway bridges, and railroad bridges over public highways and across streams, which provide a railroad use in the operation of trains and a public use in the uninterrupted passage of highway and river traffic; installation of warning signals to protect highway traffic; and industrial side tracks. Also, reconstruction and relocation of tracks and appurtenant facilities such as occur in connection with carrying out flood control, reclamation, and other public improvement projects where it becomes necessary to abandon part of the line of railroad and relocate the tracks.

2-18 *Leased property improvements and retirements.* The cost to lessee of structures, facilities, additions and betterments on leased property and for retirement of property the cost of which is included in account 732, "Improvements on leased property," shall be accounted for in conformity with the principles in the instructions for property owned. When property taken over in the lease is retired and replaced and lessee is not obligated to reimburse the lessor for the retired property other than through the replacement, the lessee shall credit the ledger value of the retired property to account 732, "Improvements on leased property," as an offset to the cost of the replacement borne by lessee and charged to that account. When lessee is obligated to reimburse the lessor currently or at the termination of the lease for property retired other than through replacement, the lessee shall include the amount of the obligation in the appropriate liability account. The lessee shall furnish the lessor such information as is required to enable the lessor to perform necessary accounting. The accounting by the lessee and the lessor shall be consistent with contractual arrangements.

2-19 *List of units of property.* (a) This list of units is established for the purpose of designating the units of property to be used in accounting for additions to and retirements and replacements of property. Detailed information is included in Instructions 2-7 and 2-8. Items listed under road property accounts are subject to the minimum rule applicable to additions to property. See Instruction 2-2 pertaining to the minimum rule.

(b) This list of units will be revised from time to time as may be necessary to meet conditions. A carrier desiring to include in any account an appropriate unit not now specified therein may, upon approval of the Commission, make such authorized addition to this list of units.

(c) Rules applicable to units of property rebuilt or converted and to changes in line of road or tracks which involve accounting for units of property retired are set forth in Instructions 2-11, 2-12, and 2-13.

Account 3, Grading

A retaining wall, riprap (hand placed), a protecting dyke, a protecting crib, a wing dam, a revetment, mattress, pipe or other structures to provide drainage. Each entire installation.

Account 5, Tunnels and Subways

The entire masonry, entire timber, and entire metal lining of a tunnel or subway, including portals and wing walls.

Drainage. Entire installation.
Lighting. Each entire installation.
Ventilation. Each entire installation.

Account 6, Bridges, Trestles, and Culverts

A steel superstructure.
A concrete or stone substructure.
A concrete trestle, a complete bridge or approach.
A timber trestle, a complete bridge or approach.
Complete machinery for operating a movable span.
A protecting dyke, a protecting crib (a fender), a wing dam, a complete culvert. Each entire installation.

Account 7, Elevated Structures

Any applicable units listed under account 6, "Bridges, trestles, and culverts."

Account 13, Fences, Snowsheds, and Signs

A complete snowshed.
One continuous mile of right-of-way fence.
One continuous mile of permanent sand or snow fence.

Account 16, Station and Office Buildings

A complete building, including attached platform.
A complete platform structurally detached from a building.
Each retaining wall installation.
Each timber trestle installation.
Each outside steam, water, air, etc., pipe line installation.
Each storm or sanitary sewer installation.
A complete fence.
Paving. Each complete installation.
A station stockyard. Each complete installation.
A track scale.
A track scale pit.
An outside crane or conveying system for handling freight.
A motor truck.
A motor tractor.
Any applicable units listed under other accounts.

Account 17, Roadway Buildings

Any applicable units listed under account 16, "Station and office buildings," and 44, "shop machinery."

Account 18, Water Stations

A complete water supply piping system.
A dam or reservoir.
A pump house.
Pumping machinery. Each complete installation.
A water tank. Each complete installation.
A complete track trough at one location.
A water crane. Complete with pit.
A water treating plant.

Account 19, Fuel Stations

A complete fuel supply system, including appurtenances.
A pump house.
A fuel oil storage tank (large).

Account 20, Shops and Enginehouses

A complete building, including attached platform.

A complete platform structurally detached from a building.
A turntable.
A turntable pit.
A transfer table with machinery.
A transfer table pit.
A sand storage and handling and drying apparatus.
Outdoor bins. Each complete installation.
A lorry track system (outside).
A boiler washing plant. Each complete installation.
An overhead crane, outside.
Each outside pipe installation, steam, air, water, etc.
Each sewer installation, storm or sanitary.
Paving. Each complete installation.
Each shop fence or wall installation.
Any applicable unit under account 16, "Station and office buildings."

Account 22, Storage Warehouses

A complete building, including attached platform.
A complete platform structurally detached from a building.
For additional items, see accounts 16, "Station and office buildings," and 44, "Shop machinery."

Account 23, Wharves and Docks

A timber float bridge.
A steel float bridge.
A wharf (including pile clusters).
A timber incline.
A bulkhead.
Jetties or breakwater.
Ferry racks (including pile clusters).
Float racks.
Each complete machinery installation.
For additional items, see accounts 3, "Grading," 6, "Bridges, trestles and culverts," and 44, "Shop machinery."

Account 24, Coal and Ore Wharves

Car dumper complete.
Timber bridges.
Steel bridges.
Each complete machinery installation.
A loading or unloading machine complete.
Each coal or ore pocket installation.
For additional items, see accounts 6, "Bridges, trestles and culverts," 16, "Station and office buildings," 20, "Shops and enginehouses," 23, "Wharves and docks," and 44, "Shop machinery."

Account 25, TOFC/COFC Terminals

A complete building.
A complete building, including attached platform and ramp.
A complete platform and attached ramp, structurally detached from a building.
A portable ramp.
A complete fence.
Paving, each complete installation.
An overhead crane, complete.
Each sewer installation.
A truck or tractor used exclusively at TOFC/COFC terminals.
Each floodlighting pole or tower installation.
Each floodlighting installation.
A power distribution system, complete.
Any applicable units listed under all other accounts.

Account 26, Communication Systems

A complete mile section or complete installation if less than a mile of pole line including cross arms, wires and appurtenances.
Each mile or complete installation of cable with associated parts.
Each mile or complete installation of conduit with associated parts.
A complete tower.
A complete installation at each location constituting a separate means of communication, such as radio, radar, carrier telephone, teletype, or other communication systems.
For additional items see account 16, "Station and office buildings."

Account 27, Signals and Interlockers

A signal system installation complete, or section thereof, with associated parts, including masts, batteries, relays, ladder, etc.
A complete mile section or complete installation if less than a mile, or pole line including cross arms, wires and appurtenances.
Each mile or complete installation if less than one mile of cable with associated parts.
Each mile or complete installation if less than one mile of conduit with associated parts.
Switch movement with associated parts.
A complete building.
An interlocking plant complete (excluding machine).
An interlocking machine.
Signal bridge complete.
Each highway crossing protection installation complete.
Each car retarder installation complete.
A traffic control or C.T.C. system installation complete.

Account 29, Power Plants

Any applicable units listed under accounts 16, "Station and office buildings," and 20, "Shops and enginehouses."

Account 31, Power Transmission Systems

A continuous mile, or a separate installation if less than a mile, of catenary complete including catenary hangers, trolley wire and appurtenances.
A continuous mile, or a separate installation if less than a mile, of transmission line, including poles, wires, transformers, switches, and other appurtenances.
Each outside steam, air, etc., pipe line installation.
A manhole.
Substation or switching station complete.
Each mile, or installation if less than a mile, of third rail.
A catenary bridge or support.
A high-tension transmission tower.
Any applicable units listed under accounts 26, "Communication systems," and 27, "Signals and interlockers."

Account 35, Miscellaneous Structures

A complete building, including attached platform.
A complete platform structurally detached from a building.
A conveyor system complete.
An elevator system complete.
A blowing system complete.
Any applicable units listed under other accounts.

Account 37, Roadway Machines

Each roadway machine complete including accessories.
Each on and/or off-track automotive vehicle complete, including appurtenant special-purpose machinery.

Account 39, Public Improvements—Construction

Any applicable units listed under other accounts.

Account 44, Shop Machinery

A machine (including foundation and motor, if any), such as lathes, shapers, slotters, boring machines.
A furnace.
A boiler installation complete.
A motor vehicle used in shops only.
Testing equipment.
Overhead crane, complete.

Account 45, Power Plant Machinery

A power plant machine, including foundation, such as a turbine, rectifier, dynamo, generator.
Any applicable unit listed under account 44, "Shop machinery."

Account 52, Locomotives

Diesel electric, lead or booster, i.e., "A" or "B" units.
Diesel electric. Extra or spare engines.
Electric locomotive.
Radio control locomotive.

Account 53, Freight-Train Cars

A complete car.
Motor equipment of a motor driven car.
A propulsion motor including generator.
A freight container, complete.

Account 54, Passenger-Train Cars

A complete car, including interior furnishings.
Motor equipment of a motor driven car.
A propulsion motor, including generator.

Account 55, Highway Revenue Equipment

A complete vehicle.
A chassis.
A container.
A bogie.

Account 56, Floating Equipment

A complete vessel or boat, exclusive of machinery.
Machinery: a boiler, a motor, an engine.

Account 57, Work Equipment

(a) Rail equipment: (1) A complete car or machine, (2) A boiler, (3) An engine, (4) A motor, (5) Machinery equipment (with or without tractive machinery) such as concrete mixer, snow plow, derrick, steam shovel, or pile driver, (6) A complete motor equipment.

(b) Floating equipment—Work: (1) A complete vessel or boat, (2) A boiler, (3) An engine, (4) A motor. Any applicable units listed under other accounts.

Account 58, Miscellaneous Equipment

An airplane.
A complete vehicle.

INSTRUCTIONS FOR MAINTENANCE EXPENSES

3–1 *Items to be charged.* (a) The accounts provided for maintenance of road property and of equipment are designed to show the cost of repairs and also the loss through depreciation of the property used in transportation operations, including expenses resulting from ordinary wear and tear of service, exposure to the elements, inadequacy, obsolesence, or other depreciation, or from accident, fire, flood, or other casualty.

(b) These accounts shall include the cost of labor, materials and supplies, work-train service, floating equipment work service, special machine service, contract work, privileges, protection from casualties, and other analogous items of

expense in connection with the maintenance of the plant used in railway service. The cost of materials and supplies, which shall include small tools, shall include the cost at the point of free delivery plus freight charges of foreign lines, and the costs of inspection and loading assumed by the carrier; also a proportion of store expenses. Such costs shall not include expenses of transportation over the carrier's line. Royalties for patent rights on mechanical appliances used in repairs of equipment shall be included in the cost of the repairs. The cost of boarding, traveling, and other incidental expenses of employees shall be included in the accounts to which the pay of the employees is chargeable, except where otherwise specified in the text of the accounts. In calculating the cost of materials used proper allowance shall be made for the value of unused portions and of cuttings, turnings, borings, etc., and for the value of the material recovered from property repaired and from temporary tracks, scaffolding, cofferdams, and other temporary structures used in repair work.

(c) The cost of repairs shall include the cost of inspecting to determine the repairs necessary, and of adjusting or repairing parts, both of road property and of equipment, such as the repairing of locomotives, cars, frogs, switches, rails, etc.; the cost of inspecting and testing after repairs have been made such as the testing of locomotives after repairs to determine whether the repairs have been properly made, and the running of repaired locomotives light in order to break them in for regular service; incidental costs of repairs, such as the construction or removal of false work in connection with maintenance, cost of demolishing retired road property and disposing of the wreckage therefrom when the property is dismantled by or for the carrier; cost of maintaining or protecting traffic during the progress of contruction work, including the cost of constructing, maintaining and removing temporary tracks required for maintaining traffic during the progress of the work; cost of mowing and beautifying grounds around buildings; repairing fences, sidewalks, driveways, and streets within or adjacent to such grounds; cost of removing snow from roofs of buildings(when not removed by those employed in the buildings); cost of periodical restorations of seasonal features, such as gardens, shrubbery, and lawns; cost of operating hothouses in connection with the work of beautifying grounds; and cost of clearing and removing casual incumbrances, such as ice, snow, and fallen timber.

INSTRUCTIONS FOR DEPRECIATION ACCOUNTS

4-1 *Method.* (a) There shall be charged monthly to operating expenses or other appropriate accounts and credited to account 735, "Accumulated depreciation: Road and equipment property," during the service life of depreciable road and equipment property, includible in accounts classed as depreciable, amounts which will approximate the loss in service value not restored by current repairs or covered by insurance. The charges for accruing depreciation currently shall be computed in conformity with the group plan by applying to the cost of property such percentage rates as will distribute the service value by the straight-line method in equal annual charges to operating expenses or other accounts during the estimated life of the property. For road property, the cost shall be original cost or estimated original cost, as used in the valuation records, adjusted to current date. If a carrier submits proof that the actual cost of depreciable property is substantially different from cost figures in the valuation records, the carrier may, with the approval of the Commission, use such cost figures as the depreciation base.

(b) The term group plan means the plan under which depreciation charges are accrued upon the basis of the cost of depreciable property includible in accounts classed as depreciable using the service lives of the individual depreciable units in the accounts and properly weighing to determine the composite annual rate of depreciation.

(c) For the purpose of the group plan of depreciation accounting the following primary accounts are classed as depreciable accounts:

Road accounts:
1. Engineering (as appropriately assigned, but not distributed, to the other depreciable accounts in arriving at the amounts used as the depreciation base).
3. Grading (depreciable property recorded in this account).
4. Other right-of-way expenditures.
5. Tunnels and subways.
6. Bridges, trestles and culverts.
7. Elevated structures.
13. Fences, snowsheds, and signs.
16. Station and office buildings.
17. Roadway buildings.
18. Water stations.
19. Fuel stations.
20. Shops and enginehouses.
22. Storage warehouses.
23. Wharves and docks.
24. Coal and ore wharves.
25. TOFC/COFC terminals.
26. Communication systems.
27. Signals and interlockers.
29. Power plants.
31. Power-transmission systems.
35. Miscellaneous structures.
37. Roadway machines.
39. Public improvements—construction.
44. Shop machinery.
45. Power plant machinery.

NOTE.—With respect to account 3, 4, 5, and 39, carriers may confine the accruals to the depreciable property recorded therein by applying the percentage rates to the aggregate cost of such property (omitting nondepreciable property), in computing depreciation charges, or they may request composite percentage rates to be applied to the total amount recorded in each of the accounts in computing depreciation charges.

Equipment accounts:
52. Locomotives
53. Freight-train cars.
54. Passenger-train cars
55. Highway revenue equipment.
56. Floating equipment.
57. Work equipment.
58. Miscellaneous equipment.

(d) When abandonment of a branch line or other important segment of the track structure or other part of the plant for which depreciation charges are not includable in the acaccounts as foreseeable within a reasonable period of time due to exhaustion of traffic, obsolescence or other causes, application may be made to the Commission for authority to record a suitable provision in anticipation of a probable loss.

4-2 *Rates of depreciation.* (a) A separate composite annual percentage rate for each account covering depreciable property shall be used in computing depreciation charges. Such composite rates shall be those which are from time to time prescribed or otherwise authorized by the Commission. Where property is acquired for which no rates have been prescribed or otherwise authorized and also in the event annual percentage rates prescribed for any class or type of property become no longer currently applicable because of material changes in property, premature obsolescence, exhaustion of traffic or other causes not given effect in the existing rates, carriers shall so inform the Commission promptly and, at that time, shall submit revised annual percentage rates and supporting details developed in accordance with the method indicated in Instruction 4-1.

(b) In computing monthly charges the annual percentage rates shall be applied to the depreciation base as of the first of each month and the result divided by twelve.

4-3 *Depreciation records to be kept.* (a) The carrier shall maintain for each class of property in convenient and accessible form engineering and other data bearing on prospective service lives; and shall be prepared at any time upon direction of this Commission to compute and submit for approval, new percentage rates to take the place of those based on service lives or value of salvage deemed to be inaccurate.

(b) The carrier also shall keep such records of depreciable property and property retirements as will reflect the service life of each class of property which has been retired, or will permit the determination of service life indications by past experience of useful life tenure of comparable property, turnover, or other appropriate methods; also such records as will reflect the percentage of value of the salvage for property retired from each class of depreciable property.

(c) For purposes of analysis the carrier shall maintain subsidiary records in which the accumulated depreciation account is broken down into component parts corresponding to each primary account to show the current credits and debits and the balance for each account. Such detailed information shall be reported annually to this Commission. For balance sheet purposes, the accumulated depreciation account shall be treated as a single composite account for depreciable property.

4-4 *Leased property—depreciation.* (a) The carrier shall include in operat-

ing expenses charges for depreciation on road property and equipment used but not owned, the rent for which is includible in rent for leased roads and equipment, and shall maintain the same records of service lives, salvage values, etc., as provided for owned road property and equipment. The excess of the total compensation paid over the amount chargeable for depreciation shall be included in the rent account. If settlement between the carrier and the lessor is not currently made, the amount of the depreciation accrued during the period of the lease shall be credited by the carrier to account 772, "Accrued liability; Leased property." The necessary adjustments of the difference between the balance thus accrued in that account and the actual amount of settlement shall be made appropriately through accounts 519, "Miscellaneous income," or 551, "Miscellaneous income charges," at the time settlement for depreciation on the property is made with the lessor.

(b) The carrier shall not include in the depreciation account in operating expenses any charges for depreciation of equipment used but not owned when the rents therefor are included in the rent for equipment and joint facility rent accounts.

4-5 *Jointly used property—depreciation.* The owning carrier shall include in the depreciation accounts in operating expenses the charges for depreciation on units of depreciable property jointly used with one or more other carriers. The owning carrier shall credit and each using carrier shall charge the appropriate joint facility accounts in operating expenses with the amounts billed by the owning carrier against each using carrier for its proportion of the service loss on property retired from service whether billed currently as depreciation or when retirements occur as the loss in service value. The using carriers shall be required to account for depreciation or retirement of units of road property jointly used but not owned to the extent of their contract liability. The same principle shall apply to terminal companies and their nonowner tenants in accounting for depreciation accruals or retirement charges recorded in the accounts of the terminal companies.

INSTRUCTIONS FOR INCOME AND BALANCE SHEET ACCOUNTS

5-1 *Current assets.* (a) In the group of accounts designated as current assets shall be included cash, those assets which are readily convertible into cash or are held for current use in operations, current claims against others and amounts accruing to the carrier which are subject to settlement in the ordinary course of business within one year. There shall not be included in this group of accounts any amount the collection of which is not reasonably assured within one year because of the known financial condition of the debtor or otherwise. Such items shall be included in account 741, "Other assets," at an amount not in excess of a reasonable estimate of realizable value. Items of current character but of doubtful value shall be written down or written off by charge to account 63-61-00, "General—Uncollectible accounts—General and administrative," or account 553, "Uncollectible accounts," as appropriate. Adjustment of these items of doubtful value shall be made by direct reduction of the asset account in which such items are carried or by provision in account 709.5, "Allowance for uncollectible accounts," for the estimated uncollectible amount.

(b) The carrier shall transfer the estimated realizable value of obsolete material to account 741, "Other assets," equitably distribute the loss due to obsolescence among the accounts ordinarily chargeable for such classes of material, and concurrently credit account 712, "Material and Supplies."

5-2 *Recorded value of securities owned.* (a) (1) The investment in securities other than those issued or assumed by the accounting company shall be recorded in these accounts at the money value, at the time of acquisition, of the consideration given therefor by the accounting company, but excluding amounts paid for accrued interest and accrued dividends.

(2) Accounts 702, "Temporary Cash Investments," 721, "Investments in Affiliated Companies," and 722, "Other Investments," shall be maintained in such a manner as to reflect the marketable equity securities' portion (see definition 26) and other securities or investments.

(3) For the purpose of determining net ledger value, the marketable equity securities in account 702 shall be considered the current portfolio and the marketable equity securities in accounts 721 and 722 (combined) shall be considered the noncurrent portfolio. The net ledger value of each portfolio shall be the lower of its aggregate cost or market value. (See definition 26.) The amount by which aggregate cost exceeds market value shall be accounted for as the valuation allowance. Account 702, "Temporary Cash Investments," shall be subdivided to include the valuation allowance for the marketable equity securities included therein. Account 724, "Allowance for Net Unrealized Loss on Noncurrent Marketable Equity Securities—Cr.," is the valuation allowance for the marketable equity securities recorded in account 721, "Investments in Affiliated Companies," and 722, "Other Investments." Marketable equity securities accounted for by the equity method shall not be combined with other marketable equity securities when determining aggregate cost and market value.

(4) Realized gains and losses (the difference between net proceeds from sale and cost) shall be included in the determination of net income of the period in which they occur. Changes in the valuation allowance for marketable equity securities included in account 702 shall be charged to account 551, "Miscellaneous Income Charges," or credited to account 519, "Miscellaneous Income," as appropriate, with a contra entry to the valuation allowance contained within account 702. Changes in the valuation allowance for marketable equity securities included in accounts 721 and 722 shall be recorded in equity account 798.1, "Net Unrealized Loss on Noncurrent Marketable Equity Securities," with a contra entry to valuation account 724.

(5) If there is a change in the classification of a marketable equity security between current and noncurrent, the security shall be transferred at the lower of its cost or market value at date of transfer. If market value is less than cost, the market value shall become the new cost basis, and the difference shall be accounted for as if it were a realized loss and included in the determination of net income.

(6) The accounting company shall write down the ledger value of any securities to the extent of impairment in their value or write off entirely if there is no reasonable prospect of realizing any value therefrom. For long term investments in marketable equity securities, when the decline in market value below cost is judged to be other than temporary, the cost basis of the individual security shall be written down to a new cost basis. The amount of the write-down shall be accounted for as realized loss by a charge to account 551, "Other Income Charges," and a credit to account 723, "Reserve for Adjustment of Investment in Securities." The new cost basis shall not be changed for subsequent recoveries in value.

(b) * * *

(b) (1) For financial statement purposes the carrier shall follow the principles of equity accounting for (1) all investments in corporate joint ventures (see definition 21(c)), and (2) all investments in voting stock of affiliated companies giving the carrier the ability to significantly influence the operating and financial policies of an investee (see definition 21(b)). For purposes of this instruction an investment of 20 percent or more of the outstanding voting stock of an investee will indicate the ability to exercise significant influence over an investee in the absence of evidence to the contrary.

(2) Since the equity method is not to be effected by entries in the books of accounts but is to apply only in financial reports to the Commission, the carrier shall establish worksheet or memorandum accounts. Three basic worksheet or memorandum accounts are needed:

(i) An investment account to include (1) equity in the undistributed earnings or losses of the investee since the date of acquisition (see definition 21(g)); (2) accumulated amortization of the difference between cost and net assets at date of acquisition (see (b)(3) below); and other adjustments for disposition or writedown of investments.

(ii) An income account to include (1) the investor's share of the investee's undistributed profits or losses for each reporting period subsequent to acquisition of the investment except that in the year of acquisition such amount shall be determined from the date of acquisition; (2) amortization for the reporting period

of the difference between cost and net assets at date of acquisition. This account shall be closed at year-end to the retained earnings memorandum account discussed in pargaraph (iii) below.

(iii) A retained earnings account to include (1) equity in the undistributed earnings or losses of the investee since the date of acquisition; (2) accumulated amortization of the difference between cost and net assets acquired at date of acquisition (see (b)(3) below).

(iv) Other memorandum accounts will be needed for such adjustments as gains and losses on disposition of investments, recognition of impairments in value, the investor's share of extraordinary and prior period adjustments reported in the investee's financial statements (see instruction 1-2(d)), and provision for deferred taxes where it is reasonable to assume that undistributed earnings of an investee will be transferred to the investor in a taxable distribution. These memorandum accounts shall be closed at year-end to the retained earnings memorandum account discussed in paragraph (iii) above.

(3) The carrier shall retain the following information for each investee in support of the worksheet or memorandum accounts:

(i) Original cost of investment.

(ii) Equity in net assets of investee at date of acquisition.

(iii) Allocation of difference between cost and equity in net assets, namely, to specific assets of investee or to goodwill.

(iv) Accumulated amortization of difference between cost and equity in net assets.

(v) Unamortized balance of difference between cost and equity in net assets.

(vi) Equity in undistributed earnings/losses for each year since date of acquisition.

(vii) Dividends received since date of acquisition if determinable.

(viii) Proceeds from sale of investments.

(4) Any difference between the investor's cost and its share of the net assets of the investee at date of acquisition shall be allocated to specific assets of the investee to the extent the difference is attributable to them. When the difference is allocated to depreciable or amortizable assets, depreciation and amortization (through the investment and income memorandum accounts) should absorb the difference over the remaining life of the related assets. If the difference is not related to specific accounts, it should be considered goodwill and amortized over a reasonable period not to exceed 40 years. For investments made prior to November 1, 1970, amortization of goodwill is not required in the absence of evidence that the goodwill has a limited term of existence.

(5) The financial statements of the investee that are used for equity accounting should be timely. If the accounting year of the investee differs from that of the investor then the most recent available financial statements may be used. The lag in reporting should be consistent from period to period.

(6) Material profits or losses on transactions between the investor and investee shall be eliminated until realized by either company as if the two were consolidated.

(7) A transaction of the investee of a capital nature that affects the investor's share of the investee's stockholder's equity should be reported in the financial statements as if the two were consolidated.

(8) The investor shall deduct any dividends applicable to outstanding cumulative preferred stock whether or not declared, and any other dividends declared when computing its share of undistributed earnings or losses.

(9) The investor shall suspend application of the equity method when the investment (including the investment memorandum account) together with any net advances made to the investee is reduced to zero. Additional losses shall not be provided for unless the investor has guaranteed obligations of the investee or is otherwise committed to provide further financial support for the investee. If the investee subsequently reports net income the investor shall resume applying the equity method at such time as its share of that net income equals the share of net losses not recognized during the period of suspension.

(10) When the investor's voting stock interest falls below the level of ownership described in paragraph (b)(1) of this instruction, the investment no longer qualifies for the equity method. Should dividends received on the investment in subsequent periods exceed the investor's share of earnings for such periods, the investment memorandum and income memorandum accounts shall be reduced by the excess amount.

(11) When the level of ownership of an investment increases to that described in paragraph (b)(1) of this instruction, the equity method shall be applied. The memorandum accounts for the investment, income (for current year's equity in undistributed earnings less amortization), and retained earnings (for prior years' equity in undistributed earnings less amortization) shall be adjusted retroactively on a step-by-step basis determining the equity in net assets at date of acquisition, amortization adjustment, and equity in undistributed earnings or losses at each level of ownership. Where small purchases are made over a period of time and then a purchase is made which qualifies the investment for the equity method, the date of latest purchase may be used as date of acquisition.

(12) Information having significance with respect to the investor's ownership in investees shall be disclosed in notes to financial statements of annual reports filed with the Commission in accordance with generally accepted accounting principles.

(c) When securities with a fixed maturity date are purchased at a discount (i.e., when total cost including brokerage fees, taxes, commissions, etc., is less than par), such discounts may be amortized over the remaining life of the securities through periodic debits to the account in which the securities are carried (preferably coincident with entries recording interest accruals) and credits to the same account in which interest income is credited. No debits shall be made in respect to discounts upon securities held as investments or in special funds if there is reason to believe that such securities will be disposed of by redemption or otherwise at less than par or will not be paid at date of maturity. When securities with a fixed maturity date are purchased at a premium (i.e., when the total cost including brokerage fees, taxes, commissions, etc., is in excess of par), such premium may be amortized over the remaining life of the securities through periodic credits to the account in which the securities are carried (preferably coincident with entries recording interest accurals) and debits to the same accounts in which the interest income is recorded.

NOTE.—The carrier shall follow generally accepted accounting principles where an interpretation of the rules for equity accounting is needed or obtain an interpretation from its public accountant or the Commission.

5-3 *Discounts, expenses, and premiums on debt.* (a) Ledger accounts shall be provided to cover the discounts, expenses, and premiums on the sale or resale of each subclass of funded debt and of receivers' and trustees' securities issued for the benefit of or assumed by the company. (For explanation of "subclass" see account 765, "Funded debt unmatured.") The net debit balances remaining in the ledger accounts for discount and premium shall be included in account 770.1, "Unamortized debt discount," and the net credit balances in account 770.2, "Unamortized premium on debt." Debt expense shall be included in account 743, "Other deferred debits."

(b) Each fiscal period there shall be charged to account 548, "Amortization of discount on funded debt," a proportion on a consistent basis of each of the debit balances in the discount and premium accounts and correspondingly there shall be credited to income account 517, "Release of premiums on funding debt," a similar proportion of each of the credit balances in these accounts. Related debt expense shall also be charged to account 548 on a proportional and consistent basis. The amounts for the respective debit balances for discount and expenses applicable to a particular issue of obligations may be charged directly to account 548 at time of issue when the aggregate of such amounts does not appreciably affect the accounts.

(c) When any funded debt which has been actually issued to bona fide holders for value is reacquired by the accounting company, that proportion of the balance remaining in accounts containing discount, expense and premium on funded debt for the subclass of the security reacquired applicable to the portion reacquired shall be credited or charged thereto, as appropriate, and concurrently charged or credited to account 519, "Miscellaneous income," account 551, "Mis-

cellaneous income charges"; or to account 570, "Extraordinary items," as appropriate, in accordance with the text of these accounts. Such proportion shall be based upon the ratio of the par value of the security reacquired to the par value of all the securities of the subclass actually outstanding immediately before such reacquirement. Gains and losses from extinguishment of debt (excluding debt maturing serially) which is acquired to satisfy sinking fund requirements, shall not be recorded as extraordinary items regardless of amount, but shall be included in accounts 519 and 551, as appropriate. Such gains and losses shall be separately disclosed in reports to this Commission.

5–4 *Discount, premium, and assessment on capital stock.* (a) Separate ledger accounts shall be provided for each subclass of capital stock issued or assumed by the accounting company to cover discount suffered and premium realized at the time of sale of capital stock. General levies or assessments against stockholders shall be credited to the appropriate ledger accounts for the subclass of capital stock against which the levy or assessment is made.

(b) The total of net debit balance in these ledger accounts shall be included in account 793, "Discount on capital stock," and the total of net credit balances in account 794, "Premiums and assessments on capital stock."

(c) Discount on each subclass of capital stock may be offset or reduced by charges to account 794, "Premiums and assessments on capital stock," to the extent that net gains from premiums or assessments have been included therein or to account 795, "Other capital," to the extent that net gains from reacquisition and resale or retirement of capital stock applicable to such subclass have been included therein. Any remaining discount may be amortized by charged to account 616, "Other debits to retained earnings," or may be retained and carried in account 793, "Discount on capital stock," until the stock to which the discount applies is retired.

(d) In case the accounting company is permitted and elects with the approval of the Commission, to distribute all or any part of the net balance of other paid-in capital to its stockholders, the amount thus distributed shall be charged to account 795, "Other capital."

(e) When capital stock is reacquired, either by purchase or donation, and is retired or cancelled, account 791, "Capital stock", shall be charged with the par value, stated value of no par stock, or if no par stock without stated value, the proportionate amount at which the particular class of stock is included in account 791. Any excess of reacquisition cost over the recorded value of the stock shall be charged to account 795, "Other capital," to the extent of the accumulated net gains included in this account applicable to reacquisition and resale or retirement of such subclass. Any remaining excess reacquisition cost shall be charged to account 616, "Other debits to retained earnings." Any excess of recorded value over reacquisition cost shall be credited to account 795, "Other capital."

(f) When capital stock is reacquired, either by purchase or donation, and is not retired or cancelled, nor properly includible in sinking or other funds, the reacquisition cost shall be charged to account 798.5, "Treasury stock."

(g) When treasury stock is resold, account 798.5, "Treasury stock," shall be credited with the cost paid for it. Gains shall be credited to account 795, "Other capital." Losses shall be charged to account 795, "Other capital," to the extent that previous net gains from sales or retirements of the same class of stock are included therein; otherwise, to account 616, "Other debits to retained earnings."

5–5 *Joint liabilities.* The accounting company shall state as a liability in its balance sheet the difference between the total par value of securities jointly or severally issued by it and others and the portion of such liability which, under the joint arrangement, it is expected will be liquidated by the other party or parties to the joint arrangement. The amount of the jointly or severally issued securities expected to be liquidated by the other party or parties shall be shown as a contingent liability in accordance with instruction 5–6 pertaining to contingent assets and liabilities.

5–6 *Contingent assets and liabilities.* Contingent assets and liabilities shall not be included in the body of the balance-sheet statement, but items of material amount shall be shown in a supplementary statement to the balance-sheet. Contingent assets are those without value to the accounting company until the fulfillment of conditions regarded as uncertain. Contingent liabilities include items which may, under certain conditions, become obligations of the company, but are neither direct nor assumed obligations on the date of the balance sheet. Examples of contingent liabilities are items which may become obligations as a result of pending or threatened litigation, assessments or possible assessments of additional taxes, guarantees of indebtedness of others, and agreements or obligations to repurchase securities or property. Where the outcome is reasonably foreseeable, such as probable tax assessment which the carrier may not reasonably expect to contest successfully, such liabilities are to be reflected in the accounts and are not to be treated as contingent liabilities.

INSTRUCTIONS FOR CLEARING ACCOUNTS

6–1 *Items to be charged.* In recognition of the fact that certain expenditures incident to the construction and the operation of property are not chargeable directly to any particular property investment or expense account, clearing accounts have been provided for the purpose of securing an equitable distribution of such items to the proper primary accounts.

6–2 *Material and stationery store expenses.* (a) To clearing accounts called "Material store expenses" and "Stationery store expenses" shall be charged expenses in connection with purchasing, handling and storing material and stationary in and distributing it from the company's storehouses, including the pay of officers and employees in the purchasing and store departments and their traveling, office, and other expenses; also expenses, including wages, fuel, and supplies, of operating switching locomotives when exclusively assigned to the service of switching at material storehouses. (Expenses of incidental switching at material yards by locomotives in regular switching service shall be charged to the appropriate transportation accounts.) The pay and expenses of men employed in purchasing or inspecting a single class of material, such as ties, shall be added as store expenses to the cost of that particular material.

(b) The total amount of storehouse expenses charged to these accounts shall be distributed among the accounts to which material and stationery has been charged, in proportion to the amounts charged to each account for the items issued, except that the amount representing the purchasing department expenses shall be apportioned on the value of the items issued which were purchased by that department. To avoid monthly fluctuations in the ratio of store expenses to the value of material and stationery purchased or issued, carriers may make a monthly apportionment on the basis of fair percentage rates, provided the store expense accounts are adjusted and closed out at the end of each year.

6–3 *Shop expenses.* (a) To a clearing account entitled "Shop expenses" shall be charged items of expense at shops, enginehouses, repair tracks, and other places where mechanical work is performed, not assignable directly to specific accounts. Such expenses shall be apportioned among the various accounts affected. The basis of distribution shall be the relative proportion which the total amount of charges to "Shop expenses" bears to the total of the directly distributed labor. To avoid monthly fluctuations in the ratio of shop expenses to the total of distributed labor, carriers are permitted to make the monthly apportionment on the basis of a percentage of the distributed labor, provided the shop expense account is adjusted and closed out at the end of the year.

(b) The expenses assignable to this account shall include the pay of foremen (who exercise supervision over all departments), their clerks, and other employees engaged in general work in and about shops, cost of heat, light and power; cost of small tools and supplies and water and power purchased; also cost of removal of snow and ice from transfer tables and shop yards, and other incidental shop expenses. To this account shall be charged expenses, including wages, fuel and supplies, of operating switching locomotives when exclusively assigned to switching service at shops (the expenses of incidental switching at shops by locomotives in transportation

switching service shall be charged to appropriate transportation accounts).

6-4 *Gravel and sand pits and quarries.* (a) When a gravel or sand pit or quarry is opened for operations likely to extend over a long period, an account shall be set up designated, "Operations of gravel pit at _____," or "Operations of quarry at _____," as the case may be. To this account shall be charged cost of the land in excess of its estimated value after the gravel, sand, or stone has been removed (credit to the property account in which the cost of the land is included); payments for right to enter upon and remove ballast from land not owned by the carrier; cost of sinking test holes; and costs preparatory to opening the pit or quarry. To this account shall be charged also the cost, in excess of the estimated salvage value, of rails and fastenings, ties, other material and labor used in constructing tracks to and in the gravel pit or quarry (the estimated salvage being carried in an appropriate suspense account); cost of labor and train service employed in producing, quarrying, and loading ballast, including the cost of operation, repairs, and depreciation of power shovels and other machines and machinery; pay and expenses of watchmen; cost of explosives and hand tools, and miscellaneous expenses; and cost of installing, operating and maintaining signals and interlockers at gravel pits.

(b) Credit to the clearing account shall be made each month to cover the cost of ballast material produced during the month. The cost of production shall include the expenses directly assignable to the monthly output plus a proportion of the expenses not directly assignable, such as cost of land, tracks, machinery, and interlockers. This latter amount shall be computed upon the basis of the ratio which the monthly output bears to the total estimated yardage to be taken from the pit. When any portion of the product of such pits or quarries is sold, the cost thereof shall be credited to this clearing account and any related profit shall be credited to account 110, "Incidental."

6-5 *Power plant operations.* (a) The accounting for the expenses of maintaining and operating an electric, steam, or other power plant (both building and machinery) shall be determined by the purpose for which the power produced is used. When a power plant is intended and used for producing power solely for the carrier's own operations and the cost of operating the plant is chargeable to clearing account "Shop expenses," or to any one specific account for operating expenses, the expenses of maintenance shall be charged to the appropriate maintenance accounts, and the cost of operation to the account appropriate according to the use of the power.

(b) When the power from such a plant is properly chargeable to more than one account, the expenses of maintaining and operating the plant shall be included in clearing account designated "Power plant operations." The expense of maintenance shall be cleared from that account to the appropriate maintenance accounts. The expenses of operation shall be apportioned to the appropriate accounts upon the basis of quantity of power used for the various purposes.

(c) When a part of the power produced by a power plant is sold and the remainder is used in the carrier's own operations, the cost of maintaining and operating the plant shall be charged to a clearing account. The expense of maintenance shall be cleared from that account to the appropriate maintenance accounts. The proportion of the expenses of operation assignable to the power sold, on the basis of ratio of quantity of power sold to total quantity of power produced, shall be credited to this clearing account and any related profit shall be credited to account 110, "Incidental." The remainder of the cost of operation shall be distributed to the appropriate expense accounts for the carrier's own operations.

(d) When power plants are intended and used solely for furnishing power to others, their investment cost shall be included in account 737, "Property used in other than carrier operations," and the revenues and operating expenses shall be included in the accounts provided for operations of such property.

(e) The accounting for the maintenance of transmission systems and distribution systems shall be in accordance with instructions pertaining to power plant operations.

PROPERTY ACCOUNTS

Road

0 Road.

The several primary accounts included in this general account are designed to show the cost of land and road property owned by the carrier and devoted to transportation service.

1 Engineering.

This account shall include the pay and expenses of engineers, assistants, and clerks engaged in the survey and construction of new lines and extensions, or in making additions to and betterments of the carrier's road, including wharves and docks.

LIST OF OFFICERS AND EMPLOYEES

Chief engineer.
Assistant engineers.
Bridge and signal engineer.
Architects and draftsmen.
Chief clerk and other clerks.
Transitmen and levelmen.
Rodmen and chainmen.
Cooks and porters on business cars.

ITEMS OF EXPENSE AND SUPPLIES

Atlases and maps.
Barometers.
Books for office use.
Business car service.
Cameras; compasses.
Camp equipage.
Chains for surveyors.
Drawing boards.
Drawing instruments.
Field glasses.
Furniture repairs and renewals.
Heating and lighting.
Magnets and magnifiers.
Official train service.
Paper, blue-print.
Periodicals and newspapers.
Photographic supplies.
Printing and stationery.
Provisions for business cars.
Rent and repairs of offices.
Rods for surveyors.
Sextants and slide rules.
Telegraph and telephone service.
Traveling expenses.
Triangles and tripods.

NOTE A.—When employees designated above are engaged in the maintenance of the road, their pay and expenses while thus employed shall be charged to operating expenses.

NOTE B.—Expenditures for tentative or preliminary surveys shall be carried in account 743, "Other deferred debits," until it is determined whether or not to continue the work. If the project is continued, expenditures for all surveys in connection therewith shall then be transferred to this account, and, if abandoned, to appropriate income accounts.

NOTE C.—The cost of designing, making plans and specifications, and supervising the construction of equipment shall be included in the cost of the equipment.

NOTE D.—The cost of stationery and printing supplies used for accounting purposes in connection with engineering work shall be included in account 77, "Other expenditures; General," when not directly assignable to specific road or equipment accounts.

NOTE E.—Fees and expenses of architects specially employed for designing or supervising the construction of buildings shall be included in the accounts appropriate for the cost of the buildings constructed.

2 Land for transportation purposes.

This account shall include the cost of land of necessary width acquired for roadway; the cost of land for station, office, shop, and other grounds; for ingress to or egress from such grounds; for borrow pits, waste banks, snow fences, sand fences, and other railway appurtenances; and for storage of material adjoining the right-of-way; the cost of land for wharves and docks and the cost of riparian or water rights necessary therefor; the cost of removing from the right-of-way and locating elsewhere the property of others, and the cost of the necessary land for relocation of the property, when such costs are assumed by the accounting carrier.

The carrier's records shall be kept in such manner as to show separately the cost of land purchased. Proceeds from the sale of timber or of improvements purchased with right-of-way, less any cost of removal, shall be credited to this account.

ITEMS OF EXPENSE

Abstracts.
Appraisals.
Arbitrators in condemnation cases.
Commissions paid to others.
Condemnation expenses, including court costs and special counsel fees.
Damages to property of others.
Deferred payments for right-of-way.
Ditches for waterways when part of consideration.
Judgments and decreed costs to clear or defend titles.
Notarial fees.
Plats.

Premiums on condemnation bonds.
Recording deeds.
Payments for relinquishment of cattle passes and other rights.
Removal and relocation of buildings and other structures not purchased.
Rent of land when part of consideration for purchase.
Right-of-way agents' compensation (engaged solely in acquiring right of way).
Taxes accrued and assumed at time of purchase.

NOTE A.—The cost of land acquired in excess of that necessary for transportation operations shall be included in balance sheet account 737, "Property used in other than carrier operations." When the purchase of land acquired for transportation operations involves land not used for such purposes, the charges to this account shall be based upon the estimated cost of only that portion which is used for such purposes, and the cost of the remaining land shall be included in account 737, "Property used in other than carrier operations." Only the actual cost borne by the carrier for right-of-way and other lands acquired through vacation of streets and highways shall be included in this account. No donation should be considered as involved in the acquisition of such property.

NOTE B.—Amounts paid for options to purchase land for use in transportation operations shall be charged to account 743, "Other deferred debits." If the carrier subsequently purchases the land, the amount of the option payment shall be transferred to this account. If the carrier does not acquire the land and forfeits the option paid, the amount shall be charged to account 551, "Miscellaneous income charges."

3 Grading.

(a) This account shall include the cost of clearing and grading the roadway, and of constructing protection for the roadway, tracks, embankments and cuts.

(b) When a part of a bridge or trestle, or the entire structure, is converted by filling into an earth embankment, and the bridge or trestle is used in lieu of a temporary trestle which would otherwise be required for the filling, the estimated cost of such temporary trestle shall be included in the cost of the filling, and charged to this account. (See Note A, under account 6, "Bridges, trestles, and culverts.")

(c) When a tunnel is converted into an open cut, the cost of clearing, grubbing, and excavating shall be included in this account. (Also see Instruction 2–11.)

(d) When the carrier applies additional ballast to raise the height of track and leaves the old ballast in the roadbed as part of the subgrade, the cost of the excess quantity in the subgrade over the former established standard shown by the carrier's records, shall be charged to this account based on the cost of the old ballast or current grading prices, whichever is lower.

DETAILS OF ROADBED AND ITEMS OF EXPENSE

Advertising for contractors' bids.
Berm ditches.
Blasting.
Breakwaters.
Bulkheading.
Clearing land.
Cribbing.
Dikes (including those of earthen construction which are intended to function indefinitely).
Ditches (not required by right-of-way agreement).
Dressing slopes.
Excavation for conversion of tunnels into open cuts.
Filling bridges, trestles, and culverts.
Grading outfits.
Grubbing land.
Material taken from borrow pits.
New channels for streams.
Operations of steam shovels.
Payments for privilege of wasting material on the property of others.
Payments for waste banks off the right-of-way.
Retaining walls.
Revetments.
Riprap.
Spoil banks.
Temporary trestles for fills.
Tools for grading.
Wing dams.

4 Other right-of-way expenditures.

This account shall include the cost (in excess of cost of railway facilities installed, if any) actually borne by the carrier of improvement projects (other than public improvement projects), such as the construction of canals, farm and other private passes, pipe lines, drains, and other facilities across the carrier's right-of-way.

5 Tunnels and subways.

This account shall include the cost of tunnels and subways for the passage of trains, including apparatus for ventilating and lighting and safety devices therein, other than signals.

NOTE A.—The cost of tracks, including guard rails, in tunnels shall not be charged to this account.

NOTE B.—Station subways not highway crossings are includible in account 16, "Station and office buildings."

NOTE C.—When a tunnel is converted into an open cut, the ledger value of the tunnel shall be credited to this account. The service value of the depreciable portion of the tunnel shall be charged to account 735, "Accumulated depreciation; Road and equipment property," and the service value of the nondepreciable portion to operating expenses.

6 Bridges, trestles, and culverts.

This account shall include the cost of the substructure and superstructure of bridges, trestles, and culverts which carry the tracks of the carrier over water-courses, ravines, public and private highways, and other railways.

DETAILS OF BRIDGE STRUCTURES

Abutments.
Bridge signs.
Cofferdams.
Concrete and masonry ends for culvert.
Cribs.
Decking, including gravel for fire protection.
Dike protection.
Drainage systems.
Draw protection.
Drawbridge engines and machinery.
False work.
Guard timbers.
Ice breakers.
Painting (except repainting).
Pier protection.
Piers and foundations.
Pipe culverts.
Retaining walls.
Riprap around abutments.
Riprap at culverts ends.
Supports.
Water channels.
Waterproofing.
Wing dams.
Wing walls.

NOTE A.—When a part or the entire structure of a bridge or trestle is converted by filling into an earth embankment, the ledger value of the structure, or of the portion thereof filled, shall be credited to this account. In case the bridge or trestle is used in lieu of a temporary trestle for the purpose of filling, the estimated cost of such temporary trestle shall be charged to account 3, "Grading." The ledger value of the structure or portion thereof, filled, less the value of the salvage and the estimated cost of trestle charged to account 3 shall be charged to account 735, "Accumulated depreciation; Road and equipment property."

NOTE B.—The cost of bridges to carry the carrier's tracks over undergrade crossings, including the necessary piers and abutments to sustain them, shall be included in this account.

7 Elevated structures.

This account shall include the cost of elevated structures and foundations of elevated railway systems. This account is applicable to structures other than earthwork, which are for the purpose of elevating tracks above the grade of streets, and which are not properly classifiable as bridges or trestles.

NOTE.—The cost of stations and other structures built on elevated structures shall be accounted for according to the class of the structure and not in this account.

8 Ties.

(a) This account shall include the cost of cross, switch, bridge and other track ties used in the construction of tracks for the movement or storage of locomotives and cars (including tracks in shops, fuel stations, supply yards, etc.), and the cost of additional ties subsequently laid in such tracks. (See instruction 2–9(a) covering replacement betterments.)

(b) The cost of handling ties in general supply and storage yards shall be included as store expenses apportioned to this account when the ties are used for construction purposes.

NOTE.—The cost of labor for unloading, distributing and placing the ties in tracks and the cost of train service in connection with the distribution of ties laid shall be charged to account 12, "Track laying and surfacing."

NOTE.—The cost of ties used in the construction of car floats shall be included in the cost of such floating equipment, and the cost of ties used in the construction of temporary tracks, such as gravel-pit and quarry tracks, shall be included in the appropriate clearing accounts.

9 Rails.

(a) This account shall include the cost of rails used in the construction of tracks for the movement or storage of locomotives and cars (including tracks in shops, fuel stations, supply yards, etc.); the cost of welding two or more lengths of rail into continuous lengths for use in construction of tracks; and the cost of the excess in weight of heavier rails laid in replacement of lighter rails.

(b) The cost of handling rails in general supply and storage yards shall be

included as store expenses apportioned to this account when the rails are used for construction purposes.

(c) To this account shall be credited the cost (estimated if actual is not known) of the excess weight of heavier rails replaced with lighter rails.

NOTE A.—The cost of labor for unloading, distributing and placing the rails in tracks and of train service in connection with the distribution of the rails shall be charged to account 12, "Track laying and surfacing."

NOTE B.—The cost of rails used in the construction of car floats shall be included in the cost of such floating equipment and the cost of rails used in the construction of temporary tracks, such as gravel-pit and quarry tracks, shall be included in the appropriate clearing accounts.

10 Other track material.

(a) This account shall include the cost of material used in the construction of tracks for the movement or storage of locomotives and cars (including tracks in shops, fuel stations, supply yards, etc.), except ballast and material chargeable for foregoing accounts; also the excess cost of heavier or improved "other track material" used in repairs of tracks over the cost of replacing in kind such material removed.

(b) The cost of handling "other track material" in general supply and storage yards shall be included as store expenses apportioned to this account when such material is used in the construction of new tracks.

ITEMS OF OTHER TRACK MATERIAL

Angle bars.
Anticreepers.
Bumping posts.
Compromise joints.
Connecting rods.
Crossings, including foundations or bases.
Derails.
Frog blocking.
Frogs.
Guard-rail blocking.
Guard-rail clamps
Guard-rail fasteners.
Guard rails, switch and other.
Main rods.
Nut locks.
Nuts.
Offset bars.
Rail braces.
Rail Chairs.
Rail clips.
Rail joints.
Rail rests.
Rail shims.
Rail splices.
Splice bars.
Step chairs.
Switch chairs.
Switch crossings.
Switch lamps.
Switch locks and keys.
Switch points.
Switch stands.
Switch targets.
Switches.
Tie plates.
Tie plugs.
Tie rods.
Track bolts.
Track insulators.
Track spikes.

NOTE A.—The cost of labor and trains service for distributing, unloading, and applying "other track material" shall be charged to account 12, "Track laying and surfacing."

NOTE B.—No entry is required in this account with respect to improved "other track material" unless installed under a definite plan of changing standards, such as increasing the weight of rail.

NOTE C.—The cost of "other track material" used in the construction of car floats shall be included in the cost of such floating equipment, and the cost of such track material used in the construction of temporary tracks, such as gravel-pit and quarry tracks, shall be included in the appropriate clearing accounts.

11 Ballast.

(a) This account shall include the cost of gravel, stone, slag, cinders, sand, and like material used in ballasting tracks (including tracks in shops, fuel stations, supply yards, etc.) not previously ballasted, including cost of worktrain service and of unloading; cost of ballast applied in excess of ballast required to restore to its maximum height and width the ballast previously put on the roadbed; and the excess cost of improved ballast used in renewals over the cost to replace in kind to the original height and width the ballast removed. Charges to this account shall not exceed the cost of ballast applied to a depth of 24 inches beneath the tie, unless otherwise authorized by the Commission.

(b) The instructions prescribed for gravel and sand pits and quarries applies to the accounting for pits from which ballast material is obtained either for construction work or for maintenance or for both.

NOTE A.—The cost of ballast used in the construction of temporary tracks, such as gravel-pit and quarry tracks, shall be included in the appropriate clearing accounts.

NOTE B.—Earth placed to form a crown in the middle of the track is not to be considered as ballast.

NOTE C.—The cost of ballast material placed on the decking of bridges solely for fire-protected purposes shall be included in account 6, "Bridges, trestles and culverts."

NOTE D.—This account shall be credited for the cost of old ballast left in the roadbed as part of the subgrade, where the quantity of such ballast exceeds the carrier's established standard due to the application of additional ballast. (See paragraph (d) of the text of account 3, "Grading.")

12 Track laying and surfacing.

This account shall include the cost of distributing (including train service), laying, and adjusting ties, rails, and other track material used in the construction of tracks for the movement or storage of locomotives or cars, including repair tracks, but not tracks on car floats or temporary tracks the cost of which is chargeable to clearing accounts. It shall also include the cost of the labor expended in placing ballast in tracks not previously ballasted.

NOTE A.—The cost of distributing and adjusting ties, rails, ballast, and other track material for repairs shall be charged to operating expenses, both when such materials are replaced in kind and when replaced with improved and heavier material.

NOTE B.—The cost of work-train service in delivering ballast and of unloading such material is provided for in account 11, "Ballast."

13 Fences, snowsheds, and signs.

This account shall include:

(a) Fences. The cost of right-of-way fences and snow and sand fences, farm gates, cattle guards, wing fences, aprons, and hedges, on property not previously fenced, excluding those around stockyards, fuel stations, station and shop grounds, and building sites.

(b) Snowsheds. The cost of snowsheds, including initial cost of planting trees for protecting tracks from snow.

(c) Signs. The initial cost of signs other than those for identification of bridges, signals, stations and other structures.

SIGN ITEMS

Boundary signs.
Bridge-caution signs.
Crossing signs.
Curve and elevation markers.
Division-limit signs.
Mileposts.
Monuments.
Safety-first signs at crossings.
Section-limit signs.
Slow or stop signs.
Tunnel-caution signs.
Water-station signs.
Whistle signs.
Yard-limit signs.

NOTE A.—The cost of fences (other than right-of-way boundary fences) around stockyards, fuel and water stations, and other building sites, shall be charged to the accounts appropriate for the cost of the structures.

NOTE B.—The cost of signs for identifying bridges, signals, stations, and other structures shall be included in the account appropriate for the cost of the structures.

NOTE C.—The cost of crossing signals, including crossing gates, shall be included in account 27, "Signals and interlockers."

NOTE D.—This account shall also include the cost of replacing units of such property or substantial parts of fences or snowsheds the original cost of which are charged to this account.

16 Station and office buildings.

This account shall include the cost of station and general office structures, their fixtures, appurtenances, and furniture necessary to equip the buildings ready for use.

STATION AND OFFICE STRUCTURES AND DETAILS

Breakwaters for protection of buildings.
Buildings and rooms for trainmen.
Buildings on piers.
Coal transferring machinery (not on coal and ore wharves).
Coal trestles (not at fuel stations).
Computers.
Drainage and sewerage systems.
Elevators and machinery.
Fences.
Freight cranes and derricks.
Freight handling machinery.
Gas-supply systems.
General office buildings.
Grain elevators and warehouses.
Heating plants.
Hoisting engines, for handling freight.
Lighting plants.
Ore-transferring machinery.
Pavement within ground limits.
Platforms, passengers, including planking between tracks.

Power distribution systems, interior.
Sidewalks.
Station footbridges (not highway crossings).
Station intertrack fences.
Telegraph offices.
Track scales.
Water-supply systems.
Yard offices.

NOTE A.—Office buildings used exclusively in connection with maintenance of way shall be included in account 17, "Roadway buildings." Those used exclusively in connection with maintenance of equipment shall be included in account 20, "Shops and enginehouses."

NOTE B.—The cost of grading and preparing grounds both before and after the construction of station buildings, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the buildings. The fees and expenses of architects employed to design or supervise the construction in the buildings shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

17 Roadway buildings.

This account shall include the cost of roadway shops and other roadway buildings, including drainage, water, gas, and sewer pipes and connections; and all machinery, fixtures, and furniture to equip the building ready for use.

LIST OF ROADWAY BUILDINGS

Breakwaters for protection of buildings.
Carpenter shops.
Fire-engine houses.
Frog shops for repair of track material.
Hand-car houses.
Lighting plants.
Lumber sheds.
Planning mills.
Rail reclamation plant.
Rail shops for repair of track material.
Rail welding plant.
Repair shops.
Scrap bins.
Section dwelling houses.
Tool houses.

NOTE.—The cost of grading and preparing grounds both before and after the construction of roadway buildings, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights, shall be included in the cost of the buildings. The fees and expenses of architects, employed to design or supervise the construction of the buildings, shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

18 Water stations.

This account shall include the cost of structures, facilities, and appliances necessary to equip for service, stations for supplying water. The cost of analyses of water preliminary to the establishment of water stations shall be included inthis account.

WATER STATION STRUCTURES AND DETAILS

Boilers.
Breakwaters for protection of buildings.
Buildings on piers.
Cisterns and dams.
Fences.
Pump houses.
Purifying plants.
Reservoirs and wells.
Settling basins.
Stationary engines.
Steam pipes.
Tanks and foundations.
Water pipe lines.
Water-treating plants.

NOTE. A.—The cost of water stations used solely for supplying water to shops, power plants, stations, hotels, tenement houses, or section houses shall be charged to the appropriate accounts relating to the property so supplied.

NOTE. B.—The cost of a temporary water station established only for use during the construction period shall be included in the primary accounts to which is charged the cost of the work in connection with which the water station is used.

NOTE C.—The cost of grading and preparing grounds both before and after the construction of water station buildings, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the buildings. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

19 Fuel stations.

This account shall include the cost of structures, facilities other than tracks, and appliances necessary to equip for service, stations for supplying fuel to locomotives and floating equipment.

FUEL STATION STRUCTURES AND DETAILS

Breakwaters for protection of buildings.
Buildings on piers.
Dumping machinery.
Elevating machinery.
Fences.
Fuel houses or stations.
Fuel-oil plants, pumps, and tanks.
Fuel platforms on wharves.
Stationary engines.
Weighing apparatus.

NOTE A.—The cost of fuel stations, coal houses, etc., used solely for supplying fuel to shops, power plants, stations, hotels, tenement houses, or section houses shall be charged to the appropriate accounts relating to the property so supplied.

NOTE B.—The cost of a temporary fuel station established only for use during the construction period shall be allocated to the primary accounts charged with the construction costs.

NOTE C.—The cost of grading and preparing grounds both before and after the construction of fuel station buildings, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the buildings. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

20 Shops and enginehouses.

This account shall include the cost of buildings to be used as shops and enginehouses and storehouses for material for maintenance of equipment; foundations, except those special to particular machines and other apparatus; furniture and fixtures other than equipment chargeable to account 44, "Shop machinery"; drainage, sewerage, and water supply systems; and plants for heat and light.

SHOP AND ENGINEHOUSE STRUCTURES AND DETAILS

Air-compressor houses.
Bins for material.
Blacksmith shops.
Breakwaters for protection of buildings.
Buildings on piers.
Car sheds and shops.
Carpenter shops.
Electric-power distribution systems within buildings.
Enginehouses.
Fire engine houses.
Footbridges (not public highways).
Foundries and machine shops.
Gas-compressor houses.
Heating and lighting plants.
Laboratories.
Lumber sheds.
Material and supply truck tracks.
Motor-crane tracks.
Offices, shop.
Paint shops.
Pipe lines, air, and heat.
Pipe lines, gas, interior.
Planning mills and repair shops.
Platforms, shop and yard.
Scale houses and scales.
Scrap bins.
Sidewalks.
Steam-distribution systems, interior.
Storehouses.
Tanks, gas, and oil.
Test rooms.
Turntables.
Upholstering shops.
Warehouses.

NOTE A.—The cost of distinct power plant buildings for shop purposes shall be included in account 29, "Power plants." The cost of distribution systems leading from such power plants to shops shall be included in account 31, "Power-transmission systems."

NOTE B.—The cost of grading and preparing grounds both before and after the construction of shop buildings, the cost of constructing sidewalks, driveways, and fences thereon, and the costs of permanent water rights shall be included in the costs of the buildings. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

NOTE C.—The cost of shop buildings devoted solely to the maintenance of way and structures shall be included in account 17, "Roadway buildings."

22 Storage warehouses.

This account shall include the cost of storage warehouses, including machinery and fixtures therein. The buildings herein referred to are not the ordinary freight warehouses or stations where freight is received for shipment, etc., but warehouses in which merchandise is stored and which the railway companies operate as storage warehouses.

NOTE A.—The cost of grading and preparing grounds both before and after the construction of storage warehouse buildings, the

cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the buildings. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

NOTE B.—The cost of warehouses leased to noncarriers shall be charged to account 737, "Property used in other than carrier operations."

23 Wharves and docks.

This account shall include the cost of wharves, docks, dry docks, slips, float bridges, and other landings for vessels, including the cost of necessary dredging and the cost of float-bridge machinery; also the cost of piling, pile protection, cribs, coffer-dams, walls, and other necessary devices and apparatus for the operation or protection of wharves and docks.

DETAILS OF WHARVES AND DOCKS

Bridge pontoons.
Bulkheads.
Caissons and cribwork.
Dry docks.
Ferry-bridge machinery.
Ferry bridges.
Ferry slips.
Jetties and inclines.
Transfer-bridge machinery.
Transfer bridges.

NOTE A.—The cost of coal and ore wharves and docks shall be included in account 24, "Coal and ore wharves."

NOTE B.—The cost of the land on which wharves are built and cost of riparian or water rights for wharves and docks shall be charged to account 2, "Land for transportation purposes."

NOTE C.—The cost of buildings located on wharves shall be included in the accounts appropriate for the class of buildings.

NOTE D.—The cost of grading and preparing grounds both before and after the construction of wharves (other than coal and ore wharves), the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the wharves. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

24 Coal and ore wharves.

This account shall include the cost of wharves and docks for the transfer, treatment, blending, or storage of coal or ore, including the cost of necessary dredging and of conveyors, machinery, and fixtures.

NOTE A.—The structures referred to in the account do not include small transfer or storage trestles or wharves at stations where coal is stored or delivered, such trestles being classed as station buildings.

NOTE B.—The cost of grading and preparing grounds both before and after the construction of coal and ore wharves, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the wharves. The fees and expenses of architects employed to design or supervise the construction of wharves shall also be included in the cost of the wharves. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

25 TOFC/COFC terminals.

This account shall include the cost of structures, fixtures, machinery and appurtenances comprising terminals used for loading and unloading trailers and containers on and from flat cars.

TOFC/COFC TERMINAL STRUCTURES AND DETAILS

Cranes and hoists, including related machinery and appurtenances.
Drainage and sewerage.
Fences.
Grading and preparing grounds for TOFC/COFC terminals.
Offices, TOFC/COFC terminal.
Lighting system.
Platforms, ramps and appurtenances.
Power distribution systems.
Sidewalks, pavements and driveways on terminal grounds.
Terminal trucks and tractors.

NOTE A.—"Trailer," as used in the text and elsewhere in this system of accounts unless otherwise indicated in the context, means trailer bodies used in TOFC/COFC service which are permanently mounted on running gear. "Containers" means trailer bodies used in TOFC/COFC service which are not permanently mounted on wheels or chassis, but are separated from such running gear before being loaded on flat cars.

NOTE B.—The cost of grading and preparing grounds both before and after the construction of TOFC/COFC terminals, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the buildings. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

26 Communication systems.

This account shall include the cost of telegraph, telephone, radio, radar, inductive train communication, and other communication systems, including terminal equipment.

DETAILS OF TELEGRAPH AND TELEPHONE TERMINAL EQUIPMENT

Batteries.
Cables and wires, interior.
Carrier terminating equipment.
Conduits, interior.
Connecting wires.
Current-controlling instruments.
Electric generators and motors.
Electric meters.
Engines, stationary.
Fuses and mechanical protectors.
Rectifiers.
Rheostats.
Sending and receiving instruments.
Switchboards.
Telegraph repeaters.
Telephone repeaters.
Teletypewriters.
Testing outfits.
Transformers.

DETAILS OF TELEGRAPH AND TELEPHONE OUTSIDE PLANT

Aerial attachments.
Braces.
Brackets.
Cable boxes and appurtenances.
Cable and wires, aerial.
Conduits and appurtenances.
Cross arms.
Gas and associated facilities for cables.
Guy stubs.
Guy wires.
Insulators.
Load coils.
Submarine cables and connections.
Telephone pole boxes.
Towers.
Underground cables and connections.

DETAILS OF RADIO, RADAR, AND INDUCTIVE TRAIN COMMUNICATION EQUIPMENT

Aerials or antenna, and attachments.
Buildings or towers used exclusively for wireless.
Control units.
Power generating, converting, or supply equipment.
Radar console and associated equipment.
Roadside or office equipment for all wireless systems operated on special channels between train and train, train and tower or office, or between ship and shore.
Specialized testing and repair equipment.
Transmitters and receivers, including mobile units.

NOTE A.—Radio, radar or trainphone equipment (except portable apparatus) which is permanently attached to locomotives, cars, work equipment, or other rolling stock or floating equipment shall be included in the same accounts as the equipment on which installed. Wireless sets for instruction, advertising, or entertainment shall be included in the same accounts as the building in which located.

NOTE B.—Communication systems of limited extent, not connected with other systems used for special purposes and usually installed within a single building, group of buildings, or within the limits of a station or shop layout or yard, shall be included in the same account as the building in which located or in the account appropriate for the service with which associated.

ITEMS

Buzzers, bells, dictaphone or other interoffice communication systems in an office or group of buildings.
Loud speakers, bells, or whistles in shop and other yards.
Loud speakers, public address devices, press button control lights, telautograph or other systems in stations or on platforms.
Whistles, klaxons, or horns operated from signals towers.

NOTE C.—Test sets shall be classified as tools and included in the account appropriate for their use.

27 Signals and interlockers.

This account shall include the cost of interlocking and other signals apparatus for governing the movements of locomotives, cars, and trains, and for the protection of traffic at crossings, including towers and other buildings, furniture, fixtures, and machinery in connection therewith; roadway installations for train control and remote control including the cost of the initial tests of such installation; also the cost of buildings and machinery of power plants used primarily for the production of power for the operation of signals and interlockers.

ITEMS

Automatic-train control devices other than on equipment.
Call-bell systems along track to call in flagmen.

Call boxes, electric.
Car-retarder systems.
Centralized traffic control.
Crossing flasher-light signals.
Crossing gates, highway and railway.
Crossing signals bells.
Crossing warning signals.
Interlocker buildings and machinery.
Power apparatus primarily for the operation of signals and interlockers.
Power-distribution lines primarily for the operation of signals and interlockers.
Signal buildings.
Signal machinery, poles and foundations.
Train-order signals.

NOTE A.—When signal or interlocking apparatus is located in a station building, only the cost of the signal or interlocking apparatus shall be charged to this account. The entire cost of the building shall be included in account 16, "Station and office buildings."

NOTE B.—The cost of track material, such as switches, special rail braces, special roads, special track fastenings, split rails, derails, derail stands, and frogs, used in connection with interlockers, shall be included in account 10, "Other track material."

NOTE C.—When derails are arranged so as to be thrown from switch stands, the cost of labor expended in the installation of the connections between the switch stand and derail and the devices for throwing the derail shall be included in account 12, "Track laying and surfacing." The cost of the material shall be included in account 10, "Other track material."

NOTE D.—The cost of grading and preparing grounds both before and after the construction of signal and interlocker buildings, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the buildings. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

29 Power plants.

This account shall include the cost of power-plant and substation buildings (housing machinery provided for in account 45, "Power-plant machinery"); all foundations other than those special to particular machines and apparatus; and also dams, canals, pipe lines, and accessories devoted to the utilization of water for power. Gas and sewer pipes and their connections, fixtures (including wiring) for lighting and heating, and furniture and miscellaneous fixtures shall be considered as a part of the power-plant buildings.

POWER-PLANT STRUCTURE ITEMS

Buildings.
Coal bunkers, pockets and trestles.
Fences (other than right-of-way boundary fences).
Fixtures for lighting (including wiring) and heating power-plant buildings.
Foundations (except special foundations for machines and other apparatus).
Fuel-oil tanks.
Furniture.
Hose and appliances for protecting buildings against fire.
Pavement within ground limits.
Permanent rights in water supply.
Platforms.
Smoke stacks and chimneys and their foundations when distinct from and not resting on boilers.
Water, sewer, gas, and drainage, pipes and connections.
Wells (but not pumps).

DAM, CANAL, AND PIPE-LINE ITEMS

Aqueducts.
Bridges.
Fences (other than right-of-way boundary fences).
Footbridges.
Reservoirs.
Roadways.
Sluices.
Valves.
Water rights.

NOTE A.—The cost of power-plant machinery, including stacks resting on boilers, and special foundations for machines, shall be included in account 45, "Power-plant machinery."

NOTE B.—The cost of the buildings and the power machinery and other apparatus of plants used primarily for operating signals and interlockers shall be included in account 27, "Signals and interlockers."

NOTE C.—Investment in buildings and machinery of detached plants for furnishing power both for operating purposes and for sale shall be included in this account and in account 45, "Power-plant machinery," respectively. When plants are intended and used primarily for generating power for sale to other than common carriers, the investment shall be included in account 737, "Property used in other than carrier operations."

31 Power-transmission systems.

This account shall include the cost of systems for conveying electricity, steam, and compressed air from producing plants to place or building where used; also the cost of conduits and of poles, cross arms, insulator pins, brackets, and other pole fixtures, and of other structures for power-transmission and distribution systems, including those for electric railway operation, and lighting systems for general lighting purposes.

POWER-TRANSMISSION SYSTEM ITEMS

Air pipe-line in car yards.
Compressed air pipe-lines.
Compressed air storage tanks (not at power houses or shops).
Cut-outs (not at power houses and substations).
Overhead trolley wires.
Rail-insulating devices.
Steam-heating pipe-lines in car yards.
Switchboards (not at power houses and substations).
Third-rail insulation and protection.
Transformers (not at power houses and substations).
Underground power tubes.

POLE-LINE AND CONDUIT ITEMS

Braces and other support for holding poles in position.
Brackets, cross arms, and other pole fixtures.
Conduits for wires and cables.
Cutting and trimming trees.
Guy stubs and wires.
Manholes.
Poles and towers.
Sewer traps.
Stenciling or painting letters or numbers on poles.

NOTE A.—The cost of wire and pipe-distribution systems located within shop buildings and in stations and office buildings shall be included in the cost of the buildings, except that lateral service lines to equipment-shop machines shall be included in account 44, "Shop machinery." The cost of distribution systems used primarily for operating signals and interlockers shall be included in account 27, "Signals and interlockers."

NOTE B.—The cost of conduits and of poles and fixtures for telegraph and telephone or signal lines shall be included in account 26, "Communication systems," or account 27, "Signals and interlockers," as appropriate. The cost of poles and conduits used for telegraph and telephone or signal lines and for power-distribution lines shall be included in the account appropriate according to their predominant use.

35 Miscellaneous structures.

This account shall include the cost of all permanent structures not provided for elsewhere, including all fixtures and furniture to equip them for use.

MISCELLANEOUS STRUCTURES ITEMS

Floodlight tower installations in yards.
Grain elevators where grain is stored for owners.
Storehouses for general purpose materials and supplies.

NOTE A.—Small storage elevators at way stations where grain is received for shipment are classed as station buildings.

NOTE B.—The cost of grading and preparing grounds both before and after the construction of miscellaneous structures and the cost of constructing sidewalks, driveways, and fences thereon, shall be included in the cost of the structures. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of the structures. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

37 Roadway machines.

This account shall include the cost of the initial outfit of roadway machines provided for the maintenance of roadway and structures at the time the road is opened for commercial traffic, and the cost of additional roadway machines acquired subsequently. This account shall also include the cost of on and/or off-track automotive vehicles, permanently equipped with special-purpose machinery such as hydraulic cranes, derricks, ditching apparatus, pile-driving equipment, and similar machines listed below, and used exclusively in maintenance of way and structures.

LIST OF ROADWAY MACHINES

Adzers.
Anchor applicators.
Ballast regulators.
Cars, lever.
Cars, motor inspection.
Cars, push.
Cars, (small), crane, for supply yards and general use.
Concrete mixers.
Ditching machines.
Dredging machines.
Engines, portable.
Grading outfits.
Hydraulic outfits.
Jacks, hydraulic.
Pile drivers.
Plows, unloading.
Rail grinders.
Rail unloaders.
Rock crushers.
Scarifier-inserters.
Spike drivers.
Spike pullers.

Tie tampers.
Timber trucks.
Trackliners.

NOTE A.—When an important addition and betterment project or the construction of a new line necessitates the purchase of roadway machines to be used exclusively thereon, the cost shall be included in the accounts to which the cost of the work is charged. The amount realized from any subsequent sale, or the appraised value of the machines retained after the completion of the special work for which they were purchased, shall be credited to the accounts charged with the cost thereof. The appraised value of such machines retained shall be debited to this account and thereafter considered as the cost of such property.

NOTE B.—The cost of machines for the equipment of roadway shops shall be included in account 17, "Roadway buildings."

NOTE C.—The cost of roadway machines, such as pile drivers, log loaders, hoist engines, and concrete mixers, when permanently mounted for movement on the carrier's tracks, shall be included in account 57, "Work equipment."

39 Public improvements; construction.

This account shall include amounts assessed on carrier property by governmental authority (by mutual agreement or otherwise) to cover the cost of constructing public improvements, when such assessments are made against property within defined areas of taxing districts. The account also shall include carrier's portion of the cost of public improvements constructed under governmental requirements. (See Instruction 2-17.) The entire amount of each assessment and other liabilities for public improvements shall be included in this account as soon as the amounts are determined.

ITEMS

Cost of land outside carrier's right-of-way to provide for the relocation of streets or highways or providing slopes therefor.
Cost of removal and relocation of buildings and other structures in connection with the construction of streets and highways.
Curbing streets and highways.
Damage to property of others when incidental to highway construction.
Drainage systems.
Engineering—When such costs apply to items chargeable to this account.
Flood protection.
Grading streets and highways.
Guttering streets and highways.
Irrigation systems.
Levees.
Overhead highway bridges, including approaches.
Paving streets and highways, including such pavings at crossings.
Planking, highway crossings.
Sewer systems.
Sidewalks.
Street-lighting systems.
Water works.

NOTE A.—The cost of railway facilities installed in connection with joint public improvement projects if not in excess of total costs borne by the carrier shall be included in accounts other than account 39, "Public improvements; construction," appropriate for the class of property installed. Any costs borne by the carrier in excess of the cost of railway facilities shall be charged to this account. The lessor shall charge the cost of assessments for public improvements which is borne by joint owner tenants to the appropriate property accounts other than account 39, "Public improvements; construction," assessments from tenant owners shall be credited to account 795, "Other capital." The owner tenants shall charge their proportionate share of the assessment to account 721, "Investments and advances; affiliated companies." The carrier shall charge the appropriate property accounts other than the public improvement account for the cost of public improvement assessments borne by nonowner tenants with contra credit to account 38-00-00, "Purchased services—Joint facility—Credit," and the tenants shall charge their proportionate shall of the assessments to account 37-00-00, "Purchased services—Joint facility—Debit."

NOTE B.—The cost to the carrier of maintaining public improvements shall be included in operating expenses.

NOTE C.—Any portion of the cost of public improvements which is included in the general tax levy for a regular taxing district shall be included in the account appropriate for the taxes.

NOTE D.—The amount of the deferred payments of assessments for public improvements, if payments are to be made within one year, shall be included in account 763, "Other current liabilities." If the payments are spread over a longer period they shall be credited to account 782, "Other liabilities." The interest paid on such assessments shall be included in account 547, "Interest on unfunded debt."

NOTE E.—Interest and penalties imposed, on basis of monthly or annual percentage rates, for failure to pay assessments within the allotted time, shall be charged to account 547, "Interest on unfunded debt."

NOTE F.—Assessments on noncarrier property for the cost of constructing public improvements shall be charged to account 737, "Property used in other than carrier operations."

44 Shop machinery.

This account shall include the cost of machinery and other apparatus in shops and engine houses, including the cost of special foundations and installation and cost of small hand tools necessary first to equip a shop.

LIST OF SHOP MACHINERY

Ash conveyors.
Air compressors.
Belting.
Blowers.
Boilers for furnishing power.
Boring machines.
Cars, motor.
Cars, push.
Cranes.
Drilling machines.
Drop tables.
Forges.
Framing machines.
Furnaces.
Grinding and polishing machines.
Hoists.
Hydraulic jacks.
Lathes.
Lifting magnets.
Metal chimneys.
Milling machines.
Motors.
Pipe cutting and threading machines.
Planers.
Pneumatic hammers.
Power equipment.
Punches.
Riveters.
Saws.
Shafting.
Shapers.
Slotters.
Stationary engines.
Steam hammers.
Vises.
Welding machines.
Woodworking machines.

NOTE A.—The cost of power-plant machinery and other apparatus for shop purposes, when located in distinct buildings, shall be included in account 45, "Power-plant machinery."

NOTE B.—The cost of foundations other than those special to particular machines and other apparatus shall be included in the cost of the building and not in this account.

45 Power-plant machinery.

This account shall include the cost of machinery and other apparatus in power plants and substations for generating and transforming power used for the operation of trains and cars or to furnish power, heat, and light for stations, shops, and general purposes, and also the cost of foundations special to particular machines or other apparatus including the cost of installation.

ITEMS

Air compressors.
Ash-conveying machinery.
Battery-charging apparatus.
Boiler-room appliances and tools.
Boilers and fittings.
Circuit breakers.
Furnaces.
Ice-manufacturing machinery and apparatus.
Lubricating devices.
Mechanical stokers.
Metal stacks on boilers.
Refrigerating—machinery and apparatus.
Rotary converters.
Sewer connection for machinery.
Coal-conveying machinery.
Condensers.
Cranes.
Draft machinery.
Dynamos.
Engine-room appliances and tools.
Feed water heaters.
Special foundations for machines.
Steam-distribution systems within the plant.
Switchboards.
Tanks.
Tractors, trailers, and trucks, permanently assigned to power plants.
Transformers.
Turbines.
Water meters.
Well pumps.

NOTE A.—The cost of power machinery and other apparatus installed in a shop as part of the shop equipment shall be included in account 44, "Shop machinery."

NOTE B.—The cost of power machinery and other apparatus installed in station and office buildings shall be included in account 16, "Station and office buildings."

NOTE C.—The cost of buildings and the power machinery and other apparatus of plants used primarily for operating signals and interlockers shall be included in account 27, "Signals and interlockers."

NOTE D.—The cost of foundations other than those special to particular machines and other apparatus shall be included in the cost of the building and not in this account.

NOTE E.—The cost of machinery and buildings of detached plants for producing power both for operating purposes and for sale shall be included in this account and in account 29, "Power plants," respectively. When plants are intended and used primarily for generating power for sale to non carriers the investment shall be included in account 737, "Property used in other than carrier operations."

Equipment

50 Equipment.

The several primary accounts included in this general account are designed to show the cost of the several classes of equipment vehicles and shop and power-plant equipment owned by the carrier, or held under equipment trust agreements or other contractual obligation for purchase of the property.

52 Locomotives.

(a) This account shall include the cost of locomotives and tenders purchased or built by the carrier, and of appurtenances, furniture, and fixtures necessary to equip them for service, including the cost of inspection, setting up, and trying out after receipt from builders, and transportation charges to the carrier's line. This account may also include the cost of spare engines carried on hand for the purpose of temporarily replacing similar units removed from locomotives for overhaul, repair or other reason.

(b) Records shall be maintained to reflect separately the investment cost of locomotives on the basis of their initial identification for depreciation purposes; i.e., road passenger, road freight, road switching and yard switching.

LIST OF APPURTENANCES TO LOCOMOTIVES

Air brake equipment and hose.
Arm rests.
Brake fixtures.
Cab cushions.
Clocks.
Fire-extinguishing apparatus.
Gongs.
Headlamps.
Metallic packing.
Pneumatic sanding equipment.
Radio equipment, permanently attached.
Seat boxes.
Signal lamps.
Speed recorders.
Steam-gauge lamps.
Steam-heat equipment and hose.
Storm doors.
Tool boxes.
Train-signal equipment and hose.

NOTE.—Cars with motor equipment are not to be classed as locomotives.

53 Freight-train cars.

This account shall include the cost of freight-train cars of all classes, such as motor-driven cars, purchased or built by the carrier, including all appurtenances, furniture, and fixtures necessary to equip them for service, and the cost of inspection and transportation charges to the carrier's line.

LIST OF FREIGHT-TRAIN CARS

Automobile.
Ballast (commercial).
Beer.
Box.
Cabin.
Caboose.
Charcoal.
Coal.
Coke.
Dump (commercial).
Express.
Flat.
Fruit.
Furniture.
Gondola.
Gondola (hopper).
Gondola (long).
Hay.
Lime.
Mail.
Oil tank.
Ore.
Logging.
Platform.
Poling.
Poultry.
Produce.
Rack.
Refrigerator.
Stock.
Tank and water (when used as commercial cars).

LIST OF APPURTENANCES TO FREIGHT-TRAIN CARS

Air-brake equipment, including hose.
Cooking equipment and utensils.
Heating units.
Lamps and fixtures.
Loading devices.
Refrigeration units.
Seats.
Speed recorders.
Train-signal equipment, including hose.
Water tanks.

54 Passenger-train cars.

This account shall include the cost of passenger-train cars of all classes, such as motor-driven cars, purchased or built by the carrier, including all appurtenances, furniture, and fixtures necessary to equip them for service, and cost of inspection and transportation charges to the carrier's line.

LIST OF PASSENGER-TRAIN CARS

Automobile.
Baggage.
Baggage-express.
Baggage-mail.
Baggage-mail-express.
Buffet.
Cafe, chair, and club.
Dining.
Library.
Milk.
Observation.
Parlor.
Parlor-baggage.
Passenger.
Passenger-baggage.
Passenger-baggage-mail.
Postal.
Refrigerator-express.
Sleeping.
Smoking.
Tourists.

LIST OF APPURTENANCES TO PASSENGER-TRAIN CARS

Air-brake equipment including hose.
Bedding.
Chairs.
Coat hooks.
Curtains and fixtures.
Cushions.
Electric bells.
Floor coverings.
Heating equipment.
Ice boxes.
Ice tanks.
Kitchen equipment and utensils.
Lighting equipment.
Mail catchers.
Parcel racks.
Ranges and boilers.
Seats.
Speed recorders.
Steam-heat hose.
Table china.
Table glassware.
Table linen.
Table silver.
Toilet equipment.
Train-signal equipment, including hose.
Water tanks.

55 Highway revenue equipment.

(a) This account shall include the cost of highway vehicles used in revenue transportation service, including pick-up and delivery service, substitute line-haul service, and TOFC/COFC service; also the cost of appurtenances (such as radio communication equipment) necessary to equip them for service, and the inspection and transportation costs and charges required for delivery of the vehicles into the carrier's revenue service.

(b) Records shall be maintained to identify the carrier's investment in the following equipment, including appurtenances:

LIST OF HIGHWAY REVENUE EQUIPMENT

Bogies.
Buses.
Chassis.
Containers.
Semi-trailers.
Tractors.
Trailers.
Trucks.

LIST OF APPURTENANCES TO HIGHWAY REVENUE EQUIPMENT

Fire extinguishers.
Heating units.
Radio communication equipment.
Refrigeration units.
Rigging equipment.
Road dollies.
Tarpaulins.

NOTE.—The cost of trucks and tractors which are used exclusively at TOFC/COFC terminals for loading and unloading trailers and containers on and from flat cars shall be charged to account 25, "TOFC/COFC terminals."

56 Floating equipment.

This account shall include the cost of marine or floating equipment of all kinds except work equipment, purchased or built by the carrier, including all appurtenances, furniture, and fixtures necessary to equip it for service, and cost of inspection and transportation charges to the carrier's line.

LIST OF FLOATING EQUIPMENT

Barges.
Canal boats.
Car and other floats.
Ferryboats.
Lighters.
Power launches.
Power lighters.
Scows.
Steam boats.
Steamships.
Transfer boats.
Tugboats.

LIST OF APPURTENANCES TO FLOATING EQUIPMENT

Anchors.
Barometers.
Beds and bedding.
Binnacle lamps.
Blocks and tackle.
China, crockery, and glassware.
Chronometers.
Compasses.
Desks and furniture.

Engines and foundations.
Fire buckets and extinguishers.
Floor coverings.
Gangplanks.
Heating equipment.
Hoisting equipment.
Kitchen equipment.
Life preservers.
Lighting equipment.
Linen.
Logs.
Machinery and foundations.
Masts.
Boilers and foundations.
Cables.
Capstan bars.
Charts.
Pianos and other musical instruments.
Pumps.
Railings.
Rigging.
Scales.
Seats, chairs, and cushions.
Spyglasses and telescopes.
Steam distribution systems.
Steering equipment.
Ticket cases.
Tool boxes and tools.
Tracks on car floats.
Ventilating equipment.

57 Work equipment.

This account shall include the cost of work equipment, including motor-driven equipment, purchased or built by the carrier; cost of appurtenances, furniture, and fixtures necessary to equip it for service; and cost of inspection and transportation charges to the carrier's line.

LIST OF RAIL WORK EQUIPMENT

Air-brake instruction cars.
Ballast cars.
Ballast unloader cars.
Boarding cars.
Bridge cars.
Business cars.
Camp cars.
Cinder cars.
Concrete mixers (mounted).
Derrick cars.
Dirt spreaders (mounted).
Ditching cars.
Dump cars.
Dynamometer cars.
Gas tank cars.
Grading cars.
Gravel cars.
Indicator cars.
Locomotive tanks used permanently as water cars.
Locomotives.
Officers' cars.
Outfit cars.
Painters' cars.
Pay cars.
Pile drivers (mounted).
Rail cars.
Rail saws (mounted).
Salt cars.
Sanding cars.
Scale test cars.
Scraper cars.
Snow dozers.
Snow drags.
Snow plows (moved by but not attached to locomotives).
Sprinkling cars.
Steam shovels.
Steam wrecking derricks.
Supply cars.
Sweeper cars.
Tool cars.
Tool and block cars.
Water cars.
Weed burners (mounted).
Wrecking cars.

LIST OF FLOATING WORK EQUIPMENT

Derricks.
Dredges.
Pile drivers.

58 Miscellaneous equipment.

(a) This account shall include the cost of automobiles, trucks and other highway equipment not used in revenue transportation service and not provided for elsewhere; the cost of airplanes; the cost of appurtenances (such as radio communication equipment) necessary to equip them for service; and the inspection and transportation costs and charges required for delivery of the vehicles to the carrier.

(b) The cost of on and/or off-track automotive vehicles, which are permanently equipped with special-purpose machinery and used exclusively in maintenance of way and structures, shall be charged to account 37, "Roadway machines."

LIST OF MISCELLANEOUS EQUIPMENT

Airplanes.
Automobiles.
Buses.
Emergency repair vehicles.
Road dollies.
Semi-trailers.
Tractors.
Trailers.
Trucks.
Wreckers.

LIST OF APPURTENANCES TO MISCELLANEOUS EQUIPMENT

Fire extinguisher.
Radio communication equipment.
Rigging equipment.
Tarpaulins.

General Expenditures

70 General expenditures.

The primary accounts of this general account are designed to include expenditures made in connection with the acquisition and construction of original road and equipment, and with extension, additions, and betterments to road and equipment property, when such expenditures cannot properly be included in any of the foregoing accounts as a part of the cost of any specific work. When assignable, such expenditures shall be included in the cost of the property for which the expenditures occurred.

76 Interest during construction.

(a) When any bonds, notes, or other evidences of indebtedness are sold, or any interest-bearing debt is incurred for acquisition and construction of original road and equipment, extensions, additions, and betterments, the interest accruing on the part of the debt representing the cost of property chargeable to road and equipment accounts (less interest, if any, allowed by depositaries on unexpended balances) after such funds become available for use and before the receipt or the completion or coming into service of the property so acquired shall be charged to this account.

(b) When such securities are sold at a premium, the proportion of such premium assignable to the time between the date of the actual issuance of the securities and the time when the property acquired or the improvement made becomes available for service shall be credited to this account.

(c) This account shall also include such proportion of the discount and expense on funded debt issued for the acquisition of original road, original equipment, road extensions, additions, and betterments, as is equitably assignable to the period between the date of the actual issuance of securities and the time when the property acquired or the improvement made become available for the service for which it is intended. The proportion of discount and expense thus chargeable shall be determined by the ratio between the period prior to the completion or coming into service of the facilities or improvements acquired and the period of the entire life of the securities issued.

NOTE A.—Interest on bonds, notes, or other evidences of indebtedness accruing before the proceeds from the sale of the securities become available for use shall not be included in this account, nor shall there be included any interest accruing after the property with respect to which the proceeds are expended is received or becomes available for use in connection with commercial service.

NOTE B.—If securities issued or assumed by the carrier are subsequently sold or exchanged by or for the carrier, the excess of the par value and accrued interest of the securities over the actual money value of the consideration received shall be deemed a discount. In no case (except as provided in the third paragraph of this account) shall discount be included as part of the cost of items included in the accounts prescribed in this classification.

NOTE C.—Whenever interest, premium, or discount assignable to the construction period is incurred in connection with an expenditure covered by some specific road and equipment account or accounts, such interest, premium, or discount shall be charged directly to the specific accounts to which it is related.

NOTE D.—This account shall not include interest during the construction period on the carrier's own funds expended in connection with the acquisition or construction of original road and equipment, extensions, additions, and betterments.

77 Other expenditures; general.

(a) This account shall include expenditures of a general nature which are attributable to original construction or important expansion of road but which cannot be assigned directly as part of the cost of specific units or segments of property, and are not provided for in other primary accounts of this classification, such as pay and expenses of executive and general officers and their assistants engaged exclusively in connection with such construction, law expenses (other than organization expenses), stationery and printing, and taxes before property is used in transportation operations.

(b) An equitable portion of the amounts in this account applicable to retired property shall be cleared concurrently with the retirement accounting in accordance with Instruction 2-7(c); or the entire amount in this account may be charged off immediately when authorized by the Commission.

NOTE.—Expenditures of the character described in account 739, "Organization expenses," which were incurred directly in organizing the corporation and can be identified as such in the corporation records of the company, are includible in that account.

Other Property Accounts

80 Other elements of investment.

(a) This account shall include amounts resulting from adjustment of the primary property accounts to conform with cost of property in valuation records. The amount in this account shall be cleared on a consistent basis as property is retired from service or otherwise in accordance with the rules in paragraphs (b), (c), and (d) of this account. Any material amount in this account assignable to property previously retired from service shall be cleared immediately.

(b) When property is retired from service, an equitable portion of the balance in this account assignable to such property shall be cleared when the retirement entry is made. The amount so cleared, when a debit, shall be charged to account 551, "Miscellaneous income charges," or, when a credit, shall be recorded in account 519, "Miscellaneous income." The exception to this general rule with respect to a credit balance assignable to property retired is that when property classified as depreciable is retired from service and the balance in the accumulated depreciation account for the property is materially deficient, because of sudden retirement or other unusual cause, the portion of a credit balance cleared for the retirement, equal to the deficiency, shall be applied to reduce the amount of loss otherwise chargeable to the accumulated depreciation account.

(c) A carrier may apply to the Commission for authority to clear the entire balance from this account immediately or amortize the balance over a short period of time by appropriate inclusion in account 616, "Other debits to retained earnings," or account 606 "Other credits to retained earnings." Any amount so authorized or directed by the Commission to be cleared and written off to retained income shall be in lieu of amounts includible in accounts indicated in paragraph (b).

(d) Other plans for clearance, disposition, or classification of a balance in this account in conformity with sound accounting principles may be submitted to the Commission with suitable details for consideration. This includes application for disposition of a balance in this account attributable to reduction of capitalization in a reorganization. An accounting procedure so applied for shall become effective only after Commission approval. Each carrier shall maintain a record of items initially included in and cleared later from this account and the basis used in computing such items.

NOTE.—The amounts attributable to past mergers, consolidations and purchases of property included in this account shall be merged with the adjustment made pursuant to paragraph (a) of this text.

90 Construction in progress.

This account shall include expenditures incurred by the carrier in the process of constructing road and equipment with its own forces or under contract during the period prior to the time property is placed in transportation operations, including cost of materials and supplies located at point of use and of necessary land acquired for such projects. When a project is completed or when a segment of a large project is completed and placed in service, the cost of the completed project or the completed segment thereof shall be transferred to the appropriate road and equipment primary accounts. Separate subaccounts may be maintained for road, equipment, or other classes of expenditures. Expenditures for relatively unimportant projects may be included directly in primary accounts.

RAILWAY OPERATING REVENUE ACCOUNTS

Transportation Revenue Accounts

100 Transportation; rail line.

The primary accounts included in this general account are designed to show amounts of money which the carrier becomes entitled to receive or which accrue to its benefit from services rendered in transporting property or persons by rail line.

101 Freight.

(a) This account shall include revenue from the transportation of freight and from transit, stop, and reconsigning privileges, upon the basis of lawful tariff rates.

(b) This account shall include collections in excess of tariff charges, except where such amounts are segregated and held subject to refund.

(c) Proceeds derived from the sale of unclaimed and refused freight which has been transported in accordance with the contract of shipment shall be credited to this account in cases where such items can be readily identified. Uncollected tariff charges on such shipments shall be charged to this account.

(d) Amounts determined to be uncollectible shall be accounted for in accordance with the text of account 63–61–00 "General—Uncollectible accounts."

ITEMS TO BE CREDITED

(a) Revenue upon the basis of local freight tariff rates, regardless of class of train in which the freight is transported.

(b) The carrier's proportion of revenue upon the basis of through freight tariff rates, regardless of class of train on which the freight is transported.

(c) Revenue from transportation of mail matter, and empty mail pouches, at freight rates.

(d) Revenue from transportation of freight on special trains at rates based on weights of shipments.

(e) Revenue on basis of classifications and freight tariffs from transportation of caretakers of freight shipments.

(f) Revenue from reconsigning privileges.

(g) Revenue from stop privileges.

(h) Revenue from transit privileges.

(i) Revenue upon the basis of arbitraries out of freight, rates for water transfers (ferriage, lighterage, and floatage).

(j) Revenue from transportation of trailers and containers on flat cars in TOFC/COFC service upon the basis of all-rail line-haul freight tariff rates and under arrangements for motor carrier-railroad joint haul, and from the loading and unloading of trailers and containers on and from flat cars upon the basis of tariff rates and under arrangements for motor carrier-railroad joint haul.

ITEMS TO BE CHARGED

(a) Amounts paid as bridge and ferry arbitraries on freight.

(b) Amounts paid for completing a haul.

(c) Amounts paid for elevation of freight.

(d) Amounts paid for switching services, in connection with the transportation of freight, on the basis of switching tariffs, and allowances out of through rates, including amounts paid for switching empty cars in connection with a freight revenue movement.

(e) Amounts paid for transferring freight between stations.

(f) Arbitraries and allowances to others for lighterage and wharfage.

(g) The carrier's proportion of overcharges resulting from the use of erroneous rates, weights, classifications or computations.

(h) The carrier's proportion of refunds on account of errors in routing and billing.

(i) The carrier's proportion of uncollected revenue on freight loss or destroyed in transit.

(j) The carrier's proportion of uncollected tariff charges on damaged shipments for which charges neither shipper nor consignee is liable.

(k) Amounts paid on basis of tariff rates for loading and unloading livestock.

(l) Amounts paid to motor truck companies for hauling trailers and containers to and from TOFC/COFC terminals, and allowances to shippers who perform such service on the basis of tariff rates.

NOTE A.—Amounts paid for switching empty cars other than in connection with loaded movements shall be charged to operating expense account 61–32–XX, "General — Other Expenses — Transportation — Yard—Freight," except that amounts paid for switching equipment for repairs shall be included in the appropriate equipment repair accounts.

NOTE B.—Other carriers' proportion of revenue and of uncollectible undercharges paid by the carrier on account of its errors in routing and billing shall be charged to operating expense account 61–35–76, "General—Other Expenses—Transportation—Administrative Support."

NOTE C.—When a lessee company transports freight over the tracks of another carrier on the basis of a proportion of revenues under a joint arrangement, it shall include the entire compensation in its revenues and statistics, charging the appropriate joint facility expense and rental accounts with the amounts paid the lessor company, and the lessor company shall credit the corresponding accounts.

NOTE D.—Revenue from the transportation of caretakers of freight shipments, when not included as a part of the freight charges on the waybill covering the freight shipments, shall be credited to account 102, "Passenger."

NOTE E.—This account shall be maintained so as to show separately payments and allowances for (a) terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates, further separated between (1) TOFC/COFC service, and (2) all other freight service; also (b) payments for switching services when per-

formed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement, and (c) payments on basis of tariff rates for loading and unloading livestock.

102 Passenger.

This account shall include the revenue from transportation of passengers at passenger tariff fares, from the transportation of passengers at special fares as provided by law, and from incidental charges in connection therewith.

ITEMS TO BE CREDITED

(a) Revenue from local passenger fares.
(b) The carrier's proportion of revenue from interline passenger fares.
(c) Revenue from extra fares.
(d) Revenue from additional fares or charges for exclusive use of a passenger car, drawing room, compartment, bedroom, etc.
(e) Revenue from mileage and scrip coupons honored for all services covered by this account.
(f) Revenue from transportation of passengers in special cars or on special trains when charge is based on passenger fare per capita, regardless of the number of passengers actually transported.
(g) Revenue from a guaranteed minimum amount not based on per capita fare, for transportation of passengers on special or chartered trains.
(h) Cash fare penalty collections.
(i) Unclaimed collections and deposits for transportation of passengers.
(j) Passenger fare overcharges.
(k) Revenue from transportation of corpses, based on passenger fares.
(l) Revenue from water transfers (ferriage), bridge tolls, and transfers between railway stations or between railway stations and docks, received as arbitraries in divisions of passenger fares.

ITEMS TO BE CHARGED

(a) Amounts paid as bridge tolls, and also for ferry, depot to depot and depot to dock passenger transfer service.
(b) Amounts paid for switching in completing a passenger transportation movement.
(c) Amounts paid for switching empty passenger-train cars in connection with transportation of passengers. (See Note C.)
(d) Redemptions of unused and partially unused local tickets and redemptions of carrier's proportions of unused and partially unused interline tickets.
(e) Refund of extra fares, cash fare penalty collections, and overcharges in excess of tariff fares.
(f) Uncollectible undercharges.

NOTE A.—Gross receipts from the sale of mileage tickets, and scrip books shall be credited to a suspense account. The suspense account shall be charged and this account credited with the value of coupons as honored, in connection with any of the services provided for in "Items To Be Credited."

NOTE B.—When a lessee company transports passengers over the tracks of another company under a joint arrangement upon the basis of a proportion of the passenger revenue, it shall include the entire compensation in its passenger revenue and statistics, charging the appropriate joint facility expense and rental accounts with the amounts paid the lessor company and the lessor company shall credit the corresponding joint facility accounts.

NOTE C.—Amounts paid for switching empty passenger-train cars other than in connection with loaded movements, shall be charged to account 61-42-XX, "General—Other Expenses—Transportation—Yard—Passenger," except that when switched for repairs, the amounts paid shall be included in account 39-25-45, "Purchased Services—Repairs Billed by Others—Equipment—Other Equipment."

NOTE D.—Amounts determined to be uncollectible shall be accounted for in accordance with the text of account 63-62-00, "General—Uncollectible accounts."

103 Passenger—related.

This account shall include the revenue from the transportation of baggage, packages, etc. on passenger trains at *other than freight or express tariff rates*. This account shall also include the revenue from berth and seat accommodations furnished in sleeping, parlor observation, chair, and other special passenger cars, also the revenue derived from the operation of passenger trains not provided for elsewhere, and dining and buffet service.

The amounts recorded in this account shall not include aid in the form of abatement or forgiveness of taxes, assumption by local governments of station maintenance costs, and other similar special indirect benefits, contributed by governmental agencies.

104 Switching.

(a) This account shall include the revenue from switching service upon the basis of lawful tariff rates. To this account shall be credited the carrier's revenue upon the basis of tariff rates, or the carrier's allowance out of through rates, from the switching of cars of all kinds, loaded or empty, either locally at a station or within a switching district, between connecting lines, between local industries, or between connecting lines and local industries; revenue upon the basis of distinct tariff rates for "trapcar" and "ferry-car" service and for spotting cars; also the revenue from interwork switching at industrial plants, and the revenue from "penalty switching" incident to the improper delivery of cars by other carriers.

(b) To this account shall be charged amounts paid others for switching when such switching service is provided for in the switching rate charged by the carrier.

NOTE.—"Penalty switching" charges paid by the carrier shall be included in expense account 61-32-XX, "General—Other Expenses—Transportation—Yard—Freight."

105 Water transfers.

(a) This account shall include the revenue, from the transfer by water (ferriage, lighterage, and floatage) of passenger, freight, vehicles and livestock, upon the basis of lawful local tariff rates.

(b) This account also shall include revenue from water transfers of other traffic, such as the revenue from towing beyond lighterage limits and all other towing for which an extra charge is made; insurance of freight afloat when billed out at other than cost; storage of freight afloat; grain overage in boats; pumping performed for outside parties; and from other similar sources.

(c) To this account shall be charged amounts payable to other companies or individuals for extra lighterage, extra towing, and for all other service when such payments represent revenue collected and credited to this account and not a direct expense.

NOTE.—No revenue shall be included in this account for water transfers of passengers or shipments upon the basis of arbitraries out of rates for transportation involving rail line haul.

106 Demurrage.

This account shall include the revenue from the detention of cars incident to loading, unloading, reconsigning, and stops in transit upon the basis of lawful tariffs for demurrage. This account shall also include the revenue from the detention of trailers and containers used in TOFC/COFC service, incident to loading and unloading, upon the basis of tariff rates.

NOTE.—This account shall be maintained so as to reflect separately (1) revenue from detention of cars, and (2) revenue from detention of trailers and containers used in TOFC/COFC service.

110 Incidental.

This account is designed to show the amounts which the carrier becomes entitled to receive from services rendered incidentally with rail-line and water-line transportation; for the use of facilities of which the expenses for operation and maintenance are not separable from railway expenses and from incidental sources not provided for elsewhere. Among the items included in this account are revenues derived from (1) hotels and restaurants, (2) operations conducted at stations and on trains by individual or companies other than railway companies, (3) storage, (4) the sale of electric power, (5) renting property operated and maintained in connection with the property used in the carrier's transportation operations and from railway operations not provided for elsewhere.

Joint Facility Revenue Accounts

120 Joint facility.

The primary accounts included in this general account are designed to show the carrier's proportion of revenues collected by others in connection with operation of joint facilities and the amount payable by the carrier to other companies from operation of joint facilities.

121 Joint facility—credit.

This account shall include the carrier's proportion of revenue collected by others in connection with the operation of joint tracks, yards, terminals, and other facilities, including revenue from hotels, restaurants, grain elevators, sale of power, and other miscellaneous operations.

NOTE A.—The purpose of this account is to show the amounts of revenue from the operation of joint tracks, yards, terminals and other facilities operated by other companies, which under existing contracts or agreements are credited by the operating company to the tenant companies which participate therein. The bill rendered by any creditor company against a debtor company for the latter's proportion of the expense of maintenance and operation of joint facilities, which includes also a credit covering a proportion of the revenue to be paid over, shall show the distribution of the credit for

such proportion of the revenue separately from the distribution of the expense of operation.

NOTE B.—No credits shall be made to this account representing amounts creditable by the operating company to primary accounts 101–103, 105 and 110.

122 Joint facility—debit.

This account shall include that proportion of revenue from the operation of joint tracks, yards, terminals, and other facilities, which is creditable to other companies, including revenue from hotels, restaurants, grain elevators, sale of power, and other miscellaneous operations.

NOTE A.—The purpose of this account is to show the amount of revenue from operation of a terminal company or other carrier which, under the terms of existing contracts or agreements covering the joint use of tracks, yards, and other facilities, is credited to other carriers that participate in the benefits from such joint use. The bill rendered by a creditor company against a debtor company for the latter's proportion of expense of maintaining and operating joint facilities, which includes a credit covering the debtor company's proportion of the revenues from operation of such joint facilities, shall indicate separately the proper distribution of both the revenues and the expenses included in the bill, and such distribution shall be adhered to by the debtor.

NOTE B.—No debits shall be made to this account representing amounts creditable by the operating company to primary accounts 101–103, 105 and 110.

Coding structure for railway operating expense accounts

	[1]XX-00 Control	Way and structures XX-10			Equipment XX-20			Transportation XX-30, 40, 50, and 60					
		Running	Switching	Other	Locomotive	Freight cars	Other equipment	Train	Yard	Train and yard common	Specialized services	Administrative support	General and administrative
Freight	XX-00	XX-11	XX-12	XX-13	XX-21	XX-22	XX-23	XX-31	XX-32	XX-33	XX-34	XX-35	XX-61
Passenger [1]	XX-00	XX-14	XX-15	XX-16	XX-24	XX-22	XX-25	XX-41	XX-42	XX-43	XX-34	XX-45	XX-62
Common [1]	XX-00	XX-17	XX-18	XX-19	XX-26	XX-22	XX-27	XX-51	XX-52	XX-53	XX-34	XX-55	XX-63
Personnel	10-00												
Salaries and wages	11-00	[2] 11-11	[2] 11-12	[2] 11-13	[2] 11-21	[2] 11-22	[2] 11-23	[2] 11-31	[2] 11-32	[2] 11-33	[2] 11-34	[2] 11-35	[2] 11-61
Fringe benefits	12-00	12-11	12-12	12-13	12-21	12-22	12-23	12-31	12-32	12-33	12-34	12-35	12-61
Materiel	20-00												
Material, tools, supplies, fuel, lubricants	21-00	[2] 21-11	[2] 21-12	[2] 21-13	[2] 21-21	[2] 21-22	[2] 21-23	[2] 21-31	[2] 21-32	[2] 21-33	[2] 21-34	[2] 21-35	[2] 21-61
Purchased services	30-00												
Lease rentals—DR	31-00	31-11	31-12	31-13	31-21	31-22	31-23						
Lease rentals—CR	32-00	32-11	32-12	32-13	32-21	32-22	32-23						
JT facility rent—DR	33-00	33-11	33-12	33-13	33-21	33-22	33-23						
JT facility rent—CR	34-00	34-11	34-12	34-13	34-21	34-22	34-23						
Other rents—DR	35-00	35-11	35-12	35-13	35-21	35-22	35-23						
Other rents—CR	36-00	36-11	36-12	36-13	36-21	36-22	36-23						
JT facility—DR	37-00	37-11	37-12	37-13	37-21	37-22	37-23	37-31	37-32		37-34	37-35	37-61
JT facility—CR	38-00	38-11	38-12	38-13	38-21	38-22	38-23	38-31	38-32		38-34	38-35	38-61
Repairs billed by others—DR	39-00	[2] 39-11	[2] 39-12	[2] 39-13	[2] 39-21	[2] 39-22	[2] 39-23						
Repairs billed to others—CR	40-00	[2] 40-11	[2] 40-12	[2] 40-13	[2] 40-21	[2] 40-22	[2] 40-23						
Other purchase services	41-00	[2] 41-11	[2] 41-12	[2] 41-13	[2] 41-21	[2] 41-22	[2] 41-23	[2] 41-31	[2] 41-32	[2] 41-33	[2] 41-34	[2] 41-35	[2] 41-61
Claims and insurance	50-00												
Loss damage claims	51-00							51-31	51-32	51-33	51-34		
Other casualties	52-00	52-11	52-12	52-13	52-21	52-22	52-23	52-31	52-32		52-34	52-35	52-61
Insurance	53-00	53-11	53-12	53-13	53-21	53-22	53-23	53-31	53-32		53-34	53-35	53-61
General	60-00												
Other expenses	61-00	[2] 61-11	[2] 61-12	[2] 61-13	[2] 61-21	[2] 61-22	[2] 61-23	[2] 61-31	[2] 61-32		[2] 61-34	[2] 61-35	[2] 61-61
Depreciation	62-00	62-11	62-12	62-13	62-21	62-22	62-23						
Uncollectable accounts	63-00												63-61
Property taxes	64-00												64-61
Other taxes	65-00												65-61

[1] The account numbers shown on this matrix are for freight only. The account numbers for passenger and common are derived by applying the natural expense code (1st 2 digits) to the activity codes shown. Natural expenses are used only in the same activities as shown for freight.

[2] Expenses shall be reported by precisely defined functions. (See account text.)

Function code use—way and structures

Code	Functions	Running			Switching			Other		
		[1]F	P	C[1]	F	P	C	F	P	C
	ADMINISTRATION									
02	Track							X	X	X
03	Bridges and buildings							X	X	X
04	Signals							X	X	X
05	Communications							X	X	X
06	Other							X	X	X
	REPAIRS AND MAINTENANCE									
10	Roadway	X	X	X	X	X	X			
11	Tunnels and subways	X	X	X	X	X	X			
12	Bridges and culverts	X	X	X	X	X	X			
13	Ties	X	X	X	X	X	X			
14	Rails	X	X	X	X	X	X			
15	Other track material	X	X	X	X	X	X			
16	Ballast	X	X	X	X	X	X			
17	Track laying and surfacing	X	X	X	X	X	X			
19	Signals and interlockers	X	X	X	X	X	X			
20	Communication systems							X	X	X
21	Electric power systems							X	X	X
22	Highway grade crossings	X	X	X	X	X	X			
23	Station and office buildings							X	X	X
24	Shop buildings—locomotives							X	X	X
25	Shop buildings—freight cars							X		
26	Shop buildings—other equipment							X	X	X
27	Locomotive servicing facilities							X	X	X
28	Miscellaneous buildings and structures							X	X	X
29	Coal terminals							X		
30	Ore terminals							X		
31	TOFC/COFC terminals							X		
32	Other marine terminals							X		
33	Motor vehicle loading and distribution facilities							X		
35	Facilities—other specialized services operations							X		
36	Roadway machines							X	X	X
37	Small tools and supplies							X	X	X

Code	Functions	Running			Switching			Other		
		[1]F	P	C[1]	F	P	C	F	P	C
38	Snow removal							X	X	X
39	Dismantling retired property	X	X	X	X	X	X	X	X	X
48	Road property damaged	X	X	X	X	X	X	X	X	X
	OTHER									
99	Other	X	X	X	X	X	X	X	X	X

[1] F—Freight; P—Passenger; C—Common.

Function code use—Equipment

Code	Functions	Locomotives			Freight cars			Other equipment		
		F	P	C[1]	F	P	C	F	P	C
	ADMINISTRATION									
01	Administration	X	X	X	X			X	X	X
	REPAIR AND MAINTENANCE									
39	Dismantling retired property	X	X	X	X			X	X	X
40	Machinery	X	X	X	X			X	X	X
41	Locomotives	X	X	X						
42	Freight cars				X					
43	Trucks, trailers, containers in revenue service							X		
44	Floating equipment in revenue service							X		
45	Passenger and other revenue equipment							X	X	X
46	Computers and EDP equipment							X	X	X
47	Work and other nonrevenue equipment							X	X	X
48	Equipment damaged	X	X	X	X			X	X	X
	OTHER									
99	Other	X	X	X	X			X	X	X

[1] F—Freight; P—Passenger; C—Common.

Function code use—transportation

Code	Functions	Train			Yard			Train and yard common			Specialized services			Administrative support		
		[1]F	P	C	F	P	C	F	P	C	F	P	C	F	P	C
	ADMINISTRATION															
01	Administration	X	X	X	X	X	X				X			X	X	X
	OPERATIONS															
56	Engine crews	X	X	X												
57	Train crews	X	X	X												
58	Dispatching trains	X	X	X												
59	Operating switches signals interlockers retarders humps	X	X	X	X	X	X									
60	Operating drawbridges	X	X	X												
61	Highway crossing protection	X	X	X												
62	Train inspection and lubrication	X	X	X												
63	Clearing wrecks	X	X	X	X	X	X									
64	Switch crews				X	X	X									
65	Controlling operations				X	X	X									
66	Yard and terminal clerical				X	X	X									
67	Locomotive fuel	X	X	X	X	X	X									
68	Electric power purchased/produced for motive power	X	X	X	X	X	X									
69	Servicing locomotives	X	X	X	X	X	X									
70	Cleaning car interiors							X	X	X						
71	Adjusting, transferring loads							X								
72	Car loading devices and grain doors							X								
73	Pickup and delivery, marine line haul, rail substitute service										X					
74	Loading, unloading, local marine										X					
75	Protective services										X					
76	Clerks and accounting employees													X	X	X
77	Communications systems operations													X	X	X
78	Loss and damage claims processing													X	X	X
	OTHER															
99	Other	X	X	X	X	X	X				X			X	X	X

[1] F—Freight; P—Passenger; C—Common.

Function code use—general and administrative

Code	Functions	Freight	Passenger	Common
	ADMINISTRATION			
01	Administration	×	×	×
	GENERAL			
86	Accounting, auditing, finance	×	×	×
87	Management services and data processing	×	×	×
88	Marketing	×	×	×
89	Sales	×	×	×
90	Industrial development	×		
91	Personnel, labor relations	×	×	×
92	Legal and secretarial	×	×	×
93	Public relations and advertising	×	×	×
94	Research and development	×	×	×
	OTHER			
99	Other	×	×	×

Operating expense accounts for class II railroads

		Labor	Material	Other
	Way and structures			
201	Administration			
202	Repair and maintenance, roadway			
203	Repair and maintenance, structures			
204	Joint facilities—Dr	NA	NA	
205	Joint Facilities—Cr	NA	NA	
206	Casualties and insurance	NA	NA	
207	Other expenses			
208	Depreciation	NA	NA	
	Equipment			
211	Administration			
212	Repair and maintenance, machinery			
213	Repair and maintenance, locomotives			
214	Repair and maintenance, cars			
215	Repair and maintenance, other equipment			
216	Joint facilities—Dr	NA	NA	
217	Joint facilities—Cr	NA	NA	
218	Equipment rents—Dr	NA	NA	
219	Equipment rents—Cr	NA	NA	
220	Casualties and insurance	NA	NA	
221	Other expenses			
222	Depreciation	NA	NA	
	Transportation			
231	Administration			
232	Road crews			
233	Road fuel and power			
234	Other road expenses			
235	Joint facilities—road—Dr	NA	NA	
236	Joint facilities—road—Cr	NA	NA	
242	Yard crews			
243	Yard fuel and power			
244	Other yard expenses			
245	Joint facilities—yard—Dr	NA	NA	
246	Joint facilities—yard—Cr	NA	NA	
252	Specialized services operations			
	TRANSPORTATION			
253	Administrative support operations			
255	Joint facilities—other transportation—Dr	NA	NA	
256	Joint facilities—other transportation—Cr	NA	NA	
257	Loss and damage claims	NA	NA	
258	Casualties and insurance	NA	NA	
259	Other expenses			
	GENERAL AND ADMINISTRATIVE			
271	Administration			
272	Administrative operations			
273	Joint facilities—Dr	NA	NA	
274	Joint facilities—Cr	NA	NA	
275	Casualties and insurance	NA	NA	
276	Other expenses			
277	Uncollectible accounts	NA	NA	
278	Property and other taxes	NA	NA	

OPERATING EXPENSE ACCOUNT EXPLANATIONS

Personnel—

Control—10–00–00

This account may be used as a control account for all accounts in the PERSONNEL Series: Salaries and Wages. Fringe Benefits Not Included in Compensation

Salaries and Wages—Control—11–00–00

This control account includes the compensation payable to employees for services performed. It includes amounts payable in connection with profit sharing and stock option plans that are part of employee compensation. This control account also includes amounts of compensation payable to employees for paid time off as a fringe benefits: vacation pay, holiday pay, sick pay, and other payments considered direct compensation for time not worked. Amounts of labor billed by contractors, other companies, and joint facilities, are not considered salaries and wages of the carrier company and are not to be included in this account group. Its components shall be distributed to the following accounts in accordance with instruction 1–14:

Salaries and Wages—Way and Structures—Running—
Freight, 11–11–XX
Passenger, 11–14–XX
Common, 11–17–XX

Each account includes the compensation payable to all repair and maintenance employees and others who are associated with the repair and maintenance of the carrier's roadway and track on the line of road and outside of classification yards. Compensation payable to officers and technical and clerical employees shall only be assigned to Way and Structures—Other. Each account shall be subdivided by the following functions:

Repair and Maintenance—
Roadway, 11–XX–10
Tunnels and Subways, 11–XX–11
Bridges and Culverts, 11–XX–12
Track Laying and Surfacing, 11–XX–17
Signals and Interlockers, 11–XX–19
Highway Grade Crossings, 11–XX–22
Dismantling Retired Property, 11–XX–39
Road Property and Equipment Damaged, 11–XX–48
Other—Other, 11–XX–99
Salaries and Wages—Way and Structures—Switching—
Freight, 11–12–XX
Passenger, 11–15–XX
Common, 11–18–XX

Each account includes the compensation payable to all repair and maintenance employees and others who are associated with the repair and maintenance of the carrier's roadway and track within classification yards and stations. Compensation payable to officers and technical and clerical employees shall be assigned to Way and Structures—Other. Each account shall be subdivided by the following functions:

Repair and Maintenance—
Roadway, 11–XX–10
Tunnels and Subways, 11–XX–11
Bridges and Culverts, 11–XX–12
Track Laying and Surfacing, 11–XX–17
Signals and Interlockers, 11–XX–19
Highway Grade Crossings, 11–XX–22
Dismantling Retired Property, 11–XX–39
Road Property and Equipment Damaged, 11–XX–48
Other—Other, 11–XX–99
Salaries and Wages—Way and Structures—Other—
Freight, 11–13–XX
Passenger, 11–16–XX
Common, 11–19–XX

Each account includes the compensation payable to all repair and maintenance employees and others who are associated with the repair and maintenance of the carrier's structures other than roadway and track. Each administration account (functions 02–06) includes the compensation payable to all officers and technical and clerical employees associated with the Way and Structures Activity. Each account shall be subdivided by the following functions:

Administration—
Track, 11–XX–02
Bridges and Buildings, 11–XX–03
Signals, 11–XX–04
Communications, 11–XX–05
Others, 11–XX–06
Repair and Maintenance—
Communication Systems, 11–XX–20
Electric Power Systems, 11–XX–21
Station and Office Buildings, 11–XX–23
Shop Buildings—Locomotives, 11–XX–24
Shop Buildings—Freight Cars, 11–13–25
Shop Buildings—Other, 11–XX–26
Locomotive Servicing Facilities, 11–XX–27
Miscellaneous Buildings and Structures, 11–13–28
Coal Terminals, 11–13–29

Ore Terminals, 11–13–30
TOFC/COFC Terminals, 11–13–31
Other Marine Terminals, 11–13–32
Motor Vehicle Loading and Distribution Facilities, 11–13–33
Facilities for Other Specialized Services Operations, 11–13–35
Roadway Machines, 11–XX–36
Small Tools and Supplies, 11–XX–37
Snow Removal, 11–XX–38
Dismantling Retired Property, 11–XX–39
Road Property and Equipment Damaged, 11–XX–48
Other—Other, 11–XX–99
Salaries and Wages—Equipment—Locomotives—
Freight, 11–21–XX
Passenger, 11–24–XX
Common, 11–26–XX

Each account includes the compensation payable to all officers and technical and clerical employees, repair and maintenance employees, and others who are associated with the repair and maintenance of locomotives, whether owned by the carrier or by others. Each account shall be subdivided by the following functions:

Administration—General, 11–XX–01
Repair and Maintenance—
Dismantling Retired Property, 11–XX–39
Shop Machinery, 11–XX–40
Locomotives, 11–XX–41
Road Property and Equipment Damaged, 11–XX–48
Other—Other, 11–XX–99
Salaries and Wages — Equipment — Freight Cars—
Freight, 11–22–XX

This account includes the compensation payable to all officers, technical and clerical employees, repair and maintenance employees, and others, who are associated with the repair and maintenance of freight cars, whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—General, 11–22–01
Repair and Maintenance—
Dismantling Retired Property, 11–22–39
Shop Machinery, 11–22–40
Freight Cars, 11–22–42
Road Property and Equipment Damaged, 11–22–48
Other—Other, 11–22–99
Salaries and Wages—Equipment—Other Equipment—
Freight, 11–23–XX
Passenger, 11–25–XX
Common, 11–27–XX

Each account includes the compensation payable to all officers, technical and clerical employees, repair and maintenance employees, and others, who are associated with the repair and maintenance of equipment other than locomotives and freight cars, whether owned by the carrier or by others. Each account shall be subdivided by the following functions:

Administration—General, 11–XX–01
Repair and Maintenance—
Dismantling Retired Property, 11–XX–39
Shop Machinery, 11–XX–40
Trucks, Trailers, Containers in Revenue Service, 11–23–43
Floating Equipment—Revenue Service, 11–23–44
Passenger and Other Revenue Service, 11–XX–45
Computers and Data Processing Equipment, 11–XX–46
Work and Other Non-Revenue Equipment, 11–XX–47
Road Property and Equipment Damaged, 11–XX–48
Other—Other, 11–XX–99
Salaries and Wages—Transportation—Train—
Freight, 11–31–XX
Passenger, 11–41–XX
Common, 11–51–XX

Each account includes the compensation payable to all officers, technical and clerical employees, engine and train crews, and other operational employees, who are associated with the dispatching and operation of freight trains over the roadway and outside of classification yards. Each account shall be subdivided by the following functions:

Administration—General, 11–XX–011
Operations—
Engine Crews, 11–XX–56
Train Crews, 11–XX–57
Dispatching Trains, 11–XX–58
Operating Switches, Signals, Interlockers, Retarders, Humps, 11–XX–59
Operating Drawbridges, 11–XX–60
Highway Crossing Protection, 11–XX–61
Train Inspection and Lubrication, 11–XX–62
Clearing Wrecks, 11–XX–63
Locomotive Fuel, 11–XX–67
Electric Power Purchased/Produced for Motive Power, 11–XX–68
Servicing Locomotives, 11–XX–69
Other—Other, 11–XX–99
Salaries and Wages—Transportation—Yard—
Freight, 11–32–XX
Passenger, 11–42–XX
Common, 11–52–XX

Each account includes the compensation payable to all officers, technical and clerical employees, engine and train crews, and other operational employees, who are associated with the movement of freight cars within classification yards and in terminal switching and transfer service. Each account shall be subdivided by the following functions:

Administration—General, 11–XX–01
Operations—
Operating Switches, Signals, Interlockers, Retarders, Humps, 11–XX–59
Clearing Wrecks, 11–XX–63
Switch Crews, 11–XX–64
Controlling Operations, 11–XX–65
Yard and Terminal Clerical, 11–XX–66
Locomotive Fuel, 11–XX–67
Electric Power Purchased/Produced for Motive Power, 11–XX–68
Servicing Locomotives, 11–XX–69
Other—Other, 11–XX–99
Salaries and Wages—Transportation—Train and Yard Common—
Freight, 11–33–XX
Passenger, 11–43–XX
Other, 11–53–XX

Each account includes the compensation payable to all officers, technical and clerical employees, engine and train crews, and other operational employees performing functions incurred on behalf of both train and yard operations. Each account shall be subdivided by the following functions:

Operations—
Cleaning Car Interiors, 11–XX–70
Adjusting and Transferring Loads, 11–33–71
Car Loading Devices and Grain Doors, 11–33–72
Salaries and Wages—Transportation—Specialized Services—
Freight, 11–34–XX

This account includes the compensation payable to all officers, technical and clerical employees, engine and train crews, and other operational employees who are associated with operating services which are specialized in nature and in cost characteristics. The specialized services designated by the Commission appear within the definition of specialized services. This account shall be subdivided by the following functions:

Administration—General, 11–34–01
Operations—
Pick Up and Delivery, Marine Line Haul, and Rail Substitute Service, 11–34–73
Loading, Unloading, and Local Marine, 11–34–74
Protective Services, 11–34–75
Other—Other, 11–34–99
Salaries and Wages—Transportation—Administrative Support—
Freight, 11–35–XX
Passenger, 11–45–XX
Common, 11–55–XX

Each account includes the compensation payable to all officers, technical and clerical employees, engine and train crews, and other operational employees, who are associated with providing direct administrative support for the Transportation Activity. For further clarification refer to the definition of the Administrative Support Operations Subactivity. Each account shall be subdivided by the following functions:

Administration—General, 11–XX–01
Operations—
Clerical and Accounting Employees, 11–XX–76
Communication Systems Operations, 11–XX–77
Loss and Damage Claims Processing, 11–XX–78

Other—Other, 11–XX–99
Salaries and Wages—General and Administrative—
Freight, 11–61–XX
Passenger, 11–62–XX
Common, 11–63–XX

Each account includes the compensation payable to all employees who are associated with overall administration or other general support for carrier operations. Overall administration includes executive, legal, financial, treasury, accounting, budgeting, taxation, corporate planning, costing, marketing, advertising, traffic, corporate secretary, public relations, real estate, insurance administration, personnel administration, pension plan administration, general purchasing, labor relations, internal auditing, industrial engineering, and regulatory reporting. For further clarification refer to the definition of the General and Administrative Activity. Each account shall be subdivided by the following functions:

Administration—General, 11–XX–01
General—
Accounting, Auditing, Finance, 11–XX–86
Management Services and Data Processing, 11–XX–87
Marketing, 11–XX–88
Sales, 11–XX–89
Industrial Development, 11–61–90
Personnel and Labor Relations, 11–XX–91
Legal and Secretarial, 11–XX–92
Public Relations and Advertising, 11–XX–93
Research and Development, 11–XX–94
Other—Other, 11–XX–99

Fringe Benefits Not Included in Compensation—Control. This control account includes amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation. These benefits include the carrier portions of Railroad Retirement contributions, pension expense, unemployment taxes, dental plans, health plans, hospitalization insurance, life insurance, subsidies for employee lunchrooms, company entertainment facilities for personal use, and other benefits to employees that are not includible in direct compensation. They exclude travel expense on company business, casualties, workmen's compensation, as well as dues, memberships, and similar items when the direct beneficiary is clearly the company rather than the employee.

Fringe Benefits Not Included in Compensation—Way and Structures—Running—
Freight, 12–11–00
Passenger, 12–14–00
Common, 12–17–00

Each account includes amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the repair and maintenance of the carrier's roadway and track on the line of road and outside of classification yards.

Fringe Benefits Not Included in Compensation—Ways and Structures—Switching—
Freight, 12–12–00
Passenger, 12–15–00
Common, 12–18–00

Each account includes amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with repair and maintenance of the carrier's roadway and track within classification yards and stations.

Fringe Benefits Not Included in Compensation—Way and Structures—Other—
Freight, 12–13–00
Passenger, 12–16–00
Common, 12–19–00

Each account includes amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the repair and maintenance of the carrier's structures other than roadway and track, and who are associated with the Administration of the Way and Structures Activity.

Fringe Benefits Not Included in Compensation — Equipment — Locomotives—
Freight, 12–21–00
Passenger, 12–24–00
Common, 12–26–00

Each account includes amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the repair and maintenance of locomotives, whether owned by the carrier or by others.

Fringe Benefits Not Included in Compensation — Equipment — Freight Cars—
Freight, 12–22–00

This account includes amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the repair and maintenance of freight cars, whether owned by the carrier or by others.

Fringe Benefits Not Included in Compensation — Equipment — Other Equipment—
Freight, 12–23–00
Passenger, 12–25–00
Common, 12–27–00

Each account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the repair and maintenance of equipment other than locomotives and freight cars, whether owned by the carrier or by others.

Fringe Benefits Not Included in Compensation—Transportation—Train—
Freight, 12–31–00
Passenger, 12–41–00
Common, 12–51–00

Each account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the dispatching and operating of freight trains over the roadway and outside of classification yards.

Fringe Benefits Not Included in Compensation—Transportation—Yard—
Freight, 12–32–00
Passenger, 12–42–00
Common, 12–52–00

Each account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the movement of freight cars within classification yards and in terminal switching and transfer service.

Fringe Benefits Not Included in Compensation — Transportation — Train and Yard Common—
Freight, 12–23–00
Passenger, 12–43–00
Common, 12–53–00

Each account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees performing functions incurred on behalf of both train and yard operations.

Fringe Benefits Not Included in Compensation—Transportation—Specialized Services—
Freight, 12–34–00

This account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with operating services which are specialized in nature and in cost characteristics. The specialized services designated by the Commission appear within the definition of specialized services.

Fringe Benefits Not Included in Compensation—Transportation—Administrative Support—
Freight, 12–35–00
Passenger, 12–45–00
Common, 12–55–00

Each account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with providing direct administrative support for the Transportation Activity. For further clarification refer to the definition of the Administrative Support Operations Subactivity.

Fringe Benefits Not Included in Compensation—General and Administrative—
Freight, 12–61–00
Passenger, 12–62–00
Common, 12–63–00

Each account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who provide overall administration or other general support for carrier operations. Overall administration includes executive, legal, financial, treasury, accounting, budgeting, taxation, corporate planning, costing, marketing, advertising, traffic, corporate secretary, public relations, real estate, insurance administration, personnel administration, pension plan administration, general purchasing, labor relations, internal auditing, industrial engineering, and regulatory reporting. For further clarification refer to the definition of the General and Administrative Activity.

Materiel—

Control—20–00–00

This account may be used as a control account for the MATERIEL series: Materials, Tools, Supplies, Fuels, Lubricants.

Materials, Tools, Supplies, Fuels, Lubricants—Control—21–00–00

This account group includes the cost of items installed or commodities consumed which are charged to expense in connection with carrier operations. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. This account excludes purchased services such as utilities, communications, postage and other items of similar nature.

Materials, Tools, Supplies, Fuels, Lubricants—Way and Structures—Running—
Freight, 21–11–XX
Passenger, 21–14–XX
Common, 21–17–XX

Each account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of the carrier's roadway and track on the line of the road and outside of classification yards. Each account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials, and supplies, and similar items. Its components shall be distributed to the following functions in accordance with instruction 1–8:

Repair and Maintenance—
Roadway, 21–XX–10
Tunnels and Subways, 21–XX–11
Bridges and Culverts, 21–XX–12
Ties, 21–XX–13
Rails, 21–XX–14
Other Track Material, 21–XX–15
Ballast, 21–XX–16
Track Laying and Surfacing, 21–XX–17
Signals and Interlockers, 21–XX–19
Highway Grade Crossings, 21–XX–22
Dismantling Retired Property, 21–XX–39
Road Property and Equipment Damaged, 21–XX–48
Other—Other, 21–XX–99
Materials, Tools, Supplies, Fuels, Lubricants—Way and Structures—Switching—
Freight, 21–12–XX
Passenger, 21–15–XX
Common, 21–18–XX

Each account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of the carrier's roadway and track within classification yards and stations. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 1–8:

Repair and Maintenance—
Roadway, 21–XX–10
Tunnels and Subways, 21–XX–11
Bridges and Culverts, 21–XX–12
Ties, 21–XX–13
Rails, 21–XX–14
Other Track Material, 21–XX–15
Ballast, 21–XX–16
Track Laying and Surfacing, 21–XX–17
Signals and Interlockers, 21–XX–19
Highway Grade Crossings, 21–XX–22
Dismantling Retired Property, 21–XX–39
Road Property and Equipment Damaged, 21–XX–48
Other—Other, 21–XX–99
Materials, Tools, Supplies, Fuel, Lubricants—Way and Structures—Other—
Freight, 21–13–XX
Passenger, 21–16–XX
Common, 21–19–XX

Each account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of the carrier's structures not provided for in running or switching. Each account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 1–8:

Administration—
Track, 21–XX–02
Bridges and Buildings, 21–XX–03
Signals, 21–XX–04
Communications, 21–XX–05
Other, 21–XX–06
Repair and Maintenance—
Communication Systems, 21–XX–20
Electric Power Systems, 21–XX–21
Station and Office Buildings, 21–XX–23
Ship Buildings—Locomotives, 21–XX–24
Shop Buildings—Freight Cars, 21–13–25
Shop Buildings—Other Equipment, 21–XX–26
Locomotive Servicing Facilities, 21–XX–27
Miscellaneous Buildings and Structures, 21–XX–28
Coal Terminals, 21–13–29
Ore Terminals, 21–13–30
TOFC/COFC Terminals, 21–13–31
Other Marine Terminals, 21–13–32
Motor Vehicle Loading and Distribution Facilities, 21–13–33
Facilities for Other Specialized Services Operations, 21–13–35
Roadway Machines, 21–XX–36
Small Tools and Supplies, 21–XX–37
Snow Removal, 21–XX–38
Dismantling Retired Property, 21–XX–39
Road Property and Equipment Damaged, 21–XX–48
Other—Other, 21–XX–99
Materials, Tools, Supplies, Fuels, Lubricants—Equipment—Locomotives—
Freight, 21–21–XX
Passenger, 21–24–XX
Common, 21–26–XX

Each account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of locomotives, whether owned by the carrier or by others. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 1-8:

Administration—General, 21–XX–01
Repair and Maintenance—
Dismantling Retired Property, 21–XX–39
Machinery, 21–XX–40
Locomotives, 21–XX–41
Road Property and Equipment, 21–XX–48
Other—Other, 21–XX–99
Materials, Tools, Supplies, Fuels, Lubricants — Equipment — Freight Cars — Freight, 21–22–XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of freight-cars, whether owned by the carrier or by others. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 1–8:

Administration—General, 21–22–01
Repair and Maintenance—
Dismantling Retired Property, 21–22–39
Machinery, 21–22–40
Freight Cars, 21–22–42
Road Property and Equipment Damaged, 21–22–48

Other—Other, 21–22–99
Materials, Tools, Supplies, Fuels, Lubricants—Equipment—Other Equipment—
Freight, 21–23–XX
Passenger, 21–25–XX
Common, 21–27–XX

Each account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of equipment other than locomotives and freight-cars, whether owned by the carrier or by others. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 1-8:

Administration—General, 21–XX–01
Repair and Maintenance—
Dismantling Retired Property, 21–XX–39
Machinery, 21–XX–40
Trucks, Trailers, Containers in Revenue Service, 21–23–43
Floating Equipment—Revenue Service, 21–23–44
Passenger and Other Revenue Equipment, 21–XX–45
Computers and Data Processing Equipment, 21–XX–46
Work and Other Non-Revenue Equipment, 21–XX–47
Road Property and Equipment Damaged, 21–XX–48
Other—Other, 21–XX–99
Materials, Tools, Supplies, Fuels, Lubricants—Transportation—Train—
Freight, 21–31–XX
Passenger, 21–41–XX
Common, 21–51–XX

Each account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in association with the dispatching and operation of freight trains over the roadway and outside of classification yards. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 1-8:

Administration—General, 21–XX–01
Operations—
Engine Crews, 21–XX–56
Train Crews, 21–XX–57
Dispatching Trains, 21–XX–58
Operating Switches, Signals, Interlockers, Retarders, Humps, 21–XX–59
Operating Drawbridges, 21–XX–60
Highway Crossing Protection, 21–XX–61
Train Inspection and Lubrication, 21–XX–62
Clearing Wrecks, 21–XX–63
Locomotive Fuels, 21–XX–67
Electric Power Purchased/Produced for Motive Power, 21–XX–68
Servicing Locomotives, 21–XX–69
Other—Other, 21–XX–99
Materials, Tools, Supplies, Fuels, Lubricants—Transportation—Yard—
Freight, 21–32–XX
Passenger, 21–42–XX
Common, 21–52–XX

Each account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in association with the movement of freight cars within classification yards and in terminal switching and transfer service. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 1–8:

Administration—General, 21–XX–01
Operations—
Operating Switches, Signals, Interlockers, Retarders, Humps, 21–XX–59
Clearing Wrecks, 21–XX–63
Switch Crews, 21–XX–64
Controlling Operations, 21–XX–65
Yard and Terminal Clerical, 21–XX–66
Locomotive Fuel, 21–XX–67
Electric Power Purchased/Produced for Motive Power, 21–XX–68
Servicing Locomotives, 21–XX–69
Other—Other, 21–XX–99
Materials, Tools, Supplies, Fuels, Lubricants — Transportation — Train and Yard Common—
Freight, 21–33–XX
Passenger, 21–43–XX
Common, 21–53–XX

Each account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed on behalf of both train and yard operations. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 1–8:

Operations—
Cleaning Car Interiors, 21–XX–70
Adjusting, Transferring Loads, 21–33–71
Car Loading Devices and Grain Doors, 21–33–72
Materials, Tools, Supplies, Fuels, Lubricants — Transportation — Specialized Services—
Freight, 21–34–XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in operating services which are specialized in nature and in cost characteristics. The specialized services designated by the Commission appear within the definition of specialized services. This account shall be subdivided by the following functions:

Administration—General, 21–34–01
Operations—
Pick Up and Delivery, Marine Line Haul, and Rail Substitute Service, 21–34–73
Loading, Unloading, and Local Marine, 21–34–74
Protective Services, 21–34–75
Other—Other, 21–34–99
Materials, Tools, Supplies, Fuels, Lubricants — Transportation — Administrative Support—
Freight, 21–35–XX
Passenger, 21–45–XX
Common, 21–55–XX

Each account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in association with providing direct administrative support for the Transportation Activity. For further clarification refer to the definition of the Administrative Support Operations Subactivity. Each account shall be subdivided by the following functions:

Administration—General, 21–XX–01
Operations—
Clerks, Accounting Employees, 21–XX–76
Communication Systems Operations, 21–XX–77
Loss and Damage Claims Processing, 21–XX–78
Other—Other, 21–XX–99
Materials, Tools, Supplies, Fuels, Lubricants—General and Administrative—
Freight, 21–61–XX
Passenger, 21–62–XX
Common, 21–63–XX

Each account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in providing overall administration or other general support for carrier operations. For further clarification refer to the definition of the General and Administrative Activity. This account shall be subdivided by the following functions:

Administration—General, 21–XX–01
General—
Accounting, Auditing, Finance, 21–XX–86
Management Services and Data Processing, 21–XX–87
Marketing, 21–XX–88
Sales, 21–XX–89
Industrial Development, 21–61–90
Personnel and Labor Relations, 21–XX–91
Legal and Secretarial, 21–XX–92
Public Relations and Advertising, 21–XX–93
Research and Development, 21–XX–94
Other—Other, 21–XX–99

Purchased Services—

Control—30–00–00

This account may be used as a control account for all accounts in the purchased services series:

Lease Rentals—Dr.
Lease Rentals—Cr.
Joint Facility Rent—Dr.
Joint Facility Rent—Cr.
Other Rents—Dr.
Other Rents—Cr.
Joint Facility—Dr.
Joint Facility—Cr.
Repairs Billed by Others—Dr.
Repairs Billed to Others—Cr.
Other Purchased Services

Lease Rentals—Debit—Control—31–00–00

This control account includes the rentals of road property and equipment with terms of 30 days or more. This account excludes joint facility and joint trackage rents, insurance and maintenance elements of lease payments, and all elements of capital leases as defined in FASB Statement No. 13. The components of this natural expense will be distributed to the following accounts in accordance with Instruction 1–8:

Lease Rentals—Dr.—Way and Structures—Running
Freight, 31–11–00
Passenger, 31–14–00
Common, 31–17–00
Lease Rentals—Dr.—Way and Structures—Switching—
Freight, 31–12–00
Passenger, 31–15–00
Common, 31–18–00
Lease Rentals—Dr.—Way and Structures—Other—
Freight, 31–13–00
Passenger, 31–16–00
Common, 31–19–00
Lease Rentals—Dr.—Equipment—Locomotives—
Freight, 31–21–00
Passenger, 31–24–00
Common, 31–26–00
Lease Rentals — Dr. — Equipment — Cars—
Freight, 31–22–00
Lease Rentals—Dr.—Equipment—Other Equipment—
Freight, 31–23–00
Passenger, 31–25–00
Common, 31–27–00

Lease Rentals—Credit—Control—32–00–00

This control account includes the rentals of owned property and equipment or subleases of leased road property and equipment with terms of from 30 days to one year. Longer term leases are indicative of a noncarrier operation and all revenues and expenses related to such property and equipment should be classified accordingly and excluded from railroad operations. This account excludes joint facilities and joint trackage, capital leases, and portions of lease receipts covering maintenance and insurance. The components of this natural expense account will be distributed to the following accounts in accordance with Instruction 1–8:

Lease Rentals—Cr.—Way and Structures—Running—
Freight, 32–11–00
Passenger, 32–14–00
Common, 32–17–00
Lease Rentals—Cr.—Way and Structures—Switching—
Freight, 32–12–00
Passenger, 32–15–00
Common, 32–18–00
Lease Rentals—Cr.—Way and Structures—Other—
Freight, 32–13–00
Passenger, 32–16–00
Common, 32–19–00
Lease Rentals—Cr.—Equipment—Locomotives—
Freight, 32–21–00
Passenger, 32–24–00
Common, 32–26–00
Lease Rentals—Cr.—Equipment—Freight Cars—
Freight, 32–22–00
Lease Rentals—Cr.—Equipment—Other Equipment—
Freight, 32–23–00
Passenger, 32–25–00
Common, 32–27–00

Joint Facility Rents—Debit—Control—33–00–00

This control account includes amounts payable accrued as rent for equipment, tracks, yards, terminals, and other facilities owned or controlled by other carriers, companies, or individuals, and in the joint use of which the accounting company participates. Amounts paid or payable by the accounting company in reimbursement for taxes on property jointly used shall be charged to this account.

NOTE.—The cost of maintenance, operation, or administration of joint facilities, chargeable to the accounting company, shall be charged to the various joint facility accounts (37–XX–00). When the compensation for the use of joint facilities is a fixed amount or is based upon a charge per passenger, ton, car, or other unit, it shall be fairly apportioned between this account and Joint Facility—Dr. (37–XX–00). This apportionment shall be made by the operating company, and shall be followed by the accounting company. The components of this natural expense consist of the following accounts:

Joint Facility Rents—Dr.—Way and Structures—Running—
Freight, 33–11–00
Passenger, 33–14–00
Common, 33–17–00
Joint Facility Rents—Dr.—Way and Structures—Switching—
Freight, 33–12–00
Passenger, 33–15–00
Common, 33–18–00
Joint Facility Rents—Dr.—Way and Structures—Other—
Freight, 33–13–00
Passenger, 33–16–00
Common, 33–19–00
Joint Facility Rents—Dr.—Equipment—Locomotives—
Freight, 33–21–00
Joint Facility Rents—Dr.—Equipment—Freight Cars—
Freight, 33–22–00
Joint Facility Rents—Dr.—Equipment—Other Equipment—
Freight, 33–23–00
Passenger, 33–25–00
Common, 33–27–00

Joint Facility Rents—Credit—Control—34–00–00

This control account includes amounts receivable accrued for rent of equipment, tracks, yards, terminals and other facilities owned or controlled by the accounting company and used jointly with other companies or individuals. Amounts receivable from other companies in reimbursement for taxes on property jointly used shall be credited to this account.

NOTE.—The portion of the cost of maintenance, operation, or administration of joint facilities recoverable from others shall be credited to the various joint facility accounts (38–XX–00). When the compensation for the use of joint facilities is a fixed amount or is based upon a charge per passenger, ton, car, or other unit, it shall be fairly apportioned by the creditor between this account and Joint Facility—Cr. (38–XX–00).

Joint Facility Rents—Cr.—Way and Structures—Running—
Freight, 34–11–00
Passenger, 34–14–00
Common, 34–17–00
Joint Facility Rents—Cr.—Way and Structures—Switching—
Freight, 34–12–00
Passenger, 34–15–00
Common, 34–18–00
Joint Facility Rents—Cr.—Way and Structures—Other—
Freight, 34–13–00
Passenger, 34–16–00
Common, 34–19–00
Joint Facility Rents—Cr.—Equipment—Locomotives—
Freight, 34–21–00
Joint Facility Rents—Cr.—Equipment—Freight Cars—
Freight, 34–22–00
Joint Facility Rents—Cr.—Equipment—Other Equipment—
Freight, 34–23–00
Passenger, 34–25–00
Common, 34–27–00

Other Rents—Debit—Control—35–00–00

This account includes the rents with terms of less than 30 days which are not renewed. This account includes all time and mileage payments for interchange locomotive, freight car, and other revenue equipment hire. The components of this account will be distributed to the following accounts in accordance with instruction 1–8:

Other Rents—Dr.—Way and Structures—Running—
Freight, 35–11–00
Passenger, 35–14–00
Common, 35–17–00
Other Rents—Dr.—Way and Structures—Switching—
Freight, 35–12–00
Passenger, 35–15–00
Common, 35–18–00

Other Rents—Dr.—Way and Structures—Other—
Freight, 35–13–00
Passenger, 35–16–00
Common, 35–19–00
Other Rents—Dr.—Equipment—Locomotives—
Freight, 35–21–00
Passenger, 35–24–00
Common, 35–26–00
Other Rents—Dr.—Equipment—Freight Cars—
Freight, 35–22–00
Other Rents—Dr.—Equipment—Other Equipment—
Freight, 35–23–00
Passenger, 35–25–00
Common, 35–27–00

Other Rents—Credit—Control—36–00–00

This account includes rents with terms of less than 30 days which are not renewed. This account includes all time and mileage receipts for interchanged locomotive, freight car, and other revenue equipment hire. The components of this account will be distributed to the following accounts in accordance with instruction 1–8:

Other Rents—Cr.—Way and Structures—Running—
Freight, 36–11–00
Passenger, 36–14–00
Common, 36–17–00
Other Rents—Cr.—Way and Structures—Switching—
Freight, 36–12–00
Passenger, 36–15–00
Common, 36–18–00
Other Rents—Cr.—Way and Structures—Other—
Freight, 36–13–00
Passenger, 36–16–00
Common, 36–19–00
Other Rents—Cr.—Equipment—Locomotives—
Freight, 36–21–00
Passenger, 36–24–00
Common, 36–26–00
Other Rents—Cr.—Equipment—Freight Cars—
Freight, 36–22–00
Other Rents—Cr.—Equipment—Other Equipment—
Freight, 36–23–00
Passenger, 36–25–00
Common, 36–27–00

Joint Facility—Debit—Control—37–00–00

This account includes joint trackage and joint facility costs, exclusive of rents, payable by the railroad to others. The components of this account will be distributed to the following accounts in accordance with instruction 1–8:

Joint Facility—Dr.—Way and Structures—Running—
Freight, 37–11–00
Passenger, 37–14–00
Common, 37–17–00
Joint Facility—Dr.—Way and Structures—Switching—
Freight, 37–12–00
Passenger, 37–15–00
Common, 37–18–00
Joint Facility—Dr.—Way and Structures—Others—
Freight, 37–13–00
Passenger, 37–16–00
Common, 37–19–00
Joint Facility—Dr.—Equipment—Locomotives—
Freight, 37–21–00
Passenger, 37–24–00
Common, 37–26–00
Joint Facility—Dr.—Equipment—Freight Cars—
Freight, 37–22–00
Joint Facility—Dr.—Equipment—Other Equipment—
Freight, 37–23–00
Passenger, 37–25–00
Common, 37–27–00
Joint Facility—Dr.—Transportation—Train—
Freight, 37–31–00
Passenger, 37–41–00
Common, 37–51–00
Joint Facility—Dr.—Transportation—Yard—
Freight, 37–32–00
Passenger, 37–42–00
Common, 37–52–00
Joint Facility—Dr.—Transportation—Specialized Services—
Freight, 37–34–00
Joint Facility—Dr.—Transportation—Administrative Support—
Freight, 37–35–00
Passenger, 37–45–00
Common, 37–55–00
Joint Facility—Dr.—General and Administrative—
Freight, 37–61–00
Passenger, 37–62–00
Common, 37–63–00

Joint Facility—Credit—Control—38–00–00

This account includes joint trackage and joint facility costs, exclusive of rents, payable by others to the railroad. The components of this account will be distributed to the following accounts in accordance with instruction 1–8:

Joint Facility—Cr.—Way and Structures—Running—
Freight, 38–11–00
Passenger, 38–14–00
Common, 38–17–00
Joint Facility—Cr.—Way and Structures—Switching—
Freight, 38–12–00
Passenger, 38–15–00
Common, 38–18–00
Joint Facility—Cr.—Way and Structures—Other—
Freight, 38–13–00
Passenger, 38–16–00
Common, 38–19–00
Joint Facility—Cr.—Equipment—Locomotives—
Freight, 38–21–00
Passenger, 38–23–00
Common, 38–26–00
Joint Facility—Cr.—Equipment—Freight Cars—
Freight, 38–22–00
Joint Facility—Cr.—Equipment—Other Equipment—
Freight, 38–23–00
Passenger, 38–25–00
Common, 38–27–00
Joint Facility—Cr.—Transportation—Train—
Freight, 38–31–00
Passenger, 38–41–00
Common, 38–51–00
Joint Facility—Cr.—Transportation—Yard—
Freight, 38–32–00
Passenger, 38–42–00
Common, 38–52–00
Joint Facility—Cr.—Transportation—Specialized Services—
Freight, 38–34–00
Joint Facility—Cr.—Transportation—Administrative Support—
Freight, 38–35–00
Passenger, 38–45–00
Common, 38–55–00
Joint Facility—Cr.—General and Administrative—
Freight, 38–61–00
Passenger, 38–62–00
Common, 38–63–00

Repairs Billed by Others—Debit—Control—39–00–00

This account includes amounts payable by the railroad to others for repair and maintenance of the reporting railroad's property and equipment. The components of this account shall be distributed to the following accounts in accordance with instruction 1–8:

Repairs Billed by Others—Dr.—Way and Structures—Running—
Freight, 39–11–XX
Passenger, 39–14–XX
Common, 39–17–XX

Each account includes amounts payable by the railroad to others for repair and maintenance of the reporting railroad's property associated with the carrier's roadway and track on the line of road and outside of classification yards. Each account shall be subdivided by the following functions:

Repair and Maintenance—
Roadway, 39–XX–10
Tunnels and Subways, 39–XX–11
Bridges and Culverts, 39–XX–12
Track Laying and Surfacing, 39–XX–17
Signals and Interlockers, 39–XX–19
Highway Grade Crossings, 39–XX–22
Road Property and Equipment Damaged, 39–XX–48

Repairs Billed by Others—Dr.—Way and Structures—Switching—
Freight, 39–12–XX
Passenger, 39–15–XX
Common, 39–18–XX

Each account includes amounts payable by the railroad to others for repair and maintenance of the reporting railroad's property associated with the carrier's roadway and track within classification yards and stations. Each account shall be subdivided by the following functions:

Repair and Maintenance—
Roadway, 39–XX–10
Tunnels and Subways, 39–XX–11
Bridges and Culverts, 39–XX–12
Track Laying and Surfacing, 39–XX–17

Signals and Interlockers, 39–XX–19
Highway Grade Crossings, 39–XX–22
Road Property and Equipment Damaged, 39–XX–48
Repairs Billed by Others—Dr.—Way and Structures—Other—
Freight, 39–13–XX
Passenger, 39–16–XX
Common, 39–19–XX

Each account includes amounts payable by the railroad to others for repair and maintenance of the carrier's structures other than roadway and track. Each account shall be subdivided by the following functions:

Repair and Maintenance—
Communication Systems, 39–XX–20
Electric Power Systems, 39–XX–21
Station and Office Buildings, 39–XX–23
Shop Buildings—Locomotives, 39–XX–24
Shop Buildings—Freight Cars, 39–13–25
Shop Buildings—Other Equipment, 39–XX–26
Locomotive Servicing Facilities, 39–XX–27
Miscellaneous Buildings and Structures, 39–XX–28
Coal Terminals, 39–13–29
Ore Terminals, 39–13–30
TOFC/COFC Terminals, 39–13–31
Other Marine Terminals, 39–13–32
Motor Vehicle Loading and Distribution Facilities, 39–13–33
Facilities for Other Specialized Services Operations, 39–13–35
Roadway Machines, 39–XX–36
Small Tools and Supplies, 39–XX–37
Snow Removal, 39–XX–38
Road Property and Equipment Damaged, 39–XX–48
Repairs Billed by Others—Dr.—Equipment—Locomotives—
Freight, 39–21–XX
Passenger, 39–24–XX
Common, 39–26–XX

Each account includes amounts payable by the railroad to others for repair and maintenance under the locomotive subactivity. Each account shall be subdivided by the following functions:

Repair and Maintenance—
Machinery, 39–XX–40
Locomotives, 39–XX–41
Road Property and Equipment Damaged, 39–XX–48
Repair Billed by Others—Dr.—Equipment—Freight Cars—
Freight, 39–22–XX

This account includes amounts payable by the railroad to others for repair and maintenance under the freight car subactivity. This account shall be subdivided by the following functions:

Repair and Maintenance—
Machinery, 39–22–40
Freight Cars, 39–22–42
Road Property and Equipment Damaged, 39–22–48
Repair Billed by Others—Dr.—Equipment—Other Equipment—
Freight, 39–23–XX
Passenger, 39–25–XX
Common, 39–27–XX

Each account includes amounts payable by the railroad to others for the repair and maintenance of equipment not pertaining to the locomotive or freight car subactivity. Each account shall be subdivided by the following functions:

Repair and Maintenance—
Machinery, 39–XX–40
Trucks, Trailers, and Containers in Revenue Service, 39–23–43
Floating Equipment—Revenue Service, 39–23–44
Passenger and Other Revenue Equipment, 39–XX–45
Computers and Data Processing Equipment, 39–XX–46
Work and Other Non-Revenue Equipment, 39–XX–47
Road Property and Equipment Damaged, 39–XX–48

Repairs Billed to Others—Cr.—Control—40–00–00

This control account includes amounts payable by others to the railroad for repair and maintenance of others' road property and equipment. The components of this account shall be distributed to the following accounts in accordance with instruction 1–8.

Repairs Billed to Others—Cr.—Way and Structures—Running—
Freight, 40–11–XX
Passenger, 40–14–XX
Common, 40–17–XX

Each account includes amounts payable by others to the railroad for repair and maintenance of other railroads' roadway and track on the line of road and outside of classification yards. Each account shall shall be subdivided by the following functions:

Repair and Maintenance—
Roadway, 40–XX–10
Tunnels and Subways, 40–XX–11
Bridges and Culverts, 40–XX–12
Track Laying and Surfacing, 40–XX–17
Signals and Interlockers, 40–XX–19
Highway Grade Crossings, 40–XX–22
Road Property and Equipment Damaged, 40–XX–48
Repairs Billed to Others—Cr.—Way and Structures—Switching—
Freight, 40–12–XX
Passenger, 40–15–XX
Common, 40–18–XX

Each account includes amounts payable by others to the railroad for repair and maintenance of other railroads' roadway and track within classification yards and stations. Each account shall be subdivided by the following functions:

Repair and Maintenance—
Roadway, 40–XX–10
Tunnels and Subways, 40–XX–11
Bridges and Culverts, 40–XX–12
Track Laying and Surfacing, 40–XX–17
Signals and Interlockers, 40–XX–19
Highway Grade Crossings, 40–XX–22
Road Property and Equipment Damaged, 40–XX–48
Repairs Billed to Others—Cr.—Way and Structures—Other—
Freight, 40–13–XX
Passenger, 40–16–XX
Common, 40–19–XX

Each account includes amounts payable by others to the railroad for repair and maintenance of other railroads' structures other than roadway and track. Each account shall be subdivided by the following functions:

Repair and Maintenance—
Communication Systems, 40–XX–20
Electric Power Systems, 40–XX–21
Station and Office Buildings, 40–XX–23
Shop Buildings—Locomotives, 40–XX–24
Shop Buildings—Freight Cars, 40–13–25
Shop Buildings—Other Equipment, 40–XX–26
Locomotive Servicing Facilities, 40–XX–27
Miscellaneous Buildings and Structures, 40–XX–28
Coal Terminals, 40–13–29
Ore Terminals, 40–13–30
TOFC/COFC Terminals, 40–13–31
Other Marine Terminals, 40–13–32
Motor Vehicle Loading and Distribution Facilities, 40–13–33
Facilities for Other Specialized Services Operations, 40–13–35
Roadway Machines, 40–XX–36
Small Tools and Supplies, 40–XX–37
Snow Removal, 40–XX–38
Road Property and Equipment Damaged, 40–XX–48
Repairs Billed to Others—Cr.—Equipment—Locomotives—
Freight, 40–21–XX
Passenger, 40–24–XX
Common, 40–26–XX

Each account includes amounts payable by others to the railroad for repair and maintenance of other railroads' locomotives. Each account shall be subdivided by the following functions:

Repair and Maintenance—
Machinery, 40–XX–40
Locomotives, 40–XX–41
Road Property and Equipment Damaged, 40–XX–48
Repairs Billed to Others—Cr.—Equipment—Freight Cars—
Freight, 40–22–XX

This account includes amounts payable by others to the railroad for repair and maintenance of other railroads' freight cars. This account shall be subdivided by the following functions:

Repair and Maintenance—
Machinery, 40–22–40
Freight Cars, 40–22–42
Road Property and Equipment Damaged, 40–22–48

Repairs Billed to Others—Cr.—Equipment—Other Equipment—
Freight, 40–23–XX
Passenger, 40–25–XX
Common, 40–27–XX

Each account includes amounts payable by others to the railroad for repair and maintenance of other railroads' other equipment. Each account shall be subdivided by the following functions:

Repair and Maintenance—
Machinery, 40–XX–40
Trucks, Trailers, and Containers in Revenue Service, 40–23–43
Floating Equipment—Revenue Service, 40–23–44
Passenger and Other Revenue Equipment, 40–XX–45
Computers and Data Processing Equipment, 40–XX–46
Work and Other Non-Revenue Equipment, 40–XX–47
Road Property and Equipment Damaged, 40–XX–48

Other Purchased Services—Control—41–00–00

This control account includes amounts charged or credited to operating expenses for purchased advertising; purchased printing; outside professional services such as legal, accounting, audit, engineering, and consulting; payments for detour of trains; utilities, telephone, postage, subscriptions, communications, purchased electric power for train and locomotive propulsion; and other services purchased. The components of this account shall be distributed to the following accounts in accordance with instruction 1–8:

Other Purchased Services—Way and Structures—Running—
Freight, 41–11–XX
Passenger, 41–14–XX
Common, 41–17–XX

Each account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41–00–00. Each account shall be subdivided by the following functions:

Administration—
Track, 41–XX–02
Bridges and Buildings, 41–XX–03
Signals, 41–XX–04
Repair and Maintenance—
Roadway, 41–XX–10
Tunnels and Subways, 41–XX–11
Bridges and Culverts, 41–XX–12
Track Laying and Surfacing, 41–XX–17
Signals and Interlockers, 41–XX–19
Highway Grade Crossings, 41–XX–22
Dismantling Retired Property, 41–XX–39
Road Property and Equipment Damaged, 41–XX–48
Other—Other 41–XX–99
Other Purchased Services—Way and Structures—Switching—
Freight, 41–12–XX
Passenger 41–15–XX
Common, 41–18–XX

Each account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41–00–00. Each account shall be subdivided by the following functions:

Administration—
Track, 41–XX–02
Bridges and Culverts, 41–XX–03
Signals, 41–XX–04
Repair and Maintenance—
Roadway, 41–XX–10
Tunnels and Subways, 41–XX–11
Bridges and Culverts, 41–XX–12
Track Laying and Surfacing, 41–XX–17
Signals and Interlockers, 41–XX–19
Highway Grade Crossings, 41–XX–22
Dismantling Retired Property, 41–XX–39
Road Property and Equipment Damaged, 41–XX–48
Other—Other, 41–XX–99
Other Purchased Services—Way and Structures—Other—
Freight, 41–13–XX
Passenger, 41–16–XX
Common, 41–19–XX

Each account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41–00–00. Each account shall be subdivided by the following functions:

Administration—
Bridges and Buildings, 41–XX–03
Communications, 41–XX–05
Other, 41–XX–06
Repair and Maintenance—
Communications Systems, 41–XX–20
Electric Power Systems, 41–XX–21
Station and Office Buildings, 41–XX–23
Shop Buildings—Locomotives, 41–XX–24
Shop Buildings—Freight Cars, 41–13–25
Shop Buildings—Other Equipment, 41–XX–26
Locomotive Servicing Facilities, 41–XX–27
Miscellaneous Buildings and Structures, 41–XX–28
Coal Terminals, 41–13–29
Ore Terminals, 41–13–30
TOFC/COFC Terminals, 41–13–31
Other Marine Terminals, 41–13–32
Motor Vehicle Loading and Distribution Facilities, 41–13–33
Facilities for Other Specialized Services Operations, 41–13–35
Roadway Machines, 41–XX–36
Small Tools and Supplies, 41–XX–37
Snow Removal, 41–XX–38
Dismantling Retired Property, 41–XX–39
Road Property and Equipment Damaged, 41–XX–48
Other—Other, 41–XX–99
Other Purchased Services—Equipment—Locomotives—
Freight, 41–21–XX
Passenger, 41–24–XX
Common, 41–26–XX

Each account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41–00–00. Each account shall be subdivided by the following functions:

Administrative—General, 41–XX–01
Repair and Maintenance—
Dismantling Retired Property, 41–XX–39
Machinery, 41–XX–40
Locomotives, 41–XX–41
Road Property and Equipment Damaged, 41–XX–48
Other—Other, 41–XX–99
Other Purchased Services—Equipment—Freight Cars—
Freight, 41–22–XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41–00–00. This account shall be subdivided by the following functions:

Administrative—General, 41–22–01
Repair and Maintenance—
Dismantling Retired Property, 41–22–39
Machinery, 41–22–40
Freight Cars, 41–22–42
Road Property and Equipment Damaged, 41–22–48
Other—Other, 41–22–99
Other Purchased Services—Equipment—Other Equipment—
Freight, 41–23–XX
Passenger, 41–25–XX
Common, 41–27–XX

Each account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41–00–00. Each account shall be subdivided by the following functions:

Administration—General, 41–XX–01
Repair and Maintenance—
Dismantling Retired Property, 41–XX–39
Machinery, 41–XX–40
Trucks, Trailers, Containers in Revenue Service, 41–23–43
Floating Equipment—Revenue Service, 41–23–44
Passenger and Other Revenue Equipment, 41–XX–45
Computers and Data Processing Equipment, 41–XX–46
Work and Other Non-Revenue Equipment, 41–XX–47
Road Property and Equipment Damaged, 41–XX–48
Other—Other, 41–XX–99
Other Purchased Services—Transportation—Train—
Freight, 41–31–XX
Passenger, 41–41–XX
Common, 41–51–XX

Each account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41–00–00. Each account shall be subdivided by the following functions:

Administration—General, 41–XX–01
Operations—
Engine Crews, 41–XX–56
Train Crews, 41–XX–57
Dispatching Trains, 41–XX–58
Operating Switches, Signals, Interlockers, Retarders, Humps, 41–XX–59
Operating Drawbridges, 41–XX–60
Highway Crossing Protection, 41–XX–61
Train Inspection and Lubrication, 41–XX–62
Clearing Wrecks, 41–XX–63
Locomotive Fuel, 41–XX–67
Electric Power Purchased/Produced for Motive Power, 41–XX–68
Servicing Locomotives, 41–XX–69
Other—Other, 41–XX–99
Other Purchased Services—Transportation—Yard—
Freight, 41–32–XX
Passenger, 41–42–XX
Common, 41–52–XX

Each account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41–00–00. Each account shall be subdivided by the following functions:

Administration—General, 41–XX–01
Operations—
Operating Switches, Signals, Interlockers, Retarders, Humps, 41–XX–59
Clearing Wrecks, 41–XX–63
Switch Crews, 41–XX–64
Controlling Operations, 41–XX–65
Yard and Terminal Clerical, 41–XX–66
Locomotive Fuel, 41–XX–67
Electric Power Purchased/Produced for Motive Power, 41–XX–68
Servicing Locomotives, 41–XX–69
Other—Other, 41–XX–99
Other Purchased Services—Transportation—Train and Yard Common—
Freight, 41–33–XX
Passenger, 41–43–XX
Common, 41–53–XX

Each account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41–00–00. Each account shall be subdivided by the following functions:

Operations—
Cleaning Car Interiors, 41–XX–70
Adjusting, Transferring Loads, 41–33–71
Car Loading Devices and Grain Doors, 41–33–72
Other Purchased Services—Transportation—Specialized Services—
Freight, 41–34–XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41–00–00. This account shall be subdivided by the following functions:

Administration—General, 41–34–01
Operations—
Pick Up and Delivery, Marine Line Haul, and Rail Substitute Service, 41–34–73
Loading, Unloading, and Local Marine, 41–34–74
Protective Services, 41–34–75
Other—Other, 41–34–99
Other Purchased Services—Transportation—Administrative Support—
Freight, 41–35–XX
Passenger, 41–45–XX
Common, 41–55–XX

Each account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41–00–00. Each account shall be subdivided by the following functions:

Administration—General, 41–XX–01
Operations—
Clerks, Accounting Employees, 41–XX–76
Communication Systems Operctions, 41–XX–77
Loss and Damage Claims Processing, 41–XX–78
Other—Other, 41–XX–99
Other Purchased Services—General and Administrative—
Freight, 41–61–XX
Passenger, 41–62–XX
Common, 41–63–XX

Each account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41–00–00. Each account shall be subdivided by the following functions:

Administration—General, 41–XX–01
General—
Accounting, Auditing, Finance, 41–XX–86
Management Services and Data Processing, 41–XX–87
Marketing, 41–XX–88
Sales, 41–XX–89
Industrial Development, 41–61–90
Personnel and Labor Relations, 41–XX–91
Legal and Secretarial, 41–XX–92
Public Relations and Advertising, 41–XX–93
Research and Development, 41–XX–94
Other—Other, 41–XX–99

Claims and Insurance—

Control—50–00–00

This account may be used as a control account for all accounts in the Claims and Insurance series: Loss and Damage Claims, Other Casualties, Insurance.

Loss and Damage Claims—Control—51–00–00

This account includes amounts payable to compensate for the loss or damage of freight or other goods carried in revenue service. This account excludes amounts payable to employees or other parties for injuries sustained or loss of life; for damage to real property of others or personal property not carried in revenue services; all payments for other damages of any kind; and related insurance premiums.

Loss and Damage Claims—Transportation—Train—
Freight, 51–31–00
Passenger, 51–41–00
Common, 51–51–00

Each account includes amounts payable to compensate for the loss or damage of freight or other goods carried in revenue service while operating all trains except those performing yard functions in terminals.

Loss and Damage Claims—Transportation—Yard—
Freight, 51–32–00
Passenger, 51–42–00
Common, 51–52–00

Each account includes amounts payable to compensate for the loss or damage of freight or other goods carried in revenue service which is lost or damaged in yards or terminals.

Loss and Damage Claims—Transportation—Train and Yard Common—
Freight, 51–33–00
Passenger, 51–43–00
Common, 51–53–00

Each account includes amounts payable to compensate for the loss or damage of freight or other goods carried in revenue service which are not predominantly train or yard.

Loss and Damage Claims—Transportation—Specialized Services—
Freight, 51–34–00

This account includes amounts payable to compensate for the loss or damage of freight or other goods carried in revenue service incurred in designated specialized services operations.

Other Casualties—Control—52–00–00

This account includes amounts payable to employees or other parties for injuries sustained or loss of life in connection with the construction, maintenance, operations, and administration of railroad property and equipment; for damage to real property, property of others or personal property not carried in revenue service; all payments for other damages of any kind. This account excludes freight and other goods carried in revenue service, and insurance premiums related to the casualties chargeable to this account.

NOTE:—The costs of clearing wrecks and repairing casualty-caused damage to the railroad's property and equipment are properly classified under other natural expense accounts as appropriate and further classified by relevant activities and functions.

These costs are appropriately charged to the following natural accounts:

Other Casualties—Way and Structures—Running—
Freight, 52–11–00
Passenger, 52–14–00
Common, 52–17–00
Other Casualties—Way and Structures—Switching—
Freight, 52–12–00
Passenger, 52–15–00
Common, 52–18–00
Other Casualties—Way and Structures—Other—
Freight, 52–13–00
Passenger, 52–16–00
Common, 52–19–00

Other Casualties—Equipment—Locomotives—
Freight, 52–21–00
Passenger, 52–24–00
Common, 52–26–00
Other Casualties—Equipment—Freight Cars—
Freight, 52–22–0
Other Casualties—Equipment—Other Equipment—
Freight, 52–23–00
Passenger, 52–25–00
Common, 52–27–00
Other Casualties—Transportation—Train—
Freight, 52–31–0
Passenger, 52–41–00
Common, 52–51–00
Other Casualties—Transportation—Yard—
Freight, 52–32–00
Passenger, 52–42–00
Common, 52–52–00
Other Casualties—Transportation—Specialized Services—
Freight, 52–34–00
Other Casualties—Transportation—Administrative Support—
Freight, 52–35–00
Passenger, 52–45–00
Common, 52–55–00
Other Casualties—General and Administrative—
Freight, 52–61–00
Passenger, 52–62–00
Common, 52–63–00

Insurance—Control—53–00–00

This account includes premiums for insurance to cover property and equipment loss and damage, liability, business interruption, and the like. These costs are appropriately charged to the following accounts:

Insurance—Way and Structures—Running—
Freight, 53–11–00
Passenger, 53–14–00
Common, 53–17–00
Insurance—Way and Structures—Switching—
Freight, 53–12–00
Passenger, 53–15–00
Common, 53–18–00
Insurance—Way and Structures—Other—
Freight, 53–13–00
Passenger, 53–16–00
Common, 53–19–00
Insurance—Equipment—Locomotives—
Freight, 53–21–00
Passenger, 53–24–00
Common, 53–26–00
Insurance—Equipment—Freight Cars—
Freight, 53–22–00
Insurance—Equipment—Other Equipment—
Freight, 53–23–00
Passenger, 53–25–00
Common, 53–27–00
Insurance—Transportation—Train—
Freight, 53–31–00
Passenger, 53–41–00
Common, 53–51–00
Insurance—Transportation—Yard—
Freight, 53–32–00
Passenger, 53–42–00
Common, 53–52–00
Insurance—Transportation—Specialized Services—
Freight, 53–34–00
Insurance — Transportation — Administrative Support—
Freight, 53–35–00
Passenger, 53–45–00
Common, 53–55–00
Insurance—General and Administrative—
Freight, 53–61–00
Passenger, 53–62–00
Common, 53–63–00

General

Control—60–00–00

This account may be used as a control account for all accounts in the General series: Other Expenses, Depreciation, Uncollectible Accounts, Property Taxes, Other Taxes.

Other Expenses—Control—61–00–00

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, road property and equipment retirement losses, and other items of a general nature.

Other Expenses—Way and Structures—Running—
Freight, 61–11–XX
Passenger, 61–14–XX
Common, 61–17–XX

Each account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, road property retirement losses, and other items of a general nature associated with the carrier's roadway and track on the line of road and outside of classification yards. Each account shall be subdivided by the following functions:

Repair and Maintenance—
Roadway, 61–XX–10
Tunnels and Subways, 61–XX–11
Bridges and Culverts, 61–XX–12
Track Laying & Surfacing, 61–XX–17
Signals and Interlockers, 61–XX–19
Highway Grade Crossings, 61–XX–22
Dismantling Retired Property, 61–XX–39
Road Property and Equipment Damaged, 61–XX–48
Other—Other, 61–XX–99
Other Expenses—Way and Structures—Switching—
Freight, 61–12–XX
Passenger, 61–15–XX
Common, 61–18–XX

Each account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, road property retirement losses, and other items of a general nature associated with the carrier's roadway and track within classification yards and stations. Each account shall be subdivided by the following functions:

Repair and Maintenance—
Roadway, 61–XX–10
Tunnels and Subways, 61–XX–11
Bridges and Culverts, 61–XX–12
Track Laying and Surfacing, 61–XX–17
Signals and Interlockers, 61–XX–19
Highway Grade Crossings, 61–XX–22
Dismantling Retired Property, 61–XX–39
Road Property and Equipment Damaged, 61–XX–48
Other—Other, 61–XX–99
Other Expenses—Way and Structures—Other—
Freight, 61–13–XX
Passenger, 61–16–XX
Common, 61–19–XX

Each account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, road property retirement losses, and other items of a general nature associated with the carrier's structures other than roadway and track. Each account shall be subdivided by the following functions:

Administration—
Track, 61–XX–02
Bridges and Buildings, 61–XX–03
Signals, 61–XX–04
Communications, 61–XX–05
Other, 61–XX–06
Repair and Maintenance—
Communication Systems, 61–XX–20
Electric Power Systems, 61–XX–21
Station and Office Buildings, 61–XX–23
Shop Buildings—Locomotives, 61–XX–24
Shop Buildings—Freight Cars, 61–13–25
Shop Buildings—Other Equipment, 61–XX–26
Locomotive Servicing Facilities, 61–XX–27
Miscellaneous Buildings and Structures, 61–XX–28
Coal Terminals, 61–13–29
Ore Terminals, 61–13–30
TOFC/COFC Terminals, 61–13–31
Other Marine Terminals, 61–13–32
Motor Vehicle Loading and Distribution Facilities, 61–13–33
Facilities for Other Specialized Services Operations, 61–13–35
Roadway Machines, 61–XX–36
Small Tools and Supplies, 61–XX–37
Snow Removal, 61–XX–38
Dismantling Retired Property, 61–XX–39
Road Property and Equipment Damaged, 61–XX–48
Other—Other, 61–XX–99
Other Expenses—Equipment—Locomotives—
Freight, 61–21–XX
Passenger, 61–24–XX
Common, 61–26–XX

Each account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees and equipment retirement losses, associated with the repair and maintenance of locomotives, whether owned by the carrier or by others. Each account shall be subdivided by the following functions:

Administration—General, 61–XX–01
Repair and Maintenance—
Dismantling Retired Property, 61–XX–39
Machinery, 61–XX–40
Locomotives, 61–XX–41
Road Property and Equipment Damaged, 61–XX–48
Other—Other, 61–XX–99
Other Expenses—Equipment—Freight Cars—
Freight, 61–22–XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, equipment retirement losses, associated with the repair and maintenance of freight cars, whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—General, 61–22–01
Repair and Maintenance—
Dismantling Retired Property, 61–22–39
Machinery, 61–22–40
Freight Cars, 61–22–42
Road Property and Equipment Damaged, 61–22–48
Other—Other, 61–22–99
Other Expenses — Equipment — Other Equipment—
Freight, 61–23–XX
Passenger, 61–25–XX
Common, 61–27–XX

Each account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, equipment retirement losses, associated with the repair and maintenance of equipment other than locomotives and freight cars, whether owned by the carrier or by others. Each account shall be subdivided by the following functions:

Administration—General, 61–XX–01
Repair and Maintenance—
Dismantling Retired Property, 61–XX–39
Machinery, 61–XX–40
Trucks, Trailers, Containers In Revenue Service, 61–23–43
Floating Equipment—Revenue Service, 61–23–44
Passenger and Other Revenue Equipment, 61–XX–45
Computers and Data Processing Equipment, 61–XX–46
Work and Other Non-Revenue Equipment, 61–XX–47
Road Property and Equipment Damaged, 61–XX–48
Other—Other, 61–XX–99
Other Expenses—Transportation—Train—
Freight, 61–31–XX
Passenger, 61–41–XX
Common, 61–51–XX

Each account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, associated with the dispatching and operations of freight-trains over the roadway and outside of classification yards. Each account shall be subdivided by the following functions:

Administration—General, 61–XX–01
Operations—
Engine Crews, 61–XX–56
Train Crews, 61–XX–57
Dispatching Trains, 61–XX–58
Operating Switches, Signals, Interlockers, Retarders, Humps, 61–XX–59
Operating Drawbridges, 61–XX–60
Highway Crossing Protection, 61–XX–61
Train Inspection and Lubrication, 61–XX–62
Clearing Wrecks, 61–XX–63
Locomotive Fuel, 61–XX–67
Electric Power Purchased/Produced for Motive Power, 61–XX–68
Servicing Locomotives, 61–XX–69
Other—Other, 61–XX–99
Other Expenses—Transportation—Yard—
Freight, 61–32–XX
Passenger, 61–42–XX
Common, 61–52–XX

Each account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, and other items of a general nature associated with the movement of freight cars within classification yards and in terminal switching and transfer service. Each account shall be subdivided by the following functions:

Administration—General, 61–XX–01
Operations—
Operating Switches, Signals, Interlockers, Retarders, Humps, 61–XX–59
Clearing Wrecks, 61–XX–63
Switch Crews, 61–XX–64
Controlling Operations, 61–XX–65
Yard and Terminal Clerical, 61–XX–66
Locomotive Fuel, 61–XX–67
Electric Power Purchased/Produced for Motive Power, 61–XX–68
Servicing Locomotives, 61–XX–69
Other—Other, 61–XX–99
Other Expenses—Transportation—Specialized Services—
Freight, 61–34–XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, and other items of a general nature incurred in operating services which are specialized in nature and in cost characteristics. The specialized services designated by the Commission appear within the definition of specialized services. This account shall be subdivided by the following functions:

Administration—General, 61–34–01
Operations—
Pick Up and Delivery, Marine Line Haul, and Rail Substitute Service, 61–34–73
Loading, Unloading, and Local Marine, 61–34–74
Protective Services, 61–34–75
Other—Other, 61–34–99
Other Expenses—Transportation—Administrative Support—
Freight, 61–35–XX
Passenger, 61–45–XX
Common, 61–55–XX

Each account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, and other items of a general nature incurred in association with providing direct administrative support for the Transportation Activity. Each account shall be subdivided by the following functions:

Administration—General, 61–XX–01
Operations—
Clerks, Accounting Employees, 61–XX–76
Communication Systems Operations, 61–XX–77
Loss and Damage Claims Processing, 61–XX–78
Other—Other, 61–XX–99
Other Expenses—General and Administrative—
Freight, 61–61–XX
Passenger, 61–62–XX
Common, 61–63–XX

Each account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, and other items of a general nature incurred in providing overall administration or other support for carrier operations. Each account shall be subdivided by the following functions:

Administration—General, 61–XX–01
General—
Accounting, Auditing, Finance, 61–XX–86
Management Services and Data Processing, 61–XX–87
Marketing, 61–XX–88
Sales, 61–XX–89
Industrial Development, 61–61–90
Personnel Labor Relations, 61–XX–91
Legal and Secretarial, 61–XX–92
Public Relations and Advertising, 61–XX–93
Research and Development, 61–XX–94
Other—Other, 61–XX–99

Depreciation—Control—62–00–00

This control account includes the amounts charged to operating expenses for depreciation of owned road property and equipment, and the depreciation element of road property held under capital lease in accordance with FASB Statement No. 13. These costs are appropriately charged to the following natural accounts:

Depreciation—Way and Structures—Running—
Freight, 62–11–00
Passenger, 62–14–00
Common, 62–17–00
Depreciation—Way and Structures—Switching—
Freight, 62–12–00
Passenger, 62–15–00
Common, 62–18–00
Depreciation—Way and Structures—Other—
Freight, 62–13–00
Passenger, 62–16–00
Common, 62–19–00
Depreciation — Equipment — Locomotives—
Freight, 62–21–00
Passenger, 62–24–00
Common, 62–26–00
Depreciation — Equipment — Freight Cars—
Freight, 62–2–00
Depreciation—Equipment—Other Equipment—
Freight, 62–23–00
Passenger, 62–25–00
Common, 62–27–00

Uncollectible Accounts—Control—63–00 00

This account includes charges to operating expenses for the writedown of accounts and notes due to the railroad, whether classified as current or long-term. This account includes any credits to allowance accounts for collectibility and total writeoff of receivables. This account does not include writedowns of property, equipment, or investments (except accounts, notes, or other receivables held as investments). Proper adjustments of incorrect receivables are not to be charged to this account. Collections of amounts previously written off or down are to be credited to this account. The total of this account shall be charged to the following account:

Uncollectible Accounts—General and Administrative—
Freight, 63–61–00
Passenger, 63–62–00
Common, 63–63–00

Property Taxes—Control—64–00–00

This account includes only taxes based on the value of real estate and personal property used in railroad operations. The total of this account shall be charged to the following account:

Property Taxes—General and Administrative—
Freight, 64–61–00
Passenger, 64–62–00
Common, 64–63–00

Other Taxes—Control—65–00–00

This account includes taxes on gross receipts, franchise fees, excise taxes, and similar items. This account excludes property taxes and taxes chargeable as employee benefits. The total of this account shall be charged to the following account:

Other Taxes—General and Administrative—
Freight, 65–61–00
Passenger, 65–62–00
Common, 65–63–00

INCOME ACCOUNTS

Ordinary Items

501 Railway operating revenues.

This account shall include the total revenues derived from operations as shown in the primary revenue accounts provided elsewhere in these regulations.

506 Revenues from property used in other than carrier operations.

This account shall include the total revenues derived from property used in other than carrier operations, the cost of which is includible in balance-sheet account 737, "Property used in other than carrier operations."

510 Miscellaneous rent income.

(a) This account shall include such rents of property owned and controlled by the accounting carrier as are not provided for in the forgoing accounts.

(b) This account shall be charged with the cost of maintenance of the property rented, also specific incidental expenses in connection with such property, such as the cost of negotiating contracts, advertising for tenants, fees paid conveyancers, collectors' commissions, and analogous items.

NOTE A.—If property the rent of which is chargeable to account 543—"Miscellaneous rents," is sublet by the accounting company, the rent receivable therefor shall be credited to this account.

NOTE B.—Taxes on property the rent of which is creditable to this account shall be charged to account 535—"Taxes on property used in other than carrier operations."

NOTE C.—The rent from property carried in balance-sheet account 737—"Property used in other than carrier operations," shall not be included in this account, but in account 506—"Revenues from property used in other than carrier operations."

NOTE D.—Rent and other income from real estate acquired for new lines or for additions and betterments shall be credited to the appropriate road and equipment accounts until the completion or coming into service of the property.

512 Separately operated properties; profit.

(a) This account shall include amounts earned under the terms of agreements or contracts whereby the surplus resulting from the operation by others or properties of other companies having a separate corporate existence is to be paid, in whole or in part, to the accounting company.

(b) In determining the amount earned by the accounting company, consideration shall be given not only to the operating revenues and operating expenses but also to other items of income or deduction which affect that amount.

NOTE A.—The amount payable by the operating company shall be charged by it to account 550, "Income transferred to other companies."

NOTE B.—Dividends or other returns upon securities issued by separately operated companies, and held or controlled by the accounting company, shall be included in accounts 513, "Dividend income," 514, "Interest income," or 516, "Income from sinking and other funds," as may be appropriate.

513 Dividend income.

(a) This account shall include dividends declared on railway and other stocks, the income from which is the property of the accounting company, whether such stocks are owned by the accounting company and held in its treasury or deposited in trust, or are controlled through lease or otherwise.

(b) Dividends declared shall not be credited prior to actual collection unless their payment is reasonably assured by past experience, guaranty, anticipated provision, or otherwise. (See Note C to account 708, "Interest and dividends receivable.")

(c) Accruals of guaranteed dividends may be included in this account if their payment is reasonably assured.

NOTE A.—This account shall not include credits for dividends on stocks issued or assumed by the accounting company and owned by it, whether pledged as collateral or held in its treasury, in special deposits, or in sinking or other funds.

NOTE B.—Dividends on stocks of other companies held in sinking or other funds shall be credited to account 516, "Income from sinking and other funds."

514 Interest income.

(a) This account shall include the interest on securities and debenture stock of other companies, the income from which is the property of the accounting company whether such securities are owned by the accounting company and held in its treasury or deposited in trust, or are controlled through lease or otherwise.

(b) The account shall also include interest on notes and other evidences of indebtedness and interest on bank balances, open accounts, and other analogous items, including discount or short-term notes. Interest shall not be accrued unless its payment is reasonably assured by past experience, guaranty, anticipated provision, or otherwise. (See Note C to account 708, "Interest and dividends receivable.")

(c) At the option of the accounting company there may be included each year in this account the portion, applicable to the fiscal period, of the amount requisite to extinguish, during the interval between the date of acquisition and the date of maturity, the discount or premium on securities of other companies owned (other than short-term notes). Amounts thus credited or charged shall be concurrently charged or credited to the account in which the cost of the securities is carried. The discount on short-term notes shall be distributed through

equal monthly credits, over the terms of the notes.

NOTE A.—This account shall not include interest on securities issued or assumed by the accounting company and owned by it, whether pledged as collateral or held in its treasury, in special deposits, or in sinking or other funds.

NOTE B.—Interest on securities other than those of the accounting company, and on other assets held in sinking or other funds shall be included in account 516, "Income from sinking and other funds."

NOTE C.—Discount on bills for material purchased shall be credited to the accounts to which is charged the cost of the material with respect to which the discount is allowed.

516 Income from sinking and other funds.

(a) This account shall include the income on cash, securities, and other assets (not including securities issued or assumed by the accounting company) held in sinking and other funds. (See Note C to account 708, "Interest and dividends receivable.")

(b) At the option of the accounting company there may be included each year in this account the portion, applicable to the fiscal period, of the amount requisite to extinguish, during the interval between the date of acquisition and the date of maturity, the discount or premium on funded securities held in sinking or other funds. Amounts thus credited or charged shall be concurrently charged or credited to the account in which the cost of the securities is carried.

517 Release of premiums on funded debt.

This account shall include, during each fiscal year, such proportion of the premiums on outstanding funded debt as may be applicable to the period. (See instruction 5-3.)

518 Contributions from other companies.

(a) This account shall include amounts received or receivable from other companies or individuals, representing the whole or a part of the net deficit of the accounting company when, under the terms of agreements or contract, no obligation for subsequent reimbursement is incurred.

(b) In determining the amount receivable by the accounting company, consideration shall be given not only to the operating revenues and operating expenses, but also to other items of income or deduction which affect that amount.

NOTE.—The amount payable shall be charged by the contributing company to account 545, "Separately operated properties—Loss."

519 Miscellaneous income.

(a) This account shall include all items, not provided for elsewhere, properly creditable to income accounts during the current year. Among the items which shall be included in this account are:

Cancellation of balance sheet accounts representing unclaimed wages and vouchered accounts written off because of carrier's inability to locate the creditor.

Profit from sale of securities carried as temporary cash investments.

Profit from sale of land used for transportation purposes, of noncarrier property and of securities acquired for investment purposes.

Profit from company bonds reacquired.

Decreases in the valuation allowance (contained within account 702) for the marketable equity securities included in current assets.

(b) Gains from extinguishment of debt shall be aggregated and, if material, credited to account 570, "Extraordinary Items," upon approval by the Commission; however, gains from extinguishment of debt (excluding debt maturing serially) which is made to satisfy sinking fund requirements, shall be recorded in this account regardless of amount.

531 Railway operating expenses.

This account shall include total expenses caused by operations, as shown in the primary expense accounts provided in these regulations.

534 Expenses of property used in other than carrier operations.

This account shall include the depreciation and expenses incurred on property used in other than carrier operations. The cost of this property is includible in balance-sheet account 737, "Property used in other than carrier operations."

535 Taxes on property used in other than carrier operations.

This account shall include accruals of taxes paid or payable upon property used in other than carrier operations. The cost of this property is included in account 737, "Property used in other than carrier operations."

543 Miscellaneous rent expense.

This account shall include rents payable accrued on property held by the accounting company under lease or other agreement and not properly chargeable to any of the foregoing accounts.

NOTE A.—This account shall not include rents provided for in the operating expense accounts.

NOTE B.—If property, the rent of which is chargeable to this account is sublet to others, the rent from the sublease shall be credited to account 506, "Revenue from property used in other than carrier operations."

NOTE C.—Payments for the exclusive use of miscellaneous property maintained by the lessor and used by the accounting company shall be divided into two portions: One, representing the cost of maintenance, shall be charged to the appropriate operating accounts, and the other, representing rent (amount applicable to the investment in the property), shall be charged to this account. The bill rendered by the creditor shall show the distribution of the payments as between maintenance and rent, and such distribution shall be adhered to by the debtor.

544 Miscellaneous taxes.

This account shall include all accruals for taxes not provided for elsewhere, such as taxes on securities owned, and taxes on income from securities owned.

545 Separately operated properties: loss.

(a) This account shall include amounts payable under the terms of agreements or contracts whereby the deficit resulting from the operation by others of properties of other companies having a separate corporate existence is to be paid, in whole or in part, by the accounting company.

(b) In determining the amount payable by the accounting company, consideration shall be given not only to the operating revenues and operating expenses, but also to other items of income or deductions which affect that amount.

NOTE A.—The amount receivable by the operating company shall be credited by it to account 518, "Contributions from other companies."

NOTE B.—Dividends or other returns upon securities issued by separately operated companies and held or controlled by the accounting company shall not be included in this account to offset a deficit payable, but in accounts 513, "Dividend income," or 514, "Interest income," as may be appropriate.

546 Interest on funded debt.

This account shall include the current accruals of interest on all classes of long-term debt, the principal of which is includible in accounts 765, "Funded debt unmatured"; 766, "Equipment obligations"; 767, "Receivers' and trustees' securities"; 768, "Debt in default"; and 769, "Accounts payable; affiliated companies." This account shall be kept in such form that the interest on receivers' and trustees' securities, and on other classes of funded debt may be shown separately in the annual report to the Commission.

NOTE A.—This account shall not include charges for interest on funded debt obligations issued or assumed by the accounting company and owned by it, whether pledged as collateral or held in its treasury, in special deposits, or in sinking or other funds.

NOTE B.—When funded debt is incurred for new lines or extensions, or for addition and betterment purposes, the accruals of interest on such funded debt (less interest received on unexpended balances), to the date of completion or coming into service of the property so acquired shall be includable in the road and equipment accounts.

NOTE C.—This account shall be maintained so as to show separately: (a) fixed interest which will be paid, or for which provision for payment will be made, when the interest matures; (b) interest in default; and (c) contingent interest determined to be payable.

547 Interest on unfunded debt.

This account shall include interest accrued on unfunded debt, such as short-term notes payable on demand or having dates of maturity one year or less from dates of issue, and open accounts including discount and expense on demand and short-term loans, interest on receipts outstanding for installments paid on capital stock, interest on deferred payments for public improvements, and other analogous items. The discount on short-term notes, if of a considerable amount shall be distributed

through equal monthly charges, over the term of the notes.

NOTES.—When short-term notes or other evidences of unfunded indebtedness are issued for new lines or extensions or for addition and betterment purposes the accrual of interest to the date of completion or coming into service of the property shall be included in the road and equipment accounts.

548 Amortization of discount on funded debt.

(a) This account shall be charged during each fiscal period with the proportion of the discount on funded debt obligations applicable to that period. This proportion shall be determined according to a rule the uniform application of which through the interval between the date of sale and the date of maturity will extinguish the discount on funded debt.

(b) The charge to this account for any period must not be either greater or less than the proportion of the balance remaining unamortized applicable to that period so long as any portion of the discount remains unextinguished. However, the entire amount for the discount and expense applicable to any particular issue of obligations may be charged directly to this account and account 551, "Miscellaneous income charges," as appropriate, at time of issue when the aggregate of such amounts does not appreciably affect the accounts. (See Instruction 5-3(b).)

549 Maintenance of investment organization.

This account shall include the directly assignable administration expenses of the accounting company which are incident to its investments in leased or nonoperating physical property, and in stocks, bonds, or other securities.

ITEMS OF EXPENSE

Advertising annual reports (lessor companies only).
Calls for bonds in accordance with sinking fund provisions of mortgages.
Directors' fees.
Printing and mailing dividend checks.
Publishing and mailing annual reports and other corporate statements to shareholders.
Publishing notices of declaration of dividends.
Law expenses.
Office expenses.
Salaries of officers, clerks, and attendant.
Stationery and printing.

NOTE.—Administration expenses incident to railway operation are includible in the primary accounts provided for in operating expense general account series 60-00-00.

550 Income transferred to other companies.

(a) This account shall include the whole or any portion of the income of the accounting company payable to another company under the terms of agreements or contracts without obligation for reimbursement.

(b) In determining the amount payable by the accounting company, consideration shall be given not only to operating revenues and operating expenses, but also to other items of income or deduction which affect that amount.

NOTE A.—The amount receivable by the other company shall be credited by its to account 512, "Separately operated properties—Profit."

NOTE B.—Dividends or other payments upon securities issued or assumed by the accounting company shall not be included in this account.

551 Miscellaneous income charges.

(a) This account shall include items, not provided for elsewhere, properly chargeable to income account during the current year. Among the items which shall be included in this account are:

Interest on tax deficiencies, on overcharge claims, and on court awards.
Income tax upon the interest on the accounting company's funded debt when these taxes are assumed by the company.
Payments of old accounts previously written off.
Penalties and fines for violation of the Interstate Commerce Act or other Federal and State laws when not specifically provided for elsewhere.
Loss on sale of securities carried as temporary cash investments.
Loss on sale of land used for transportation purposes, and of noncarrier property.
Loss on sale of securities acquired for investment purposes, and charges to write down the ledger value of such securities because of impairment in their value.
Loss from company bonds reacquired.
Increases in the valuation allowance (contained within account 702) for the marketable equity securities included in current assets.

(b) Losses from extinguishment of debt shall be aggregated and, if material, charged to account 570, "Extraordinary Items," upon approval by the Commission; however, losses from extinguishment of debt (excluding debt maturing serially) which is made to satisfy sinking fund requirements, shall be included in this account regardless of amount.

553 Uncollectible accounts.

This account shall include losses on receivables, notes, or claims that are not includible in account 63-61-00, "General-Uncollectible Accounts-General and Administrative."

555 Unusual or infrequent items (debit) credit.

This account shall include material items unusual in nature or infrequent in occurrence, but not both, accounted for in the current year in accordance with the text of instruction 1-2(d), upon approval by the Commission.

556 Income taxes on ordinary income.

This account shall include accruals for Federal, State and other income taxes applicable to ordinary income. See the text of account 590, for recording other income tax consequences.

557 Provision for deferred taxes.

(a) This account shall include the net tax effect of all material timing differences (see definition 20(e)) originating and reversing in the current accounting period, and the future tax benefits of loss carryforwards recognized in accordance with instruction 1-12.

(b) This account shall include credits for the amortization of the investment tax credit if the carrier elected to use the deferred method of accounting for the investment tax credit. (See instruction 1-12)

560 Income or loss from operations of discontinued segments.

This account shall include the results of operations of a segment of a business (see definition 23(a)), after giving effect to income tax consequences, that has been or will be discontinued in accordance with the text of instruction 1-2(d), upon approval by the Commission.

562 Gain or loss on disposal of discontinued segments.

This account shall include the gain or loss from the disposal of a segment of a business, after giving effect to income tax consequences, in accordance with the text of instruction 1-2(d), upon approval by the Commission.

570 Extraordinary items (Net).

(a) This account shall include extraordinary items accounted for during the current accounting year in accordance with the text of instruction 1-2(d), upon submission of a letter from the carrier's independent accountants, approving or otherwise commenting on the item and upon approval by the Commission.

(b) This account shall be maintained in a manner sufficient to identify the nature and gross amount of each debit and credit.

(c) Income tax consequences of charges and credits to this account shall be recorded in account 590, "Income taxes on extraordinary items," or account 591, "Provision for deferred taxes—extraordinary items."

590 Income taxes on extraordinary items.

This account shall include the estimated income tax consequences (debit or credit) assignable to the aggregate of items of both taxable income and deductions from taxable income which for accounting purposes are classified as unusual and infrequent, and are recorded in account 570, "Extraordinary Items (Net)." The tax effect of any timing differences caused by recognizing an item in the account provided for extraordinary items in different periods in determining accounting income and taxable income shall be included in account 591, "Provision for Deferred Taxes—Extraordinary items."

591 Provision for deferred taxes—extraordinary items.

This account shall include debits or credits for the current accounting period for income taxes deferred currently, or for amortization of income taxes deferred in prior accounting periods applicable to items of revenue or expense included in account 570, "Extraordinary Items (Net)." (See Instruction 1-11.)

592 Cumulative effect of changes in accounting principles.

This account shall include the cumulative effect of changing to a new accounting principle, after giving effect to income tax consequences, in accordance with instruction 1-2(d), upon approval by the Commission.

Form of income statement

	I. Ordinary Items	
501	Railway operating revenues	
531	Railway operating expenses	
	Net Revenue from Railway Operation [1]	
	II. Other Income	
506	Revenues from property used in other than carrier operations	
510	Miscellaneous rent income	
512	Separately operated properties—profit	
513	Dividend income	
514	Interest income	
516	Income from sinking and other funds	
517	Release of premiums on funded debt	
518	Contributions from other companies	
519	Miscellaneous income	
	Income from affiliated companies:	
	Dividends	
	Equity in undistributed earnings (losses)	
	Total income from affiliated companies	
	Total other income	
	Total income	
	III. Miscellaneous Deductions From Income	
534	Expenses of property used in other than carrier operations	
535	Taxes on property used in other than carrier operations	
543	Miscellaneous rent expense	
545	Separately operated properties-loss	
549	Maintenance of investment organization	
550	Income transferred to other companies	
551	Miscellaneous income charges	
553	Uncollectible accounts	
	Total miscellaneous deductions	
	Income available for fixed charges	
	IV. Fixed Charges	
546	Interest on funded debt:	
	(a) Fixed interest not in default	
	(b) Interest in default	
547	Interest on unfunded debt	
548	Amortization of discount on funded debt	
	Total fixed charges	
	Income after fixed charges	
	V. Other Deductions	
546	Interest on funded debt: (c) Contingent interest	
	VI. Unusual or Infrequent Items	
555	Unusual or Infrequent Items (debit) credit	
	Income (loss) from continuing operations (before income taxes)	
	VII. Provision for Income Taxes	
536	Income Taxes on Ordinary Income:	
	Federal income taxes	
	State income taxes	
	Other income taxes	
557	Provision for deferred income taxes	
	Income from continuing operations	
	VIII. Discontinued Operations	
560	Income or Loss from operations of discontinued segments (less applicable income taxes of $.....)	
562	Gain or loss on disposal of discontinued segments (less applicable income taxes of $.....)	
	Income (loss) before extraordinary items	
	IX. Extraordinary Items and Accounting Changes	
570	Extraordinary items (net)	
590	Income taxes on extraordinary items	
591	Provision for deferred taxes—extraordinary items	
	Total extraordinary items	
592	Cumulative effect of changes in accounting principles (less applicable income taxes of $.....)	
	Net income	

[1] Reconciliation of net railway operating income (NROI):

	Net revenues from railway operations	
(536)	Income taxes on ordinary income	
(557)	Provision for deferred income taxes	
(560)	Taxes applicable to income or loss from operations of discontinued segments	
(562)	Taxes applicable to gain or loss on disposal of discontinued segments	
	Income from lease of road and equipment (formerly account 509)	
	Rent for leased roads and equipment (formerly account 542)	
	Net railway operating income	

RETAINED EARNINGS ACCOUNTS

Credit

601 Credit Balance (at beginning of calendar year).

This account shall include the net credit balance in the retained earnings account at the beginning of the calendar year.

601.5 Prior period adjustments to beginning retained earnings account.

This account shall include adjustments net of assigned income taxes, in accordance with the text of instruction 1-2(d), to the balance in the retained earnings account at the beginning of the calendar year, upon approval by the Commission.

602 Credit balance transferred from income.

This account shall show the net credit balance brought forward from the income account for the calendar year.

603 Appropriations released.

This account is provided to return to unappropriated retained earnings the amount of appropriations no longer required. The account shall be subdivided to show the nature of the appropriations being released and the circumstances of the release shall be fully described.

606 Other credits to retained earnings.

This account shall include other credit adjustments, net of assigned income taxes, not provided for elsewhere in this system but only after such inclusion has been authorized by the Commission.

Debit

611 Debit balance (at beginning of calendar year).

This account shall include the net debit balance in the retained earnings account at the beginning of the calendar year.

612 Debit balance transferred from income.

This account shall show the net debit balance brought forward from the income account for the calendar year.

616 Other debits to retained earnings.

(a) This account shall include losses from resale of reacquired capital stock, and charges which reduce or write-off discount on capital stock issued by the company, but only to the extent that such charges exceed credit balances in account 795, "Other capital," applicable to net gains from reacquisition and resale or retirement of such subclass of capital stock. See instruction 5-4.

(b) This account shall also include other debit adjustments, net of assigned income taxes, not provided for elsewhere in this system but only after such inclusion has been authorized by the Commission.

620 Appropriations for sinking and other funds.

This account shall be charged and account 797, "Retained earnings; Appropriated," shall be credited with amounts appropriated pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts requiring payments into sinking funds, capital funds, and other funds.

621 Appropriations for other purposes.

This account shall be charged and account 797, "Retained earnings; Appropriated," shall be credited with the amount of appropriations for general contingencies, indefinite possible future losses and other corporate purposes not provided for elsewhere. The appropriations shall be released when their respective purposes have been served.

623 Dividends.

This account shall be charged with the amount of dividends declared on actually outstanding capital stock issued or assumed by the company. If the dividend is not payable in cash, the securities or other property to be distributed shall be described with sufficient particularity to identify the distribution. This account shall be subdivided to show separately the dividends declared on the various subclasses of capital stock.

NOTE.—This account shall not include charges for dividends on capital stock issued or assumed by the company and owned by it, whether pledged as collateral or held in its treasury, in special deposits, or sinking or other funds.

GENERAL BALANCE SHEET ACCOUNTS EXPLANATIONS

Assets

CURRENT ASSETS

701 Cash.

(a) This account shall include money, checks, sight drafts, and sight bills of exchange in the hands of the accounting company's financial officers and agents, or in transit from its agents and conductors for which such agents and conductors have received credit. It shall include, also, deposits with banks and trust companies available for use on demand, and savings accounts subject to the usual clause reserving the right to defer payment for a specified number of days.

(b) The amount of checks and drafts, which have been transmitted to payees and which remain unpaid at the close of the accounting period, shall be credited to this account. When the amount of such checks and drafts cannot be determined with absolute accuracy, an estimate of the amount shall be used. Amounts not transmitted to payees shall be included in the appropriate liability accounts.

NOTE.—Compensating balances under an agreement which legally restricts the use of such funds shall not be included in this account. Such balances shall be included in account 703, "Special Deposits," or 717, "Other Funds," as appropriate.

702 Temporary cash investments.

This account shall include the cost of securities and other obligations acquired for the purpose of temporarily investing cash, such as United States Treasury certificates, marketable securities, time drafts receivable, demand loans, time loans, time deposits with banks and trust companies, and other similar investments of a temporary character, which are readily convertible into cash at substantially their recorded cost.

This account shall be subdivided to reflect the marketable equity securities portion (and its corresponding valuation allowance) and other temporary investments (See Instruction 5–2.)

703 Special deposits.

This account shall include cash deposits, either placed in the hands of trustees or under the direct control of the reporting company, which are restricted for specific purposes. Examples are those deposits made for the payment of dividends and interest due within one year, the liquidation of other current liabilities, to guarantee fulfillment of current contract obligations, to meet specific operating requirements, or compensating balances (See Definition 24) under an agreement which legally restricts the use of such funds, and which constitute support for short-term borrowing arrangements. Subaccounts may be set up, if necessary, to account for special deposits for specific purposes.

NOTE.—Deposits available for general company purposes shall be included in account 701, "Cash."

704 Loans and notes receivable.

This account shall include the book value of all collectible obligations in the form of demand or time loans and notes receivable, or other similar evidences (except interest coupons) of money receivable within a time not exceeding one year from date of issue.

NOTE A.—Current loans and notes receivable from affiliated companies shall be included in account 708.5, "Receivables from affiliated companies."

NOTE B.—Obligations held as investments which mature more than one year after date of issue shall be included in accounts 721, "Investments and advances: Affiliated companies," or 722, "Other investments and advances," as appropriate.

NOTE C.—Loans and notes receivable acquired for the purpose of temporarily investing cash shall be included in account 702, "Temporary cash investments."

705 Accounts receivable; interline and other balances.

This account shall include the net debit balances receivable from other companies representing items such as interline freight, passenger, switching, and baggage revenues, charges for equipment interchanged on a per diem or mileage basis, and charges, for car repairs, loss and damage freight claims, and overcharge claims.

NOTE.—The amount to be entered in this account is not the net balance between this account and account 752, "Accounts payable; Interline and other balances." Net credit balances payable to other companies shall be included in account 752.

706 Accounts receivable; customers.

This account shall include amounts currently due from customers for transportation and other charges incidental to transportation, and from agents and other representatives charged with the collection or custody of current revenues.

NOTE: Amounts advanced to general and special agents as working funds shall be included in account 710, "Working funds."

707 Accounts receivable; other.

This account shall include amounts due in audited accounts, such as those due from the United States or other Governments for the transportation of mails and Government property, and from express companies for express facilities furnished under contract; miscellaneous bills against other railway companies, corporations, firms, and individuals; and other similar items.

NOTE A.—The amount to be entered in this account is not the net balance between this account and account 754, "Accounts payable: Other."

NOTE B.—Amounts due from affiliated companies for miscellaneous bills and other items subject to current settlement shall be included in account 708.5, "Receivables from affiliated companies."

708 Interest and dividends receivable.

This account shall include the amount of interest accrued to the date of the balance sheet on bonds, mortgages, notes, and other commercial paper owned, on loans made, open accounts, bank deposits, and the amount of dividends declared on stocks owned, and dividends accrued on such stocks when contracts require that the dividends be paid at stated times.

NOTE A.—No amount representing interest or dividends receivable shall be included in this account unless its payment is reasonably assured by past experience, anticipated provision, or otherwise.

NOTE B.—No dividends or other returns on securities issued or assumed by the accounting company shall be included in this account.

NOTE C.—If settlement of accounts included in this account is not made when due, such amounts that are not subject to current settlement shall be transferred to account 741, "Other assets," at their estimated realizable value. Items of current character but of doubtful value, as well as noncurrent items, shall be written off to the extent of any estimated uncollectible portion by charge to account 636000, "Uncollectible accounts; General and administrative," or account 553, "Uncollectible accounts," as appropriate. If notes are taken in settlement of amounts included in this account, the amounts shall be transferred to account 704, "Loans and notes receivable," or account 741, as appropriate. (See Instruction 5–1.)

NOTE D.—Current interest and dividends receivable from affiliated companies shall be included in account 708.5, "Receivables from

affiliated companies," and noncurrent amounts receivable shall be included in account 721, "Investments and advances; Affiliated companies."

708.5 Receivables from affiliated companies.

This account shall include amounts due from affiliated companies which are subject to current settlement such as deposits, demand or time loans, notes receivable, interest, dividends, miscellaneous bills and similar items.

NOTE.—Receivables from affiliated companies, representing net debit balances for items such as operating revenues, charges for equipment interchanged, car repairs and claims, shall not be included in this account but in account 705, "Accounts receivable; Interline and other balances."

709 Accrued accounts receivable.

This account shall include estimates of all unaudited current items receivable by the carrier to the date of the balance sheet, including those which are creditable to revenue, expense, or income accounts in accordance with the instruction relating to unaudited items. Among the items which shall be included in this account are:

Amounts receivable from others for unreported interline traffic.
Amounts receivable from others for use of facilities, including equipment, for which bills have not been rendered.
Amounts receivable from others for services for which bills have not been rendered.
Rents receivable for which bills have not been rendered.

709.5 Allowance for uncollectible accounts.

This account shall be credited with amounts provided for receivables which may become uncollectible, and shall be maintained to show the amount of each separate allowance set out below and the amounts of debits and credits thereto:

(a) Allowance for receivables applicable to transportation operations. Credits to this subdivision shall be concurrently charged to Account 636000, "Uncollectible Accounts; General and administrative."

(b) Allowances for receivables not applicable to transportation operations. Credits to this subdivision shall be concurrently charged to Account 551, "Miscellaneous income charges."

710 Working funds.

This account shall include amounts advanced to general and special agents, and to other officers and employees, as working funds from which certain expenditures are to be made and accounted for. It also includes advances to fast freight lines and to demurrage and other bureaus.

NOTE.—Advances to jointly owned or used terminal companies and other companies for permanent working funds or capital purposes shall be included in accounts 721, "Investments and advances; Affiliated companies," or 722, "Other investments and advances," as appropriate.

711 Prepayments.

This account shall include the balances in the accounts representing short-term prepaid rents chargeable to the appropriate rent accounts as the term is consumed for which the rents are paid; also short-term interest, and insurance premiums, taxes and licenses, and similar items paid in advance of their accrual, which are to be apportioned and charged, as they accrue, to the appropriate accounts.

NOTE.—Expenditures by a carrier for improvements to office buildings and other facilities rented for more than one year, title to which will pass to the lessor at the end of the rental period, shall be charged to account 743, "Other deferred debits," and amortized over the rental period as additional rent.

712 Material and supplies.

(a) This account shall include the balances representing the cost of all unapplied material, such as road and shop material, articles in process of manufacture by the accounting company, fuel, stationery, and dining car and other supplies. In determining the cost of material and supplies suitable allowance shall be made for any purchase discounts allowed. The cost shall include all specifically assignable transportation charges incurred in obtaining the delivery of such materials and supplies upon the premises of the carrier including loading and unloading, and a suitable proportion of purchasing and store expenses. The cost shall also include sales and excise taxes on material purchases; however, sales and excise taxes may be charged to account 656000, "Other taxes; General and Administrative," provided this procedure will not adversely affect the accounts and is consistently followed. Taxes on gasoline, other motor fuel, and motor oil are also includible in this account.

(b) Materials recovered for reuse in connection with construction, maintenance, or the retirement of property shall be charged to this account at cost, or average cost, estimated if not known, less accumulated depreciation, if any, plus the cost to restore the materials to a serviceable condition, or current market value, whichever is lower. (See Definition 17, "Salvage value.")

(c) Scrap and other nonusable materials, including obsolete parts, shall be included in account 713, "Other current assets," at the estimated salvage value when the sale of the materials is imminent and there is a relatively firm market price. Obsolete parts not subject to imminent sale shall be included in account 741, "Other assets," at their net realizable value.

(d) Material and supplies shall be credited to this account and charged to the appropriate operating expense or other account on the basis of recorded cost, average cost, or other recognized pricing system, provided that such system is consistently applied and is based on the cost of such material and supplies.

(e) An inventory of material and supplies shall be taken during each calendar year and the necessary adjustments to bring this account into harmony with the actual inventory balances shall be made in the accounts of the year in which the inventories are taken. In effecting this adjustment, determined differences in accounting for important classes of material shall be equitably assigned among the accounts to which the classes of material are ordinarily chargeable. Other differences shall be equitably apportioned among the primary accounts to which material has been charged since the last inventory. (Also see Instruction 5–1(b).)

NOTE.—Balances representing the cost of unapplied construction material and supplies located at the point of use, which have been purchased for projected new roads and extensions, or for new railroad equipment, shall be included in account 90, "Construction in progress."

713 Other current assets.

This account shall include amounts for other current assets which are not includible in the foregoing current asset accounts.

714 Deferred income tax debits.

(a) This account shall include the portion of deferred income tax debits and credits relating to current assets and liabilities, when the balance is a net debit.

(b) A net credit balance shall be included in account 762, "Deferred income tax credits."

SPECIAL FUNDS

715 Sinking funds.

(a) This account shall include the amount of cash, the ledger value of live securities of other companies, and other assets which are held by trustees of sinking and other funds for the purpose of redeeming outstanding obligations, including such assets held in the hands of the accounting company's treasurer when the assets are segregated in a distinct funds.

(b) This account shall include amounts deposited with trustees on account of mortgaged property sold, where the proceeds are held for the redemption of securities; and also the par value (or the amount recorded for no par stock) of live securities issued or assumed by the accounting company and held in such funds.

(c) A separate subaccount shall be kept for each fund. The title of each subaccount shall designate the obligation redeemable from the fund.

NOTE.—In stating the balance sheet in the annual reports to the Commission the total amount of the funds and the par value (or the amount recorded for no par stock) of securities issued or assumed by the accounting company and held in the funds shall be shown in the short columns, and the net amount of the funds (total amount less securities issued or assumed) shall be shown in the long column.

716 Capital funds.

(a) This account shall include cash and the ledger value of other assets held by trustees or by the accounting company's treasurer when segregated in distinct funds that have been (1) realized from the sale of equipment obligations or other long-term obligations and not yet applied toward the specific purposes for which the obligations were incurred, and (2) set aside in accordance with governmental, mortgage, or contractual requirements in connection with reorganizations or otherwise. This account shall also include funds deposited with trustees to be held until mortgaged property sold is replaced.

(b) An appropriate record shall be maintained for securities issued or assumed by the accounting company and held in the funds, identifying those that are nominally issued or nominally outstanding.

NOTE.—Funds specifically set aside for sinking fund purposes shall be included in account 715, "Sinking funds." If one purpose of a capital fund is to provide contributions to a sinking fund under specified conditions, the entire amount of the fund shall be included in this account until the contributions to the sinking fund are made, at which time the amounts thereof shall be transferred to account 715.

NOTE.—The ledger value of assets of the character indicated in paragraph (a)(2) of this section, shall be transferred to the appropriate current asset account when the assets are definitely assigned in advance of expenditure to the payment of interest or other current liabilities payable within one year.

717 Other funds.

This account shall include the amount of cash and the ledger value of securities of other companies and other assets which are in the hands of trustees or managers of insurance, employees' pension, savings, relief, hospital, and other funds which have been raised and specifically set aside or invested for specific purposes not provided for elsewhere; also the par value (or the amount recorded for no par stock) of securities issued or assumed by the accounting company and held in such funds. A separate subaccount shall be kept for each fund.

NOTE A.—Sinking funds and capital funds are provided for in accounts 715, "Sinking funds," and 716, "Capital funds," respectively.

NOTE B.—In stating the balance sheet in the annual reports to the Commission, the total amount of the funds and the par value (or the amount recorded for no par stock) of securities issued or assumed by the accounting company and held in the funds shall be shown in the short columns, and the net amount of the funds (total amount less securities issued or assumed) shall be shown in the long column.

NOTE C.—This account shall not include funds held by the accounting company solely as trustee and in which it has no beneficial interest.

NOTE D.—This account shall include compensating balances (see Definition 24) under an agreement which legally restricts the use of such funds and which constitute support for long-term borrowing arrangements.

INVESTMENTS

721 Investments and advances; affiliated companies.

(a) This account shall include the ledger value of the accounting company's investment in securities issued or assumed by affiliated companies other than securities held in special deposits or special funds; and also investment advances made to affiliated companies not subject to current settlement; notes receivable from affiliated companies which mature later than 1 year from date of the balance sheet; and similar noncurrent items of affiliated companies.

(b) This account shall be maintained in such manner as to show each of the following classes of investment in each affiliated company:

(1) Stocks.
(2) Bonds.
(3) Other secured obligations.
(4) Unsecured notes.
(5) Investment advances.

(c) A complete record of securities pledged shall be maintained to show separately the ledger value of securities pledged and unpledged in the annual report to the Commission.

NOTE A.—Accounts with affiliated companies which are subject to current settlement, if their collection is reasonably assured, shall be classed as current assets, and if settlement is deferred beyond one year such items shall be transferred to this account.

NOTE B.—The term affiliated companies (also see Definition 4) includes:

1. Controlled companies, including companies solely controlled by the accounting company, and also companies jointly controlled by the accounting company and others under a joint arrangement.
2. Controlling companies, including both companies solely controlling the accounting company, and companies which jointly control the accounting company under a joint arrangement.
3. Companies controlled by controlled companies.
4. Companies controlled by controlling companies.

By "control" (also see Definition 4) is meant the ability to determine the action of a corporation. For the purposes of this account, the following are to be considered forms of control:

(a) Right through title to securities issued or assumed to exercise the major part of the voting power in the controlled corporation.

(b) Right through agreement or source other than title to securities, to name the majority of the board of directors, managers, or trustees of the controlled corporation.

(c) Right to foreclose a first lien upon all or a major part in value of the tangible property of the controlled corporation.

(d) Right to secure control because of advances made for construction of the operating property of the controlled corporation.

(e) Right to control only in a specific respect the action of the controlled corporation.

A leasehold interest in the property of a corporation is not considered a form of control over the lessor corporation.

"Sole control" is that which rests in one corporation.

"Joint control" is that which rests in two or more corporations and which is held under a joint arrangement.

NOTE C.—The value of securities borrowed by the accounting company and pledged shall not be included in this account. A memorandum record shall be kept.

NOTE D.—The value of securities pledged for purposes other than that of security for funded debt or short-term loans shall be included in accounts 715, "Sinking funds," 716, "Capital funds," or 717, "Other funds," as appropriate.

721.5 Adjustments; investments and advances—affiliated companies.

(a) This account shall be credited with amounts charged to account 551, "Miscellaneous income charges," to provide for impairment in the value of investment securities and other assets included in Account 721, "Investments and advances; affiliated companies."

(b) If provision is made for anticipated losses in specific assets, when the assets are written down or written off, or are sold or otherwise disposed of at a loss, the reduction in the book value or the losses sustained shall be charged to this account to the extent of the credit balance in the account applicable to the particular items involved, and the remainder, if any, shall be charged to account 551, "Miscellaneous income charges." Where a general provision for losses in unspecified asset values is maintained, all such losses resulting from write-downs, write-offs, etc., shall be charged to this account to the extent of the total credit balance in the account, and the remainder, if any, shall be charged to account 551, "Miscellaneous income charges."

722 Other investments and advances.

(a) This account shall include the ledger value of the accounting company's investment in securities issued or assumed by nonaffiliated companies other than securities held in special deposits or special funds; and also investment advances made to nonaffiliated companies not subject to current settlement; notes receivable from nonaffiliated companies which mature later than 1 year from date of the balance sheet; and similar noncurrent items of nonaffiliated companies.

(b) This account shall be maintained in such manner as to show each of the following classes of investment in each nonaffiliated company:

(1) Stocks.
(2) Bonds.
(3) Other secured obligations.
(4) Unsecured notes.
(5) Investment advances.

(c) A complete record of securities pledged shall be maintained to show separately the ledger value of securities pledged and unpledged in the annual report to the Commission.

NOTE A.—Accounts with nonaffiliated companies which are subject to current settle-

ment, if their collection is reasonably assured, shall be classed as current assets, and if settlement is deferred beyond one year such items shall be transferred to account 741, "Other assets."

NOTE B.—The term "nonaffiliated companies" includes all companies other than those defined as affiliated in Note B of account 721, "Investments and advances: Affiliated companies."

NOTE C.—The value of securities borrowed by the accounting company and pledged shall not be included in this account. A memorandum record shall be kept.

NOTE D.—The value of securities pledged for purposes other than that of security for funded debt or short-term loans shall be included in accounts 715, "Sinking funds," 716, "Capital funds," or 717, "Other funds," as appropriate.

723 Adjustments; other investments and advances.

(a) This account shall be credited with amounts charged to account 551, "Miscellaneous income charges," to provide for impairment in the value of investment securities and other assets included in account 722, "Other investments and advances."

(b) If provision is made for anticipated losses in specific assets, when the assets are written down or written off, or are sold or otherwise disposed of at a loss, the reduction in the book value or the losses sustained shall be charged to this account to the extent of the credit balance in the account aplicable to the particular items involved, and the remainder, if any, shall be charged to account 551, "Miscellaneous income charges." Where a general provision for losses in unspecified asset values is maintained, all such losses resulting from write-down, write-offs, etc., shall be charged to this account to the extent of the total credit balance in the account, and the remainder, if any, shall be charged to account 551, "Miscellaneous income charges."

724 Allowance for net unrealized loss on noncurrent marketable equity securities—Cr.

This account shall reflect the amount by which aggregate cost exceeds market value for the noncurrent marketable equity securities found in accounts 721 and 722. This account shall be debited or credited so that the balance at the balance sheet date shall reflect such difference. (Refer to Instruction 6–2).

This account shall *not* include amounts by which aggregate cost exceeds market value if such differences are judged to be other than temporary. (Such differences should be charged to account 723.)

TANGIBLE PROPERTY

731 Road and equipment property.

This account shall include the accounting company's investment in road and equipment (including that held under contract for purchase), used or held for use as transportation property in existence at the date of the balance sheet. When property is retired from service, this account shall be credited with the ledger value of the property retired.

NOTE A.—This account shall not include any items representing titles to securities.

NOTE B.—When equipment or other property is acquired under an agreement which provides that the cost shall be paid in installments, the cost (its money value at time of purchase) shall be charged to the appropriate road and equipment accounts at the time the equipment is delivered to the carrier, and included in this account in the same manner as the cost of equipment purchased outright. When the par value of notes or other securities issued in payment, or in part payment, for such equipment is more (or less) than the actual cash value of the equipment at the time of the purchase, or of the proportion to which the securities are applicable, the difference between the par value of the securities and the actual cash value of the equipment, or of the proportion paid for by the securities, shall be charged (or credited) to the proper discount and premium accounts.

NOTE C.—Held for use, as referred to above, implies the ability of the carrier to substantiate within a reasonable period of time, by plan or policy, the probable future use which is to be made of the property.

732 Improvements on leased property.

(a) This account shall include the cost of improvements made by the lessee to property which is held under lease from others or through control of the company owning the property, where such improvements are used by the lessee in transportation service, and the lessee is not to be reimbursed by the lessor for such improvements. (See instruction 2–18.)

(b) The carrier's records shall be kept in such manner as to show the debits and credits to this account in accordance with the provisions for road and equipment.

NOTE A.—This account shall not include any items representing titles to securities.

NOTE B.—When the lessor company includes in account 731, "Road and equipment property," the cost of improvements made by the lessee to property, leased by it from the lessor and settlement is not made at the time for the cost thereof, the lessee, pending settlement with the lessor, shall include the and advances; Affiliated companies," or 722, "Other investments and advances," as appropriate.

733 Accumulated depreciation; improvements on leased property.

(a) This account shall be credited with amounts concurrently charged to operating expenses or other authorized accounts for depreciation accrued on improvements to leased property, the cost of which is included in account 732, "Improvements on leased property."

(b) The service value of each unit of property retired (and also of each minor item, less than a unit, retired and not replaced) for which this accumulated depreciation account has been established shall be charged to this account.

(c) Instructions for depreciation accounts, rates of depreciation, and records to be maintained, as contained in instruction 4 for owned property, shall also apply to improvements on leased property.

734 Accumulated amortization; improvements on leased property—defense projects.

This account shall include the amounts of accumulated past provisions for amortization of improvements to leased property applicable to defense projects, the cost of which is included in account 732, "Improvements on leased property." This account shall be charged with the amount of the credit balance applicable to specific property at the time the property is retired. The accounting company shall maintain separate subaccounts for amortization of (1) road property and (2) equipment.

735 Accumulated depreciation; road and equipment property.

(a) This account shall be credited with amounts concurrently charged to operating expenses or other authorized accounts to cover the loss in service value of depreciable road and equipment property. It shall also include adjustments which the Commission may authorize the accounting company to make such as adjustments for past accruals of depreciation, and provision for material abandonment or other losses applicable to nondepreciable property.

(b) The service value of each unit of depreciable property retired (and also of each minor item, less than a unit, retired and not replaced) shall be charged to this account. This account shall also be charged for amounts for losses applicable to nondepreciable property retired for which provision was previously made by approval of the Commission, and any resultant adjustment of such provision shall be referred to the Commission for consideration and decision.

(c) Comprehensive instructions pertaining to depreciation accounts, rates of depreciation, and records to be maintained, are contained in instruction 4.

736 Accumulated amortization; road and equipment property—defense project.

This account shall include the amount of accumulated past provisions for amortization of road and equipment defense projects, the cost of which is included in account 731, "Road and equipment property." This account shall be charged with the amount of the credit balance applicable to specific property at the time the property is retired. The accounting company shall maintain separate subaccounts for amortization of (1) road property and (2) equipment.

737 Property used in other than carrier operations.

This account shall include the accounting company's investment in property other than property assignable to accounts 731, "Road and equipment property," and 732, "Improvements on leased property," such as hotels, restaurants, powerplants, which are not operated by the accounting company or another carrier in connection with its transportation service.

ITEMS OF INVESTMENT

Coal and other mines.
Commercial power plants.
Hotels and restaurants.
Lands and buildings not used in transportation operations.
Lands and other property acquired and held in anticipation of future use.
Mineral and timber lands.
Rails and other track material leased to others.
Saw mills and other manufacturing plants not operated in connection with transportation service.

738 Accumulated depreciation; property used in other than carrier operations.

This account shall be credited with amounts charged to income or other authorized accounts for depreciation accrued on property, the cost of which is included in account 737, "Property used in other than carrier operations." When such property is destroyed, sold, or otherwise retired from service, this account shall be charged with the amount of the credit balance applicable to the property retired.

INTANGIBLE PROPERTY

739 Organization expenses.

This account shall include all fees paid to governments for the privilege of incorporation, and office and other expenditures incident to organizing the corporation and putting it in readiness to do business; cost of preparing and distributing prospectuses; special counsel fees; cost of preparing and issuing certificates of stock; cost of procuring the necessary certificates from State authorities; and other like costs necessary and proper in organizing the enterprise.

NOTE.—Cost of soliciting for loans or for the sale of bonds or other evidences of indebtedness shall be charged to balance sheet account 743, "Other deferred debits." (See Instruction 5–3.)

OTHER ASSETS AND DEFERRED DEBITS

741 Other assets.

This account shall include the estimated value of salvage recoverable from property retired when the recovery of the salvage is deferred for any reason. (See instruction 2–5.) This account shall also include the estimated realizable amount for other assets of doubtful value, collection of which within one year is not assured; also other deferred assets and miscellaneous assets not otherwise provided for in general balance sheet accounts. (See instruction 5–1.)

743 Other deferred debits.

(a) This account shall include the amount of debit balances in suspense accounts that cannot be cleared and disposed of until additional information is received, such as freight claims paid when found to be correct, but in advance of investigation with other carriers; unextinguished discount on short-term notes; unadjusted debit items not otherwise provided for and similar items the proper disposition of which is uncertain.

(b) This account shall also include the aggregate amount of the expenses incurred in connection with the issuance of each class of the carrier's outstanding long-term or equipment obligations, such as fees for listing long-term obligations on stock exchanges, legal and other fees, cost of tax stamps and similar items. (See Definition 9.) Separate subdivisions shall be maintained for each issue of such obligations. (See Instruction 5–3.)

744 Accumulated deferred income tax debits.

This account shall include the amount of deferred taxes (see Definition 20(h)) determined in accordance with instruction 1–10 and the text of account 786, "Accumulated deferred income tax credits," when the balance is a net debit.

Liabilities and Shareholders' Equity

CURRENT LIABILITIES

751 Loans and notes payable.

(a) This account shall include the balances representing obligations outstanding in the form of loans and notes payable or other similar evidence (except interest coupons) of indebtedness payable on demand or within a time not exceeding one year from date of issue.

(b) This account shall be kept in such form so as to show separately the amounts of notes payable within one year from date of issue that are secured by collateral.

NOTE A.—Loans and notes payable to affiliated companies which are subject to current settlement shall be included in account 757, "Payables to affiliated companies," and noncurrent obligations in account 769, "Accounts payable; Affiliated companies."

NOTE B.—This account shall not include obligations due within one year which are intended to be refinanced on a long-term basis. Long-term refinancing of short-term obligations means: (1) replacement with long-term obligations or equity securities, or (2) renewal, extension, or replacement with short-term obligations for an uninterrupted period extending beyond one year from the balance sheet date.

The intention to refinance on a long-term basis shall be supported by the ability to refinance. Evidence of this ability includes either: (1) the actual issuance of an obligation, after the balance sheet date but before the balance sheet is issued, or (2) before the balance sheet is issued, the existence of a financing agreement which is long-term and based on terms readily determinable with no existing violations of its provisions, and with a lender which is financially capable of honoring the agreement.

752 Accounts payable; interline and other balances.

This account shall include the net credit balances payable to other companies representing items such as interline freight, passenger, switching and baggage revenues, charges for equipment interchanged on a per diem or mileage basis, and charges for car repairs, loss and damage freight claims, and overcharge claims.

NOTE.—The amount to be entered in this account is not the net balance between this account and account 705, "Accounts receivable; Interline and other balances." Net debit balances receivable from other companies shall be included in account 705.

753 Audited accounts and wages payable.

This account shall include the amount of audited vouchers or accounts and audited payrolls unpaid on the date of the balance sheet. It shall include balances representing unclaimed wages and outstanding pay and time or discharge checks issued in payment of wages and all other unpaid vouchered items.

NOTE.—The amount of checks and drafts, which have been transmitted to payees and which remain unpaid at the close of the accounting period, shall be credited to account 701, "Cash."

754 Accounts payable; other.

This account shall include outstanding drafts drawn by station agents, conductors' refund and extra-fare checks not presented for redemption, taxes collected from employees and others for the account of taxing agencies, and other items of the nature of demand liabilities not covered by accounts 751, 752, 753, 755, and 756.

NOTE A.—The amount to be reported under this account is not the net balance between this account and account 707, "Accounts receivable; Other."

NOTE B.—The amount of checks and drafts, which have been transmitted to payees and which remain unpaid at the close of the accounting period, shall be credited to account 701, "Cash." When the amount of such checks and drafts cannot be determined with absolute accuracy an estimate of the amount shall be used.

NOTE C.—Deposits and other items of affiliated companies subject to current settlement shall be included in account 757, "Payables to affiliated companies."

755 Interest payable.

This account shall include the amount of matured and unpaid interest on funded debt, and other obligations of the accounting company for which provision has been made for current settlement. This account shall also include the amount of interest subject to current settlement accrued to the date of the balance sheet, but payable after that date, on obligations of the accounting company.

NOTE.—Interest payable on debt to affiliated companies, if subject to current settlement, shall be included in account 757, "Payables to affiliated companies." Noncurrent interest shall be included in account 769, "Accounts payable; Affiliated companies." Interest payable to others which is not paid when it matures shall be included in account 781, "Interest in default," if not subject to current settlement. Where interest is in default, subsequent accruals shall be credited directly to account 781.

756 Dividends payable.

This account shall include the amount of dividends payable on capital stock but unpaid, at the date of the balance sheet.

NOTE.—Dividends payable to affiliated companies shall be included in account 757, "Payables to affiliated companies."

757 **Payables to affiliated companies.**

This account shall include amounts payable to affiliated companies which are subject to current settlement such as deposits, demand or time loans, notes payable, interest, dividends, miscellaneous bills, and similar items.

NOTE.—Payables to affiliated companies, representing net credit balances for items such as revenues, charges for equipment interchanged, car repairs and claims, shall not be included in this account but in account 752, "Accounts payable; Interline and other balances."

759 **Accrued accounts payable.**

This account shall include estimates of unaudited items payable by the carrier to the date of the balance sheet, including those which are chargeable to revenue, expense, or income accounts in accordance with the instruction relating to unaudited items. Among the items which should be included in this account are:

Rents payable.
Amounts payable to others for unreported interline traffic.
Amounts payable to others for use of facilities, including equipment, for which bills have not been rendered.
Amounts payable to others for services for which bills have not been rendered.
Estimated amounts payable within one year covering liability for claims for injuries to persons, loss and damage, and similar items.
Amounts payable (estimated if necessary) within one year pursuant to agreements with labor organizations or otherwise for employees vacations now earned.

760 **Federal income taxes accrued.**

This account shall be credited with the amount accrued for Federal income taxes which has been concurrently charged to the appropriate income or other authorized accounts. Credits to this account that are based upon estimates shall be adjusted during the year so that this account may show, as nearly as practicable the approximate amount of the carrier's unpaid liability for such taxes. Payments of taxes for which accruals have been made shall be debited to this account.

761 **State and other income taxes accrued.**

This account shall be credited with the amounts accrued for state and other income taxes which have been concurrently charged to the appropriate income or other authorized accounts. Credits to this account that are based upon estimates shall be adjusted during the year so that this account may show, as nearly as practicable, the approximate amount of the carrier's unpaid liability for such taxes. Payments of taxes for which accruals have been made shall be debited to this account.

761.5 **Other taxes accrued.**

(a) This account shall be credited with the accruals of all taxes, other than income taxes, which have been concurrently charged to the appropriate income or other accounts for taxes. Such accruals may be based upon estimates, provided such estimates shall be adjusted during the year so that this account may show, as nearly as practicable, the approximate amount of the carrier's unpaid liability for such taxes. Payments of taxes for which accruals have been made shall be debited to this account.

(b) The records supporting the entries in this account shall be kept to show separately by classes of taxes the amount of the tax accruals for the current year and adjustments of accruals for prior years.

NOTE.—Amounts for prepayments of taxes shall be included in account 711, "Prepayments."

762 **Deferred income tax credits.**

(a) This account shall include the portion of deferred income tax charges and credits relating to current assets and liabilities, when the balance is a net credit.

(b) A net debit balance shall be included in account 714, "Deferred income tax debits."

763 **Other current liabilities.**

There shall be included in this account the principal amount of unpresented bonds drawn for redemption through the operation of sinking and redemption fund agreements, also the principal amount of unpresented fund debt obligations, and receivers' and trustees' securities which have matured (for which provision has been made for current settlement), and other current liabilities not includible in the foregoing current liability accounts.

764 **Equipment obligations and other long-term debt due within one year.**

This account shall include the total amount of bonds, equipment obligations, and other long-term debt, including obligations maturing serially or payable in installments which are due and payable within one year, and for which arrangements for long-term refinancing have not been made (See NOTE B to Account 751, "Loans and notes payable") or for which no sinking funds have been provided. This account shall be subdivided according to the different classes of debt.

LONG-TERM DEBT DUE AFTER ONE YEAR

765 **Funded debt unmatured.**

(a) This account shall include the total par value of unmatured debt (other than equipment obligations), maturing more than one year from the close of the accounting period, including obligations due within one year which are expected to be refinanced on a long-term basis (see NOTE B to account 751, "Loans and notes payable"), whether the securities were issued by the accounting company or the payment was assumed by the accounting company after being issued as the debt of other companies. (See account 764, "Equipment obligations and other long-term debt due within one year.")

(b) The amounts included in this account shall be divided to show the par value of (1) certificates or other evidences of funded debt (pledged and unpledged) held in the company's treasury, by its agents or trustees, or otherwise subject to its control, including both those reacquired after actual issue and those nominally but never actually issued; and (2) certificates or other evidences of funded debt issued and actually outstanding, being those not held by the company, its agents or trustees, or subject to its control.

(c) The amounts included herein shall be further divided so as to show the amount of each class of funded debt, as follows:

(1) *Mortgage bonds.* Bonds secured by lien on physical property and not includible in the other subdivisions of this account.

(2) *Collateral trust bonds.* Bonds and notes secured by a lien on securities or other negotiable paper; and stock trust certificates that are similar in character to collateral trust bonds.

(3) *Income bonds.* Bonds which are a lien on a carrier's revenue alone, or bonds which, while being a lien on its property and franchises, can claim payment of interest only in case interest is earned.

(4) *Miscellaneous obligations.* All funded obligations not provided for by the other subdivisions of this account, also notes, unsecured certificates of indebtedness, debenture bond, plain bonds, real estate mortgages executed or assumed and other similar obligations maturing more than one year from date of issue, but excluding liabilities for assessments for public improvements and those evidenced by conditional or deferred equipment purchase contracts for which provision is made in accounts 782, "Other liabilities," and 766, "Equipment obligations," respectively.

(5) *Receipts outstanding for funded debt.* Receipts for payments on account of funded debt. When certificates are issued for such payments, the par value shall be included in the account covering the class of funded debt for which the certificates are issued.

(d) Each of the above classes shall also be divided into subclasses according to differences in mortgage or other lien or security therefor, rate of interest, interest dates, or date of maturity. Parts of any issue agreeing in other characteristics but maturing serially may be treated as of the same subclass.

(e) Records shall be maintained in such manner as to show (1) securities the issuance or assumption of which has been authorized by the Commission under provisions of the Interstate Commerce Act, and similar securities issued or assumed prior to the effective date of such provisions of the Act, and (2) other obligations of a kind which may legally be issued or assumed without such authorization.

NOTE A.—Securities (other than equipment obligations) maturing one year or less from date of issue shall be included in accounts 757, "Payables to affiliated companies," 769, "Accounts payable; Affiliated companies," or 751, "Loans and notes payable," as appropriate, except that where an issue of securities maturing serially over a period of years contains short-term obligations such obli-

gations may be included as funded debt. Mature funded debt shall be included in account 763, "Other current liabilities," if provision has been made for current settlement. If no provision has been made for current settlement, matured funded debt shall be included in account 768, "Debt in default," except that when the collection of matured funded debt of affiliated companies is not enforced by controlling companies, the principal amount (to the extent held by a controlling company) shall be included in account 769, "Accounts payable; Affiliated companies."

NOTE B.—See Definitions 2, actually issued; 3, actually outstanding; 13, nominally issued; and 14, nominally outstanding.

NOTE C.—Nonnegotiable notes having a maturity of more than one year after date of issue, held by affiliated companies, shall be included in account 769, "Accounts payable; Affiliated companies."

NOTE D.—Securities nominally issued or reacquired and held in the company's treasury, except securities held by trustees in sinking or other funds, shall be included in a subdivision of this account. In the general balance sheet statement the total unmatured funded debt included in this account shall be shown in the first short column. The amount nominally but not actually issued and the amount nominally outstanding shall be shown in the second short column, and in the long column shall be shown the amount actually outstanding.

766 Equipment obligations.

(a) This account shall include the par value of equipment securities and the principal amount of contractual obligations for the purchase of equipment, excluding principal or obligations maturing serially or payable in installments within one year from the close of the accounting period, and including obligations due within one year which are expected to be refinanced on a long-term basis (see account 764, "Equipment obligations and other long-term debt due within one year"); for explanation of long-term refinancing, see Note B to account 751, "Loans and notes payable."

(b) The amounts included herein shall be divided as follows:

(1) Principal amount of equipment securities including those maturing serially, issued or assumed by the accounting company or by receivers and trustees, which have been authorized by the Commission under provisions of the Interstate Commerce Act and similar securities issued or assumed prior to the effective date of such provisions of the Act.

(2) Principal sums of obligations for equipment purchased under conditional or deferred payment contracts, which may be legally entered into or assumed by the accounting company or by receivers and trustees, without authorization by the Commission.

767 Receivers' and trustees' securities.

When receivers or trustees acting under the orders of a court are in possession of the property of the company, and under the order of such court issue or assume evidences of indebtedness (other than equipment securities or obligations) the par value of such evidences shall be credited to this account.

NOTE.—The par value of equipment securities or the principal amount of obligations incurred for the purchase of equipment under conditional or deferred payment contracts shall be included in account 766, "Equipment obligations."

768 Debt in default.

This account shall include amounts transferred from other accounts representing matured funded securities or obligations, receivers' and trustees' securities, equipment obligations and short-term notes, when maturity dates of such obligations have not been extended.

NOTE A.—The principal amount of matured funded debt of affiliated companies the collection of which is not enforced by the controlling company shall (to the extent of the principal amount held by the controlling company) be included in account 769, "Accounts payable; Affiliated companies."

NOTE B.—The principal amount unpresented funded debt obligations which have matured, and for which provision has been made for payment shall be included in account 763, "Other current liabilities."

769 Accounts payable; affiliated companies.

This account shall include the par value of nonnegotiable notes issued to affiliated companies; also matured funded debt of affiliated companies held by controlling companies where there is no agreement for an extension as to time of payment and collection of the principal is not enforced; credit balances in open accounts with such companies other than credit balances classable as current liabilities, and interest accrued on notes, matured funded debt of affiliated companies and open accounts included in this account, when such interest is not subject to current settlements. The amounts included herein shall be divided as follows:

(a) Notes, including not only nonnegotiable notes that run longer than a term of one year, but also such notes payable on demand or within one year from the date of issue when it is mutually agreed that the notes shall not be enforced as current assets by the holder.

(b) Par value of matured funded debt of affiliated companies held by controlling companies where there is no agreement for an extension of time and collection is not enforced.

(c) Open accounts not subject to current settlement.

(d) Interest accrued on amounts included in this account when not subject to current settlement.

NOTE A.—Accounts with affiliated companies which are subject to current settlement shall be classed as current assets or current liabilities, as appropriate.

NOTE B.—No item shall be included in this account which is not known to be the property of an affiliated company.

NOTE C.—The term "affiliated companies" includes:

1. Controlled companies, including companies solely controlled by the accounting company, and also companies jointly controlled by the accounting company and others under a joint arrangement. (See Definition 4.)

2. Controlling companies, including both companies solely controlling the accounting company, and companies which jointly control the accounting company under a joint arrangement.

3. Companies controlled by controlled companies.

4. Companies controlled by controlling companies.

By "control" (See Definition 8) is meant the ability to determine the action of a corporation. For the purposes of this account, the following are to be considered forms of control:

(a) Right through title to securities issued or assumed to exercise the major part of the voting power in the controlled corporation.

(b) Right through agreement of some character or through some source other than title to securities, to name the majority of the board of directors, managers, or trustees of the controlled corporation.

(c) Right to foreclose a first lien upon all or a major part in value of the tangible property of the controlled corporation.

(d) Right to secure control in consequence of advances made for construction of the operating property of the controlled corporation.

(e) Right to control only in a specific respect the action of the controlled corporation.

A leasehold interest in the property of a corporation is not to be classed as a form of control over the lessor corporation.

"Sole control" is that which rests in one corporation.

"Joint control" is that which rests in two or more corporations and which is held under a joint arrangement.

770.1 Unamortized debt discount.

This account shall include the total of the net debit balances representing the excess of the discount over the premium in connection with the issuance of each class of the carrier's outstanding long-term or equipment obligations. Separate subdivisions shall be maintained for each issue of such obligations. (See instruction 5–3.)

NOTE A.—Issue costs related to long-term debt (debt expense) shall be included in account 743, "Other deferred debits." (See instruction 5–3.)

NOTE B.—When long-term obligations are refinanced the balance of debt discount and expense pertaining to the old obligations shall be transferred to account 551, "Miscellaneous income charges."

770.2 Unamortized premium on debt.

This account shall include the total of all credit balances representing the excess of the premium over the discount and expenses in connection with the issuance of each class of the carrier's outstanding long-term or equipment obligations. Separate subdivisions shall be maintained for each issue of obligations. (See instruction 5–3.)

OTHER LONG-TERM LIABILITIES

771 Accrued liability; pension and welfare.

(a) This account shall include the credit balances accrued representing the estimated liability of the carrier for amounts provided by charges to operating expenses, including amounts contributed by employees, irrespective of whether carried in special funds or in general funds of the carrier, for pensions accident and death benefits, savings, relief, hospital, or other provident purposes.

(b) The carrier may use the "full accrual basis" to account for pension costs upon prior approval of the Commission. Full accrual basis as used herein means recording in the accounts now and hereafter costs of employees pensions accrued, including credits for past services, upon the basis of actuarial computations, even though the sum has not been funded by payment to the trustees. Applications for such accounting shall show the method of computation, together with the carrier's proposal for recording in the accounts the related income tax credits to be realized in subsequent years.

(c) This account shall be charged when payments are made to retired employees, or disbursements are made for the purposes for which liability was provided.

(d) Separate subaccounts shall be maintained to show the amount provided for each liability and the nature of and amounts of debits and credits to the subaccounts.

772 Accrued liability; leased property.

(a) This account shall be credited with amounts concurrently charged to operating expenses or other accounts to cover the accrued liability on leased road and equipment when settlement between the accounting carrier and the lessor is not made currently. The amounts recorded shall include unsettled rent, based on depreciation or other factors, and liability for property retired.

(b) This account shall be divided to show the liability to (1) affiliated companies (See Definition 4), and (2) others.

774 Accrued liability; casualty and other claims.

(a) This account shall be credited with the amounts charged to operating expense to provide for estimated liabilities for claims for deaths of or injuries to employees and others, and for damages to property not owned or held under lease by the carrier; for claims for loss, destruction, damage, or delays to property entrusted to the carrier for transportation or storage; for revenue overcharges, such as those covered by reparation claims; and for similar items. No credits shall be made to this account for amounts recoverable from insurance companies or others.

(b) Separate subaccounts shall be maintained to show the amount provided for each liability and the nature of and amounts of debits and credits to the subaccounts.

(c) If settlements for claims when audited are charged to this account, the balances for each year shall be kept separately until all items have been adjusted and cleared. If the settlements when audited are charged to the appropriate expense accounts, the balance in this account shall be adjusted through the expense accounts so as to reflect the probable liability at the close of each accounting period for claims which have been or may be filed for actual occurrences.

(d) Estimates of amounts payable within one year covering liability for claims shall be transferred from this account to account 759, "Accrued accounts payable."

775 Other accrued liabilities.

(a) This account shall be credited with the amounts accrued for estimated liabilities or losses provided by charges to operating expense or income accounts which are not provided for in any of the preceding accrued liability accounts.

(b) Separate subaccounts shall be maintained to show the amount provided for each liability and the nature of and amounts of debits and credits to the subaccounts.

(c) Upon accomplishment of the purpose for which each accrued liability was provided in this account, any remaining balance in the applicable subaccount shall be cleared to the appropriate operating expense or other account. Prior Commission approval shall be required for clearance of balances in accrued liability subaccounts which were originally established by authority of the Commission.

(d) Estimates of amounts payable within one year covering any liability included in this account shall be transferred to account 759, "Accrued accounts payable."

781 Interest in default.

This account shall include the amount of matured and unpaid interest (for which no provision has been made for current settlement) on all indebtedness issued or assumed by the accounting company except interest which is added to the principal of the debt on which incurred. Where interest is in default, subsequent accruals shall be credited to this account.

NOTE.—Interest matured and unpaid on debt to affiliated companies, if not subject to current settlement, shall be included in amount 769, "Accounts payable; Affiliated companies."

782 Other liabilities.

This account shall include assessments for public improvements; retained amounts due governmental agencies for construction work; percentages due contractors to be paid upon completion of contracts; deposits for construction of side tracks to be refunded on basis of an agreed portion of the earnings from the traffic handled over the tracks and similar liabilities not payable within one year. This account shall also include other deferred and noncurrent liabilities not otherwise provided for in general balance sheet accounts. Assessments for public improvements and amounts due governmental agencies and others for payments to be made within one year, shall be included in account 763, "Other current liabilities," or other appropriate current liability account.

DEFERRED CREDITS

784 Other deferred credits.

(a) This account shall include the amount of credit balances in suspense accounts that cannot be disposed of until services are performed or additional information is received, such as amounts received from sale of mileage tickets, to be disposed of as mileage is honored; amounts received from sales of excess baggage script, to be disposed of as coupons are honored; interchangeable mileage credential ticket redemption funds, amounts collected from the sale of damaged, unclaimed, and over freight held pending final disposition; unadjusted credit items not otherwise provided for; and similar items, the proper disposition of which is uncertain.

786 Accumulated deferred income tax credits.

(a) This account shall be credited (charged) with amounts concurrently charged (credited) to account 557, "Provision for deferred taxes," and account 591, "Provision for deferred taxes—extraordinary items," representing the net tax effect of material timing differences (see Definitions 20 (g) and (e)) originating and reversing in the current accounting period.

(b) This account shall be credited with the amount of investment tax credit utilized in the current year for income tax purposes but deferred for accounting purposes (see instruction 1–10).

(c) This account shall be concurrently debited with amounts credited to account 557, "Provision for deferred taxes," representing amortization of amounts for investment tax credits deferred in prior accounting periods.

(d) This account shall be maintained in such a manner as to show separately: (1) the unamortized balance of deferred income taxes and deferred investment tax credit separately as of the beginning and as of the end of each year entries are made affecting the account balance, (2) the current year's net credit or charges applicable to timing differences and deferred investment tax credits.

NOTE A.—The portion of deferred charges and credits relating to current assets and liabilities should likewise be classified as current and included in accounts 714, "Deferred Income Tax Debits," or 762, "Deferred Income Tax Credits," as appropriate.

NOTE B.—This account shall include a net credit balance only. A net debit balance shall be recorded in account 744, "Accumulated Deferred Income Tax Debits."

SHAREHOLDERS' EQUITY

791 Capital stock.

(a) This account shall include the par value of stocks with par value; the stated value of no par stock having a stated value; and the cash value of the consideration received or the amount approved by the Commission for no par stocks without stated value, for all shares of capital stock or other form of proprietary interest in the accounting company which have been issued to bona fide purchasers and have not been reacquired and canceled, also shares of stock nominally issued.

(b) This account also shall include amounts transferred from retained earnings for no par stock without stated value when approved by the Commission.

(c) The amount of the consideration received from the sale of par value stock and no par stock having a stated value in excess of the amount credited to this account shall be credited to account 794, "Premiums and assessments on capital stock."

(d) When capital stock is retired or canceled, this account shall be charged with the amount at which such stock is carried in this account. In the case of no par stock without stated value, the amount to be charged shall be the proportion, applicable to the reacquired shares immediately prior to reacquisition, of the total book liability included herein of actually outstanding shares of the particular class and series of stock of which the reacquired shares are a part.

(e) The amounts included in this account shall be recorded so as to show (1) par value of shares of par value stock; the stated value of shares of no par stock, and the amount paid in or approved by the Commission for no par stock without stated value, (pledged or unpledged) held in the company's treasury, by its agents or trustees, or otherwise subject to its control, including shares nominally but never actually issued and (2) par value of shares of par value stock, the stated value of shares of no par stock, and the amount paid in or approved by the Commission for shares of no par stock without stated value, issued and actually outstanding, being the shares not held by the company, its agents, or trustees, or subject to its control.

(f) The amounts recorded shall be further divided so as to show the amount of each class of stock issued, separated as between par value and no par value stock, as follows:

(1) *Common stock.* Stocks which have no preference over other issues of stock in distribution of dividends or of assets.

(2) *Preferred stock.* Stocks having preference over other issues of stock in distribution of dividends or of assets.

(3) *Debenture stock.* Stock issued under a contract to pay a specified return at specified intervals.

(4) *Receipts outstanding for installments paid.* Receipts for payments on account of subscriptions to capital stock.

(g) When the subscriber has paid his subscription in full and is entitled to receive certificates representing the shares for which he has subscribed, the par value of stocks having par value, the stated value of no par stock, or the agreed purchase price or the price authorized by the Commission for no par stock without stated value, as appropriate, shall be included in the division for the class for which the certificates are issued.

(h) Each of the above classes shall also be divided into subclasses according to differences in dividend or interest rights, voting rights, or conditions under which the securities may be retired.

NOTE A.—When a general levy or assessment is made against the holders of capital stock requiring the payment of any sum in addition to the consideration agreed upon at the time of sale, the amount collected shall be credited to account 794, "Premiums and assessments on capital stock."

NOTE B.—When no par stock without stated value is issued in exchange for par stock, or no par stock with stated value, amounts included in Account 794, "Premiums and assessments on capital stock," for the retired stock, shall be transferred to this account, and any amounts included in the discount account for the retired stock shall be charged to account 795, "Other capital"; Provided, however, That any excess over the amount of accumulated net gains applicable to the subclass exchanged included in account 795 shall be charged to account 616, "Other debits to retained earnings."

NOTE C.—An appropriate record shall be maintained with respect to shares of capital stock showing the number of shares nominally issued, nominally outstanding, actually issued and actually outstanding.

NOTE D.—See Definitions 2, actually issued; 3, actually outstanding; 13, nominally issued; and 14, nominally outstanding.

792 Liability for conversion of capital stock.

This account shall include the company's liability under agreements to exchange its capital stock for the outstanding securities of companies whose physical property has been acquired under such agreements, but whose securities have not yet been surrendered for exchange.

793 Discount on capital stock.

This account shall include the excess of the par or stated value recorded in account 791, "Capital stock," (at the time of original sale of par value stock and no par stock with a stated value) plus accrued dividends, if any, over the cash value of the consideration received.

794 Premiums and assessments on capital stock.

(a) This account shall include the excess of the actual cash value of the consideration received (at the time of original sale of par value stock and no par stock with a stated value) over the par or stated value of the stock issued, plus accrued dividends, if any, and subsequent assessments against stockholders representing payments required in excess of par or stated value.

(b) Separate subdivisions shall be maintained for premiums and for assessments on each class and series of stock.

(c) When capital stock is retired and canceled, this account shall be charged with the amount of assessments and premiums originally recorded for the shares of stock retired and canceled.

795 Other Capital.

(a) This account shall include all other capital not classified as retained earnings. It shall include such items as the amount of consent dividends on the accounting company's capital stock; capital arising from donations by stockholders of capital stock of the company or other contribution to capital; amounts representing reduction of the par or recorded value of the accounting company's capital stock, including reductions arising in merger of a railroad and pooling of interest (see instruction 2-15(d)); capital from reorganization of the company (see instruction 2-16); and amounts of forfeited subscriptions to the accounting company's capital stock. This account shall also include gains from the acquisition, retirement, or resale of reacquired shares of the accounting company's capital stock; and forgiveness by stockholders as a contribution to capital of long-term debt owed to them.

(b) This account shall be charged with amounts included herein when capitalized by stock dividends or otherwise with the approval of the Commission, and losses from retirement or resale of reacquired shares up to an amount not in excess of credits included herein applicable to the reacquired shares; and may be charged with the amortization of discount on capital stock to the extent of credits herein for such stock.

(c) This account shall be subdivided to show each source of other capital.

797 Retained earnings; appropriated.

This account shall include the accumulated amount of retained earnings which has been appropriated and set aside according to provisions of mortgages, deeds of trust, reorganization plans, or other agreements requiring payments into capital funds, sinking funds, or other funds; and also appropriations for general contingencies, possible future losses (not in the category of liabilities actually incurred), and other corporate purposes. This account shall be subdivided by classes of appropriations showing the purpose for which each appropriation is made.

798 Retained earnings; unappropriated.

(a) This account shall include the net balance (debit or credit) of the amounts included in accounts 601 to 623, inclusive. It shall not include transfers either to or from account 795, "Other capital," unless authorized upon application to the Commission.

(b) Any balance representing retained earnings not segregated at the date of the balance sheet shall be included in a subdivision of this account.

(c) The balance of accounts 601 to 623, inclusive, shall be closed into this account at the end of each calendar year.

798.1 Net unrealized loss on noncurrent marketable securities.

This account shall include the accumulated changes in account 724 to the extent that these changes represent a net unrealized loss (aggregate cost exceeds market value).

798.5 Treasury stock.

(a) This account shall include in subdivisions for each class the reacquisition cost of capital stock which has been actually issued or assumed by the carrier, then reacquired, and is neither retired nor canceled, nor properly includable in sinking or other funds.

(b) This account shall be maintained to reflect separately securities pledged and unpledged.

(c) This account shall be shown on the balance sheet as a deduction in arriving at stockholders' equity.

NOTE.—The accounting for the reacquisition and resale of capital stock shall be in accordance with instruction 5-4, paragraphs (e) through (g).

FORM OF GENERAL BALANCE SHEET STATEMENT

The classified form of general balance sheet statement is designed to show the financial condition of the accounting company at any specified date.

ASSETS

Current assets:
- 701. Cash.
- 702. Temporary cash investments.
- 703. Special deposits.
- 704. Loans and notes receivable.
- 705. Accounts receivable; Interline and other balances.
- 706. Accounts receivable; Customers.
- 707. Accounts receivable; Other.
- 708. Interest and dividends receivable.
- 708.5. Receivables from affiliated companies.
- 709. Accrued accounts receivable.
- 709.5. Allowance for uncollectible accounts.
- Net receivables.
- 710. Working funds.
- 711. Prepayments.
- 712. Material and supplies.
- 713. Other current assets.
- 714. Deferred income tax debits.
- Total current assets.

Special funds:
- 715. Sinking funds.
- 716. Capital funds.
- 717. Other funds.
- Total special funds.

Investments:
- 721. Investments and advances; Affiliated compaies.
- Undistributed earnings from certain investments in account 751.
- 721.5. Adjustments; Investments and advances—Affiliated companies.
- Net—investments and advances—affiliated companies.
- 722. Other investments and advances.
- 723. Adjustments; Other investments and advances.
- 724. Allowance for net unrealized loss on noncurrent marketable equity securities—Cr.
- Net—other investments and advances.
- Total investments.

Tangible property:
- 731. Road and equipment property.
- 735. Accumulated depreciation; Road and equipment property.
- 736. Accumulated amortization; Road and equipment property—Defense projects.
- Net road and equipment property.
- 732. Improvements on leased property.
- 733. Accumulated depreciation; Improvements on leased property.
- 734. Accumulated amortization; Improvements on leased property—Defense projects.
- Net improvements on leased property.
- Total carrier property.
- 737. Property used in other than carrier operations.
- 738. Accumulated depreciation; Property used in other than carrier operations.
- Net—property used in other than carrier operations.
- Total tangible property.

Intangible property:
- 739. Organization expenses.

Other assets and deferred debits.
- 741. Other assets.
- 743. Other deferred debits.
- 744. Accumulated deferred income tax debits.
- Total other assets and deferred debits.
- Total assets.

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:
- 751. Loans and notes payable.
- 752. Accounts payable; Interline and other balances.
- 753. Audited accounts and wages payable.
- 754. Accounts payable; Other.
- 755. Interest payable.
- 756. Dividends payable.
- 757. Payables to affiliated companies.
- 759. Accrued accounts payable.
- 760. Federal income taxes accrued.
- 761. State and other income taxes accrued.
- 761.5 Other taxes accrued.
- 762. Deferred income tax credits.
- 763. Other current liabilities.
- 764. Equipment obligations and other long-term debt due within one year.
- Total current liabilities.

Long-term debt due after one year: [1]
- 765. Funded debt unmatured.
- 766. Equipment obligations.
- 767. Receivers' and trustees' securities.
- 768. Debt in default.
- 769. Accounts payable; Affiliated companies.
- 770.1 Unamortized debt discount.
- 770.2 Unamortized premium on debt.
- Total long-term debt due after one year.

Other long-term liabilities:
- 771. Accrued liability; Pension and welfare.
- 772. Accrued liability; Leased property.
- 774. Accrued liability; Casualty and other claims.
- 775. Other accrued liabilities.
- 781. Interest in default.
- 782. Other liabilities.
- Total other long-term liabilities.

Deferred credits:
- 784. Other deferred credits.
- 786. Accumulated deferred income tax credits.
- Total deferred credits.

Shareholders' equity:

Capital stock:
- 791. Capital stock.
- 792. Liability for conversion of capital stock.
- 793. Discount on capital stock.
- Total capital stock.

Additional capital:
- 794. Premiums and assessments on capital stock.
- 795. Other capital.
- Total additional capital.

Retained earnings:
- 797. Retained earnings; Appropriated.
- 798. Retained earnings; Unappropriated.
- 798.1 Net unrealized loss on noncurrent marketable equity securities.
- Total retained earnings.
- 798.5 Treasury stock.
- Total shareholders' equity.
- Total liabilities and shareholders' equity.

[1] To be divided as to "Total issued" and "Held by or for company."

CONVERSION TABLES

Operating Expense Accounts.
Transportation Operating Revenue Accounts.
Income Accounts.
Retained Income Accounts.
General Balance Sheet Accounts.
Operating Expense Accounts—Class II Railroads.

Operating expense accounts—conversion table

System of accounts effective prior to Jan. 1, 1978		System of accounts effective Jan. 1, 1978				
Account title	No.	Account No.[1]				
MAINTENANCE OF ROADWAY AND STRUCTURES						
Superintendence	201	11-13-02	21-13-02		41-13-02	61-13-02
		11-13-03	21-13-03		41-13-03	61-13-03
		11-13-04	21-13-04		41-13-04	61-13-04
		11-13-05	21-13-05		41-13-05	61-13-05
		11-13-06	21-13-06		41-13-06	61-13-06
Roadway maintenance	202	11-11-10	21-11-10	39/40-11-10	41-11-10	61-11-10
		11-12-10	21-12-10	39/40-12-10	41-12-10	61-12-10
		11-11-48	21-11-48	39/40-11-48	41-11-48	61-11-48
		11-12-48	21-12-48	39/40-12-48	41-12-48	61-12-48
Tunnels and subways	206	11-11-11	21-11-11	39/40-11-11	41-11-11	61-11-11
		11-12-11	21-12-11	39/40-12-11	41-12-11	61-12-11
		11-11-48	21-11-48	39/40-11-48	41-12-48	61-12-48
		11-12-48	21-12-48	39/40-12-48	41-12-48	61-12-48
Bridges, trestles and culverts	208	11-11-12	21-11-12	39/40-11-12	41-11-12	61-11-12
		11-12-12	21-12-12	39/40-12-12	41-12-12	61-12-12
		11-11-48	21-11-48	39/40-11-48	41-11-48	61-11-48
		11-12-48	21-12-48	39/40-12-48	41-12-48	61-12-48
Elevated structures	210	11-11-12	21-11-12	39/40-11-12	41-11-12	61-11-12
		11-12-12	21-12-12	39/40-12-12	41-12-12	61-12-12
		11-11-48	21-11-48	39/40-11-48	41-11-48	61-11-48
		11-12-48	21-12-48	39/40-12-48	41-12-48	61-12-48
Ties	212	.....	21-11-13	.....	.....	.....
		.....	21-12-13	.....	.....	.....
		.....	21-11-48	.....	.....	.....
		.....	21-12-48	.....	.....	.....
Rails	214	.....	21-11-14	.....	.....	.....
		.....	21-12-14	.....	.....	.....
		.....	21-11-48	.....	.....	.....
		.....	21-12-48	.....	.....	.....
Other track material	216	.....	21-11-15	.....	.....	.....
		.....	21-12-15	.....	.....	.....
		.....	21-11-48	.....	.....	.....
		.....	21-12-48	.....	.....	.....
Ballast	218	.....	21-11-16	.....	.....	.....
		.....	21-12-16	.....	.....	.....
		.....	21-11-48	.....	.....	.....
		.....	21-12-48	.....	.....	.....

[1] Freight account activity/subactivity numbers are shown except when old accounts are exclusively passenger expenses. Passenger and common activity/subactivity numbers shall be used where appropriate.

System of accounts effective prior to Jan. 1, 1978		System of accounts effective Jan. 1, 1978				
Account title	No.	Account No.[1]				
Track laying and surfacing	220	11-11-17	21-11-17	39/40-11-17	41-11-17	61-11-17
		11-12-17	21-12-17	39/40-12-17	41-12-17	61-12-17
		11-11-48	21-11-48	39/40-11-48	41-11-48	61-11-48
		11-12-48	21-12-48	39/40-12-48	41-12-48	61-12-48
Fences, snowsheds and signs	221	11-13-28	21-13-28	39/40-13-28	41-13-28	61-13-28
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Station and office buildings	227	11-13-23	21-13-23	39/40-13-23	41-13-23	61-13-23
		11-13-33	21-13-33	39/40-13-33	41-13-33	61-13-33
		11-13-35	21-13-35	39/40-13-35	41-13-35	61-13-35
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Roadway buildings	229	11-13-28	21-13-28	39/40-13-28	41-13-28	61-13-28
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Water stations	231	11-13-27	21-13-27	39/40-13-27	41-13-27	61-13-27
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Fuel stations	233	11-13-27	21-13-27	39/40-13-27	41-13-27	61-13-27
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Shops and enginehouses	235	11-13-24	21-13-24	39/40-13-24	41-13-24	61-13-24
		11-13-25	21-13-25	39/40-13-25	41-13-25	61-13-25
		11-13-26	21-13-26	39/40-13-26	41-13-26	61-13-26
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Grain elevators	237	11-13-35	21-13-35	39/40-13-35	41-13-35	61-13-35
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Storage warehouses	239	11-13-28	21-13-28	39/40-13-28	41-13-28	61-13-28
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Wharves and docks	241	11-13-32	21-13-32	39/40-13-32	41-13-32	61-13-32
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Coal and ore wharves	243	11-13-29	21-13-29	39/40-13-29	41-13-29	61-13-29
		11-13-30	21-13-30	39/40-13-30	41-13-30	61-13-30
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
TOFC/COFC terminals	244	11-13-31	21-13-31	39/40-13-31	41-13-31	61-13-31
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Communication systems	247	11-13-20	21-13-20	39/40-13-20	41-13-20	61-13-20
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Signals and interlockers	249	11-11-19	21-11-19	39/40-11-19	41-11-19	61-11-19
		11-12-19	21-12-19	39/40-12-19	41-12-19	61-12-19
		11-11-48	21-11-48	39/40-11-48	41-11-48	61-11-48
		11-12-48	21-12-48	39/40-12-48	41-12-48	61-12-48
Power plants	253	11-13-21	21-13-21	39/40-13-21	41-13-21	61-13-21
		11-13-24	21-13-24	39/40-13-24	41-13-24	61-13-24
		11-13-25	21-13-25	39/40-13-25	41-13-25	61-13-25
		11-13-26	21-13-26	39/40-13-26	41-13-26	61-13-26
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Power transmission systems	257	11-13-21	21-13-21	39/40-13-21	41-13-21	61-13-21
		11-13-24	21-13-24	39/40-13-24	41-13-24	61-13-24
		11-13-25	31-13-25	39/40-13-25	41-13-25	61-13-25
		11-13-26	21-13-26	39/40-13-26	41-13-26	61-13-26
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Miscellaneous structures	265	11-13-28	21-13-28	39/40-13-28	41-13-28	61-13-28
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Roadway property; depreciation	226					62-11-00
						62-12-00
						62-13-00
Retirements; road	267					61-11-xx
						61-12-xx
						61-13-xx
Roadway machines	269	11-13-36	21-13-36	39/40-13-36	41-13-36	61-13-36
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Dismantling retired road property	270	11-11-39	21-11-39		41-11-39	61-11-39
		11-12-39	21-12-39		41-12-39	61-12-39
		11-13-39	21-13-39		41-13-39	61-13-39
Small tools and supplies	271	11-13-37	21-13-37	39/40-13-37	41-13-37	61-13-37
Removing snow, ice and sand	272	11-13-38	21-13-38	39/40-13-38	41-13-38	61-13-38
Public improvements; maintenance	273	11-11-22	21-11-22	39/40-11-22	41-11-22	61-11-22
		11-12-22	21-12-22	39/40-12-22	41-12-22	61-12-22
Injuries to persons	274					52-11-00
						52-12-00
						52-13-00
Insurance	275					53-11-00
						53-12-00
						53-13-00
Stationery and printing	276		21-11-xx		41-11-xx	
			21-12-xx		41-12-xx	
			21-13-xx		41-13-xx	
Employees health and welfare benefits	277	12-11-00				
		12-12-00				
		12-13-00				
Maintaining joint tracks, yards and other facilities—Dr.	278			37-11-00		
				37-12-00		
				37-13-00		
Maintaining joint tracks, yards and other facilities—Cr.	279			38-11-00		
				38-12-00		
				38-13-00		
Right-of-way expenses	281	11-11-99	21-11-99		41-11-99	61-11-99
		11-12-99	21-12-99		41-12-99	61-12-99
		11-13-99	21-13-99		41-13-99	61-13-99
Other expenses	282	11-11-99	21-11-99		41-11-99	61-11-99
		11-12-99	21-12-99		41-12-99	61-12-99
		11-13-99	21-13-99		41-13-99	61-13-99
MAINTENANCE OF EQUIPMENT						
Superintendence	301	11-21-01	21-21-01		41-21-01	61-21-01
		11-22-01	21-22-01		41-22-01	61-22-01
		11-23-01	21-23-01		41-23-01	61-23-01
Shop machinery	302	11-21-40	21-21-40	39/40-21-40	41-21-40	61-21-40
		11-22-40	21-22-40	39/40-22-40	41-22-40	61-22-40
		11-23-40	21-22-40	39/40-23-40	41-23-40	61-23-40
Power plant machinery	304	11-13-21	21-13-21	39/40-13-21	41-13-21	61-13-21
		11-13-28	21-13-28	39/40-13-28	41-13-28	61-13-28
Shop and power plant machinery; depreciation	305					62-21-00
						62-22-00
						62-23-00

[1] Account numbers with the last 2 digits "xx" indicates that the account is subdivided by applicable functions. See account texts for appropriate function assignment.

System of accounts effective prior to Jan. 1, 1978		System of accounts effective Jan. 1, 1978				
Account title	No.	Account No.[1]				
Dismantling retired shop and power plant machinery	306	11-21-39	21-21-39		41-21-39	61-21-39
		11-22-39	21-22-39		41-22-39	61-22-39
		11-23-39	21-23-39		41-23-39	61-23-39
Locomotive repairs	311	11-21-41	21-21-41	39/40-21-41	41-21-41	61-21-41
		11-21-48	21-21-48	39/40-21-48	41-21-48	61-21-48
Freight-train cars; repairs	314	11-22-42	21-22-42	39/40-22-42	41-22-42	61-22-42
		11-22-48	21-22-48	39/40-22-48	41-22-48	61-22-48
		11-31-62	21-31-62		41-31-62	61-31-62
Passenger-train cars; repairs	317	11-25-45	21-25-45	39/40-25-45	41-25-45	61-25-45
		11-25-48	21-25-48	39/40-25-48	41-25-48	61-25-48
Highway revenue equipment; repairs	318	11-23-43	21-23-43	39/40-23-43	41-23-43	61-23-43
		11-23-48	21-43-48	39/40-23-48	41-23-48	61-23-48
Floating equipment; repairs	323	11-23-44	21-23-44	39/40-23-44	41-23-44	61-23-44
		11-25-48	21-23-48	39/40-23-48	41-23-48	61-23-48
Work equipment; repairs	326	11-23-47	21-23-47	39/40-23-47	41-23-47	61-23-47
		11-23-48	21-23-48	39/40-23-48	41-23-48	61-23-48
Miscellaneous equipment; repairs	328	11-23-47	21-23-47	39/40-23-47	41-23-47	61-23-47
		11-23-48	21-23-48	39/40-23-48	41-23-48	61-23-48
Dismantling retired equipment	329	11-21-39	21-21-39		41-21-39	61-21-39
		11-22-39	21-22-39		41-22-39	61-22-39
		11-23-39	21-23-39		41-23-39	61-23-39
Retirements; equipment	330					61-29-99
						61-22-99
						61-23-99
Equipment; depreciation	331					62-21-00
						62-22-00
						62-23-00
Injuries to persons	332					52-21-00
						52-22-00
						52-23-00
Insurance	333					53-21-00
						53-22-00
						53-23-00
Stationery and printing	334		[1]21-21-xx		[1]41-21-xx	
			21-22-xx		41-22-xx	
			21-23-xx		41-23-xx	
Employees health and welfare benefits	335	12-21-00				
		12-22-00				
		12-23-00				
Joint maintenance of equipment expenses—Dr	336			37-21-00		
				37-22-00		
				37-23-00		
Joint maintenance of equipment expenses—Cr				38-21-00		
				38-22-00		
				38-23-00		
Other expenses	339	11-21-99	21-21-99		41-21-99	61-21-99
		11-22-99	21-22-99		41-22-99	61-22-99
		11-23-99	21-23-99		41-23-99	61-23-99
Various		11-23-46	21-23-46	39/40-23-46	41-23-46	61-23-46
TRAFFIC EXPENSE ACCOUNT						
Superintendence	351	11-61-01	21-61-01		41-61-01	61-61-01
Outside agencies	352	11-61-88	21-61-88		41-61-88	61-61-88
		11-61-89	21-61-89		41-61-89	61-61-89
Advertising	353	11-61-93	21-61-93		41-61-93	61-61-93
Traffic associations	354	11-61-93	21-61-93		41-61-93	61-61-93
Fast freight lines	355	11-61-99	21-61-99		41-61-99	61-61-99
Industrial and immigration bureaus	356	11-61-90	21-61-90		41-61-90	61-61-90
Insurance	357					53-61-00
Stationery and printing	358		[1]21-61-xx		[1]41-61-xx	
Employees health and welfare benefits	359	12-61-00				
Other expenses	360	11-61-99	21-61-99		41-61-99	61-61-99
TRANSPORTATION EXPENSE ACCOUNTS						
Superintendence	371	11-31-01	21-31-01		41-31-01	61-31-01
		11-32-01	21-32-01		41-32-01	61-32-01
		11-34-01	21-34-01		41-34-01	61-34-01
		11-35-01	21-35-01		41-35-01	61-35-01
Dispatching trains	372	11-31-58	21-31-58		41-31-58	61-31-58
Station employees	373	11-33-71				
		11-35-76				
		11-35-77				
Weighing, inspection and demurrage bureaus	374				41-31-99	
Coal and ore wharves	375	11-34-74	21-34-74		41-34-74	61-34-74
Station supplies and expenses	376		21-33-71		41-33-71	
			21-35-76		41-35-76	61-35-76
			21-35-77		41-35-77	61-35-77
Yardmasters and yard clerks	377	11-32-65				
		11-32-66				
Yard conductors and brakemen	378	11-32-64				
Yard switch and signal tenders	379	11-32-59				
Yard enginemen	380	11-32-64				
Yard switching fuel	382	11-32-67	21-32-67		41-32-67	61-32-67
Yard switching power produced	383	11-32-68	21-32-68		41-32-68	61-32-68
Yard switching power purchased	384				41-32-68	
Servicing yard locomotives	388	11-32-69	21-32-69		41-32-69	61-32-69
Yard supplies and expenses	389		21-32-59		41-32-59	61-32-59
			21-32-64		41-32-64	61-32-64
			21-32-65		41-32-65	61-32-65
			21-32-66		41-32-66	61-32-66
Operating joint yards and terminals—Dr	390			37-32-00		
Operating joint yards and terminals—Cr	391			38-32-00		
Train enginemen	392	11-31-56				
Train fuel	394	11-31-67	21-31-67		41-31-67	61-31-67
Train power produced	395	11-31-68	21-31-68		41-31-68	61-31-68
Train power purchased	396				41-31-68	
Servicing train locomotives	400	11-31-69	21-31-69		41-31-69	61-31-69
Trainmen	401	11-31-57				

System of accounts effective prior to Jan. 1, 1978		System of accounts effective Jan. 1, 1978				
Account title	No.	Account No.[1]				
Train supplies and expenses	402		21-31-56		41-31-56	61-31-56
			21-31-57		41-31-57	61-31-57
		11-31-62	21-31-62		41-31-62	61-31-62
		11-33-70	21-33-70		41-33-70	
		11-33-71	21-33-71		41-33-71	
		11-33-72	21-33-72		41-33-72	
		11-34-75	21-34-75		41-34-75	61-34-75
		11-31-99	21-31-99		41-31-99	61-31-99
Operating sleeping cars	403	11-41-01	21-41-01		41-41-01	61-41-01
		11-41-57	21-41-57		41-41-57	61-41-57
		11-45-76	21-45-76		41-45-76	61-45-76
		11-41-99	21-41-99		41-41-99	61-41-99
Signal and interlocker operation	404	11-31-59	21-31-59		41-31-59	61-31-59
Crossing protection	405	11-31-61	21-31-61		41-31-61	61-31-61
Drawbridge operations	406	11-31-60	21-31-60		41-31-60	61-31-60
Communication system operation	407	11-35-77	21-35-77		41-35-77	61-35-77
Operating floating equipment	408	11-34-01	21-34-01		41-34-01	61-34-01
		11-34-73	21-34-73		41-34-73	61-34-73
		11-34-74	21-34-74		41-34-74	61-34-74
Employees health and welfare benefits	409	12-31-00				
		12-32-00				
		12-33-00				
		12-34-00				
		12-35-00				
Stationery and printing	410		[2] 21-31-xx		[2] 41-31-xx	
			21-32-xx		41-32-xx	
			21-34-xx		41-34-xx	
			21-35-xx		41-35-xx	
Other expenses	411	11-31-99	21-31-99		41-31-99	61-31-99
		11-32-99	21-32-99		41-32-99	61-32-99
		11-34-99	21-34-99		41-34-99	61-34-99
		11-35-99	21-35-99		41-35-99	61-35-99
Operating joint tracks and facilities—Dr	412			37-31-00		
				37-32-00		
				37-34-00		
				37-35-00		
Operating joint tracks and facilities—Cr	413			38-31-00		
				38-32-00		
				38-34-00		
				38-35-00		
Insurance	414					53-31-00
						53-32-00
						53-34-00
						53-35-00
Clearing wrecks	415	11-31-63	21-31-63		41-31-63	61-31-63
Damage to property	416	11-32-63	21-32-63		41-32-63	61-32-63
						52-31-00
						52-32-00
						52-34-00
Damage to livestock on right-of-way	417					52-35-00
Loss and damage; Freight	418					52-31-00
						51-31-00
						51-32-00
						51-33-00
						51-34-00
Loss and damage; Baggage	419	11-35-78	21-35-78		41-35-78	61-35-78
						51-31-00
						51-32-00
						51-33-00
						51-34-00
Injuries to persons	420	11-35-78	21-35-78		41-35-78	61-35-78
						52-31-00
						52-32-00
						52-34-00
						52-35-00
TOFC/COFC terminals	421	11-35-78	21-35-78		41-35-78	61-35-78
Other highway transportation	422	11-34-73	21-34-73		41-34-73	61-34-73
		11-34-74	21-34-74		41-34-74	61-34-74
		11-34-75	21-34-75		41-34-75	61-34-75
		11-34-73	21-34-73		41-34-73	61-34-73
		11-34-74	21-34-74		41-34-74	61-34-74
		11-34-75	21-34-75		41-34-75	61-34-75
MISCELLANEOUS OPERATIONS EXPENSE						
Dining and buffet service	441	11-41-01	21-41-01		41-41-01	61-41-01
		11-41-57	21-41-57		41-41-57	61-41-57
		11-41-99	21-41-99		41-41-99	61-41-99
Hotels and restaurants	442	11-34-99	21-34-99		41-34-99	61-34-99
Grain elevators	443	11-34-01	21-34-01		41-34-01	61-34-01
		11-34-74	21-34-74		41-34-74	61-34-74
		11-34-75	21-34-75		41-34-75	61-34-75
Producing power sold	445	11-31-68	21-31-68		41-31-68	61-31-68
		11-32-68	21-32-68		41-32-68	61-32-68
Other miscellaneous operations	446	11-34-99	21-34-99		41-34-99	61-34-99
Operating joint miscellaneous facilities—Dr	447			37-34-00		
				37-35-00		
Operating joint miscellaneous facilities—Cr	448			38-34-00		
				38-35-00		
GENERAL OPERATING EXPENSES						
Salaries and expenses of general officers	451	11-61-01	21-61-01		41-61-01	61-61-01
Salaries and expenses of clerks and attendants	452	11-61-86	21-61-86		41-61-86	61-61-86
		11-61-87	21-61-87		41-61-87	61-61-87
		11-61-90	21-61-90		41-61-90	61-61-90
		11-61-91	21-61-91		41-61-91	61-61-91
		11-61-92	21-61-92		41-61-92	61-61-92
		11-61-94	21-61-94		41-61-94	61-61-94
General office supplies and expenses	453		21-61-01		41-61-01	61-61-01
Law expenses	454	11-61-92	21-61-92		41-61-92	61-61-92
Insurance	455					53-61-00
Employees health and welfare benefits	456	12-61-00				

System of accounts effective prior to Jan. 1, 1978		System of accounts effective Jan. 1, 1978				
Account title	No.	Account No.[1]				
Pensions	457	12-11-00				
		12-12-00				
		12-13-00				
		12-21-00				
		12-22-00				
		12-23-00				
		12-31-00				
		12-32-00				
		12-34-00				
		12-35-00				
		12-61-00				
Stationery and printing	458	[2] 21-61-xx			[2] 41-61-xx	
Other expenses	460	11-61-99	21-61-99		41-61-99	61-61-99
General joint facilities—Dr	461			37-61-00		
General joint facilities—Cr	462			38-61-00		
Various expenses		11-61-94	21-61-94		41-61-94	61-61-94

Transportation operating revenue accounts conversion table

Transportation revenue accounts			
Transportation; rail line	100	100	Transportation; rail line.
Freight	101	101	Freight.
Passenger	102	102	Passenger.
Baggage	103	103	Passenger-related.
Sleeping car	104	103	Do.
Parlor and chair car	105	103	Do.
Other passenger-train	108	103	Do.
Milk	109	101	Freight.
Switching	110	104	Switching.
Water transfers	113	105	Water transfers.
Incidental	130	110	Incidental.
Dining and buffet	131	103	Passenger-related.
Hotel and restaurant	132	110	Incidental.
Station, train, and boat privileges	133	110	Do.
Storage; freight	135	110	Do.
Demurrage	137	106	Demurrage.
Communication	138	110	Incidental.
Grain elevator	139	110	Do.
Power	141	110	Do.
Rent of buildings and other property	142	110	Do.
Miscellaneous	143	110	Do.
Joint facility	150	120	Joint facility.
Joint facility—cr	151	121	Joint facility—cr.
Joint facility—dr	152	122	Joint facility—dr.

Income accounts conversion table

Income accounts			
Railway operating revenues	501	501	Railway operating revenues.
Revenues from miscellaneous operations	502	506	Revenues from property used in other than carrier operations.
Hire of freight cars and highway revenue freight equipment; credit balance.	503	.....	32-22-00, 32-23-00, 35-22-00, and 35-23-00.
Rent from locomotives	504	.....	32-21-00, and 35-21-00.
Rent from passenger-train cars	505	.....	32-25-00, and 35-25-00.
Rent from floating equipment	506	.....	32-23-00, and 35-23-00.
Rent from work equipment	507	.....	32-23-00, and 35-23-00.
Joint facility rent income	508	.....	34-11-00, 34-12-00, 34-13-00, 34-21-00, 34-22-00, and 34-23-00.
Income from lease of road and equipment	509	.....	32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00.
Miscellaneous rent income	510	510	Miscellaneous rent income.
Income from nonoperating property	511	502	Revenues from property used in other than carrier operations.
Separately operated properties; profit	512	512	Separately operated properties; profit.
Dividend income	513	513	Dividend income.
Interest income	514	514	Interest income.
Income from sinking and other reserve funds	516	516	Income from sinking and other reserve funds.
Release of premiums on funded debt	517	517	Release of premiums on funded debt.
Miscellaneous income	519	519	Miscellaneous income.
Railway operating expenses	531	531	Railway operating expenses.
Railway tax accruals	532	535	Taxes on property used in other than carrier operations.
		556	Income taxes on ordinary income. 64-61-00. 65-61-00.
Provision for deferred taxes	533	557	Provision for deferred taxes.
Expenses of miscellaneous operations	534	534	Expenses of property used in other than carrier operations.
Taxes on miscellaneous operating property	535	535	Taxes on property used in other than carrier operations.
Hire of freight cars and highway revenue freight equipment—debit balance.	536	.....	31-22-00, 35-22-00, 31-23-00, and 35-23-00.
Rent for locomotives	537	.....	32-21-00, and 35-21-00.
Rent for passenger-train cars	538	.....	31-25-00, and 35-25-00.
Rent for floating equipment	539	.....	31-23-00, and 35-23-00.
Rent for work equipment	540	.....	31-23-00, and 35-23-00.
Joint facility rents	541	.....	33-11-00, 33-12-00, 33-13-00, 33-21-00, 33-22-00, and 33-23-00.
Rent for leased roads	542	.....	31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00.
Miscellaneous rents	543	543	Miscellaneous rents.
Miscellaneous tax accruals	544	544	Miscellaneous taxes.
Separately operated properties; loss	545	545	Separately operated properties; loss.
Interest on funded debt	546	546	Interest on funded debt.
Interest on unfunded debt	547	547	Interest on unfunded debt.

System of accounts effective prior to Jan. 1, 1978		System of accounts effective Jan. 1, 1978	
Account title	No.	No.	Account title
Amortization of discount on funded debt	548	548	Amortization of discount on funded debt.
Maintenance of investment organization	549	549	Maintenance of investment organization.
Income transferred to other companies	550	550	Income transferred to other companies.
Miscellaneous income charges	551	551	Miscellaneous income charges.
		553	Uncollectible accounts.
Unusual or infrequent items (debit) credit	555	555	Unusual or infrequent items (debit) credit.
Income or loss from operations of discontinued segments.	560	560	Income or loss from operations of discontinued segments.
Gain or loss on disposal of discontinued segments	562	562	Gain or loss on disposal of discontinued segments.
Extraordinary items (net)	570	570	Extraordinary items (net).
Income taxes on extraordinary items	590	590	Income taxes on extraordinary items.
Provision for deferred taxes—extraordinary items	591	591	Provision for deferred taxes—extraordinary items.
Cumulative effect of changes in accounting principles.	592	592	Cumulative effect of changes in accounting principles.

Retained income accounts conversion table

Credit

Credit balance (at beginning of calendar year)	601	601	Credit balance (at beginning of calendar year).
Prior period adjustments to beginning retained income account.	601.5	601.5	Prior period adjustments to beginning retained earnings account.
Credit balance transferred from income	602	602	Credit balance transferred from income.
Other credits to retained income	606	606	Other credits to retained earnings.

Debit

Debit balance (at beginning of calendar year)	611	611	Debit balance (at beginning of calendar year).
Debit balance transferred from income	612	612	Debit balance transferred from income.
Other debits to retained income	616	616	Other debits to retained earnings.
Appropriations for sinking and other reserve funds	620	620	Appropriations for sinking and other funds.
Appropriations for other purposes	621	621	Appropriations for other purposes.
Appropriations released	622	603	Appropriations released.
Dividends	623	623	Dividends.

General balance sheet accounts conversion table

Cash	701	701	Cash.
Temporary cash investments	702	702	Temporary cash investments.
Special deposits	703	703	Special deposits.
Loans and notes receivable	704	704	Loans and notes receivable.
		708.5	Receivables from affiliated companies.
		709.5	Allowance for uncollectible accounts.
Traffic, car service and other balances—dr	705	705	Accounts receivable; interline and other balances.
		709.5	Allowances for uncollectible accounts.
Net balance receivable from agents and conductors	706	706	Accounts receivable; customers.
Miscellaneous accounts receivable	707	707	Accounts receivable; other.
		708.5	Receivables from affiliated companies.
		709.5	Allowance for uncollectible accounts.
Interest and dividends receivable	708	708	Interest and dividends receivable.
		708.5	Receivables from affiliated companies.
		709.5	Allowance for uncollectible accounts.
Accrued accounts receivable	709	709	Accrued accounts receivable.
Working fund advances	710	710	Working funds.
Prepayments	711	711	Prepayments.
Material and supplies	712	712	Material and supplies.
Other current assets	713	713	Other current assets.
Deferred income tax charges	714	714	Deferred income tax debits.
Sinking funds	715	715	Sinking funds.
Capital and other reserve funds	716	716	Capital funds.
Insurance and other funds	717	717	Other funds.
Investments in affiliated companies	721	721	Investments and advances; affiliated companies.
Other investments	722	722	Other investments and advances.
Reserve for adjustment of investment in securities—cr.	723	721.5	Adjustments; investments and advances—affiliated companies.
		723	Adjustments; other investments and advances.
Road and equipment property	731	731	Road and equipment property.
Organization expenses	71	739	Organization expenses.
Improvements on leased property	732	732	Improvements on leased property.
Accrued depreciation; improvements on leased property.	733	733	Accumulated depreciation; improvements on leased property.
Accrued depreciation; road and equipment	735	735	Accumulated depreciation; road and equipment property.
Amortization of defense projects; road and equipment.	736	736	Accumulated amortization; road and equipment property—defense projects.
		734	Accumulated amortization; improvements on leased property—defense projects.
Miscellaneous physical property	737	737	Property used in other than carrier operations.
Accrued depreciation; miscellaneous physical property.	738	738	Accumulated depreciation; property used in other than carrier operations.
Other assets	741	741	Other assets.
Unamortized discount on long-term debt	770.1	770.1	Unamortized debt discount.
Other deferred charges	743	743	Other deferred debits.
Accumulated deferred income tax charges	744	744	Accumulated deferred income tax debits.

Liabilities

Loans and notes payable	751	751	Loans and notes payable.
		757	Payables to affiliated companies.
Traffic, car service and other balances—cr	752	752	Accounts payable; interline and other balances.
Audited accounts and wages payable	753	753	Audited accounts and wages payable.
Miscellaneous accounts payable	754	754	Accounts payable; other.
		757	Payables to affiliated companies.
Interest matured unpaid	755	755	Interest payable.
		757	Payables to affiliated companies.
Dividends matured unpaid	756	756	Dividends payable.
		757	Payables to affiliated companies.

System of accounts effective prior to Jan. 1, 1978		System of accounts effective Jan. 1, 1978	
Account title	No.	No.	Account title
Unmatured interest accrued	757	755	Interest payable.
		757	Payables to affiliated companies.
Unmatured dividends declared	758	756	Dividends payable.
		757	Payables to affiliated companies.
Accrued accounts payable	759	759	Accrued accounts payable.
Federal income taxes accrued	760	760	Federal income taxes accrued.
Other taxes accrued	761	711	Prepayments.
		761	State and other income taxes accrued.
		761.5	Other taxes accrued.
Deferred income tax credits	762	762	Deferred income tax credits.
Other current liabilities	763	763	Other current liabilities.
Equipment obligations and other debt due within one year.	764	764	Equipment obligations and other long-term debt due within 1 year.
Funded debt unmatured	765	765	Funded debt unmatured.
Equipment obligations	766	766	Equipment obligations.
Receivers' and trustees' securities	767	767	Receivers' and trustees' securities.
Debt in default	768	768	Debt in default.
Amounts payable to affiliated companies	769	769	Accounts payable; affiliated companies.
Pension and welfare reserves	771	771	Accrued liability; pension and welfare.
Casualty and other reserves	774	774	Accrued liability; casualty and other claims.
		775	Other accrued liabilities.
Interest in default	781	781	Interest in default.
Other liabilities	782	782	Other liabilities.
Unamortized premium on long-term debt	790.2	770.2	Unamortized premium on debt.
Other deferred credits	784	784	Other deferred credits.
Accrued liability; leased property	785	772	Accrued liability; leased property.
Accumulated deferred income tax credits	786	786	Accumulated deferred income tax credits.
Shareholders' equity			
Capital stock issued	791	791	Capital stock.
Stock liability for conversion	792	792	Liability for conversion of capital stock.
Discount on capital stock	793	793	Discount on capital stock.
Premiums and assessment on capital stock	794	794	Premiums and assessments on capital stock.
Paid-in surplus	795	795	Other capital.
Other capital surplus	796	795	Do.
Retained income; appropriated	797	797	Retained earnings; appropriated.
Retained income; unappropriated	798	798	Retained earnings; unappropriated.
Treasury stock	798.5	798.5	Treasury stock.
Operating expense accounts—class II railroads conversion table			
Maintenance of way and structures			
Superintendence	2201	201	Administration.
Roadway maintenance	2202	202	Repair and maintenance, roadway.
Maintaining structures	2203	203	Repair and maintenance, structures.
Retirements—road	2203½	207	Other expenses.
Dismantling retired road property	2204	207	Do.
Equalization—way and structures	2205		No longer used.
Depreciation	2208	208	Depreciation.
Other maintenance of way expenses	2209	206	Casualties and insurance.
		207	Other expenses.
Maintaining joint tracks, yards, and other facilities—dr.	2210	204	Joint facilities—dr.
Maintaining joint tracks, yards, and other facilities—cr.	2211	205	Joint facilities—cr.
Maintenance of equipment			
Superintendence	2221	211	Administration.
Repairs to shop and powerplant machinery	2222	212	Repair and maintenance, machinery.
Shop and powerplant machinery—depreciation	2223	222	Depreciation.
Dismantling retired shop and powerplant machinery.	2224	221	Other expenses.
Locomotive repairs	2225	213	Repair and maintenance, locomotives.
Car and highway revenue equipment repairs	2226	214	Repair and maintenance, cars.
		215	Repair and maintenance, other equipment.
Other equipment repairs	2227	215	Do.
Dismantling retired equipment	2228	221	Other expenses.
Retirements—equipment	2229	221	Do.
Equalization—equipment	2231		No longer used.
Equipment—depreciation	2234	222	Depreciation.
Other equipment expenses	2235	220	Casualties and insurance.
		221	Other expenses.
Joint maintenance of equipment expenses—dr	2236	216	Joint facilities—dr.
Joint maintenance of equipment expenses—cr	2237	217	Joint facilities—cr.
Traffic			
Traffic expenses	2240	271	Administration.
		272	Administrative operations.
		275	Casualties and insurance.
		276	Other expenses.
TRANSPORTATION—rail lines			
Superintendence and dispatching	2241	231	Administration.
Station service	2242	252	Specialized services operations.
		253	Administrative support operations.
Yard employees	2243	242	Yard crews.
		244	Other yard expenses.
Yard switching fuel	2244	243	Yard fuel and power.

System of accounts effective prior to Jan. 1, 1978		System of accounts effective Jan. 1, 1978	
Account title	No.	No.	Account title
Miscellaneous yard expenses	2245	243	Do.
		244	Other yard expenses.
Operating joint yards and terminals—dr.	2246	245	Joint facilities—yard—dr.
Operating joint yards and terminals—cr.	2247	246	Joint facilities—yard—cr.
Train employees	2248	232	Road crews.
Train fuel	2249	233	Road fuel and power.
Other train expenses	2251	233	Do.
		234	Other road expenses.
Injuries to persons	2252	258	Casualties and insurance.
Loss and damage	2253	257	Loss and damage claims.
Other casualty expenses	2254	258	Casualties and insurance.
Other rail and highway transportation expenses	2255	234	Other road expenses.
Operating joint tracks and facilities—dr.	2256	235	Joint facilities—road—dr.
Operating joint tracks and facilities—cr.	2257	236	Joint facilities—road—cr.
Miscellaneous operations			
Miscellaneous operations	2258	252	Specialized services operations.
Operating joint miscellaneous facilities—dr.	2259	255	Joint facilities—other transportation—dr.
Operating joint miscellaneous facilities—cr.	2260	256	Joint facilities—other transportation—cr.
General			
Administration	2261	271	Administration.
		272	Administrative operations.
Insurance	2262	275	Casualties and insurance.
Other general expenses	2264	276	Other expenses.
General joint facilities—dr.	2265	273	Joint facilities—dr.
General joint facilities—cr.	2266	274	Joint facilities—cr.
Other			
Hire of freight cars and highway revenue freight equipment; credit balance.	503	219	Equipment rents—cr.
Rent from locomotives	504	219	Do.
Rent from passenger-train cars	505	219	Do.
Rent from floating equipment	506	219	Do.
Rent from work equipment	507	221	Other expenses.
Joint facility rent income	508	205	Way and structures—joint facilities—cr.
		217	Equipment—joint facilities—cr.
		236	Joint facilities—road—cr.
		246	Joint facilities—yard—cr.
		256	Joint facilities—other transportation—cr.
		274	General and administrative—joint facilities—cr.
Income from lease of road and equipment	509	207	Way and structures—other expenses.
		221	Equipment—other expenses.
Railway tax accruals	532	556	Income taxes on ordinary income.
		278	Property and other taxes.
Hire of freight cars and highway revenue freight equipment, debit balance.	536	218	Equipment rents—dr.
Rent for locomotives	537	218	Do.
Rent for passenger-train cars	538	218	Do.
Rent for floating equipment	539	218	Do.
Rent for work equipment	540	221	Other expenses.
Joint facility rents	541	204	Way and structures—joint facilities—cr.
		216	Equipment—joint facilities—dr.
		235	Joint facilities—road—dr.
		245	Joint facilities—yard—dr.
		255	Joint facilities—other transportation—dr.
		273	General and administrative—joint facilities—dr.
Rent for leased roads and equipment	542	207	Way and structures—other expenses.
		221	Equipment—other expenses.

CONDENSED CLASSIFICATION OF OPERATING EXPENSES FOR SMALL CARRIERS, CLASS II

Railway operating expense accounts for class II railroads

Accounts for class II railroads			Accounts for class I railroads
			Way and structure
201 Administration	Labor	11-13-xx	Salaries and wages—way and structures—other.
	Material	21-13-xx	Material, tools, supplies, fuels, lubricants—way and structures—other.
	Other	41-13-xx	Other purchased services—way and structures—other.
		61-13-xx	Other expenses—way and structures—other.
		-xx=	Function codes:
			02—Track.
			03—Bridges and buildings.
			04—Signals.
			05—Communications.
			06—Other.
202 Repair and maintenance, roadway.	Labor	11-11-xx 11-12-xx	Salaries and wages—way and structures—running/switching.
		-xx=	Function codes:
			10—Roadway.
			11—Tunnels and subways.
			12—Bridges and culverts.
			17—Track laying and surfacing.
			19—Signals and interlockers.
			22—Highway grade crossings.
			48—Road property damaged.

Accounts for class II railroads			Accounts for class I railroads
	Material..	21-11-xx	Material, tools, supplies, fuels, lubricants—way and structures—running/switching.
		21-12-xx	
		-xx=	Function codes:
			10—Roadway.
			11—Tunnels and subways.
			12—Bridges and culverts.
			13—Ties.
			14—Rails.
			15—Other track material.
			16—Ballast.
			17—Track laying and surfacing.
			19—Signals and interlockers.
			22—Highway grade crossings.
			48—Road property damaged.
	Other....	39-11-xx	Repairs billed by others—Dr.—way and structures—running/switching.
		39-12-xx	
		40-11-xx	Repairs billed to others—Cr.—way and structures—running/switching.
		40-12-xx	
		41-11-xx	Other purchased services—way and structures—running/switching.
		41-12-xx	
		-xx=	Function codes:
			10—Roadway.
			11—Tunnels and subways.
			12—Bridges and culverts.
			17—Track laying and surfacing.
			19—Signals and interlockers.
			22—Highway grade crossings.
			48—Road property damaged.
		61-11-xx	Other expenses—way and structures—running/switching.
		61-12-xx	
		-xx=	Function codes:
			10—Roadway.
			11—Tunnels and subways.
			12—Bridges and culverts.
			17—Track laying and surfacing.
			19—Signals and interlockers.
			22—Highway grade crossings.
			48—Road property damaged.
203 Repair and maintenance structures.	Labor....	11-13-xx	Salaries and wages—way and structures—other.
	Material..	21-13-xx	Material, tools, supplies, fuels, lubricants—way and structures—other.
	Other....	39-13-xx	Repairs billed by others—Dr.—way and structures—other.
		40-13-xx	Repairs billed to others—Cr.—way and structures—other.
		41-13-xx	Other purchased services—way and structures—other.
		61-13-xx	Other expenses—way and structures—other.
		-xx=	Function codes:
			20—Communication systems.
			21—Electric power systems.
			23—Station and office buildings.
			24—Shop buildings—locomotives.
			25—Shop buildings—freight cars.
			26—Shop buildings—other equipment.
			27—Locomotive servicing facilities.
			28—Miscellaneous buildings and structures.
			29—Coal terminals.
			30—Ore terminals.
			31—TOFC/COFC terminals.
			32—Other marine terminals.
			33—Motor vehicle loading and distribution facilities.
			35—Facilities for other specialized service operations.
			36—Roadway machines.
			37—Small tools and supplies.
			38—Snow removal.
			48—Road property damaged.
204 Joint facilities—Dr....	Labor....	NA	
	Material..	NA	
	Other....	33-11-00	Joint facility rents—Dr.—way and structures—running/switching/other.
		33-12-00	
		33-13-00	
		37-11-00	Joint facility—Dr.—way and structures—running/switching/other.
		37-12-00	
		37-13-00	
205 Joint facilities—Cr....	Labor....	NA	
	Material..	NA	
	Other....	34-11-00	Joint facility rents—Cr.—way and structures—running/switching/other.
		34-12-00	
		34-13-00	
		38-11-00	Joint facility—Cr.—way and structures—running/switching/other.
		38-12-00	
		38-13-00	
206 Casualties and insurance.	Labor....	NA	
	Material..	NA	
	Other....	52-11-00	Other casualties—way and structures—running/switching/other.
		52-12-00	
		52-13-00	
		53-11-00	Insurance—way and structures—running/switching/other.
		53-12-00	
		53-13-00	
207 Other expenses.....	Labor....	11-11-xx	Salaries and wages—way and structures—running/switching/other.
		11-12-xx	
		11-13-xx	
	Material..	21-11-xx	Material, tools, supplies, fuels, lubricants—way and structures—running/switching/other.
		21-12-xx	
		21-13-xx	
		12-11-00	Fringe benefits—way and structures—running/switching/other.
		12-12-00	
		12-13-00	
		31-11-00	Lease rentals—Dr.—way and structures—running/switching/other.
		31-12-00	
		31-13-00	
		32-11-00	Lease rentals—Cr.—way and structures—running/switching/other.
		32-12-00	
		32-13-00	

Accounts for class II railroads			Accounts for class I railroads
		35-11-00	Other rents—Dr.—way and structures—running/switching/
		35-12-00	other.
		35-13-00	
		36-11-00	Other rents—Cr.—way and structures—running/switching/other.
		36-12-00	
		36-13-00	
		41-11-xx	Other purchased services—way and structures—running/switch-
		41-12-xx	ing/other.
		41-13-xx	
		61-11-xx	Other expenses—way and structures—running/switching/other.
		61-12-xx	
		61-13-xx	
		-xx=	Function codes 39—Dismantling retired property.
			99—Other.
208 Depreciation	Labor	NA	
	Material	NA	
	Other	62-11-00	Depreciation—way and structures—running/switching/other.
		62-12-00	
		63-13-00	
			EQUIPMENT
211 Administration	Labor	11-21-01	Salaries and wages—equipment—locomotives/freight cars/other
		11-22-01	equipment—administration.
		11-23-01	
	Material	21-21-01	Material, tools, supplies, fuels, lubricants—equipment—locomo-
		21-22-01	tives/freight cars/other equipment—administration.
		21-23-01	
	Other	41-21-01	Other purchased services—equipment—locomotives/freight cars/
		41-22-01	other equipment—administration.
		41-23-01	
		61-21-01	Other expenses—equipment—locomotives/freight cars/other
		61-22-01	equipment—administration.
		61-23-01	
212 Repair and maintenance, machinery.	Labor	11-21-40	Salaries and wages—equipment—locomotives/freight cars/other
		11-22-40	equipment—machinery.
		11-23-40	
	Material	21-21-40	Material, tools, supplies, fuels, lubricants—equipment—locomo-
		21-22-40	tives/freight cars/other equipment—machinery.
		21-23-40	
	Other	39-21-40	Repairs billed by others—Dr.—equipment—locomotives/freight
		39-22-40	cars/other equipment—machinery.
		39-23-40	
		40-21-40	Repairs billed to others—Cr.—equipment—locomotives/freight
		40-22-40	cars/other equipment—machinery.
		40-23-40	
		41-21-40	Other purchased services—equipment—locomotives/freight cars/
		41-22-40	other equipment—machinery.
		41-23-40	
		61-21-40	Other expenses—equipment—locomotives/freight cars/other equip-
		61-22-40	ment—machinery.
		61-23-40	
213 Repair and maintenance, locomotives.	Labor	11-21-xx	Salaries and wages—equipment—locomotives.
	Material	21-21-xx	Material, tools, supplies, fuels, lubricants—equipment—locomo-
			tives.
	Other	39-21-xx	Repairs billed by others—Dr.—equipment—locomotives.
		40-21-xx	Repairs billed to others—Cr.—equipment—locomotives.
		41-21-xx	Other purchased services—equipment—locomotives.
		61-21-xx	Other expenses—equipment—locomotives.
		-xx=	Function codes:
			41—Locomotives.
			48—Equipment damaged.
214 Repair and maintenance, cars.	Labor	11-22-xx	Salaries and wages—equipment—freight cars.
	Material	21-22-xx	Material, tools, supplies, fuels, lubricants—equipment—freight
			cars.
	Other	39-22-xx	Repairs billed by others—Dr.—equipment—freight cars.
		40-22-xx	Repairs billed to others—Cr.—equipment—freight cars.
		41-22-xx	Other purchased services—equipment—freight cars.
		61-22-xx	Other expenses—equipment—freight cars.
		-xx=	Function codes:
			42—Freight cars.
			48—Equipment damaged.
215 Repair and maintenance, other equipment.	Labor	11-23-xx	Salaries and wages—equipment—other equipment.
	Material	21-23-xx	Material, tools, supplies, fuels, lubricants—equipment—other
			equipment.
	Other	39-23-xx	Repairs billed by others—Dr.—equipment—other equipment.
		40-23-xx	Repairs billed to others—Cr.—equipment—other equipment.
		41-23-xx	Other purchased services—equipment—other equipment.
		61-23-xx	Other expenses—equipment—other equipment.
		-xx=	Function codes:
			43—Trucks, trailers, containers in revenue service.
			44—Floating equipment in revenue service.
			45—Passenger and other revenue equipment.
			46—Computers and EDP equipment.
			47—Work and other nonrevenue equipment.
			48—Equipment damaged.
216 Joint facilities—Dr.	Labor	NA	
	Material	NA	
	Other	33-21-00	Joint facility rents—Dr.—equipment—locomotives/freight cars/
		33-22-00	other equipment.
		33-23-00	
		37-21-00	Joint facility—Dr.—equipment—locomotives/freight cars/other
		37-22-00	equipment.
		37-23-00	
217 Joint facilities—Cr.	Labor	NA	
	Material	NA	
	Other	34-21-00	Joint facility rents—Cr.—equipment—locomotives/freight cars/
		34-22-00	other equipment.
		34-23-00	
		38-21-00	Joint facility—Cr.—equipment—locomotives/freight cars/other
		38-22-00	equipment.
		38-23-00	

Accounts for class II railroads				Accounts for class I railroads
218	Equipment rents—Dr.	Labor	NA	
		Material	NA	
		Other	35-21-00	Other rents—Dr.—equipment—locomotives/freight cars/other equipment.
			35-22-00	
			35-23-00	
219	Equipment rents—Cr.	Labor	NA	
		Material	NA	
		Other	36-21-00	Other rents—Cr.—equipment—locomotives/freight cars/other equipment.
			36-22-00	
			36-23-00	
220	Casualties and Insurance.	Labor	NA	
		Material	NA	
		Other	52-21-00	Other casualties—equipment—locomotives/freight cars/other equipment.
			52-22-00	
			52-23-00	
			53-21-00	Insurance—equipment—locomotives/freight cars/other equipment.
			53-22-00	
			53-23-00	
221	Other expenses	Labor	11-21-xx	Salaries and wages—equipment—locomotives/freight cars/other equipment.
			11-22-xx	
			11-23-xx	
		Material	21-21-xx	Material, tools, supplies, fuels, lubricants—equipment—locomotives/freight cars/other equipment.
			21-22-xx	
			21-23-xx	
		Other	12-21-00	Fringe benefits—equipment—locomotives/freight cars/other equipment.
			12-22-00	
			12-23-00	
			31-21-00	Lease rentals—Dr.—equipment—locomotives/freight cars/other equipment.
			31-22-00	
			31-23-00	
			32-21-00	Lease rentals—Cr.—equipment—locomotives/freight cars/other equipment.
			32-22-00	
			32-23-00	
			41-21-xx	Other purchased services—equipment—locomotives/freight cars/other equipment.
			41-22-xx	
			41-23-xx	
			61-21-xx	Other expenses—equipment—locomotives/freight cars/other equipment.
			61-22-xx	
			61-23-xx	
			-xx=	Function codes: 39—Dismantling retired property. 99—Other.
222	Depreciation	Labor	NA	
		Material	NA	
		Other	62-21-00	Depreciation—equipment—locomotives/freight cars/other equipment.
			62-22-00	
			62-23-00	
231	Administration	Labor	11-31-xx	Salaries and wages—transportation—train/yard/specialized services/administrative support.
			11-32-xx	
			11-34-01	
			11-35-01	
		Material	21-31-xx	Material, tools, supplies, fuels, lubricants—transportation—train/yard/specialized services/administrative support.
			21-32-xx	
			21-34-01	
			21-35-01	
		Other	41-31-xx	Other purchased services—transportation—train/yard/specialized services/ administrative support.
			41-32-xx	
			41-34-01	
			41-35-01	
			61-31-xx	Other expenses—transportation—train/yard/specialized services/ administrative support.
			61-32-xx	
			61-34-01	
			61-35-01	
			-xx=	Function codes: 01—Administration. 58—Dispatching trains. 65—Controlling operations.
232	Road crews	Labor	11-31-xx	Salaries and wages—transportation—train.
		Material	21-31-xx	Material, tools, supplies, fuels, lubricants—transportation—train.
		Other	41-31-xx	Other purchased services—transportation—train.
			61-31-xx	Other expenses—transportation—train.
			-xx=	Function codes: 56—Engine crews. 57—Train crews.
233	Road and fuel power	Labor	11-31-xx	Salaries and wages—transportation—train.
		Material	21-31-xx	Material, tools, supplies, fuels, lubricants—transportation—train.
		Other	41-31-xx	Other purchased services—transportation—train.
			61-31-xx	Other expenses—transportation—train.
			-xx=	Function codes: 67—Locomotive fuel. 68—Electric power purchased/produced for motive power.
234	Other road expenses	Labor	11-31-xx	Salaries and wages—transportation—train.
		Material	21-31-xx	Material, tools, supplies, fuels, lubricants—transportation—train.
		Other	41-31-xx	Other purchased services—transportation—train.
			61-31-xx	Other expenses—transportation—train.
			-xx=	Function codes: 62—Train inspection and lubrication. 69—Servicing locomotives.
235	Joint facilities—road—Dr.	Labor	NA	
		Material	NA	
		Other	37-31-00	Joint facility—Dr.—transportation—train.
236	Joint facilities—road—Cr.	Labor	NA	
		Material	NA	
		Other	38-31-00	Joint facility—Cr.—transportation—train.
242	Yard crews	Labor	11-32-64	Salaries and wages—transportation—yard—switch crews.
		Material	21-32-64	Material, tools, supplies, fuels, lubricants—transportation—yard—switch crews.
		Other	41-32-64	Other purchased services—transportation—yard—switch crews.
			61-32-64	Other expenses—transportation—yard—switch crews.
243	Yard fuel and power	Labor	11-32-xx	Salaries and wages—transportation—yard.
		Material	21-32-xx	Material, tools, supplies, fuel, lubricants—transportation—yard.
		Other	41-32-xx	Other purchased services—transportation—yard.
			61-32-xx	Other expenses—transportation—yard.
			-xx=	Function codes: 67—Locomotive fuel. 68—Electric power purchased/produced for motive power.

Accounts for class II railroads			Accounts for class I railroads
244 Other yard expenses..	Labor....	11-32-xx	Salaries and wages—transportation—yard.
	Material..	21-32-xx	Material, tools, supplies, fuels, lubricants—transportation—yard.
	Other....	41-32-xx	Other purchased services—transportation—yard.
		61-32-xx	Other expenses—transportation—yard.
		-xx=	Function codes: 66—Yard and terminal clerical. 69—Servicing locomotives.
245 Joint facilities—yard —Dr.	Labor....	NA	
	Material..	NA	
	Other....	37-32-00	Joint facility—Dr.—transportation—yard.
246 Joint facilities—yard —Cr.	Labor	NA	
	Material..	NA	
	Other....	38-32-00	Joint facility—Cr.—transportation—yard.
252 Specialized service operations.	Labor....	11-34-xx	Salaries and wages—transportation—specialized services.
	Material...	21-34-xx	Material, tools, supplies, fuels, lubricants—transportation—specialized services.
	Other....	41-34-xx	Other purchased services—transportation—specialized services.
		61-34-xx	Other expenses—transportation—specialized services.
		-xx=	Function codes: 73—Pickup and delivery, marine line haul, and rail substitute service. 74—Loading and unloading and local marine. 75—Protective services.
253 Administrative support operations.	Labor....	11-35-xx	Salaries and wages—transportation—administrative support.
	Material..	21-35-xx	Material, tools, supplies, fuels, lubricants—transportation—administrative support.
	Other....	41-35-xx	Other purchased services—transportation—administrative support.
		61-35-xx	Other expenses—transportation—administrative support.
		-xx=	Function codes: 76—Employees performing clerical and accounting functions. 77—Communication systems operation. 78—Loss and damage claims processing.
255 Joint facilities—other transportation—Dr.	Labor....	NA	
	Material..	NA	
	Other....	37-34-00	Joint facility—Dr.
		37-35-00	Transportation—specialized services/administrative support.
256 Joint facilities—other transportation—Cr.	Labor....	NA	
	Material..	NA	
	Other....	38-34-00	Joint facility—Cr.
		38-35-00	Transportation—specialized services/administrative support.
257 Loss and damage claims.	Labor....	NA	
	Material..	NA	
	Other....	51-31-00	Loss and damage claims—transportation.
		51-32-00	Train, yard, train and yard common, specilaized services.
		51-33-00	
		51-34-00	
258 Casualties and insurance.	Labor....	NA	
	Material..	NA	
	Other....	52-31-00	Casualties and insurance—transportation—train.
		52-32-00	Yard, specialized services, administrative support.
		52-34-00	
		52-35-00	
		53-31-00	Insurance—transportation—train.
		53-32-00	Yard, specialized services, administrative support.
		53-34-00	
		53-35-00	
259 Other expenses.....	Labor....	11-31-xx	Salaries and wages—transportation—train, yard, train and yard common, specialized services, administrative support.
		11-32-xx	
		11-33-xx	
		11-34-xx	
		11-35-xx	
		21-31-xx	Material, tools, supplies, fuels, lubricants—transportation—train, yard, train and yard common, specialized services, administrative support.
	Material..	21-32-xx	
		21-33-xx	
		21-34-xx	
		21-35-xx	
	Other....	12-31-00	Fringe benefits—transportation—train, yard, train and yard common, specialized services, administrative support.
		12-32-00	
		12-33-00	
		12-34-00	
		12-35-00	
		41-31-xx	Other purchased services—transportation—train, yard, train and yard common, specialized services, administrative support.
		41-32-xx	
		41-33-xx	
		41-34-xx	
		41-35-xx	
		61-31-xx	Other expenses—transportation—train, yard, train and yard common, specialized services, administrative support.
		61-32-xx	
		61-33-xx	
		61-34-xx	
		61-35-xx	
		-xx=	Function codes: 59—Operating switches, signals, interlockers, retarders, humps. 60—Operating drawbridges. 61—Highway crossing protection. 63—Clearing wrecks. 70—Cleaning car interiors. 71—Adjusting, transferring loads. 72—Car loading devices and grain doors. 99—Other.
GENERAL AND ADMINISTRATIVE			
271 Administration.....	Labor....	11-61-01	Salaries and wages—general and administrative—administration.
	Material..	21-61-01	Material, tools, supplies, fuels, lubricants—general and administrative—administration.
	Other....	41-61-01	Other purchased services—general and administrative—administration.
		61-61-01	Other expenses—general and administrative—administration.

Accounts for class II railroads			Accounts for class I railroads
272 Administrative operations.	Labor....	11-61-xx	Salaries and wages—general and administrative.
	Material.	21-61-xx	Material, tools, supplies, fuels, lubricants—general and administrative.
	Other....	41-61-xx	Other purchased services—general and administrative.
		61-61-xx	Other expenses—general and administrative.
		-xx=	Function codes: 86—Accounting, auditing, finance. 87—Management services and data processing. 88—Marketing. 89—Sales. 90—Industrial development. 91—Personnel, labor relations. 92—Legal and secretarial. 93—Public relations and advertising. 94—Research and development.
273 Joint facilities—Dr....	Labor....	NA	
	Material.	NA	
	Other....	37-61-00	Joint facility—Dr.—general and administrative.
274 Joint facilities—Cr....	Labor....	NA	
	Material.	NA	
	Other....	38-61-00	Joint facility—Cr.—general and administrative.
275 Casualties and insurance.	Labor....	NA	
	Material.	NA	
	Other....	52-61-00	Other casualties—general and administrative.
		53-61-00	Insurance—general and administrative.
276 Other expenses.....	Labor....	11-61-99	Salaries and wages—general and administrative—other.
	Material.	21-61-99	Material, tools, supplies, fuels, lubricants—general and administrative—other.
	Other....	12-61-00	Fringe benefits—general and administrative.
		41-61-99	Other purchased services—general and administrative—other.
		61-61-99	Other expenses—general and administrative—other.
277 Uncollectible accounts.	Labor....	NA	
	Material.	NA	
	Other....	63-61-00	Uncollectible accounts—general and administrative.
278 Property and other taxes.	Labor....	NA	
	Material.	NA	
	Other....	64-61-00	Property taxes—general and administrative.
		65-61-00	Other taxes—general and administrative.

(APPENDIX B)

PART 1240—CLASSES OF CARRIERS

Subpart A of Part 1240, Chapter X, Title 49 of the Code of Federal Regulations is amended by revising § 1240.1 (a) and (b) (1) and (2) as follows:

Subpart A—Railroads

1240.1 Classification of rail carriers.

(a) For the purpose of annual, other periodical and special reports, commencing with reports for the year, quarter or month beginning January 1, 1978, and thereafter until further ordered, operating carriers by railroad subject to the provisions of Part I of the Interstate Commerce Act shall be, and they are hereby, grouped into the following classes:

Class I. Carriers having annual carrier operating revenues of $50 million or more.

Class II. Carriers having annual carrier operating revenues of less than $50 million.

(b) (1) The class to which any carrier belongs shall be determined by annual carrier operating revenue. If at the end of any calendar year such annual carrier operating revenue is greater than the maximum for the class in which the carrier is classified, the carrier shall adopt the accounting and reporting requirements of the higher class in which it falls. Class II carriers shall adopt Class I classification effective as of January 1 of the following year.

(2) If at the end of any calendar year a Class I carrier's annual operating revenue is less than $50 million, and has been for three consecutive years, the carrier shall adopt the accounting and reporting requirements for Class II carriers. Such adoption shall be effective as of January 1 of the following year.

* * * * *

APPENDIX C

Implementing instructions for revised road property accounts as of January 1, 1978.

1. *Account 21, Grain Elevators.* The related investment cost and accumulated depreciation shall be reclassified to account 35, Miscellaneous Structures.

2. *Account 38, Roadway Small Tools.* The related investment cost shall be transferred to account 743, Other Deferred Debits, and subsequently amortized over a five year period to appropriate operating expense accounts based on normal useage of the tools involved.

3. *Account 43, Other Expenditures; Road.* The related investment cost shall be equitably distributed to the appropriate other road property accounts based on the best information available.

Any questions concerning the implementing instructions shall be referred to the Commission for consideration and approval.

PART 1241—ANNUAL, SPECIAL, OR PERIODIC REPORTS; CARRIERS SUBJECT TO PART 1 OF THE INTERSTATE COMMERCE ACT

PART 1243—QUARTERLY OPERATING REPORTS—RAILROADS

Parts 1241 and 1243, Chapter X, Title 49 of the Code of Federal Regulations are amended by revising certain schedules included in the reports referenced in §§ 1241.11, 1241.12, and 1243.1 through 1243.3 as follows:

REPORTS AND SCHEDULES APPENDIX D

200. COMPARATIVE GENERAL BALANCE SHEET-EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory statements explaining (1) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements. (Dollars in thousands)

1. Show hereunder the estimated accumulated tax reductions realized during current and prior years under Section 168 (formerly Section 124-A) and under Section 167 of the Internal Revenue Code because of accelerated amortization of emergency facilities and accelerated depreciation of other facilities and also depreciation deductions resulting from the use of the new guideline lives, since December 31, 1961, pursuant to Revenue Procedure 62-21 in excess of recorded depreciation. The amount to be shown in each case is the net accumulated reductions in taxes realized less subsequent increases in taxes due to expired or lower allowances for amortization or depreciation as a consequence of accelerated allowances in earlier years. Also, show the estimated accumulated net income tax reduction realized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962. In the event provision has been made in the accounts through appropriations of surplus or otherwise for the contingency of increase in future tax payments, the amount thereof and the accounting performed should be shown.

(a) Estimated accumulated net reduction in Federal income taxes since December 31, 1949, because of accelerated amortization of emergency facilities in excess of recorded depreciation under Section 168 (formerly Section 124-A) of the Internal Revenue Code ___ $ _____

(b) Estimated accumulated savings in Federal income taxes resulting from computing book depreciation under Commission rules and computing tax depreciation using the items listed below ___ _____ $ _____

_____ Accelerated depreciation since December 31, 1953, under Section 167 of the Internal Revenue Code.

_____ Guideline lives since December 31, 1961, pursuant to Revenue Procedure 62-21.

_____ Guideline lives under Class Life System (Asset Depreciation Range) since December 31, 1970, as provided in the Revenue Act of 1971.

(c)(i) Estimated accumulated net income tax reduction utilized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962, as amended _____ $ _____

(ii) If carrier elected, as provided in the Revenue Act of 1971, to account for the investment tax credit under the deferral method, indicate the total deferred investment tax credit in account 872, other deferred credits, at beginning of year _____ $ _____

Add investment tax credits applied to reduction of current year's tax liability but deferred for accounting purposes ___ $ _____

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual _____ $ (_____)

Other adjustments (indicate nature such as recapture on early disposition) _____ $ _____

(d) Estimated accumulated net reduction in Federal income taxes because of accelerated amortization of certain rolling stock since December 31, 1969, under provisions of Section 184 of the Internal Revenue Code _____ $ _____

(e) Estimated accumulated net reduction in Federal income taxes because of amortization of certain rights-of way investments since December 31, 1969, under the provisions of Section 185 of the Internal Revenue Code _____ $ _____

2. Amount of accrued contingent interest on funded debt recorded in the balance sheet:

Description of obligation	Year accrued	Account No.	Amount
			$

3. As a result of dispute concerning the recent increase in per diem rates for use of freight cars interchanged, settlement of disputed amounts has been deferred awaiting final disposition of the matter. The amounts in dispute for which settlement has been deferred are as follows:

Item	Amount in dispute	As recorded on books: Account Nos. Debit	Credit	Amount not recorded
Per diem receivable	$			$
Per diem payable				
Net amount	$	XXXXXXXX	XXXXXXX	$

4. Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking and other funds pursuant to provisions of reorganization plans, mortages, deeds of trust, or other contracts _____ $ _____

5. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss caryover on January 1 of the year following that for which the report is made _____ $ _____

6. (a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year: _____

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund. _____ $ _____

(c) Is any part of pension plan funded? Specify, Yes _____ No _____

(i) If funding is by insurance, give name of insuring company _____

(ii) If funding is by trust agreement, list trustee(s) _____

Date of trust agreement or latest amendment _____

If respondent is affiliated in any way with the trustee(s), explain affiliation: _____

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating changes under the agreement _____

(e)(i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify. Yes _____ No _____

If yes, give number of the shares for each class of stock or other security: _____

(ii) Are voting rights attached to any securities held by the pension plan? Specify. Yes ___ No ___ If yes, who determines how stock is votes? _____

200. COMPARATIVE GENERAL BALANCE SHEET—ASSETS

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be restated to conform with the accounting requirements followed in column (b). The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (Dollars in thousands) (a)			Balance at close of year (b)	Balance at beginning of year (c)
	CURRENT ASSETS			$	$
1	(701) Cash				
2	(710) Working funds				
3	(702) Temporary cash investments				
4	(703) Special deposits				
5	(704) Loans and notes receivable				
6	(705) Accounts receivable - Interline and other balances				
7	(706) Accounts receivable - Customers				
8	(707) Accounts receivable - Other				
9	(708) Interest and dividends receivable				
10	(708.5) Receivables from affiliated companies				
11	(709) Accrued accounts receivable				
12	Less: Allowance for uncollectible accounts (Acct. 709.5)				
13	Net receivables (Accts. 704-709.5)				
14	(711) Prepayments				
15	(712) Materials and supplies				
16	(713) Other current assets				
17	(714) Deferred income tax debits				
18	Total current assets				
		SPECIAL FUNDS			
		(a1) Total book assets at close of year	(a2) Respondent's own issued included in (a1)		
19	(715) Sinking funds				
20	(716) Capital funds				
21	(717) Other funds				
22	Total special funds				
	INVESTMENTS				
23	(721) Investments and advances; affiliated companies				
24	Undistributed earnings from certain investments in account 721)				
25	Less: Adjustments - Investments and advances - Affiliated companies (Acct. 721.5)				
26	Net investments and advances - Affiliated companies				
27	(722) Other investments and advances				
28	Less: Adjustments - Other investments and advances (Acct. 723)				
29	Net other investments and advances				
30	Total investments				

NOTE: Schedule applicable to Form R-1, R-2 and R-4. Form R-4 will show columns for individual lessors; balance at close of year. Explanatory notes are applicable to Class I Railroads only.

NOTE: This account was added to late to be included in the above report form:
724 - Allowance for Net Unrealized loss on Noncurrent Marketable Equity Securities - Cr.

200. COMPARATIVE GENERAL BALANCE SHEET—ASSETS—Continued

Line No.		Account or item (a)	Balance at close of year (b)	Balance at beginning of year (c)
		TANGIBLE PROPERTY		
31	(731)	Road and equipment property		
32		Less: Accumulated depreciation - Road and equipment property (Acct. 735)		
33		Accumulated amortization - Road and equipment property - Defense projects (Acct. 736)		
34		Net road and equipment property		
35	(732)	Improvements on leased property		
36		Less: Accumulated depreciation - Improvements on leased property (Acct. 733)		
37		Accumulated amortization - Improvements on leased property - Defense projects (Acct. 734)		
38		Net improvements on leased property		
39		Total carrier property		
40	(737)	Property used in other than carrier operations		
41		Less: Accumulated depreciation - Property used in other than carrier operations (Acct. 738)		
42		Net property used in other than carrier operations		
43		Total tangible property		
		INTANGIBLE PROPERTY		
44	(739)	Organization expenses		
		OTHER ASSETS AND DEFERRED DEBITS		
45	(741)	Other assets		
46	(743)	Other deferred debits		
47	(744)	Accumulated deferred income tax debits		
48		Total other assets and deferred debits		
49		TOTAL ASSETS		

200. COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY

Line No.		Account or item (a)			Balance at close of year (b)	Balance at beginning of year (c)
		CURRENT LIABILITIES			$	$
50	(751)	Loans and notes payable				
51	(752)	Accounts payable-Interline and other balances				
52	(753)	Audited accounts and wages payable				
53	(754)	Accounts Payable - Other				
54	(755)	Interest payable				
55	(756)	Dividends payable				
56	(757)	Payables to affiliated companies				
57	(759)	Accrued accounts payable				
58	(760)	Federal income taxes accrued				
59	(761)	State and other income taxes accrued				
60	(761.5)	Other taxes accrued				
61	(762)	Deferred income tax credits				
62	(764)	Equipment obligations and other long-term debt due within one year				
63	(763)	Other current liabilities				
64		Total current liabilities				
		LONG-TERM DEBT DUE AFTER ONE YEAR	(a1) Total issued	(a2) Held by or for respondent		
65	(765)	Funded debt unmatured				
66	(766)	Equipment obligation				
67	(770.1)	Unamortized debt discount				
68	(770.2)	Unamortized premium on debt				
69		Net funded debt and equipment obligations (Accts. 765-770.2)				
70	(768)	Debt in default				
71	(767)	Receivers' and trustees' securities				
72	(769)	Accounts payable; affiliated companies				
73		Total long-term debt due after one year				
		OTHER LONG-TERM LIABILITIES				
74	(781)	Interest in default				
75	(782)	Other liabilities				
76	(772)	Accrued liability; leased property				
77	(771)	Accrued liability; pension and welfare				
78	(774)	Accrued liability, casualty and other claims				
79	(775)	Other accrued liabilities				
80		Total other long-term liabilities				
		DEFERRED CREDITS				
81	(785)	Other deferred credits				
82	(786)	Accumulated deferred income tax credits				
83		Total deferred credits				

200. COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY - Continued

Line No.		Account or item (Dollars in thousands) (a)			Balance at close of year (b)	Balance at beginning of year (c)
		SHAREHOLDER'S EQUITY			$	$
		Capital Stock	(a1) Total issued	(a2) Nominally issued securities		
84	(791)	Capital Stock: Common Stock				
85		Preferred Stock				
86		Total				
87	(792)	Liability for conversion of capital stock				
88	(793)	Discount on capital stock				
89		Total capital stock				
		Additional Capital				
90	(794)	Premium and assessments on capital stock				
91	(795)	Other capital				
92		Total additional capital				
93		Retained Earnings				
94	(797)	Retained earnings-appropriated				
95	(798)	Retained earnings-unappropriated				
96		Total retained earnings				
		Treasury Stock				
97	(798.5)	Less: Treasury Stock				
98		Total shareholder's equity				
99		TOTAL LIABILITIES AND SHAREHOLDERS EQUITY				

NOTE: This account was added to late to be included in the above report:
798.1 - Net Unrealized loss on Noncurrent Marketable Securities

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 211-1 AND 211-I ON PAGES_____

1. Give particulars of balances at the beginning and close of the year and of all changes during the year in account No. 731, "Road and Equipment Property," and account No. 732, "Improvements on Leased Property," classified by primary accounts in accordance with the Uniform System of Accounts for Railroad Companies. The balances, by primary accounts, should, insofar as known, be stated in column (b) and all changes made during the year should be analyzed in columns (c) to (h), inclusive. Column (j) is the aggregate of columns (b) to (i), inclusive. Grand totals of columns (b) and (j) should equal the sum of accounts 731 and 732 for the respective periods; if not, full explanation should be made in a footnote.

2. In column (c) are to be shown disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, and for the extension of old lines, as provided for in Instruction 2—1, "Items to be Charged," of the Uniform System of Accounts for Railroad Companies, for such items.

3. In column (d) is to be shown the cost of a railway or portion thereof, acquired as an operating entity or system by purchase, merger, consolidation, reorganization, receivership; sale or transfer, or otherwise.

4. In columns (e) and (f), should be included all entries covering expenditures for additions and betterments, as defined, whether replacing other property or not.

5. In column (f) show particulars for improvements made on property held under lease or other form of long-term contract and not charged to the owning company.

6. In columns (g) and (h) should be entered all credits representing property sold, abandoned, or otherwise retired.

7. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in the column in which the item was initially included; also the transfer of prior years' debits or credits from investment in road and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Each such transfer, adjustment, or clearance should be fully explained when in excess of $100,000.

8. If during the year an individual charge of $100,000 or more was made to account No. 2, "Land for transportation purposes," state in a footnote the cost, location, area, and other details which will identify the property.

9. Report on line 32 amounts not includible in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks," below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

10. If during the year a segment of transportation property was acquired, state in a footnote the name of the vendor, the mileage acquired, and the date of acquisition, giving termini and the cost of the property to the respondent. Also furnish a statement of the amount included in each primary account representing such property acquired, referring to the column or columns in which the entries appear.

11. If an amount of less than $1,500 is used as the minimum debit or credit for additions and betterments to property investment accounts as provided for in Instruction 2—2, of the Uniform System of Accounts for Railroad Companies, state in a footnote the amount used.

12. Show dollars in thousands.

NOTES AND REMARKS

APPENDIX D

311-1. ROAD AND EQUIPMENT PROPERTY OWNED (See Instructions page)

Line No.	Account (Dollars in thousands) (a)	Balance at beginning of year (b)	Expenditures during the year for original road and equipment, and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)
		$	$	$
1	(1) Engineering			
2	(2) Land for transportation purposes			
3	(3) Grading			
4	(4) Other right-of-way expenditures			
5	(5) Tunnels and subways			
6	(6) Bridges, trestles, and culverts			
7	(7) Elevated structures			
8	(8) Ties			
9	(9) Rails			
10	(10) Other track material			
11	(11) Ballast			
12	(12) Track laying and surfacing			
13	(13) Fences, snowsheds, and signs			
14	(16) Station and Office Buildings			
15	(17) Roadway buildings			
16	(18) Water stations			
17	(19) Fuel stations			
18	(20) Shops and enginehouses			
19	(22) Storage warehouses			
20	(23) Wharves and docks			
21	(24) Coal and ore wharves			
22	(25) TOFC/COFC terminals			
23	(26) Communication systems			
24	(27) Signals and interlockers			
25	(29) Power plants			
26	(31) Power-transmission systems			
27	(35) Miscellaneous structures			
28	(37) Roadway machines			
29	(39) Public improvements — Construction			
30	(44) Shop machinery			
31	(45) Power-plant machinery			
32	Other (specify and explain)			
33	Total expenditures for road			
34	(52) Locomotives			
35	(53) Freight-train cars			
36	(54) Passenger-train cars			
37	(55) Highway revenue equipment			
38	(56) Floating equipment			
39	(57) Work equipment			
40	(58) Miscellaneous equipment			
41	Total expenditures for equipment			
42	(76) Interest during construction			
43	(77) Other expenditures — General			
44	Total general expenditures			
45	Total			
46	(80) Other elements of investment			
47	(90) Construction in progress			
48	Grand Total			

NOTE: Similar schedule excluding amounts for Account 80, Other Elements of Investment, will be provided for Form R-4, Railroad Lessors Annual Report Form R-1

211-1. ROAD AND EQUIPMENT PROPERTY OWNED (See Instruction page)

EXPENDITURES FOR ADDITIONS AND BETTERMENTS DURING THE YEAR		CREDITS FOR PROPERTY RETIRED DURING THE YEAR		Net changes during the year	Balance at close of year	Line No.
Made on owned property (e)	Made on leased property (f)	Owned property (g)	Leased property (h)	(i)	(j)	
$	$	$	$	$	$	1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
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						45
						46
						47
						48

APPENDIX D

211-2. IMPROVEMENTS ON LEASED PROPERTY (See Instructions page)

Line No.	Account (Dollars in thousands) (a)	Balance at beginning of year (b)	Expenditures during the year for original road and equipment, and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)
		$	$	$
1	(1) Engineering			
2	(2) Land for transportation purposes			
3	(3) Grading			
4	(4) Other right-of-way expenditures			
5	(5) Tunnels and subways			
6	(6) Bridges, trestles, and culverts			
7	(7) Elevated structures			
8	(8) Ties			
9	(9) Rails			
10	(10) Other track material			
11	(11) Ballast			
12	(12) Track laying and surfacing			
13	(13) Fences, snowsheds, and signs			
14	(16) Station and office buildings			
15	(17) Roadway buildings			
16	(18) Water stations			
17	(19) Fuel stations			
18	(20) Shops and enginehouses			
19	(22) Storage warehouses			
20	(23) Wharves and docks			
21	(24) Coal and ore wharves			
22	(25) TOFC/COFC terminals			
23	(26) Communication systems			
24	(27) Signals and interlockers			
25	(29) Power plants			
26	(31) Power-transmission systems			
27	(35) Miscellaneous structures			
28	(37) Roadway machines			
29	(39) Public improvements — Construction			
30	(44) Shop machinery			
31	(45) Power-plant machinery			
32	Other (specify and explain)			
33	Total expenditures for road			
34	(52) Locomotives			
35	(53) Freight-train cars			
36	(54) Passenger-train cars			
37	(55) Highway revenue equipment			
38	(56) Floating equipment			
39	(57) Work equipment			
40	(58) Miscellaneous equipment			
41	Total expenditures for equipment			
42	(76) Interest during construction			
43	(77) Other expenditures — General			
44	Total general expenditures			
45	Total			
46	(80) Other elements of investment			
47	(90) Construction in progress			
48	Grand Total			

NOTE: Similar schedule excluding amounts for Account 80, Other Elements of Investment, will be provided for Form R-4, Railroad Lessors

211-2. IMPROVEMENTS ON LEASED PROPERTY (See Instructions page)

EXPENDITURES FOR ADDITIONS AND BETTERMENTS DURING THE YEAR		CREDITS FOR PROPERTY RETIRED DURING THE YEAR		Net changes during the year	Balance at close of year	Line No.
Made on owned property (e)	Made on leased property (f)	Owned property (g)	Leased property (h)	(i)	(j)	
$	$	$	$	$	$	1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
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						27
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						29
						30
						31
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						38
						39
						40
						41
						42
						43
						44
						45
						46
						47
						48

211G-1. AMORTIZATION OF DEFENSE PROJECTS—ROAD AND EQUIPMENT OWNED

APPENDIX D

1. Show in columns (b) to (e) the amount of base of road and equipment property for which amortization is provided in account No. 736, "Accumulated amortization-Road and equipment property-Defense projects" of the respondent. If the amortization base is other than the ledger value stated in the investment account, a full explanation should be given.

2. Show in columns (f) to (i) the balance at the close of the year and all credits and debits during the year in account No. 736, "Accumulated amortization-Raod and equipment property-Defense projects."

3. The information requested for "Road" by columns (b) through (i) may be shown by projects amounting to $100,000 or more, or by single entries as "Total road" in line 21. If reported by projects, each project should be briefly described, stating kind, location, and authorization date and number. Projects amounting to less than $100,000 should be combined in a single entry designated "Minor items, each less than $100,000."

4. Any amounts included in columns (b) and (f), and in column (h) affecting operating expenses, should be fully explained. (Dollars in thousands)

Line No.	Description of property or account (a)	BASE				Accumulated Amortization			
		Debits during year (b)	Credits during year (c)	Adjustments (d)	Balance at close of year (e)	Credits during year (f)	Debits during year (g)	Adjustments (h)	Balance at close of year (i)
	ROAD:	$	$	$	$	$	$	$	$
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21	TOTAL ROAD								
	EQUIPMENT:								
22	(52) Locomotives								
23	(53) Freight-train cars								
24	(54) Passenger-train cars								
25	(55) Highway revenue equipment								
26	(56) Floating equipment								
27	(57) Work equipment								
28	(58) Miscellaneous equipment								
29	TOTAL EQUIPMENT								
30	GRAND TOTAL								

Annual Report Form R-1 (Note) This schedule is also applicable to Form R-2

211G-2. AMORTIZATION OF DEFENSE PROJECTS—ROAD AND EQUIPMENT LEASED FROM OTHERS

APPENDIX D

1. Show in columns (b) to (e) the amount of base of road and equipment property for which amortization is provided in account No. 734, "Accumulated amortization-Improvements on leased property-Defense projects" of the respondent. If the amortization base is other than the ledger value stated in the investment account, a full explanation should be given.

2. Show in columns (f) to (i) the balance at the close of the year and all credits and debits during the year in account No. 734, "Accumulated amortization-Improvements on leased property-Defense projects."

3. The information requested for "Road" by columns (b) through (i) may be shown by projects amounting to $100,000 or more, or by single entries as "Total road" in line 21. If reported by projects, each project should be briefly described, stating kind, location, and authorization date and number. Projects amounting to less than $100,000 should be combined in a single entry designated "Minor items, each less than $100,000."

4. Any amounts included in columns (b) and (f), and in column (h) affecting operating expenses, should be fully explained. (Dollars in thousands)

Line No.	Description of property or account (a)	BASE				Accumulated Amortization			
		Debits during year (b)	Credits during year (c)	Adjustments (d)	Balance at close of year (e)	Credits during year (f)	Debits during year (g)	Adjustments (h)	Balance at close of year (i)
	ROAD:	$	$	$	$	$	$	$	$
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21	TOTAL ROAD								
	EQUIPMENT:								
22	(52) Locomotives								
23	(53) Freight-train cars								
24	(54) Passenger-train cars								
25	(55) Highway revenue equipment								
26	(56) Floating equipment								
27	(57) Work equipment								
28	(58) Miscellaneous equipment								
29	TOTAL EQUIPMENT								
30	GRAND TOTAL								

Annual Report Form R-1 (Note) This schedule is also applicable to Form R-2 - 12 -

APPENDIX D

INSTRUCTIONS 300. RESULTS OF OPERATIONS

1. In column (d) show, against the appropriate account, the amount of income that is offset by deductions in other income accounts of respondents so far as they relate to companies the operations of which are covered by this operating report, the amount of such deductions or disposition to be also shown against appropriate accounts.
2. Report the total railway operating revenues from schedule 310, line 12, column (b) on line 1, column (b).
3. Report the total railway operating expenses from schedule 320, line 204, column (b) on line 2, column (b).
4. Line 7 includes only dividends from investments accounted for under the cost method. Line 13 includes only dividends accounted for under the equity method. Line 14 includes the undistributed earnings from investments accounted for under the equity method.
5. All contra entries hereunder should be indicated in parenthesis.
6. Report dollars in thousands.

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)	Offsetting Debits and Credits for Current Year (d)	Freight-Related Revenues & Expenses (e)	Passenger-Related Revenues & Expenses (f)
	ORDINARY ITEMS					
	OPERATING INCOME					
	Railway Operating Income					
1	(501) Railway operating revenues					
2	(531) Railway operating expenses					
3	* Net revenue from railway operations				XXXXX	XXXXX
	OTHER INCOME					
4	(502) Revenue from property used in other than carrier operations					
5	(510) Miscellaneous rent income					
6	(511) Separately operated properties - Profit					
7	(512) Dividend income					
8	(513) Interest income					
9	(514) Income from sinking and other funds					
10	(515) Releases of premiums on funded debt					
11	(516) Contributions from other companies					
12	(517) Miscellaneous income					
	Income from affiliated companies:					
13	Dividends					
14	Equity in undistributed earnings (losses)					
15	Total other income (Lines 4 to 14)					
16	Total income (Lines 3 plus 15)					
	MISCELLANEOUS DEDUCTIONS FROM INCOME					
17	(536) Expenses of property used in other than carrier operations					
18	(535) Taxes on property used in other than carrier operations					
19	(543) Miscellaneous rent expense					
20	(542) Separately operated properties - Loss					
21	(546) Maintaining of investment organization					
22	(535) Income transferred to other companies					
23	(537) Miscellaneous income charges					
24	(550) Uncollectible accounts					
25	Total miscellaneous deductions (Lines 17 to 24)					
26	Income available for fixed charges (Lines 16 less 25)					
	FIXED CHARGES					
	(542) Interest on funded debt:					
27	(a) Fixed interest not in default					
28	(b) Interest in default					
29	(543) Interest on unfunded debt					
30	(544) Amortization of discount on funded debt					
31	Total Fixed Charges (Lines 27 to 30)					
32	Income after Fixed Charges (Lines 26 less 31)					
	OTHER DEDUCTIONS					
	(546) Interest on funded debt:					
33	(a) Contingent interest					
	UNUSUAL OR INFREQUENT ITEMS					
34	(570) Unusual or infrequent items (debit)/credit					
35	Income/(loss) from continuing operations (before income taxes)					
	PROVISIONS FOR INCOME TAXES					
	(536) Income Taxes on Ordinary Income:					
36	Federal Income Taxes					
37	State Income Taxes					
38	Other Income Taxes					
39	(537) Provision for Deferred Income Taxes					
40	Income From Continuing Operations					
	DISCONTINUED OPERATIONS					
41	(560) Income or Loss from operations of discontinued segments (Less applicable income taxes of $)					
42	(562) Gain or Loss on disposal of discontinued segments (Less applicable income taxes of $)					
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES					
43	(570) Extraordinary items (Net)					
44	(580) Income taxes on extraordinary items					
45	(581) Provision for deferred taxes - Extraordinary items					
46	Total Extraordinary items (Lines 43 to 45)					
47	(582) Cumulative effect of changes in accounting principles (Less applicable income taxes of $)					
48	NET INCOME					

NOTE: Schedule applicable to Form R-1, R-2 and R-4. Form R-2 will show columns (b) "Amounts for current year," only. Form R-4 will show columns for Individual Lessor companies.

* Reconciliation of Net Railway Operating Income (NROI)

Net Revenues from Railway Operations

(536) Income Taxes on Ordinary Income (—)

(537) Provision for Deferred Income Taxes (—)

(560) Taxes applicable to Income or Loss from operations of discontinued segments (—)

(562) Taxes applicable to gain or loss on disposal of discontinued segments (—)

* Income from Lease of Road and Equipment (—)

* Rent for Leased Roads and Equipment ——

Net Railway Operating Income ==

* Formerly accounts 505 and 542, respectively

310. RAILWAY OPERATING REVENUES

APPENDIX D

1. State the railway operating revenues of the respondent for the year classifying them in accordance with the Uniform System of Accounts for Railroad Companies and distribute the amounts among the classes of service as indicated. In the absence of records separating revenues between freight and passenger trains, the distribution should be estimated on the basis of the best data available.

2. Assign rail-line revenues, including revenues from water transfers and highway motor vehicle operations, to "Freight service" or to Passenger and allied services" according to the type of train (or other equipment) by which the traffic moved.

3. Incidental revenues should be assigned as provided for in the schedule.

4. Any unusual accruals involving substantial amounts included in column (b) should be fully explained in a footnote.
(Dollars in thousands)

Line No.	Class of railway operating revenues (a)	Amount of revenue for the year (b)	RAIL-LINE REVENUES, INCLUDING WATER TRANSFERS: Assignable to freight service (c)	RAIL-LINE REVENUES, INCLUDING WATER TRANSFERS: Assignable to passenger and allied services (d)	Remarks
		$	$	$	$
	Transportation—Rail-Line				
1	(101)Freight*				
2	(102)Passenger*				
3	(103)Passenger-Related				
4	(104)Switching				
5	(105)Water transfers				
6	Total rail-line transportation revenue				
7	(106)Demurrage				
8	(110)Incidental				
	Joint Facility				
9	(121)Joint Facility-Cr.				
10	(122)Joint Facility-Dr.				
11	Total joint facility operating revenue				
12	Total railway operating revenues				

*Report hereunder the charges to these accounts representing payments made to others for—

Terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates: $

(a) Of the amount reported for Item A.1, % (to nearest whole number) represents payments for collection and delivery of LCL freight either in TOFC trailers or otherwise. The percentage reported is (Check one):

Actual ( ). Estimated ( ).

Switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement: $

Substitute highway motor service in lieu of line-haul rail service performed under tariffs published by rail carriers (does not include traffic moved on joint rail-motor rates):

(a) Payments for transportation of persons: $

(b) Payments for transportation of freight shipments: $

*Governmental aid for providing passenger commuter or other passenger-train service included in account 103, as provided in item (d) of that account: $

NOTE.—Gross charges for protective services to perishable freight, without deduction for any proportion thereof credited to account No. 101, "Freight" (not required from switching and terminal companies):

Charges for service for the protection against heat: $

Charges for service for the protection against cold: $

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APPENDIX D

INSTRUCTION SCHEDULE 320. RAILWAY OPERATING EXPENSES

State the railway operating expenses on respondent's road for the year, classifying them in accordance with the proposed Uniform System of Accounts for Railroad Companies, and analyzing them in accordance with the Commission's rules governing the separation of operating expenses between freight and passenger service.

APPENDIX D

SCHEDULE 320 - RAILWAY OPERATING EXPENSE

	(a)	FREIGHT SALARIES AND WAGES (b)	FREIGHT MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS (c)	FREIGHT PURCHASED SERVICES (d)	FREIGHT GENERAL (e)	PASSENGER (f)
	WAY AND STRUCTURES:					
	ADMINISTRATION:					
001	Track					
002	Bridge and Building					
003	Signal					
004	Communication					
005	Other					
	REPAIR AND MAINTENANCE:					
006	Roadway - Running					
007	Roadway - Switching					
008	Tunnels and Subways - Running					
009	Tunnels and Subways - Switching					
010	Bridges and Culverts - Running					
011	Bridges and Culverts - Switching					
012	Ties - Running	N/A		N/A	N/A	
013	Ties - Switching	N/A		N/A	N/A	
014	Rail - Running	N/A		N/A	N/A	
015	Rail - Switching	N/A		N/A	N/A	
016	Other Track Material - Running	N/A		N/A	N/A	
017	Other Track Material - Switching	N/A		N/A	N/A	
018	Ballast - Running	N/A		N/A	N/A	
019	Ballast - Switching	N/A		N/A	N/A	
020	Track laying and surfacing - Running					
021	Track laying and surfacing - Switching					
022	Road Property Damaged - Running					
023	Road Property Damaged - Switching					
024	Road Property Damaged - Other					
025	Signals and Interlockers - Running					
026	Signals and Interlockers - Switching					
027	Communications Systems					
028	Electric Power Systems					
029	Highway Grade Crossings - Running					
030	Highway Grade Crossings - Switching					
031	Station and Office Buildings					
032	Shop Buildings - Locomotives					
033	Shop Buildings - Freight Cars					N/A
034	Shop Buildings - Other Equipment					

SCHEDULE 320 - RAILWAY OPERATING EXPENSE

(a)	FREIGHT				PASSENGER
	SALARIES AND WAGES (b)	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS (c)	PURCHASED SERVICES (d)	GENERAL (e)	(f)
WAY AND STRUCTURES - Continued:					
REPAIR AND MAINTENANCE - Continued:					
101 Locomotive Servicing Facilities					
102 Miscellaneous Buildings and Structures					
103 Coal Terminals					N/A
104 Ore Terminals					N/A
105 Other Marine Terminals					N/A
106 TOFC/COFC - Terminals					N/A
107 Motor Vehicle Loading and Distribution Facilities					N/A
108 Facilities for Other Specialized Service Operations					N/A
109 Roadway Machines					
110 Small Tools and Supplies					
111 Snow Removal					
112 FRINGE BENEFITS - RUNNING	N/A	N/A	N/A		
113 FRINGE BENEFITS - SWITCHING	N/A	N/A	N/A		
114 FRINGE BENEFITS - OTHER	N/A	N/A		N/A	
115 CASUALTIES AND INSURANCE - RUNNING	N/A	N/A		N/A	
116 CASUALTIES AND INSURANCE - SWITCHING	N/A	N/A		N/A	
117 CASUALTIES AND INSURANCE - OTHER	N/A	N/A		N/A	
118 LEASE RENTALS - DEBIT - RUNNING	N/A	N/A		N/A	
119 LEASE RENTALS - DEBIT - SWITCHING	N/A	N/A		N/A	
120 LEASE RENTALS - DEBIT - OTHER	N/A	N/A	N/A		
121 LEASE RENTALS - (CREDIT) - RUNNING	N/A	N/A		N/A	
122 LEASE RENTALS - (CREDIT) - SWITCHING	N/A	N/A		N/A	
123 LEASE RENTALS - (CREDIT) - OTHER					
124 JOINT FACILITY RENT - DEBIT - RUNNING					
125 JOINT FACILITY RENT - DEBIT - SWITCHING					
126 JOINT FACILITY RENT - DEBIT - OTHER					
127 JOINT FACILITY RENT - (CREDIT) - RUNNING					
128 JOINT FACILITY RENT - (CREDIT) - SWITCHING					
129 JOINT FACILITY RENT - (CREDIT) - OTHER					
130 OTHER RENTS - DEBIT - RUNNING					
131 OTHER RENTS - DEBIT - SWITCHING					
132 OTHER RENTS - DEBIT - OTHER					
133 OTHER RENTS - (CREDIT) - RUNNING					
134 OTHER RENTS - (CREDIT) - SWITCHING					
135 OTHER RENTS - (CREDIT) - OTHER					
136 DEPRECIATION - RUNNING					
137 DEPRECIATION - SWITCHING					
138 DEPRECIATION - OTHER					
139 JOINT FACILITY - DEBIT - RUNNING					
140 JOINT FACILITY - DEBIT - SWITCHING					
141 JOINT FACILITY - DEBIT - OTHER					
142 JOINT FACILITY - (CREDIT) - RUNNING					
143 JOINT FACILITY - (CREDIT) - SWITCHING					
144 JOINT FACILITY - (CREDIT) - OTHER					
145 DISMANTLING RETIRED ROAD PROPERTY - RUNNING					
146 DISMANTLING RETIRED ROAD PROPERTY - SWITCHING					
147 DISMANTLING RETIRED ROAD PROPERTY - OTHER					
148 OTHER - RUNNING					
149 OTHER - SWITCHING					
150 OTHER - OTHER					
151 TOTAL WAY AND STRUCTURES					

APPENDIX D

SCHEDULE 320 - RAILWAY OPERATING EXPENSE

	(a)	FREIGHT SALARIES AND WAGES (b)	FREIGHT MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS (c)	FREIGHT PURCHASED SERVICES (d)	FREIGHT GENERAL (e)	PASSENGER (f)
	EQUIPMENT:					
	LOCOMOTIVES:					
201	Administration					
202	Repair and Maintenance					
203	Machinery Repair					
204	Equipment Damaged					
205	Fringe Benefits	N/A	N/A	N/A		
206	Other Casualties and Insurance	N/A	N/A	N/A		
207	Lease Rentals - Debit	N/A	N/A		N/A	
208	Lease Rentals - (Credit)	N/A	N/A		N/A	
209	Joint Facility Rent - Debit	N/A	N/A		N/A	
210	Joint Facility Rent - (Credit)	N/A	N/A		N/A	
211	Other Rents - Debit	N/A	N/A		N/A	
212	Other Rents - (Credit)	N/A	N/A		N/A	
213	Depreciation	N/A	N/A	N/A		
214	Joint Facility - Debit	N/A	N/A		N/A	
215	Joint Facility - (Credit)	N/A	N/A		N/A	
216	Repairs Billed to Others - (Credit)	N/A	N/A		N/A	
217	Dismantling Retired Property					
218	Other					
219	Total Locomotives					
	FREIGHT CARS:					
220	Administration					N/A
221	Repair and Maintenance					N/A
222	Machinery Repair					N/A
223	Equipment Damaged					N/A
224	Fringe Benefits	N/A	N/A	N/A		N/A
225	Other Casualties and Insurance	N/A	N/A	N/A		N/A
226	Lease Rentals - Debit	N/A	N/A		N/A	N/A
227	Lease Rentals - (Credit)	N/A	N/A		N/A	N/A
228	Joint Facility Rent - Debit	N/A	N/A		N/A	N/A
229	Joint Facility Rent - (Credit)	N/A	N/A		N/A	N/A
230	Other Rents - Debit	N/A	N/A		N/A	N/A
231	Other Rents - (Credit)	N/A	N/A		N/A	N/A
232	Depreciation	N/A	N/A	N/A		N/A
233	Joint Facility - Debit	N/A	N/A		N/A	N/A
234	Joint Facility - (Credit)	N/A	N/A		N/A	N/A
235	Repairs Billed to Others - (Credit)	N/A	N/A		N/A	N/A
236	Dismantling Retired Property					N/A
237	Other					N/A
238	Total Freight Cars					N/A

SCHEDULE 320 - RAILWAY OPERATING EXPENSE

	(a)	FREIGHT				PASSENGER (f)
		SALARIES AND WAGES (b)	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS (c)	PURCHASED SERVICES (d)	GENERAL (e)	
	EQUIPMENT - (Continued):					
	OTHER EQUIPMENT:					
301	Administration					
	Repair and Maintenance:					
302	Trucks, Trailers, and Containers - Revenue Service					N/A
303	Floating Equipment - Revenue Service					N/A
304	Passenger and Other Revenue Equipment					
305	Computers and Data Processing Systems					
306	Machinery					
307	Work and Other Non-Revenue Equipment					
308	Equipment Damaged					
309	Fringe Benefits	N/A	N/A	N/A		
310	Other Casualties and Insurance	N/A	N/A	N/A		
311	Lease Rentals - Debit	N/A	N/A		N/A	
312	Lease Rentals - (Credit)	N/A	N/A		N/A	
313	Joint Facility Rent - Debit	N/A	N/A		N/A	
314	Joint Facility Rent - (Credit)	N/A	N/A		N/A	
315	Other Rents - Debit	N/A	N/A		N/A	
316	Other Rents - (Credit)	N/A	N/A		N/A	
317	Depreciation	N/A	N/A	N/A		
318	Joint Facility - Debit	N/A	N/A		N/A	
319	Joint Facility - (Credit)	N/A	N/A		N/A	
320	Repairs Billed to Others - (Credit)	N/A	N/A		N/A	
321	Dismantling Retired Property					
322	Other					
323	Total Other Equipment					
324	TOTAL EQUIPMENT					

APPENDIX D

SCHEDULE 320 - RAILWAY OPERATING EXPENSE

	(a)	FREIGHT SALARIES AND WAGES (b)	FREIGHT MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS (c)	FREIGHT PURCHASED SERVICES (d)	FREIGHT GENERAL (e)	PASSENGER (f)
	TRANSPORTATION:					
	TRAIN OPERATIONS:					
401	Administration					
402	Engine Crews					
403	Train Crews					
404	Dispatching Trains					
405	Operating Signals and Interlockers					
406	Operating Drawbridges					
407	Highway Crossing Protection					
408	Train Inspection and Lubrication					
409	Locomotive Fuel					
410	Electric Power Purchased or Produced for Motive Power					
411	Servicing Locomotives					
412	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A		
413	Clearing Wrecks					
414	Fringe Benefits	N/A	N/A	N/A		
415	Other Casualties and Insurance	N/A	N/A	N/A		
416	Joint Facility - Debit	N/A	N/A		N/A	
417	Joint Facility - (Credit)	N/A	N/A		N/A	
418	Other					
419	Total Train Operations					
	YARD OPERATIONS:					
420	Administration					
421	Switch Crews					
422	Controlling Operations					
423	Yard and Terminal Clerical					
424	Operating Switches, Signals, Retarders and Humps					
425	Locomotive Fuel					
426	Electric Power Purchased or Produced for Motive Power					
427	Servicing Locomotives					
428	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A		
429	Clearing Wrecks					
430	Fringe Benefits	N/A	N/A	N/A		
431	Other Casualties and Insurance	N/A	N/A	N/A		
432	Joint Facility - Debit	N/A	N/A		N/A	
433	Joint Facility - (Credit)	N/A	N/A		N/A	
434	Other					
435	Total Yard Operations					

SCHEDULE 320 - RAILWAY OPERATING EXPENSE

	(a)	FREIGHT: SALARIES AND WAGES (b)	FREIGHT: MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS (c)	FREIGHT: PURCHASED SERVICES (d)	FREIGHT: GENERAL (e)	PASSENGER (f)
	TRANSPORTATION - (Continued):					
	TRAIN AND YARD OPERATIONS COMMON:				N/A	
501	Cleaning Car Interiors				N/A	N/A
502	Adjusting and Transferring Loads				N/A	N/A
503	Car Loading Devices and Grain Doors					
504	Freight Lost or Damaged - all other	N/A	N/A	N/A		
505	Fringe Benefits	N/A	N/A	N/A		
506	Total Train and Yard Operations Common					
	SPECIALIZED SERVICE OPERATIONS:					
507	Administration					N/A
508	Pickup & Delivery and Marine Line Haul			N/A		N/A
509	Loading & Unloading and Local Marine					N/A
510	Protective Services					N/A
511	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A		N/A
512	Fringe Benefits	N/A	N/A	N/A		N/A
513	Casualties and Insurance	N/A	N/A	N/A		N/A
514	Joint Facility - Debit	N/A	N/A		N/A	N/A
515	Joint Facility - (Credit)	N/A	N/A		N/A	N/A
516	Other					N/A
517	Total Specialized Services Operations					N/A
	ADMINISTRATIVE SUPPORT OPERATIONS:					
518	Administration					
519	Employees Performing Clerical and Accounting Functions					
520	Communication Systems Operation					
521	Loss and Damage Claims Processing					
522	Fringe Benefits	N/A	N/A	N/A		
523	Casualties and Insurance	N/A	N/A	N/A		
524	Joint Facility - Debit	N/A	N/A		N/A	
525	Joint Facility - (Credit)	N/A	N/A		N/A	
526	Other					
527	Total Administrative Support Operations					
528	TOTAL TRANSPORTATION					

APPENDIX D

SCHEDULE 320 - RAILWAY OPERATING EXPENSE

	(a)	FREIGHT SALARIES AND WAGES (b)	FREIGHT MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS (c)	FREIGHT PURCHASED SERVICES (d)	FREIGHT GENERAL (e)	PASSENGER (f)
	GENERAL AND ADMINISTRATIVE:					
601	Officers - General Administration					
602	Accounting, Auditing and Finance					
603	Management Services and Data Processing					
604	Marketing					
605	Sales					
606	Industrial Development					N/A
607	Personnel and Labor Relations					
608	Legal and Secretarial					
609	Public Relations and Advertising					
610	Research and Development					
611	Fringe Benefits	N/A	N/A	N/A		
612	Casualties and Insurance	N/A	N/A	N/A		
613	Writedown of Uncollectible Accounts	N/A	N/A	N/A		
614	Property Taxes	N/A	N/A	N/A		
615	Other Taxes Except on Corporate Income or Payrolls	N/A	N/A	N/A		
616	Joint Facility - Debit	N/A	N/A		N/A	
617	Joint Facility - (Credit)	N/A	N/A		N/A	
618	Other					
619	TOTAL GENERAL AND ADMINISTRATIVE					
620	TOTAL CARRIER OPERATING EXPENSES					

OPERATING EXPENSE ACCOUNT ASSIGNMENT
Schedule 320 - Railway Operating Expenses

	FREIGHT*				
	SALARIES AND WAGES	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS	PURCHASED SERVICES	GENERAL	PASSENGER**
WAY AND STRUCTURES:					
ADMINISTRATION:					
Track	11-13-02	21-13-02	41-13-02	61-13-02	XX-16-02
Bridges and Buildings	11-13-03	21-13-03	41-13-03	61-13-03	XX-16-03
Signals	11-13-04	21-13-04	41-13-04	61-13-04	XX-16-04
Communications	11-13-05	21-13-05	41-13-05	61-13-05	XX-16-05
Other	11-13-06	21-13-06	41-13-06	61-13-06	XX-16-06
REPAIR AND MAINTENANCE:					
Roadway - Running	11-11-10	21-11-10	39-11-10 40-11-10 41-11-10	61-11-10	XX-14-10
Roadway - Switching	11-12-10	21-12-10	39-12-10 40-12-10 41-12-10	61-12-10	XX-15-10
Tunnels and Subways - Running	11-11-11	21-11-11	39-11-11 40-11-11 41-11-11	61-11-11	XX-14-11

*Common expenses shall be allocated between Freight and Passenger for reporting purposes.

**The natural expenses (Salaries and Wages; Material, Tools, Supplies, Fuels and Lubricants; Purchase Services; General) shall be summarized for reporting Passenger expenses.

FREIGHT*

	SALARIES AND WAGES	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS	PURCHASED SERVICES	GENERAL	PASSENGER**
Tunnels and Subways - Switching	11-12-11	21-12-11	39-12-11 40-12-11 41-12-11	61-12-11	XX-15-11
Bridges and Culverts - Running	11-11-12	21-11-12	39-11-12 40-11-12 41-11-12	61-11-12	XX-14-12
Bridges and Culverts - Switching	11-12-12	21-12-12	39-12-12 40-12-12 41-12-12	61-12-12	XX-15-12
Ties - Running	N/A	21-11-13	N/A	N/A	21-14-13
Ties - Switching	N/A	21-12-13	N/A	N/A	21-15-13
Rails - Running	N/A	21-11-14	N/A	N/A	21-14-14
Rails - Switching	N/A	21-12-14	N/A	N/A	21-15-14
Other Track Material - Running	N/A	21-11-15	N/A	N/A	21-14-15
Other Track Material - Switching	N/A	21-12-15	N/A	N/A	21-15-15
Ballast - Running	N/A	21-11-16	N/A	N/A	21-14-16
Ballast - Switching	N/A	21-12-16	N/A	N/A	21-15-16
Track Laying & Surfacing - Running	11-11-17	21-11-17	39-11-17 40-11-17 41-11-17	61-11-17	XX-14-17
Track Laying & Surfacing - Switching	11-12-17	21-12-17	39-12-17 40-12-17 41-12-17	61-12-17	XX-15-17
Road Property Damaged - Running	11-11-48	21-11-48	39-11-48 40-11-48 41-11-48	61-11-48	XX-14-48
Road Property Damaged - Switching	11-12-48	21-12-48	39-12-48 40-12-48 41-12-48	61-12-48	XX-15-48
Road Property Damaged - Other	11-13-48	21-13-48	39-13-48 40-13-48 41-13-48	61-13-48	XX-15-48

FREIGHT*

	SALARIES AND WAGES	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS	PURCHASED SERVICES	GENERAL	PASSENGER**
Signals and Interlockers - Running.....	11-11-19	21-11-19	39-11-19 40-11-19 41-11-19	61-11-19	XX-14-19
Signals and Interlockers - Switching.....	11-12-19	21-12-19	39-12-19 40-12-19 41-12-19	61-12-19	XX-15-19
Communications Systems.....	11-13-20	21-13-20	39-13-20 40-13-20 41-13-20	61-13-20	XX-16-20
Electric Power Systems.....	11-13-21	21-13-21	39-13-21 40-13-21 41-13-21	61-13-21	XX-16-21
Highway Grade Crossings - Running.....	11-11-22	21-11-22	39-11-22 40-11-22 41-11-22	61-11-22	XX-14-22
Highway Grade Crossings - Switching.....	11-12-22	21-12-22	39-12-22 40-12-22 41-12-22	61-12-22	XX-15-22
Station and Office Buildings.....	11-13-23	21-13-23	39-13-23 40-13-23 41-13-23	61-13-23	XX-16-23
Shop Buildings - Locomotives.....	11-13-24	21-13-24	39-13-24 40-13-24 41-13-24	61-13-24	XX-16-24
Shop Buildings - Freight Cars.....	11-13-25	21-13-25	39-13-25 40-13-25 41-13-25	61-13-25	N/A
Shop Buildings - Other Equipment.....	11-13-26	21-13-26	39-13-26 40-13-26 41-13-26	61-13-26	XX-16-26
Locomotive Servicing Facilities.....	11-13-27	21-13-27	39-13-27 40-13-27 41-13-27	61-13-27	XX-16-27

FREIGHT*

	SALARIES AND WAGES	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS	PURCHASED SERVICES	GENERAL	PASSENGER**
Miscellaneous Buildings and Structures	11-13-28	21-13-28	39-13-28 40-13-28 41-13-28	61-13-28	XX-16-28
Coal Terminals	11-13-29	21-13-29	39-13-29 40-13-29 41-13-29	61-13-29	N/A
Ore Terminals	11-13-30	21-13-30	39-13-30 40-13-30 41-13-30	61-13-30	N/A
TOFC/COFC Terminals	11-13-31	21-13-31	39-13-31 40-13-31 41-13-31	61-13-31	N/A
Other Marine Terminals	11-13-32	21-13-32	39-13-32 40-13-32 41-13-32	61-13-32	N/A
Motor Vehicle Loading and Distribution Facilities	11-13-33	21-13-33	39-13-33 40-13-33 41-13-33	61-13-33	N/A
Facilities for Other Specialized Service Operations	11-13-35	21-13-35	39-13-35 40-13-35 41-13-35	61-13-35	N/A
Roadway Machines	11-13-36	21-13-36	39-13-36 40-13-36 41-13-36	61-13-36	XX-16-36
Small Tools and Supplies	11-13-37	21-13-37	39-13-37 40-13-37 41-13-37	61-13-37	XX-16-37
Snow Removal	11-13-38	21-13-38	39-13-38 40-13-38 41-13-38	61-13-38	XX-16-38
Dismantling Retired Road Property - Running	11-11-39	21-11-39	41-11-39	61-11-39	XX-14-39
Dismantling Retired Road Property - Switching	11-12-39	21-12-39	41-12-39	61-12-39	XX-15-39
Dismantling Retired Road Property - Other	11-13-39	21-13-39	41-13-39	61-13-39	XX-16-39

	FREIGHT*				
	SALARIES AND WAGES	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS	PURCHASED SERVICES	GENERAL	PASSENGER**
FRINGE BENEFITS - Running	N/A	N/A	N/A	12-11-00	12-14-00
FRINGE BENEFITS - Switching				12-12-00	12-15-00
FRINGE BENEFITS - Other				12-13-00	12-16-00
CASUALTIES AND INSURANCE - Running	N/A	N/A	N/A	52-11-00	52-14-00
CASUALTIES AND INSURANCE - Switching				53-11-00	53-14-00
CASUALTIES AND INSURANCE - Other				52-12-00	52-15-00
				53-12-00	53-15-00
				52-13-00	52-16-00
				53-13-00	53-16-00
LEASE RENTALS - Debit - Running	N/A	N/A	31-11-00	N/A	31-14-00
LEASE RENTALS - Debit - Switching			31-12-00		31-15-00
LEASE RENTALS - Debit - Other			31-13-00		31-16-00
LEASE RENTALS - (Credit) - Running	N/A	N/A	32-11-00	N/A	32-14-00
LEASE RENTALS - (Credit) - Switching			32-12-00		32-15-00
LEASE RENTALS - (Credit) - Other			32-13-00		32-16-00
JOINT FACILITY RENTS - Debit - Running	N/A	N/A	33-11-00	N/A	33-14-00
JOINT FACILITY RENTS - Debit - Switching			33-12-00		33-15-00
JOINT FACILITY RENTS - Debit - Other			33-13-00		33-16-00
JOINT FACILITY RENTS - (Credit) - Running	N/A	N/A	34-11-00	N/A	34-14-00
JOINT FACILITY RENTS - (Credit) - Switching			34-12-00		34-15-00
JOINT FACILITY RENTS - (Credit) - Other			34-13-00		34-16-00
OTHER RENTS - Debit - Running	N/A	N/A	35-11-00	N/A	35-14-00
OTHER RENTS - Debit - Switching			35-12-00		35-15-00
OTHER RENTS - Debit - Other			35-13-00		35-16-00
OTHER RENTS - (Credit) - Running	N/A	N/A	36-11-00	N/A	36-14-00
OTHER RENTS - (Credit) - Switching			36-12-00		36-15-00
OTHER RENTS - (Credit) - Other			36-13-00		36-16-00
DEPRECIATION - Running	N/A	N/A	N/A	62-11-00	62-14-00
DEPRECIATION - Switching				62-12-00	62-15-00
DEPRECIATION - Other				62-13-00	62-16-00

	FREIGHT*				
	SALARIES AND WAGES	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS	PURCHASED SERVICES	GENERAL	PASSENGER**
JOINT FACILITY - Debit - Running	N/A	N/A	37-11-00	N/A	37-14-00
JOINT FACILITY - Debit - Switching			37-12-00		37-15-00
JOINT FACILITY - Debit - Other			37-13-00		37-16-00
JOINT FACILITY - (Credit) - Running	N/A	N/A	38-11-00	N/A	38-14-00
JOINT FACILITY - (Credit) - Switching			38-12-00		38-15-00
JOINT FACILITY - (Credit) - Other			38-13-00		38-16-00
OTHER - Running	11-11-99	21-11-99	41-11-99	61-11-99	XX-14-99
OTHER - Switching	11-12-99	21-12-99	41-12-99	61-12-99	XX-15-99
OTHER - Other	11-13-99	21-13-99	41-13-99	61-13-99	XX-16-99
TOTAL WAY AND STRUCTURES					
EQUIPMENT:					
LOCOMOTIVES:					
Administration	11-21-01	21-21-01	41-21-01	61-21-01	XX-24-01
Repair and Maintenance	11-21-41	21-21-41	39-21-41	61-21-41	XX-24-41
			41-21-41		
Machinery Repair	11-21-40	21-21-40	39-21-40	61-21-40	XX-24-40
			41-21-40		
Equipment Damaged	11-21-48	21-21-48	39-21-48	61-21-48	XX-24-48
			41-21-48		
Dismantling Retired Property	11-21-39	21-21-39	41-21-39	61-21-39	XX-24-39
Fringe Benefits	N/A	N/A	N/A	12-21-00	12-24-00
Other Casualties and Insurance	N/A	N/A	N/A	52-21-00	52-24-00
				53-21-00	53-24-00
Lease Rentals - Debit	N/A	N/A	31-21-00	N/A	31-24-00
Lease Rentals - (Credit)	N/A	N/A	32-21-00	N/A	32-24-00
Joint Facility Rents - Debit	N/A	N/A	33-21-00	N/A	N/A
Joint Facility Rents - (Credit)	N/A	N/A	34-21-00	N/A	N/A
Other Rents - Debit	N/A	N/A	35-21-00	N/A	35-24-00
Other Rents - (Credit)	N/A	N/A	36-21-00	N/A	36-24-00

FREIGHT*

	SALARIES AND WAGES	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS	PURCHASED SERVICES	GENERAL	PASSENGER**
Depreciation	N/A	N/A	N/A	62-21-00	62-24-00
Joint Facility - Debit	N/A	N/A	37-21-00	N/A	37-24-00
Joint Facility - (Credit)	N/A	N/A	38-21-00	N/A	38-24-00
Repairs Billed to Others - (Credit)	N/A	N/A	40-21-40 40-21-41 40-21-48	N/A	40-24-40 40-24-41 40-24-48
Other	11-21-99	21-21-99	41-21-99	61-21-99	XX-24-99
Total Locomotives					
FREIGHT CARS:					
Administration	11-22-01	21-22-01	41-22-01	61-22-01	N/A
Repair and Maintenance	11-22-42	21-22-42	39-22-42 41-22-42	61-22-42	N/A
Machinery Repair	11-22-40	21-22-40	39-22-40 41-22-40	61-22-40	N/A
Equipment Damaged	11-22-48	21-22-48	39-22-48 41-22-48	61-22-48	N/A
Dismantling Retired Property	11-22-39	21-22-39	41-22-39	61-22-39	N/A
Fringe Benefits	N/A	N/A	N/A	12-22-00	N/A
Other Casualties and Insurance	N/A	N/A	N/A	52-22-00 53-22-00	N/A
Lease Rentals - Debit	N/A	N/A	31-22-00	N/A	N/A
Lease Rentals - (Credit)	N/A	N/A	32-22-00	N/A	N/A
Joint Facility Rents - Debit	N/A	N/A	33-22-00	N/A	N/A
Joint Facility Rents - (Credit)	N/A	N/A	34-22-00	N/A	N/A
Other Rents - Debit	N/A	N/A	35-22-00	N/A	N/A
Other Rents - (Credit)	N/A	N/A	36-22-00	N/A	N/A
Depreciation	N/A	N/A	N/A	62-22-00	N/A
Joint Facility - Debit	N/A	N/A	37-22-00	N/A	N/A
Joint Facility - (Credit)	N/A	N/A	38-22-00	N/A	N/A

FREIGHT*

	SALARIES AND WAGES	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS	PURCHASED SERVICES	GENERAL	PASSENGER**
Repairs Billed to Others - (Credit).....	N/A	N/A	40-22-40 40-22-42 40-22-48 41-22-99	N/A	N/A
Other.....	11-22-99	21-22-99		61-22-99	N/A
Total Freight Cars					
OTHER EQUIPMENT:					
Administration.....	11-23-01	21-23-01	41-23-01	61-23-01	XX-25-01
Repair and Maintenance:					
Trucks, Trailers, and Containers - Revenue Service.....	11-23-43	21-23-43	39-23-43 41-23-43	61-23-43	N/A
Floating Equipment - Revenue Service.....	11-23-44	21-23-44	39-23-44 41-23-44	61-23-44	N/A
Passenger and Other Revenue Equipment.....	11-23-45	21-23-45	39-23-45 41-23-45	61-23-45	XX-25-45
Computers and Data Processing Systems.....	11-23-46	21-23-46	39-23-46 41-23-46	61-23-46	XX-25-46
Machinery.....	11-23-40	21-23-40	39-23-40 41-23-40	61-23-40	XX-25-40
Work and Other Non-Revenue Equipment.....	11-23-47	21-23-47	39-23-47 41-23-47	61-23-47	XX-25-47
Equipment Damaged.....	11-23-48	21-23-48	39-23-48 41-23-48	61-23-48	XX-25-48
Dismantling Retired Property.....	11-23-39	21-23-39	41-23-39	61-23-39	XX-25-39
Fringe Benefits.....	N/A	N/A	N/A	12-23-00	12-25-00
Other Casualties and Insurance.....	N/A	N/A	N/A	52-23-00 53-23-00	52-25-00 53-25-00
Lease Rentals - Debit.....	N/A	N/A	31-23-00	N/A	31-25-00
Lease Rentals - (Credit).....	N/A	N/A	32-23-00	N/A	32-25-00
Joint Facility Rents - Debit.....	N/A	N/A	33-23-00	N/A	33-25-00
Joint Facility Rents - (Credit).....	N/A	N/A	34-23-00	N/A	34-25-00
Other Rents - Debit.....	N/A	N/A	35-23-00	N/A	35-25-00

FREIGHT*

	SALARIES AND WAGES	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS	PURCHASED SERVICES	GENERAL	PASSENGER**
Other Rents - (Credit)	N/A	N/A	36-23-00	N/A	36-25-00
Depreciation	N/A	N/A	N/A	62-23-00	62-25-00
Joint Facility - Debit	N/A	N/A	37-23-00	N/A	37-25-00
Joint Facility - (Credit)	N/A	N/A	38-23-00	N/A	38-25-00
Repairs Billed to Others - (Credit)	N/A	N/A	40-23-40	N/A	40-25-40
			40-23-43		N/A
			40-23-44		N/A
			40-23-45		40-25-45
			40-23-46		40-25-46
			40-23-47		40-25-47
			40-23-48		40-25-48
Other	11-23-99	21-23-99	41-23-99	61-23-99	XX-25-99
Total Other Equipment					
TOTAL EQUIPMENT					
TRANSPORTATION:					
TRAIN OPERATIONS:					
Administration	11-31-01	21-31-01	41-31-01	61-31-01	XX-41-01
Engine Crews	11-31-56	21-31-56	41-31-56	61-31-56	XX-41-56
Train Crews	11-31-57	21-31-57	41-31-57	61-31-57	XX-41-57
Dispatching Trains	11-31-58	21-31-58	41-31-58	61-31-58	XX-31-58
Operating Signals and Interlockers	11-31-59	21-31-59	41-31-59	61-31-59	XX-41-59
Operating Drawbridges	11-31-60	21-31-60	41-31-60	61-31-60	XX-41-60
Highway Crossing Protection	11-31-61	21-31-61	41-31-61	61-31-61	XX-41-61
Train Inspection and Lubrication	11-31-62	21-31-62	41-31-62	61-31-62	XX-41-62
Locomotive Fuel	11-31-67	21-31-67	41-31-67	61-31-67	XX-41-67
Electric Power Purchased/Produced for Motive Power	11-31-68	21-31-68	41-31-68	61-31-68	XX-41-68
Servicing Locomotives	11-31-69	21-31-69	41-31-69	61-31-69	XX-41-69
Freight Lost or Damaged - Soley Related	N/A	N/A	N/A	51-31-00	51-41-00

FREIGHT*

	SALARIES AND WAGES	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS	PURCHASED SERVICES	GENERAL	PASSENGER**
Clearing Wrecks	11-31-63	21-31-63	41-31-63	61-31-63	XX-41-63
Fringe Benefits	N/A	N/A	N/A	12-31-00	12-41-00
Other Casualties and Insurance	N/A	N/A	N/A	52-31-00	52-41-00
				53-31-00	53-41-00
Joint Facility - Debit	N/A	N/A	37-31-00	N/A	37-41-00
Joint Facility - (Credit)	N/A	N/A	38-31-00	N/A	38-41-00
Other	11-31-99	21-31-99	41-31-99	61-31-99	XX-41-99
Total Train Operations					
YARD OPERATIONS:					
Administration	11-32-01	21-32-01	41-32-01	61-32-01	XX-42-01
Switch Crews	11-32-64	21-32-64	41-32-64	61-32-64	XX-42-64
Controlling Operations	11-32-65	21-32-65	41-32-65	61-32-65	XX-42-65
Yard and Terminal Clerical	11-32-66	21-32-66	41-32-66	61-32-66	XX-42-66
Operating Switches, Signals, Retarders and Humps	11-32-59	21-32-59	41-32-59	61-32-59	XX-42-59
Locomotive Fuel	11-32-67	21-32-67	41-32-67	61-32-67	XX-42-67
Electric Power Purchased/ Produced for Motive Power	11-32-68	21-32-68	41-32-68	61-32-68	XX-42-68
Servicing Locomotives	11-32-69	21-32-69	41-32-69	61-32-69	XX-42-69
Freight, Lost or Damaged - Solely Related	N/A	N/A	N/A	51-32-00	51-42-00
Clearing Wrecks	11-32-63	21-32-63	41-32-63	61-32-63	XX-42-63
Fringe Benefits	N/A	N/A	N/A	12-32-00	12-42-00
Other Casualties and Insurance	N/A	N/A	N/A	52-32-00	52-42-00
				53-32-00	53-42-00
Joint Facility - Debit	N/A	N/A	37-32-00	N/A	37-42-00
Joint Facility - (Credit)	N/A	N/A	38-32-00	N/A	38-42-00
Other	11-32-99	21-32-99	41-32-99	61-32-99	XX-42-99
Total Yard Operations					

FREIGHT*

	SALARIES AND WAGES	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS	PURCHASED SERVICES	GENERAL	PASSENGER**
TRAIN AND YARD OPERATIONS COMMON:					
Cleaning Car Interiors	11-33-70	21-33-70	41-33-70	N/A	XX-43-70
Adjusting and Transferring Loads	11-33-71	21-33-71	41-33-71	N/A	N/A
Car Loading Devices and Grain Doors	11-33-72	21-33-72	41-33-72	N/A	N/A
Freight Lost or Damaged - All Other	N/A	N/A	N/A	51-33-00	51-43-00
Fringe Benefits	N/A	N/A	N/A	12-33-00	12-43-00
Total Train and Yard Operations Common					
SPECIALIZED SERVICE OPERATIONS:					
Administration	11-34-01	21-34-01	41-34-01	61-34-01	N/A
Pick Up and Delivery, Marine Line Haul, and Rail Substitute Service	11-34-73	21-34-73	41-34-73	61-34-73	N/A
Loading, Unloading, and Local Marine	11-34-74	21-34-74	41-34-74	61-34-74	N/A
Protective Services	11-34-75	21-34-75	41-34-75	61-34-75	N/A
Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	51-34-00	N/A
Fringe Benefits	N/A	N/A	N/A	12-34-00	N/A
Casualties and Insurance	N/A	N/A	N/A	52-34-00 53-34-00	N/A
Joint Facility - Debit	N/A	N/A	37-34-00	N/A	N/A
Joint Facility - (Credit)	N/A	N/A	38-34-00	N/A	N/A
Other	11-34-99	21-34-99	41-34-99	61-34-99	N/A
Total Specialized Services Operations					
ADMINISTRATIVE SUPPORT OPERATIONS:					
Administrative	11-35-01	21-35-01	41-35-01	61-35-01	XX-45-01
Employees Performing Clerical and Accounting Functions	11-35-76	21-35-76	41-35-76	61-35-76	XX-45-76
Communication Systems Operation	11-35-77	21-35-77	41-35-77	61-35-77	XX-45-77
Loss and Damage Claims Processing	11-35-78	21-35-78	41-35-78	61-35-78	XX-45-78
Fringe Benefits	N/A	N/A	N/A	12-35-00	12-45-00
Casualties and Insurance	N/A	N/A	N/A	52-35-00 53-35-00	52-45-00 53-45-00

	FREIGHT*				
	SALARIES AND WAGES	MATERIAL, TOOLS, SUPPLIES, FUELS, AND LUBRICANTS	PURCHASED SERVICES	GENERAL	PASSENGER**
Joint Facility - Debit	N/A	N/A	37-35-00	N/A	37-45-00
Joint Facility - (Credit)	N/A	N/A	38-35-00	N/A	38-45-00
Other	11-35-99	21-35-99	41-35-99	61-35-99	XX-45-99
Total Administrative Support Operations					
TOTAL TRANSPORTATION					
GENERAL AND ADMINISTRATIVE:					
Officers - General Superintendence	11-61-01	21-61-01	41-61-01	61-61-01	XX-62-01
Accounting, Auditing and Finance	11-61-86	21-61-86	41-61-86	61-61-86	XX-62-86
Management Services and Data Processing	11-61-87	21-61-87	41-61-87	61-61-87	XX-62-87
Marketing	11-61-88	21-61-88	41-61-88	61-61-88	XX-62-88
Sales	11-61-89	21-61-89	41-61-89	61-61-89	XX-62-89
Industrial Development	11-61-90	21-61-90	41-61-90	61-61-90	N/A
Personnel and Labor Relations	11-61-91	21-61-91	41-61-91	61-61-91	XX-62-91
Legal and Secretarial	11-61-92	21-61-92	41-61-92	61-61-92	XX-62-92
Public Relations and Advertising	11-61-93	21-61-93	41-61-93	61-61-93	XX-62-93
Research and Development	11-61-94	21-61-94	41-61-94	61-61-94	XX-62-94
Fringe Benefits	N/A	N/A	N/A	12-61-00	12-62-00
Casualties and Insurance	N/A	N/A	N/A	52-61-00	52-62-00
				53-61-00	53-62-00
Writedown of Uncollectible Accounts	N/A	N/A	N/A	63-61-00	63-62-00
Property Taxes	N/A	N/A	N/A	64-61-00	64-62-00
Other Taxes Except on Corporate Income or Payrolls	N/A	N/A	N/A	65-61-00	65-62-00
Joint Facility - Debit	N/A	N/A	37-61-00	N/A	37-62-00
Joint Facility - (Credit)	N/A	N/A	38-61-00	N/A	38-62-00
Other	11-61-99	21-61-99	41-61-99	61-61-99	XX-62-99
TOTAL GENERAL AND ADMINISTRATIVE					
TOTAL CARRIER OPERATING EXPENSES					

APPENDIX D

FORM RE&I

INSTRUCTIONS

1. Under order of the Commission, Class I railroads, excluding switching and terminal companies, are required to file quarterly reports of revenues, expenses and income items, Form RE&I, in duplicate, in the Bureau of Accounts, Interstate Commerce Commission, Washington, D. C. 20423, within 30 days after the close of each quarter. Reports should be prepared on a calendar quarter basis beginning with the first day of January, April, July and October.
2. The items reported in Form RE&I should be taken from and agree with the accounts kept in conformity with the Uniform System of Accounts for Railroad Companies prescribed by the Interstate Commerce Commission. The account numbers refer to the accounts in the Uniform System of Accounts. Reverse items should be shown in parentheses. Dollar amounts should be rounded to the nearest whole number and adjusted to totals; omit cents. Ratios in Items 49 through 51 should be calculated to one decimal place. Entries in columns (c) and (e) should be restated to conform with the accounting requirements followed in columns (b) and (d). Unusual transactions or items which reflect an important change in the financial condition of the carrier should be identified and explained in a footnote under "Remarks". Amounts reported in column (b), Item 41, Account 570, must be identified in a footnote showing date of Commission approval, and brief description of items included. Any dividends paid other than in cash must be fully explained in a footnote.
3. Item 33 represents the accrual of income taxes on ordinary income. Income taxes which are refundable or reduced as result of carry-back or carry-forward of operating loss shall be included in the year in which the loss occurs, or, if a carry-forward, in the year in which applied to reduce taxes, unless the amount constitutes an extraordinary item excludable from ordinary income for the year (See Instruction 1-2(d), Uniform System of Accounts). Income taxes on extraordinary items (Account 590) are reported in Item 42.
4. Item 18 includes dividend income from investments to which the cost method of accounting applies. Item 19 includes only dividends accounted for under the equity method. Item 20 includes the undistributed earnings(losses) from investments accounted for under the equity method.
5. The certification must be completed by an officer of the carrier.

APPENDIX I

INTERSTATE COMMERCE COMMISSION — FORM R1A1

QUARTERLY REPORT OF REVENUES, EXPENSES AND INCOME - RAILROADS

FULL NAME AND ADDRESS OF REPORTING RAILROAD

	ITEM (a)	FIGURES FOR THE QUARTER: THIS YEAR (b)	FIGURES FOR THE QUARTER: LAST YEAR (c)	CUMULATIVE FIGURES: THIS YEAR (d)	CUMULATIVE FIGURES: LAST YEAR (e)
1	Freight (Account 101)	$	$	$	$
2	Passenger (Account 102)				
3	Passenger - Related (Account 109)				
4	All other operating revenues (Accounts 104, 105, 106, 108)				
5	Joint Facility accrual (Account 113)				
6	Railway Operating Revenues (Accounts 100)				
7	Depreciation - Road (Accounts 57-1-01-00, 57-02-01, 57-03-00)				
8	All other maintenance of way and structure accounts				
9	Total maintenance of roadway and structures				
10	Depreciation - Equipment (Total, of Accounts 57-21-00, 57-22-00, 57-23-00)				
11	All other maintenance of equipment accounts				
12	Total maintenance of equipment				
13	Transportation - Train, Yard and Train and Yard Combin				
14	Transportation - Specialized Services, Administration Support				
15	General and Administrative				
16	Railway Operating Expenses (Account 132)				
17	* Net revenue from railway operations (Line 6 minus 16)				
18	Other Income (Account 508, 510-519)				
19	Income from affiliate companies:				
20	Dividends				
21	Equity in undistributed earnings (Losses)				
22	Total income from affiliated companies				
23	Miscellaneous Deductions from Income (Accounts 534, 535, 543, 544, 545, 547 to 551 & 553)				
24	Income available for Fixed Charges (Line 17 plus Line 18 plus Line 22 less Line 23)				
25	Rent for leased roads and equipment (Account 542)				
26	Interest on funded debt (Account 536, 541)				

	ITEM (a)	FIGURES FOR THE QUARTER: THIS YEAR (b)	FIGURES FOR THE QUARTER: LAST YEAR (c)	CUMULATIVE FIGURES: THIS YEAR (d)	CUMULATIVE FIGURES: LAST YEAR (e)
27	Interest on unfunded debt (Account 537)	$	$	$	$
28	Amortization of discount on funded debt (Account 538)				
29	Total fixed charges				
30	Income after fixed charges				
31	Other Deductions (Account 546):				
32	Unusual or Infrequent Items (Debit) Credit (Account 570)				
33	Income (loss) from continuing operations before income taxes				
34	Income taxes on ordinary income (Account 590)				
35	Provision for deferred income taxes (Account 591)				
36	Income from continuing operations				
37	Income or loss from operations of discontinued segments				
	Less applicable income taxes of $ (Account 569)				
38	Gain or loss on disposal of discontinued segments				
	Less applicable income taxes of $ (Account 569)				
39	Income (Loss) before Extraordinary Items				
40	Extraordinary Items (net) (Account 590)				
41	Income taxes on Extraordinary Items (Account 590)				
42	Provisions for deferred taxes - Extraordinary Items (Account 591)				
43	Cumulative effect of changes in accounting principles				
	Less applicable income taxes of $ (Account 591)				
44	Net Income				
45	Dividends on Common Stock (Account 623)				
46	Dividends on Preferred Stock (Account 624)				
47	Expenses to revenues				
48	Total maintenance to revenues				
49	Transportation to revenues				

USE ONE ONLY

REMARKS

I, THE UNDERSIGNED, _____ of _____
(Name and Title of Officer in charge of accounts) (Full name of reporting company)

state that this report was prepared by me or under my supervision; that I have carefully examined it; and to the basis of my knowledge, belief, and verification (where necessary) I declare it to be a full, true and correct statement of the revenue, expense and income accounts named, and that the various item facts reported were determined in accordance with effective rules promulgated by the Interstate Commerce Commission.

Date _____, 19 _____ Signature _____

Telephone Number _____
(area code) (Number)

Schedule will be used by Class I Railroads "only".

*NOTE: Reconciliation of Net Railway Operating Income (NROI)

	Net Revenues from Railway Operations $
(536)	Income Taxes on Ordinary Income ( )
(537)	Provision for Deferred Income Taxes ( )
	Net Railway Operating Income

Appendix D

FOR ICC USE ONLY	FORM OS-A	1st 2nd 3rd 4th	YEAR 19__	INTERSTATE COMMERCE COMMISSION BUREAU OF ACCOUNTS TRAIN AND YARD SERVICE

FULL NAME OF REPORTING CARRIER

ITEM DESCRIPTION (a)	LINE NO.	FIGURES FOR QUARTER FREIGHT TRAIN (b)	FIGURES FOR QUARTER PASSENGER TRAIN (c)	FIGURES FOR PERIOD FREIGHT TRAIN (d)	FIGURES FOR PERIOD PASSENGER TRAIN (e)
1.Miles of Road Operated (Note A)	1				
2.Train Miles-Running: (Note B)	2				
2-01 Unit Trains	3				
2-02 Way Trains	4				
2-020 Diesel Locomotives	5				
2-021 Other Locomotives	6				
2-03 Through Trains	7				
2-030 Diesel Locomotives	8				
2-031 Other Locomotives	9				
2-04 Total Locomotives	10				
2-05 Motorcars	11				
2-06 Total, All Trains	12				
3.Locomotive Unit Miles: (Note C)	13				
Road Service: (Note D)	14				
3-01 Unit Trains	15				
3-02 Way Trains	16				
3-020 Diesel	17				
3-021 All Other (Type)	18				
3-03 Through Trains	19				
3-030 Diesel	20				
3-031 All Other (Type)	21				
3-04 Total	22				
Train Switching: (Note E)	23				
3-11 Diesel	24				
3-12 All Other (Type)	25				
3-13 Total	26				
Yard Switching: (Note F)	27				
3-21 Diesel	28				
3-22 All Other (Type)	29				
3-23 Total	30				
3-31 Total, All Services	31				
4.Motorcar Car-Miles: (Thousands) (Note G)	32				
4-01 Diesel	33				
4-02 Electric	34				
4-03 All Other	35				
4-04 Total	36				
5.Freight Car-Miles (Thousands): (Note H)	37				
5-01 RR Owned & Leased Cars-Loaded	38				
5-010 Box-Plain 40 Foot	39				
5-011 Box-Plain 50 Foot & Longer	40				
5-012 Box Equipped	41				
5-013 Gondola-Plain	42				
5-014 Gondola-Equipped	43				
5-015 Hopper-Covered	44				
5-016 Hopper-Open Top-General Service	45				
5-017 Hopper-Open Top-Special Service	46				
5-018 Refrigerator-Mechanical	47				
5-019 Refrigerator-Non-Mechanical	48				
5-020 Flat-TOFC/COFC	49				

Appendix D

FOR ICC USE ONLY	FORM OS-A	1st 2nd 3rd 4th	YEAR 19	INTERSTATE COMMERCE COMMISSION BUREAU OF ACCOUNTS TRAIN AND YARD SERVICE

FULL NAME OF REPORTING CARRIER

ITEM DESCRIPTION (a)	LINE NO.	FIGURES FOR QUARTER FREIGHT TRAIN (b)	FIGURES FOR QUARTER PASSENGER TRAIN (c)	FIGURES FOR PERIOD FREIGHT TRAIN (d)	FIGURES FOR PERIOD PASSENGER TRAIN (e)
5-021 Flat Multi-Level	50				
5-022 Flat-General Service	51				
5-023 Flat-All Other	52				
5-024 Tank-22,000 Gallons & Under	53				
5-025 Tank-Over 22,000 Gallons	54				
5-026 Tank-Other Than Liquid	55				
5-027 All Other Car Types	56				
5-11 RR Owned & Leased Cars-Empty	57				
5-110 Box-Plain 40 Foot	58				
5-111 Box-Plain 50 Foot & Longer	59				
5-112 Box Equipped	60				
5-113 Gondola-Plain	61				
5-114 Gondola-Equipped	62				
5-115 Hopper-Covered	63				
5-116 Hopper-Open Top-General Service	64				
5-117 Hopper-Open Top-Special Service	65				
5-118 Refrigerator-Mechanical	66				
5-119 Refrigerator-Non-Mechanical	67				
5-120 Flat-TOFC/COFC	68				
5-121 Flat-Multi-Level	69				
5-122 Flat-General Service	70				
5-123 Flat-All Other	71				
5-124 Tank-22,000 Gallons & Under	72				
5-125 Tank-Over 22,000 Gallons	73				
5-126 Tank-Other Than Liquid	74				
5-127 All Other Car Types	75				
5-13 Private Line Cars-Loaded*	76				
5-130 Box-Plain 40 Foot	77				
5-131 Box-Plain 50 Foot & Longer	78				
5-132 Box Equipped	79				
5-133 Gondola-Plain	80				
5-134 Gondola-Equipped	81				
5-135 Hopper-Covered	82				
5-136 Hopper-Open Top-General Service	83				
5-137 Hopper-Open Top-Special Service	84				
5-138 Refrigerator Mechanical	85				
5-139 Refrigerator-Non-Mechanical	86				
5-140 Flat-TOFC/COFC	87				
5-141 Flat-Multi-Level	88				
5-142 Flat-General Service	89				
5-143 Flat-All Other	90				
5-144 Tank-22,000 Gallons & Under	91				
5-145 Tank-Over 22,000 Gallons	92				
5-146 Tank-Other Than Liquid	93				
5-147 All Other Car Types	94				
5-15 Private Line Cars-Empty*	95				

Appendix D

FOR ICC USE ONLY	FORM OS-A	1st 2nd 3rd 4th	YEAR 19__	INTERSTATE COMMERCE COMMISSION BUREAU OF ACCOUNTS TRAIN AND YARD SERVICE

FULL NAME OF REPORTING CARRIER

ITEM DESCRIPTION (a)	LINE NO.	FIGURES FOR QUARTER FREIGHT TRAIN (b)	FIGURES FOR QUARTER PASSENGER TRAIN (c)	FIGURES FOR PERIOD FREIGHT TRAIN (d)	FIGURES FOR PERIOD PASSENGER TRAIN (e)
5-150 Box-Plain 40 Foot	96				
5-151 Box-Plain 50 Foot & Longer	97				
5-152 Box Equipped	98				
5-153 Gondola-Plain	99				
5-154 Gondola-Equipped	100				
5-155 Hopper-Covered	101				
5-156 Hopper-Open Top-General Service	102				
5-157 Hopper-Open Top-Special Service	103				
5-158 Refrigerator-Mechanical	104				
5-159 Refrigerator-Non-Mechanical	105				
5-160 Flat-TOFC/COFC	106				
5-151 Flat-Multi-Level	107				
5-162 Flat-General Service	108				
5-163 Flat-All Other	109				
5-164 Tank-22,000 Gallons & Under	110				
5-165 Tank-Over 22,000 Gallons	111				
5-166 Tank-Other Than Liquid	112				
5-167 All Other Car Types	113				
5-17 Caboose	114				
5-18 Total Freight Car-Miles	115				
5-180 Unit Trains	116				
5-181 Way Trains	117				
5-182 Through Trains	118				
6.Passenger Car-Miles: (Thousands) (Note I)	119				
6-01 Coaches	120				
6-02 Combination Passenger Cars	121				
6-03 Sleeping and Parlor Cars	122				
6-04 Dining, Grill and Tavern Cars	123				
6-05 Head-end cars (Other than 6-02 combination)	124				
6-06 Total	125				
6-07 Business Cars	126				
6-08 Crew Cars (Other than Caboose)	127				
7.Gross Ton-Miles (Thousands) (Note J)	128				
7-01 Road Locomotives	129				
7-02 Freight Trains, Crs., Cnts., and Caboose	130				
7-020 Unit Trains	131				
7-021 Way Trains	132				
7-022 Through Trains	133				
7-03 Passenger-Trains, Crs., Cnts., and Caboose	134				
7-04 Total	135				

Appendix D

FOR ICC USE ONLY	FORM OS-A 1st 2nd 3rd 4th	YEAR 19__	INTERSTATE COMMERCE COMMISSION BUREAU OF ACCOUNTS TRAIN AND YARD SERVICE

FULL NAME OF REPORTING CARRIER

ITEM DESCRIPTION (a)	LINE NO.	FIGURES FOR QUARTER FREIGHT TRAIN (b)	FIGURES FOR QUARTER PASSENGER TRAIN (c)	FIGURES FOR PERIOD FREIGHT TRAIN (d)	FIGURES FOR PERIOD PASSENGER TRAIN (e)
8.Revenue and Non-Revenue Traffic: (Note K)	136				
8-01 Revenue Freight	137				
8-010 Tons of Revenue Freight	138				
8-0100 Marine Terminals-Coal	139				
8-0101 Marine Terminals-Ore	140				
8-0102 Other Marine Terminals	141				
8-0103 All Other Tons of Revenue Freight	142				
8-011 Ton Miles in Road Service	143				
8-012 Ton Miles in Lake Transfer Service	144				
8-02 Non-Revenue Freight	145				
8-020 Tons of Non-Revenue Freight	146				
8-021 Ton-Miles in Road Service	147				
8-022 Ton-Miles in Lake Transfer Service	148				
8-03 Net Ton-Miles of Freight Revenue & Non-Revenue (Thousands)	149				
9.Train Hours: (Note L)	150				
9-01 Road Service	151				
9-02 Train Switching	152				
10.Total Yard-Switching Hours: (Note M)	153				
11.Train-Miles Work Trains: (Note N)	154				
11-01 Locomotives	155				
11-02 Motorcars	156				
12.Number of Loaded Freight Cars (Note O)	157				
12-01 Unit Trains	158				
12-02 Way Trains	159				
12-03 Through Trains	160				
13.TOFC/COFC-Number of Rev. Trailers & Containers Loaded & Unloaded	161				
14.Multi-Level Cars-Number of Motor Vehicles Loaded & Unloaded	162				

Appendix D

FORM OS-A

SPECIAL INSTRUCTIONS

This report form is desinged for processing on Optical Character Recognition (OCR) equipment. Please observe the following directions carefully when filling in the Form:

1. Use any standard typewriter.
2. Align the form vertically by typing "H's" over the preprinted "H's" at the top of the form.
3. Do not adjust vertical alignment once you have started typing.
4. Set tab stops to insure proper horizontal alignment when typing columns of information.
5. Type each field beginning as close to the blue area as possible, but not touching it.
6. Do not use dollar signs, decimal points, or commas.
7. Report whole dollars only.
8. Do not smudge, staple, or mutilate the forms.
9. File the original typed copy of the form.

Unit Train, Way Train and Through data under Items 2, 3, 5, 7, and 12 shall be obtained from conductor's wheel reports (freight) or similar records. Unit Trains are generally defined as a solid train with a fixed, coupled consist operated continuously in shuttle service under load from origin and delivered intact at destination, and returning empty for reloading at the same origin. Way trains are defined as trains operated primarily to gather and distribute cars in road service and move them between way stations or way points. Through trains are those trains operated between two or more major concentration or distribution points. Do not include unit train statistics in way and through train statistics.

DEFINITION AND INSTRUCTIONS

Under the Commission's order of October 21, 1963, effective January 1, 1964, Class I railroads are required to make quarterly reports of operating statistics. In accordance with the order, FORM OS-A, TRAIN AND YARD SERVICE, is required to be filed, in duplicate, in the Bureau of Accounts, Interstate Commerce Commission, Washington, D.C. 20423, within 25 days after the end of the quarter for which made (include suburban service).

(A) Miles of road operated at close of quarter, excluding industrial tracks, yard tracks, and sidings. Compute data for columns (d) and (e) by averaging mileage reported for each quarter.

(B) A train-mile is the movement of a train a distance of one mile. In computing train-miles, fractions representing less than one-half mile shall be disregarded and other fractions considered as one mile. Train miles-running shall be based on the actual distance run between terminals and/or stations and shall be computed from the official time tables or distance tables. Train-miles shall not be increased to cover the running of locomotives from shops to terminals, doubling hills, switching, or other work at way stations, or for the service of helper or pusher locomotives or of extra locomotives on double-head or triple-head trains. When the carrier's trains are detoured over foreign roads, the miles shall be computed on the basis of the miles actually run and in accordance with the service performed. Train-miles shall be kept separately for trains hauled by locomotives and trains moved by motorcars.

(C) A locomotive is a self-propelled unit of equipment designed solely for moving other equipment. A locomotive unit-mile is a movement of a locomotive unit one mile under its own power. Include miles made by all locomotive units. In spaces marked "type" indicate type of motive power (electric, etc.), accumulating unit-miles reported. Types making less than 2 percent of total miles for service need not be segregated. Exclude miles made by motorcars. Miles of locomotives in helper service shall be computed on the basis of actual distance run in such service.

(D) All locomotive unit-miles in road service shall be based on the actual distance run between terminals and/or stations. Follow instructions (B) regarding fractions and official time-tables for computing locomotive miles.

(E) Train switching locomotive-miles shall be computed at the rate of six miles per hour for the time actually engaged in such service.

(F) Yard switching locomotive-miles shall be computed at the rate of six miles per hour for the time actually engaged in yard switching service.

(G) A motorcar is a self-propelled unit of equipment designed to carry freight or passenger traffic, and is not considered a locomotive. Include miles of all motorcars and trailing units.

(H) Report under Railroad owned and leased miles for both foreign cars and respondents' own cars while on the line of the respondent railroad. Report miles for private-line cars (whether under railroad control or not) and shipper owned cars under the private-line category. A car-mile is a movement of a unit of car equipment a distance of one mile. Report miles made by work service equipment in transportation trains, and miles made by tank cars loaded with water returning from phosphorus service as loaded car-miles; miles made by flatcars carrying loaded highway trailers or empty highway trailers moving under revenue billing as loaded freight car-miles and miles made by flatcars carrying other empty highway trailers as empty freight car-miles. Exclude miles made by motorcars and report miles made by business cars of other than reporting carrier as sleeping car-miles in Item 6-03. Report mail, express, baggage cars and combination cars, other than 6-02 combination cars, in Item 6-05.

*Exclude from the detail of Item No. 5 No-Payment Car-Miles. Include No-Payment Car-Miles in line 5-18 (Total) only. No payment car-miles are miles made by private-line cars (other than railroad controlled) and shipper-owned cars for which the railroad does not reimburse the owner.

(I) Report miles actually run by passenger-train cars in transportation service. Passenger-train car-miles include miles run by coaches and cars in which passengers are carried at regular tariff fares without extra charge for space occupied; miles run by combination passenger and baggage, passenger and mail, passenger and express; miles run by sleeping, parlor and other cars for which an extra fare is charged; miles run by dining, cafe, and other cars devoted exclusively to the serving of meals and other refreshments and by club, lounge, and observation cars; miles run by railway business cars operated for the transportation of the carriers officers and employees; miles run by other passenger-train cars where services are combined such as baggage, express and mail.

(J) Compute from conductors' or dispatchers' train reports weight in tons (2000 pounds). Item 7-01 includes weight of all locomotive units moved 1 mile in transportation trains. Ton-miles of motorcars should be excluded. Items 7-02 and 7-03 represent tons behind locomotive units (cars and contents, company-service equipment, cabooses and other locomotives moving in trains but not under power) moved one mile in transportation trains. Include ton-miles of exclusive work service equipment and motorcars. Use 150 lbs. as the average weight per passenger, and 4 tons as the average weight of contents of each headend car.

(K) Compute from conductors' train reports. Represents the number of tons of revenue and non-revenue freight moved 1 mile in transportation trains. Include a reasonable proportion of the weight of exclusive work equipment moved 1 mile. Include net ton-miles in motorcar trains. Exclude l.c.l. shipments of freight handled in mixed baggage-express cars.

(L) Road service represents elapsed time of transportation trains (both ordinary and light) between time of leaving initial terminals and time of arrival at final terminals excluding train switching at way stations and delays on road as shown by conductors' or dispatchers' train reports. Include time of motorcar service performed by train locomotives at terminals and way stations.

(M) Yard switching hours are hours expended in switching service performed by yard locomotives in yards where regular switching service is maintained, including terminal switching and transfer service in connection with the transportation of revenue and incidentally of company freight.

Appendix D

(N) Work-train miles include the miles run by trains engaged in company service such as official inspection; inspection trains for railway Commissioners for which no revenue is received; trains running special with fire apparatus to save carrier's property from destruction; trains run for transporting the carrier's employees to and from work when no transportation charge is made; wrecking trains, trains run for distributing material and supplies for use in connection with operations and all other trains sued in work-trains services. Exclude miles run by locomotives while engaged incidentally in switching company materials in company shops or material yards in connection with regular yard switching service or in switching equipment for repairs between yards and shops.

(O) The number of loaded freight cars shall be the sum of all loaded cars handled on each train. For example, if a car moves loaded in: (1) a way train from the origination point; (2) in two through trains over the main-line; and (3) in a way train to the destination point, the total count of loaded cars would be four-two counts for the movements in the way trains and two counts for the movements in the through trains. Each car moving in a unit train would receive a count of one. All empty cars moving under revenue billing shall be considered as loaded cars.

Report figures cumulative January 1st in columns (d) and (e).

Any unusual entries or adjustments involving substantial amounts should be fully explained in footnotes.

CERTIFICATION

I, THE UNDERSIGNED _____ of the
(Full name & title of officer in charge of the accounts)

_____, state that this
(Full name of reporting company)
report was prepared by me or under my supervision; that I have carefully examined it; and, on the basis of my knowledge, belief, and verification (where necessary) I declare it to be a full, true and correct statement of the operating statistics named, and that the various items here reported were determined in accordance with effective rules promulgated by the Interstate Commerce Commission.

SIGNATURE DATE

ADDRESS TELEPHONE NO. (INCLUDE AREA CODE)

APPENDIX D

MILEAGE CHANGES: If the miles of road operated changed during the quarter for which this report is made, show the date and amount of the change, and a brief explanation of the difference, such as, newly constructed line from _____ to _____, line abandoned from _____ to _____, acquisition of line (with name of former operating company), resurvey, etc. If no change occurred, enter the word "None"

DATE	CAUSE OF CHANGE	RESULT OF CHANGE		DATE	CAUSE OF CHANGE	RESULT OF CHANGE	
		INCREASE (Miles)	DECREASE (Miles)			INCREASE (Miles)	DECREASE (Miles)

INSTRUCTIONS

1. Under order of the Commission, Class I railroads, excluding switching and terminal companies, are required to file quarterly reports of balance-sheet items, Form CBS, in duplicate, in the Bureau of Accounts, Interstate Commerce Commission, Washington, D. C. 20423, within 30 days after the close of each quarter. Reports should be prepared on a calendar quarter basis beginning with the first day of January, April, July, and October.
2. The items reported in Form CBS should be taken from and agree with the accounts kept in conformity with current Uniform System of Accounts for Railroad Companies prescribed by the Interstate Commerce Commission. Report undistributed earnings from certain investments in account 721, in accordance with Docket No. 35949. The Equity Method of Accounting for Certain Long-Term Investments in Common Stocks. The account numbers refer to the accounts in the Uniform System of Accounts. Reverse items should be shown in parentheses. Dollar amounts should be rounded to the nearest whole number and adjusted to the totals; omit cents.
3. The section regarding changes in miles of road operated must be completed in the detail indicated. The resulting mileage changes should be given to the nearest tenth.
4. Unusual transactions or items which reflect an important change in the financial condition of the carrier should be identified and explained in a footnote under "Remarks".
5. The certification must be completed by an officer of the carrier

REMARKS

FOR ICC USE ONLY

INTERSTATE COMMERCE COMMISSION
QUARTERLY CONDENSED BALANCE SHEET - RAILROADS — FORM CBS

FULL NAME AND ADDRESS OF REPORTING RAILROAD (If a system report, names of all operating roads included should be shown under REMARKS)

Quarter ended

LINE NO.	ITEMS (a)	BALANCE AT END OF QUARTER THIS YEAR (b)	LAST YEAR (c)
	Assets	$	
1	Cash, working funds and temporary cash investments (Accounts 701, 702, 710)		
2	Deposits, receivables - Net and prepayments (Accounts 703-709.5, 711)		
3	Materials and supplies (Account 712)		
4	Other current assets (Account 713)		
5	Deferred income tax debits (Account 714)		
6	Total current assets (Lines 1 through 5)		
7	Special funds (Accounts 715-717)		
8	Investments (Accounts 721-723)		
9	Undistributed earnings from certain investments in Account 721		
10	Transportation property - net (Accounts 731-736)		
11	Property used in other than carrier operations (Accounts 737,738)		
12	Organization expenses (Account 739)		
13	Other assets and deferred debits (Account 741, 743)		
14	Accumulated deferred income tax debits (Account 744)		
15	Total assets (Lines 6 through 14)		
	Liabilities		
16	Current liabilities (Accounts 751-768.5, 764, 763)		
17	Deferred income tax credits (Account 762)		
18	Long term debt due after one year (Accounts 765-770.2)		
19	Other liabilities (Accounts 781, 782)		
20	Accrued liabilities (Accounts 771, 772, 774)		
21	Other deferred credits (Account 785)		
22	Accumulated deferred income tax credits (Account 786)		
23	Total liabilities (Lines 16 through 22)		
	Shareholder's Equity		
24	Capital stock (Accounts 791, 792, 793)		
25	Additional capital (Accounts 794, 795)		
26	Retained earnings (Accounts 797, 798)		
27	Less: Treasury stock (Account 798.5)		
28	Equity in undistributed earnings (losses) of affiliated companies		
29	Total shareholder's equity*		
30	Total liabilities and shareholder's equity (lines 23 plus 29)		

	GROSS EXPENDITURES FOR ADDITIONS AND BETTERMENTS (Accounts 731 and 732)	FIGURES FOR THE QUARTER THIS YEAR (a)	LAST YEAR (b)	CUMULATIVE FIGURES THIS YEAR (c)	LAST YEAR (d)
31	Road	$	$	$	$
32	Equipment				
33	Total				

* Line 29 equals lines 24-26 minus line 27 plus/minus line 28.

CERTIFICATION

I, THE UNDERSIGNED, _____ of _____ state that
(Name and title of officer in charge of accounts) (Full name of reporting company)

this report was prepared by me or under my supervision; that I have carefully examined it; and on the basis of my knowledge, belief, and verification (where necessary) I declare it to be a full, true and correct statement of the balance sheet accounts named, and that the various items here reported were determined in accordance with effective rules promulgated by the Interstate Commerce Commission.

Signature _____

Telephone Number _____ (Area Code) (Number)

Date _____ 19____

Schedule will be used by Class I Railroad "only".

APPENDIX D

701-1. ROAD AND EQUIPMENT PROPERTY OWNED

1. Give particulars of changes during the year in accounts 731,"Road and equipment property," classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. Gross charges during the year should include disbursements made for the specific purpose of purchasing, constructing and equipping new lines, extensions of old lines, and for additions and betterments. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in columns (c) and (d), as may be appropriate, depending on the nature of the item. Adjustments in excess of $100,000 should be explained. All changes made during the year should be analyzed by primary accounts.

3. Report on line 32 amounts not includable in the primary road accounts. The items reported should be briefly identified and explained in a footnote on page . Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

Line No.	Account (a)	Balance at beginning of year (b)	Gross charges during year (c)	Credits for property retired during year (d)	Balance at close of year (e)
		$	$	$	$
1	(1) Engineering				
2	(2) Land for transportation purposes				
3	(3) Grading				
4	(4) Other right-of-way expenditures				
5	(5) Tunnels and subways				
6	(6) Bridges, trestles, and culverts				
7	(7) Elevated structures				
8	(8) Ties				
9	(9) Rails				
10	(10) Other track material				
11	(11) Ballast				
12	(12) Track laying and surfacing				
13	(13) Fences, snowsheds and signs				
14	(16) Station and office buildings				
15	(17) Roadway buildings				
16	(18) Water stations				
17	(19) Fuel stations				
18	(20) Shops and enginehouses				
19	(22) Storage warehouses				
20	(23) Wharves and docks				
21	(24) Coal and ore wharves				
22	(25) TOFC/COFC terminals				
23	(26) Communication systems				
24	(27) Signals and interlockers				
25	(29) Power plants				
26	(31) Power-transmission systems				
27	(35) Miscellaneous structures				
28	(37) Roadway machines				
29	(39) Public improvements—Construction				
30	(44) Shop machinery				
31	(45) Power-plant machinery				
32	Other (specify and explain)				
33	Total Expenditures for Road				
34	(52) Locomotives				
35	(53) Freight-train cars				
36	(54) Passenger-train cars				
37	(55) Highway revenue equipment				
38	(56) Floating equipment				
39	(57) Work equipment				
40	(58) Miscellaneous equipment				
41	Total Expenditures for Equipment				
42	(76) Interest during construction				
43	(77) Other expenditures—General				
44	Total General Expenditures				
45	Total				
46	(80) Other elements of investment				
47	(90) Construction in progress				
48	Grand Total				

Annual Report Form R-2

701-2. IMPROVEMENTS ON LEASED PROPERTY

1. Give particulars of changes during the year in account 731, "Improvements on leased property," classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. Gross changes during the year should include disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, extensions of old lines, and for additions and betterments. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in columns (c) and (d), as may be appropriate, depending on the nature of the item. Adjustments in excess of $100,000 should be explained. All changes made during the year should be analyzed by primary accounts.

3. Report on line 32 amounts not includable in the primary road accounts. The items reported should be briefly identified and explained in a footnote on page . Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stubs or column headings without specific authority from the Commission.

Line No.	Account (a)	Balance at beginning of year (b)	Gross charges during year (c)	Credits for property retired during year (d)	Balance at close of year (e)
		$	$	$	$
1	(1) Engineering				
2	(2) Land for transportation purposes				
3	(3) Grading				
4	(4) Other right-of-way expenditures				
5	(5) Tunnels and subways				
6	(6) Bridges, trestles, and culverts				
7	(7) Elevated structures				
8	(8) Ties				
9	(9) Rails				
10	(10) Other track material				
11	(11) Ballast				
12	(12) Track laying and surfacing				
13	(13) Fences, snowsheds and signs				
14	(16) Station and office buildings				
15	(17) Roadway buildings				
16	(18) Water stations				
17	(19) Fuel stations				
18	(20) Shops and enginehouses				
19	(22) Storage warehouses				
20	(23) Wharves and docks				
21	(24) Coal and ore wharves				
22	(25) TOFC/COFC terminals				
23	(26) Communication systems				
24	(27) Signals and interlockers				
25	(29) Power plants				
26	(31) Power-transmission systems				
27	(35) Miscellaneous structures				
28	(37) Roadway machines				
29	(39) Public improvements—Construction				
30	(44) Shop machinery				
31	(45) Power-plant machinery				
32	Other (specify and explain)				
33	Total Expenditures for Road				
34	(52) Locomotives				
35	(53) Freight-train cars				
36	(54) Passenger-train cars				
37	(55) Highway revenue equipment				
38	(56) Floating equipment				
39	(57) Work equipment				
40	(58) Miscellaneous equipment				
41	Total Expenditures for Equipment				
42	(76) Interest during construction				
43	(77) Other expenditures—General				
44	Total General Expenditures				
45	Total				
46	(80) Other elements of investment				
47	(90) Construction in progress				
48	Grand Total				

* Annual Report Form R-2

APPENDIX D

SCHEDULE 322 - WAY AND STRUCTURES					
Line No.	Property account	Category (a)	Depreciation (b)	Retirement (c)	Leases (d)
1	1	Engineering			N/A
2	2	Land for transportation purposes	N/A	N/A	
3	3	Grading			
4	4	Other right-of-way expenditures			N/A
5	5	Tunnels and subways			
6	6	Bridges, trestles and culverts		N/A	
7	7	Elevated structures		N/A	
8	8	Ties	N/A		
9	9	Rails	N/A		
10	10	Other track material	N/A		
11	11	Ballast	N/A		
12	12	Track laying and surfacing	N/A		
13	13	Fences, snowsheds and signs		N/A	
14	16	Station and office buildings		N/A	
15	17	Roadway buildings		N/A	
16	18	Water stations		N/A	
17	19	Fuel stations		N/A	
18	20	Shops and enginehouses		N/A	
19	22	Storage warehouses		N/A	
20	23	Wharves and docks		N/A	
21	24	Coal and ore wharves		N/A	
22	25	TOFC/COFC terminals		N/A	
23	26	Communications systems		N/A	
24	27	Signals and interlockers		N/A	
25	29	Power plants		N/A	
26	31	Power transmission systems		N/A	
27	35	Miscellaneous structures		N/A	
28	37	Roadway machines		N/A	
29	39	Public improvements; construction			N/A
30	76	Interest during construction	N/A		N/A
31	77	Other expenditures; general	N/A		N/A
32	80	Other elements of investment	N/A		N/A
33		Total			

SUPPORTING SCHEDULE EQUIPMENT

	Repairs (Net Expense)	Depreciation	Retirements	Lease Rentals (Net)
LOCOMOTIVES:				
Diesel Locomotive - Yard				
Diesel Locomotive - Road				
Other Locomotive - Yard				
Other Locomotive - Road				
CAR TYPES:				
(As prescribed in Ex Parte 334-Car Service Compensation)				
OTHER EQUIPMENT:				
Trucks, Trailers, Containers, in Revenue Service				
(a) Refrigerated Trailers				
(b) Other Trailers				
(c) Refrigerated Containers				
(d) Other Containers				
(e) All Other Revenue Equipment				
Floating Equipment - Revenue Service				
(a) Marine Line Haul				
(b) Local Marine				
Passengers & Other Revenue Equipment				
Computers & Data Processing Equipment				
Work & Other Non-Revenue Equipment				

Instructions: a) Freight car repair expenses shall be assigned directly to the various car types on the basis of job order records whenever possible. b) When it is necessary to apportion car repair expenses, the apportionment shall be made on the most equitable basis available to the carriers. The following list provides a basis for apportioning freight car repair expenses to car types:

1. AAR Car Repair Billing (CRB) Standards
2. A carrier conducted study to determine car repair expenses by car types
3. Other available standards valid for the respondent carrier.

c) Depreciation charges shall be made on the basis of the respondent carrier's equipment records. d) Retirement charges shall be made on the basis of the actual units retired from service during the reporting period where the service value has been determined, based on the ledger value less value of salvage and insurance recovered.

Footnote: Ex Parte 334 is expected to be published by August 5, 1977, at which time the equipment types shall be kept as prescribed in Ex Parte 334.

APPENDIX D

RENTS FOR INTERCHANGED FREIGHT TRAIN CARS AND TRAILERS

Type of Equipment	GROSS AMOUNTS RECEIVABLE.				GROSS AMOUNTS PAYABLE			
		Per diem basis				Per diem basis		
			Time				Time	
	Mileage cars	Mileage	Basis	Incentive	Mileage cars	Mileage	Basis	Incentive
Car types: (As prescribed in Ex Parte 334)								
Tank cars:								
Less than 22,000 gallons								
22,000 gallons and over								
Other than liquid								
Trailers:								
Refrigerated								
Other								
Total								

Footnote: Ex Parte 334 is expected to be published August 5, 1977, at which time equipment types will be kept as prescribed in Ex Parte 334.

SPECIALIZED SERVICE SUBSCHEDULE - TRANSPORTATION

	Items (a)	TOFC/COFC TERMINAL (b)	FLOATING EQUIPMENT (c)	COAL MARINE TERMINAL (d)	ORE MARINE TERMINAL (e)	OTHER MARINE TERMINAL (f)	MOTOR VEHICLE LOAD AND DISTRIBUTION (g)	PROTECTIVE SERVICES REFRIGERATOR CAR (h)	OTHER SPECIAL SERVICES (i)
	Administration								
1	Pick up & delivery, marine line haul and rail substitute service							N/A	
2	Loading and unloading and local marine							N/A	
3	Protective services								
4	Fringe benefits								
5	Freight loss and damage solely related								
6	Casualty and insurance								
7	Joint facility - Debit								
8	Joint facility - Credit								
9	General								
10	Total								

APPENDIX E

RESPONDENTS TO NPR

USOA—RAILROADS

DOCKET 36367

SERVED 8/2/76

S. No. and Name

1—R. F. Garland, Vice President and Controller, Burlington Northern (BN), 176 East Fifth Street, St. Paul, Minnesota 55101.

2—H. E. Rockwood, General Transportation Mgr. CFG, S. J. Jablonski, Mgr. Transportation Economics & Regulations, General Mills, Inc., (GMI), 9200 Wayzata Blvd., Minneapolis, Minnesota 55440.

3—Mary P. Sclawy, Attorney, Central Vermont Railway, Inc. (CV), 131 West Lafayette Boulevard, Detroit, Michigan 48226.

4—W. V. Steeves, Controller, Grand Trunk Western Railroad Co. (GTW), 131 W. Lafayette Blvd., Detroit, Michigan 48226.

5—R. F. Kratochwill, V. P. Financing & Accounting, Chicago, Milwaukee, St. Paul and Pacific Railroad Company (St. Paul), Union Station, Chicago, Illinois 60606.

6—American Short Line Railroad Association (Short Line), C. H. Johns, General Counsel, 2000 Massachusetts Avenue, N.W., Washington, D.C. 20036.

7—Richard W. Stumbo, Jr., Vice President—Finance, The Western Pacific Railroad Company (WP), 526 Mission Street, San Francisco, California 94105.

8—J. A. Stanley, Jr., Vice President and Controller, Seaboard Coast Line Railroad Company (SCL), 500 Water Street, Jacksonville, Florida 32202.

9—Michael E. Roper and W.A. Thie, Attorneys, Missouri-Kansas-Texas Railroad Company (MKT), 701 Commerce Street, Dallas, Texas 75202.

10—[1] Roy E. Olson, Director of Distribution and Transportation, American Paper Institute (API), 260 Madison Avenue, New York, New York 10016.

11—The National Industrial Traffic League (NIT League), 1900 K Street, N.W., Suite 410, Washington, D.C. 20006.

12—D. R. McArdle, Comptroller, Southern Railway (Southern), Box 1808, Washington, D.C. 20013.

13—J. Michaels, Comptroller, Maine Central Railroad Company (Maine), 242 St. John Street, Portland, Maine 04102.

14—J. P. Deasey, Controller, Union Pacific Railroad Company (UP), 1416 Dodge Street, Omaha, Nebraska 68179.

15—Thomas P. Moore, Treasurer-Controller, The Long Island Rail Road Company (LIRR), Jamaica Station, Jamaica, New York 11435.

16—Western States Association of Tax Administrators (WS Association), P.O. Box 36, Boise, Idaho 83722.

17—R. A. Peteritas, Chief Engineer, Bureau of Transportation, The Pennsylvania Public Utility Commission (PBUC).

18—Victor C. Bohne, Comptroller, Chicago, Rock Island and Pacific Railroad Company (Rock Island), 745 South La Salle Street, Chicago, Illinois 60605.

19—H. J. Brinner, Controller, Norfolk and Western Railway Company (N&W), Roanoke, Virginia 24042.

20—C. C. Rettberg, Jr., Attorney for Chessie System Lines (Chessie), P.O. Box 6419, Cleveland, Ohio 44101.

21—Supplemental Verified Statement of Respondent S. No. 8, Seaboard Coast Line Railroad Company.

22—Christopher C. DeMuth, Attorney for Consolidated Rail Corporation (Conrail), Six Penn Center Plaza, Philadelphia, Pennsylvania 19104.

23—W. J. Taylor, Vice President and General Auditor, The Atchison, Topeka and Santa Fe Railway Company (Santa Fe), 80 East Jackson Boulevard, Chicago, Illinois 60604.

24—U.S. Department of Transportation (DOT), 400 Seventh Street, S.W., Washington, D.C. 20590.

25—R. E. Briggs, *et al*, Association of American Railroads (AAR), 1920 L Street, N.W., Washington, D.C. 20036.

26—D. L. Praeger, Vice President and Controller, South Pacific Transportation Company (SP), South Pacific Building, One Market Plaza, San Francisco, California 94105.

27—T. D. Rodman, Vice President and Con- (Mopac), Texas and Pacific Railway Com-MoPac), Texas and Pacific Railway Company, 210 North 13 Street, St. Louis, Missouri 63103.

[1] A petition was filed by API on April 17, 1977, for leave to file a supplemental statement. In a Commission Order dated May 3, 1977, this petition was denied on grounds that to accept any statements at that "late date would impede the Commission's task of promulgating such regulations and procedures . . ." by June 30, 1977.

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