

Federal Register

MONDAY, JANUARY 29, 1979



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The following agencies have agreed to publish all documents on two assigned days of the week (Monday/Thursday or Tuesday/Friday). This is a voluntary program. (See OFR notice 41 FR 32914, August 6, 1976.)

Monday	Tuesday	Wednesday	Thursday	Friday
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CSA	MSPB*/OPM*		CSA	MSPB*/OPM*
	LABOR			LABOR
	HEW/FDA			HEW/FDA

Documents normally scheduled for publication 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.

***NOTE:** As of January 1, 1979, the Merit Systems Protection Board (MSPB) and the Office of Personnel Management (OPM) will publish on the Tuesday/Friday schedule. (MSPB and OPM are successor agencies to the Civil Service Commission.)

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2563-3019	12	5371-5632	26
3021-3252	15	5633-5863	29

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presidential documents

Title 3—
The President

Proclamation 4634 of January 26, 1979

Implementation of Orderly Marketing Agreements—and the Temporary Quantitative Limitation on the Importation Into the United States of Color Television Receivers and Certain Subassemblies Thereof

By the President of the United States of America

A Proclamation

1. On March 22, 1977, the United States International Trade Commission (USITC) reported to the President (USITC Publication 808) the results of its investigation under section 201(b) of the Trade Act of 1974 (19 U.S.C. 2251(b)) (the Trade Act). The USITC determined that color television receivers assembled or not assembled, finished or not finished, provided for in item 685.20 of the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing articles like or directly competitive with the imported articles. By an evenly divided vote, three USITC Commissioners determined serious injury to exist in the monochrome television receiver industry and three Commissioners made no determination of injury with respect to the monochrome receiver industry. The Commissioners also had an evenly divided determination on the question of injury to that portion of the industry producing subassemblies of color television receivers, also provided for in item 685.20 of the TSUS.

2. On June 24, 1977, in order to remedy the serious injury found to exist by the USITC, I proclaimed (Presidential Proclamation 4511) that the Government of the United States of America and the Government of Japan had entered into an orderly marketing agreement on May 20, 1977, pursuant to section 203(a)(4) of the Trade Act (19 U.S.C. 2253(a)(4)) limiting the export from Japan to the United States of color television receivers and certain subassemblies thereof, for a period of three years beginning July 1, 1977, to 1.75 million units in each annual restraint period.

3. In Proclamation 4511 I delegated my authority under section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) to determine that any agreement negotiated pursuant to section 203(a)(4) of the Trade Act (19 U.S.C. 2253(a)(4)) is no longer effective to the Special Representative for Trade Negotiations (hereinafter referred to as the "Special Representative").

4. Pursuant to the authority delegated to the Special Representative in paragraphs 2 and 4 of Proclamation 4511, and after consultation with representatives of member agencies of the Trade Policy Staff Committee, the Special Representative has determined that imports of color television receivers and certain subassemblies thereof from Taiwan and the Republic of Korea have increased in such quantities so as to disrupt the effectiveness of the orderly marketing agreement with Japan with respect to such products and that for the purposes of section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) the orderly

marketing agreement with Japan does not continue to be effective. I concur with that determination.

5. Pursuant to the authority vested in the President by the Constitution and the statutes of the United States, including section 203(a)(5) and 203(e)(3) of the Trade Act (19 U.S.C. 2253(a)(5) and 2253(e)(3)), and in order to restore the effectiveness of the orderly marketing agreement with Japan, and to remedy the serious injury to the domestic industry producing color television receivers and certain subassemblies thereof found to exist by the USITC, orderly marketing agreements were concluded on December 14, 1978, and December 29, 1978, between the Government of the United States of America and the Government of the Republic of Korea and Taiwan respectively. The orderly marketing agreements limit the export from the Republic of Korea and Taiwan to the United States of color television receivers and certain subassemblies thereof, for the period February 1, 1979, through June 30, 1980, and set forth conditions under which limitations will be placed on the importation into the United States of such articles by the Government of the United States through quantitative restrictions. These restrictions are to be implemented under the authority of sections 203(a)(5), (e)(3), and (g)(2) of the Trade Act (19 U.S.C. 2253(a)(5), (e)(3), and (g)(2)).

6. In accordance with section 203(d)(2) of the Trade Act (19 U.S.C. 2253(d)(2)), I have determined that the level of import relief hereinafter proclaimed permits the importation into the United States of a quantity or value of articles which is not less than the average annual quantity or value of such articles imported into the United States, from the Republic of Korea and from Taiwan, in the 1972-75 period, which I have determined to be the most recent representative period for imports of such articles.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, acting under the authority vested in me by the Constitution and statutes of the United States, including sections 203 and 604 of the Trade Act (19 U.S.C. 2253 and 2483), and section 301 of Title 3 of the United States Code, do hereby proclaim:

(1) Orderly marketing agreements were entered into on December 14, 1978, and December 29, 1978, between the Government of the United States of America and the Government of the Republic of Korea and Taiwan, respectively, with respect to trade in color television receivers and certain subassemblies thereof, effective February 1, 1979. The orderly marketing agreements are to be implemented according to their terms and by quantitative restrictions as directed in this proclamation, including the Annex thereto.

(2) Subpart A, part 2 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is modified as set forth in the Annex to this proclamation.

(3) The President's authority under section 203(e)(2) of the Trade Act (19 U.S.C. 2253(e)(2)) to negotiate orderly marketing agreements with other foreign suppliers of articles subject to this proclamation after any import relief proclaimed pursuant to section 203(a)(1), (2), (3) or (5) of the Trade Act (19 U.S.C. 2253(a)(1), (2), (3) or (5)) takes effect, is hereby delegated to the Special Representative. The President's authority under section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) to determine that any agreement negotiated pursuant to section 203(a)(4) or (5) or 203(e)(2) of the Trade Act (19 U.S.C. 2253(a)(4) or (5) or 2253(e)(2)) is no longer effective is hereby delegated to the Special Representative, to be exercised in conformity with paragraph (5) below. In the event of such a determination, the Special Representative shall prepare any proclamations that may be appropriate to implement import relief authorized by section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)).

(4) The President's authority in section 203(g)(1) and (2) of the Trade Act (19 U.S.C. 2253(g)(1) and (2)) to prescribe regulations governing the entry or withdrawal from warehouse of articles covered by the orderly marketing

agreements and to issue rules and regulations governing entry, or withdrawal from warehouse, for consumption of like articles which are the product of countries not parties to such agreements, has been delegated to the Secretary of the Treasury pursuant to section 5(b) of Executive Order No. 11846. Such authority shall be exercised by the Secretary of the Treasury, upon direction by the Special Representative, on consultation with representatives of the member agencies of the Trade Policy Staff Committee.

(5) In exercising the authority delegated in paragraphs (3) and (4) above, the Special Representative shall, in addition to other necessary actions, institute the following actions.

(a) Statistics on imports from the Republic of Korea and Taiwan and from other sources of articles covered by the agreements shall be collected on a monthly basis. Should the effectiveness of the orderly marketing agreements be disrupted, the Special Representative, after consultation with representatives of member agencies of the Trade Policy Staff Committee, may make a determination that for the purposes of section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) the orderly marketing agreements do not continue to be effective.

(b) Beginning on February 1, 1979, if during any restraint period the quantity of imports of the articles covered by the agreements, from countries other than Taiwan and the Republic of Korea, appear likely to disrupt the effectiveness of the provisions of the orderly marketing agreements described in paragraph (1) above, the Special Representative may initiate consultations with those countries responsible for such disruptions and may prevent further entry of such articles for the remainder of that restraint period or may otherwise moderate or restrict imports of such articles from such countries pursuant to section 203(g)(2) of the Trade Act (19 U.S.C. 2253(g)(2)). Before exercising this authority, the Special Representative shall consult with representatives of the member agencies of the Trade Policy Staff Committee.

(c) Should the Special Representative determine, pursuant to this proclamation, to institute import restrictions on articles entered, or withdrawn from warehouse, for consumption from countries other than Taiwan or the Republic of Korea pursuant to this proclamation, such action shall be effective not less than eight days after such determination and any necessary changes in the TSUS have been published in the FEDERAL REGISTER.

(6) The Special Representative shall take such actions and perform such functions for the United States as may be necessary concerning the administration, implementation, modification, amendment or termination of the agreements described in paragraph (1) of this proclamation, and any actions and functions necessary to implement paragraphs (3), (4) and (5) of this proclamation. In carrying out his responsibilities under this paragraph the Special Representative is authorized to delegate to appropriate officials or agencies of the United States authority to perform any functions necessary for the administration and implementation of the agreements or actions. The Special Representative is authorized to make any changes in Part 2 of the Appendix to the TSUS which may be necessary to carry out the agreements or actions. Any such changes in the agreements shall be effective on and after their publication in the FEDERAL REGISTER.

(7) The Commissioner of Customs shall take such actions as the Special Representative shall determine are necessary to carry out the agreements described in paragraph (1) of this proclamation and to implement any import relief pursuant to paragraphs (3), (4) and (5) of this proclamation, or any modification thereof, with respect to the entry or withdrawal from warehouse, for consumption into the United States of products covered by such agreements or by such other import relief.

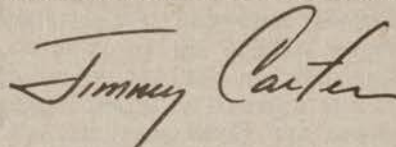
(8) This proclamation shall be effective as of February 1, 1979, and shall continue in force through June 30, 1980, unless the period of its effectiveness is earlier expressly modified or terminated.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-sixth day of January, in the year of our Lord, nineteen hundred and seventy-nine, and of the Independence of the United States of America the two hundred and third.

[FR Doc 79-3214

Filed 1-26-79; 12:04 pm]

Billing code 3195-01-M



ANNEX

Subpart A, part 2 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is modified—

(a) by adding the following headnote:

*"5. Quantitative limitation on color television receivers and certain subassemblies thereof.—*The provisions of this headnote apply to items 923.74 through 923.83, inclusive, of this subpart. The quantitative import limitations imposed are in addition to the duties provided for the restrained articles in schedule 6, part 5. The import restrictions provided for in this subpart do not apply to a single color television receiver or subassembly thereof, if imported for the personal use of the importer.

(a) *Definition.—*For the purposes of this subpart—

(i) each subassembly that contains as a component, or is covered in the same entry with, one or more of the following television components, viz.,

tuner, channel selector assembly, antenna, deflection yoke, degaussing coil, picture tube mounting bracket, grounding assembly, parts necessary for fixing the picture tube or tuner in place, consumer operated controls, or speaker,

shall be classified in items 923.78 through 923.83, inclusive;

(ii) for the purposes of items 923.78 through 923.83, inclusive, each subassembly shall be counted as a single unit, except that two or more different printed circuit boards or ceramic substrates covered by the same entry and designed for assembly into the same television models shall be counted as one unit;

(iii) the term "restraint period" refers to the time periods set forth in items 923.74 through 923.83, inclusive; and

(iv) the term "exported" refers to the actual date the merchandise finally leaves the country of exportation for the United States as provided for in section 152.1(c) of the U.S. Customs regulations (19 CFR 152.1(c)).

(b) *Export visa.—*None of the color television receivers and subassemblies thereof provided for herein exported on or after February 1, 1979, from the foreign countries involved may be entered unless such color television receivers and subassemblies are accompanied by an appropriate export visa issued by the government of the exporting country.

(c) *Color television receivers and certain subassemblies thereof exported prior to February 1, 1979.—*All color television receivers and subassemblies thereof provided for in items 923.74 through 923.83, inclusive, which were exported from the foreign country involved prior to February 1, 1979, may be entered prior to April 1, 1979, without the requirement of export visas. No such color television receivers and subassemblies may be entered on or after April 1, 1979, unless accompanied by an appropriate export visa issued by the exporting country and such products shall be counted against the applicable restraint levels.

(d) *Color television receivers and certain subassemblies thereof exported and entered in different restraint periods.—*Color television receivers and subassemblies thereof provided for in items 923.74 through 923.83, inclusive, which are exported from the foreign country involved during one restraint period, but are entered more than 90 days following the beginning of the subsequent restraint period, shall be counted against the restraint levels for that subsequent restraint period. Color television receivers and subassemblies thereof provided for in items 923.74 through 923.83, inclusive, which are exported from the foreign country involved during one restraint period in excess of the restraint level for such period, may be entered after the beginning of the next restraint period and shall be counted against the restraint level for such item for such subsequent restraint period.

(e) *Carryover.—*If the restraint level for any item has not been filled for a restraint period, upon appropriate request of the foreign government involved, the shortfall may be entered under the same item during the following restraint period provided that the amount of shortfall so entered does not exceed 11 percent of the restraint level for the restraint period during which the shortfall occurred for products of Taiwan and 10 percent for products of the Republic of Korea.

(f) *Exceeding restraint levels.—*Upon appropriate request of the Government of the Republic of Korea, the restraint level for item 923.81 may be exceeded by not more than 10 percent. If the restraint level is exceeded the Special Representative for Trade Negotiations shall make a downward adjustment of the restraint level for item 923.83 in the absolute amount the restraint level for item 923.81 was exceeded.

(g) *Adjustments.—*The quota quantity applicable to item 923.74 shall be adjusted by the

Special Representative for Trade Negotiations depending upon the quantity of color television receivers actually exported from Taiwan and entered into the United States during the period July 1, 1978, through January 31, 1979, inclusive, as determined from U.S. Customs data. If the quantity actually exported from Taiwan and entered into the United States exceeds 368,000 units, the amount of the excess shall be deducted from the quota quantity of 127,000 units. If the quantity actually exported from Taiwan and entered into the United States is less than 368,000 units, the amount of the deficiency shall be added to the quota quantity of 127,000 units. The quota quantity applicable to item 923.81 shall be adjusted by the Special Representative for Trade Negotiations depending upon the quantity of color television receivers actually exported from the Republic of Korea and entered into the United States during the period December 1, 1978, through January 31, 1979, inclusive, as determined from U.S. Customs data. If the quantity actually exported from the Republic of Korea and entered into the United States exceeds 122,000 units, the amount of the excess shall be deducted from the quota quantity of 153,000 units. The above adjustments are to be effective on and after the date of their publication in the FEDERAL REGISTER.

(b) by inserting in numerical sequence the following new provisions:

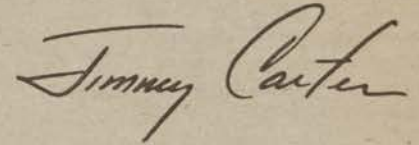
"Item	Articles	Quota Quantity (in units)
	Whenever the respective aggregate quantity of color television receivers and subassemblies thereof specified below for items 923.74 through 923.83, inclusive, the product of a specified foreign country, has been exported in any restraint period from that country and has been entered, no article in such item the product of such country exported during such restraint period may be entered, except as provided in headnote 5:	
	Taiwan:	
	Color television receivers, having a picture tube, provided for in item 685.20:	
923.74	If exported during the period from February 1, 1979, through June 30, 1979, inclusive	127,000
923.76	If exported during the period from July 1, 1979, through June 30, 1980, inclusive	373,000
	Printed circuit boards and ceramic substrates with components assembled thereon, for color television receivers; subassemblies containing one or more of such boards or substrates, except tuners or convergence assemblies; all the foregoing not having a picture tube, and entered with components enumerated in headnote 5(a)(i) and with all or part of a chassis frame, provided for in item 658.20:	
923.78	If exported during the period from February 1, 1979, through June 30, 1979, inclusive	270,000
923.79	If exported during the period from July 1, 1979, through June 30, 1980, inclusive	648,000
	Republic of Korea:	
	Color television receivers, having a picture tube, provided for in item 685.20; printed circuit boards and ceramic substrates with components assembled thereon for color television receivers and subassemblies containing one or more of such boards or substrates (except tuners or convergence assemblies), all the foregoing not having a picture tube, and entered with components enumerated in headnote 5(a)(i) and with all or part of a chassis frame, provided for in item 685.20:	
923.81	If exported during the period from February 1, 1979, through October 31, 1979, inclusive	153,000
923.83	If exported during the period from November 1, 1979, through June 30, 1980, inclusive	136,000."

Order of January 26, 1979

**Designating Director of the White House Military Office To
Classify National Security Information as "Top Secret"**

Pursuant to the provisions of Section 1-201 of Executive Order 12065 of June 28, 1978, entitled "National Security Information," I hereby designate the Director of the White House Military Office to classify information originally as "Top Secret."

This Order shall be published in the FEDERAL REGISTER.



THE WHITE HOUSE,
January 26, 1979.

[FR Doc. 3215
Filed 1-26-79; 12:05 pm]
Billing code 3195-01-M

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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.

[6820-27-M]

Title 5—Administrative Personnel

CHAPTER XV—NATIONAL STUDY COMMISSION ON RECORDS AND DOCUMENTS OF FEDERAL OFFICIALS

Removal of CFR Chapter

EDITORIAL NOTE: The National Study Commission on Records and Documents of Federal Officials was established by authority of Pub. L. 93-526 (89 Stat. 1695). Regulations establishing Chapter XV were published at 41 FR 47910, Nov. 1, 1976.

The National Study Commission on Records and Documents of Federal Officials was terminated on May 30, 1977, as provided by Pub. L. 93-526 (89 Stat. 1695), as amended by Pub. L. 94-261 (90 Stat. 326).

Since the National Study Commission on Records and Documents of Federal Officials has been terminated, the Director of the Office of the Federal Register, pursuant to 1 CFR 18.2 and in order to keep the CFR current, hereby removes from the *Code of Federal Regulations*, Title 5, Chapter XV, National Study Commission on Records and Documents of Federal Officials.

[3410-02-M]

Title 7—Agriculture

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

(Lemon Regulation 183)

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This regulation establishes the quantity of fresh California-Arizona lemons that may be shipped to market during the period January-

28-February 3, 1979. Such action is needed to provide for orderly marketing of fresh lemons for this period due to the marketing situation confronting the lemon industry.

EFFECTIVE DATE: January 28, 1979.
FOR FURTHER INFORMATION CONTACT:

Charles R. Brader, (202) 447-6393.

SUPPLEMENTARY INFORMATION: *Findings.* Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910), regulating the handling of lemons grown in California and Arizona, effective under 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 Lemon Administrative Committee, and upon other information, it is found that the limitation of handling of lemons, as hereafter provided, will tend to effectuate the declared policy of the act. This regulation has not been determined significant under the USDA criteria for implementing Executive Order 12044.

The committee met on January 23, 1979, to consider supply and market conditions and other factors affecting the need for regulation and recommended a quantity of lemons deemed advisable to be handled during the specified week. The committee reports the demand for lemons is somewhat slower.

It is further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rulemaking, and postpone the effective date until February 28, 1979 (5 U.S.C. 553), because of insufficient time between the date when information became available upon which this regulation is based and the effective date necessary to effectuate the declared policy of the act. Interested persons were given an opportunity to submit information and views on the regulation at an open meeting. It is necessary to effectuate the declared purposes of the act to make these regulatory provisions effective as specified, and handlers have been apprised of such provisions and the effective time.

§ 910.483 Lemon Regulation 183.

Order. (a) The quantity of lemons grown in California and Arizona which may be handled during the period January 28, 1979, through February 3, 1979, is established at 205,000 cartons.

(b) As used in this section, "handled" and "carton(s)" mean the same as defined in the marketing order.

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

Dated: January 25, 1979.

D. S. KURYLOSKI,
Acting Deputy Director, Fruit
and Vegetable Division, Agricultural Marketing Service.

[FR Doc. 79-3027 Filed 1-26-79; 8:45 am]

[3410-05-M]

CHAPTER XIV—COMMODITY CREDIT CORPORATION, DEPARTMENT OF AGRICULTURE

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

(Specifications for Bale Packaging Materials, Amdt. 2)

PART 1427—COTTON

Subpart—Specifications for Bale Packaging Materials; Official Tare Weights; Acceptance Materials

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Final Rule.

SUMMARY: The purpose of this rule is to provide that (1) conventional hot rolled steel ties and buckles may be used only on flat bales, modified flat bales and bales compressed at a warehouse, (2) all ties which are underneath the wrapping material shall be wire or high tensile steel strapping only, (3) T-2 jute bagging is no longer an eligible wrapping, (4) bales wrapped with 4 pound cotton bagging must be tied with wire or high tensile steel strapping only and (5) to provide a table of official tare weights. This rule is needed in order that producers and others will know which materials are acceptable to CCC and the official tare weights of such material.

EFFECTIVE DATE: January 29, 1979.

ADDRESS: Price Support and Loan Division, ASCS, USDA, 3741 South Building, P.O. Box 2415, Washington, D.C. 20013.

FOR FURTHER INFORMATION CONTACT:

Dalton J. Ustynik, ASCS, 202-447-6611.

SUPPLEMENTARY INFORMATION: On September 1, 1978, Commodity Credit Corporation (CCC) published in the FEDERAL REGISTER 43 FR 39118, a notice that the Department proposed to make certain determinations concerning the 1979 crops of upland and extra long staple cotton. Such determinations included a determination of the specifications for bale packaging materials applicable to 1979 crop cotton pledged to CCC for price support loans.

Four responses were received concerning the specifications. Three recommended adopting the specifications as proposed by the Cotton Industry Bale Packaging Committee and one recommended that all wrapping material contain at least 85 percent cotton. After consideration of all responses to the notice and recommendations made by the Cotton Industry Bale Packaging Committee, it has been determined that the specifications will be amended to provide that all ties which are underneath the wrapping material shall be wire or high tensile steel strapping, that conventional hot rolled steel ties and buckles may be used only on flat bales and bales compressed at a warehouse, that T-2 type jute bagging shall be eliminated as an approved wrapping material, and 4 pound cotton bagging must be tied with wire or high tensile steel strapping and to provide a list of official tare weights.

FINAL RULE

7 CFR Part 1427 is amended as follows, effective as to the 1979 and subsequent crops. The material previously appearing in these sections remains in full force and effect as to the crop years to which it was applicable.

1. In order to provide that any bale packaging material carried over from the 1978 crop year may be used to wrap 1979 crop cotton, § 1427.1901 is amended to read as follows:

§ 1427.1901 Purpose.

This subpart is for the purpose of announcing the specifications applicable to bale packaging materials for packaging the 1978 and subsequent crops of cotton tendered to CCC for loans, unless otherwise approved by the Executive Vice President, CCC, or his designee: *Provided, however*, that all bales of cotton packaged and identified with the testing programs of the Cotton Industry Bale Packaging Com-

mittee sponsored by the National Cotton Council of America will be exempt from the provisions of this subpart, and any bale packaging materials carried over from the 1977 crop which were eligible for packaging 1977 crop loan cotton also may be used to package 1978 crop cotton pledged for loans, and any bale packaging materials carried over from the 1978 crop which were eligible for packaging 1978 crop loan cotton may also be used to wrap 1979 crop cotton pledged for loans.

2. In order to provide that all ties which are underneath the wrapping material shall be wire or high tensile steel strapping, the introductory paragraph of § 1427.1902 is amended to read as follows:

§ 1427.1902 Specifications for bale ties and buckles.

Any fixed length bale ties used on flat bales shall not exceed 10 feet 3 inches in length, excluding overlap. All ties and buckles or fasteners must be coated or finished with a rust inhibitor. All ties which are underneath the wrapping materials shall be wire or cold rolled high tensile steel strapping.

3. In order to provide that conventional hot rolled steel ties and buckles may be used only on flat bales, modified flat bales and bales compressed at a warehouse, paragraph 1427.1902(b) is amended to read as follows:

(b) Conventional hot rolled steel ties and buckles. The total weight of bale ties and buckles to tie each bale of cotton shall not be less than 8½ pounds. Such ties may be used only on flat, modified flat, and bales compressed at a warehouse.

4. In order to eliminate T-2 type jute bagging as an approved bale wrapping material, § 1427.1903(d) is deleted.

§ 1427.1903 Specifications for bagging [Amended]

(d) [Deleted]

5. In order to provide that bales wrapped with 4 pound cotton bagging must be tied with wire or high tensile steel strapping, § 1427.1903(g)(1) is amended to read as follows:

(g) Cotton bagging—(1) General requirements. Bagging made from 100 percent cotton may be used to wrap flat bales stored only in the States of Alabama, Florida, Georgia, North

Carolina, South Carolina, and Virginia, and on gin standard density and gin universal density bales stored in all States. The bagging must weigh not less than 7.7 ounces per square yard with a minimum weight of 4 pounds per pattern for flat bales, 3.1 pounds for gin standard density bales, and 3 pounds for gin universal density bales, at 8.5 percent moisture content (not moisture regain). Each panel of bagging must not be less than 112 inches in length and 48 inches in width for flat bales, 100 inches in length and 42 inches in width for gin standard density bales, and 96 inches in length and 42 inches in width for gin universal density bales. Each panel must be constructed with true selvages on each side. Bales wrapped with such bagging must be tied with wire or high tensile strapping.

§ 1427.1904 [Amended]

6. In order to eliminate additional test procedures for T-2 type new jute bagging, § 1427.1904(1) is deleted.

7. In order to provide a table of official tare weights for CCC loan purposes, § 1427.1905 is amended to read as follows:

§ 1427.1905 Official tare weights.

The following table shows official CCC tare weights for various combinations of approved wrapping material. CCC will not accept any bales for loans which carry a tare weight different than the one shown below:

Wrapping material	Bale ties	
	Wire or high tensile steel strapping ^a	Hot rolled steel ties with buckles ^b
Woven Polypropylene ^c	5	11
Polyethylene bags, ^d burlap spiral bags, cotton	7	
Nine-pound compact jute ^e for use on all bales and salvage jute on gin universal density and gin standard density bales only	12	18
New twelve-pound jute ^f and salvage jute on flat and modified flat bales only	15	21

^a Woven polypropylene can be identified by its pale yellow color. This category includes all patterns of polypropylene including two sheets, half bag/sheet combinations and spiral sewn bags. Such material must meet all other requirements in § 1427.1903(1).

^b Polyethylene bags can be identified by the clear color. The total tare weight is printed on the bag. Burlap spiral bags can be identified by the lightweight burlap fabric sewn to form a bag which completely encloses a bale. Cotton bagging is any packaging material made from all cotton fiber. Bagging must meet all other requirements for that type of bagging set forth in § 1427.1903 (h), (f), and (g).

^c Nine-pound compact jute can be identified by

the dark blue or black center marking yarns on each panel of bagging. *Salvage jute* is commonly referred to as sugar bagging and can be identified by seams and markings indicating that the material was previously used for other commodities. Such bagging must meet all other requirements as set forth in § 1427.1903 (b), (c), and (e)(3).

*Twelve-pound new jute can be distinguished from other approved new jute panels by the absence of center marking yarns. Salvage jute can be identified by seams and markings indicating that the material was previously used for other commodities. Such bagging must meet all other requirements as set forth in § 1427.1903(a), (e)(1), and (e)(2).

*Wire or strapping includes all wire or high tensile steel strapping other than conventional hot rolled steel ties with buckles and must meet all applicable requirements in § 1427.1902 (c) and (d).

*Bands with buckles consist of conventional hot rolled steel ties with buckles which meet requirements set forth in § 1427.1902(b).

(Secs. 4 and 5, 62 Stat. 1070, as amended (15 U.S.C. 714 b and c); secs. 101, 103, 401, 63 Stat. 1051, as amended (7 U.S.C. 1441, 1444, 1421).)

NOTE.—An approved Impact Analysis Statement has been prepared and is available from Charles Cunningham (ASCS), (202) 447-7873.

Signed at Washington, D.C., on January 18, 1979.

S. N. SMITH,

Acting Executive Vice President,
Commodity Credit Corporation.

[FR Doc. 79-2995 Filed 1-26-79; 8:45 am]

[4910-13-M]

Title 14—Aeronautics and Space

CHAPTER I—FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Docket No. 15970, Amdt. 39-3405]

PART 39—AIRWORTHINESS DIRECTIVES

Hawker Siddeley Aviation, Ltd. (British Aerospace) Model DH-114 Heron Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment amends an existing airworthiness directive (AD) applicable to Hawker Siddeley Aviation, Limited, DH-114 Heron Series airplanes by clarifying the repetitive inspection schedule for in-service booms and for replacements and elaborating on the types of cracking which necessitate additional inspections of the boom or its replacement. The amendment was prompted by a request from the field for clarifications.

DATES: Effective February 8, 1979. Compliance schedule—As prescribed in body of AD.

ADDRESSES: The applicable technical news sheet may be obtained from: Hawker Siddeley Aviation, Limited, Hatfield, Hertfordshire, England, Product Support Department, Telephone: Hatfield 62345.

A copy of the technical news sheet is contained in the Rules Docket, for this amendment in Room 916, 800 Independence Avenue, SW., 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, Telephone: 513.38.30, or Chris Christie, Federal Aviation Administration AFS-110, 800 Independence Avenue, SW., Washington, D.C. 202-426-8374.

SUPPLEMENTARY INFORMATION:

This amendment amends Amendment 39-2689 (41 FR 32734), AD 76-16-03, which currently requires inspections of the upper lugs of the upper carry through boom for cracks and replacement of the boom as necessary on Hawker Siddeley Aviation, Limited, Model DH-114 Heron Series airplanes. After issuing Amendment 39-2689 and receiving a request for clarifications from an FAA field office, the FAA has determined that certain revisions to the existing AD are needed to clarify the repetitive inspection schedule for in-service booms and for replacements in paragraphs (b) and (e). Paragraph (d) has been revised to make clear that that paragraph applies to cracking which is other than literally horizontal. In addition, paragraph (e) has been revised to state that replacement of the boom is required when cracking is found which runs from the bolt hole in an inboard direction only. This change is intended to provide more consistency with the description contained in the manufacturer's technical news sheet. Other minor clarifying changes have also been made.

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.

ADOPTION OF THE AMENDMENT

Accordingly, 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 amending Amendment 39-2689 (41 FR 32734), AD 76-16-03 as follows:

1. By revising paragraph (b) to read as follows:

(b) If no cracks are found during the inspection required by paragraph (a) of this AD, repeat the inspection at intervals not to exceed 1200 flight hours or 2 calendar years, whichever occurs sooner, until the wings are removed for compliance with AD 72-15-01 at which time the area must be further inspected using the ultrasonic and dye penetrant methods in accordance with Appendix 2 of Hawker Siddeley Aviation, Limited, Technical News Sheet TNS F.19, Issue 1, dated July 26, 1976, (hereinafter referred to as the Technical News Sheet) or an FAA-approved equivalent. Thereafter, if no cracking is found, continue to inspect the area as follows:

(1) In accordance with the method specified in paragraph (a) of this AD at an interval not to exceed 3 calendar years from each time the area is inspected in conjunction with the wing removal required by AD 72-15-01; and

(2) In accordance with the ultrasonic and dye penetrant methods specified in Appendix 2 of the Technical News Sheet or an FAA-approved equivalent at each time the wings are removed for compliance with AD 72-15-01.

2. By revising paragraph (c) to read as follows:

(c) If any cracks are found during any inspection required by this AD to be performed in accordance with the method specified in paragraph (a) of this AD, further inspect by ultrasonic and dye penetrant methods in accordance with Appendix 2 of the Technical News Sheet or an FAA-approved equivalent with the wing removed.

3. By revising paragraph (d) to read as follows:

(d) If, during any inspection required by this AD, cracking of the lugs is found which is confined to only one of the lugs per side of the aircraft and exists only from the bolt hole towards the outboard end of the lug, the center section carry through boom may remain on the aircraft and continued flight is permitted provided the wing is removed at intervals not to exceed 300 flight hours or 3 months, whichever is sooner, and the cracked lug is inspected for crack propagation and the remaining two lugs are inspected for cracking, all in accordance with Appendix 2 of the Technical News Sheet or an FAA-approved equivalent, until the boom is replaced with a new boom of the same part number or a used boom of the same part number determined after inspection in accordance with Appendix 2 of the Technical News Sheet to be crack-free.

4. By revising paragraph (e) to read as follows:

(e) If, during any inspection required by this AD, cracking is found in more than one lug per side of the aircraft or the cracking of any one lug extends to both sides (inboard and outboard) of the bolt hole or runs from the bolt hole in an inboard direction only, before further flight, replace the carry through boom with a new boom of the same part number or a used boom of the same part number determined after inspection in accordance with Appendix 2 of the Technical News Sheet to be crack-free. Replacement booms must continue to be inspected in accordance with the following schedule:

(1) For used replacement booms, within 3 years from replacement, inspect the lug

area in accordance with Appendix 1 of the Technical News Sheet or an FAA-approved equivalent except if any wing removal is required by AD-72-15-01 during that period, inspect in accordance with Appendix 2 of the Technical News Sheet or an FAA-approved equivalent concurrently with that wing removal. Thereafter inspect in accordance with the schedule and inspection methods specified in paragraphs (b)(1) and (b)(2) of this AD.

(2) For new replacement booms, inspect the lug area in accordance with Appendix 2 of the Technical News Sheet or an FAA-approved equivalent with the wing removed prior to accumulating 6 years in service and thereafter in accordance with the schedule and inspection methods specified in paragraphs (b)(1) and (b)(2) of this AD. However, if the first inspection required after replacement is not performed in conjunction with a wing removal required by AD 72-15-01, within the next 3 years after that inspection, inspect in accordance with Appendix 1 of the Technical News Sheet or an FAA-approved equivalent except if any wing removal is required by AD 72-15-01 during that period, inspect in accordance with Appendix 2 of the Technical News Sheet or an FAA-approved equivalent concurrently with that wing removal and thereafter inspect in accordance with the schedule and inspection methods specified in paragraphs (b)(1) and (b)(2) of this AD.

This amendment becomes effective February 8, 1979.

(Secs. 313(a), 601, 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)); 14 CFR 11.89.)

Issued in Washington, D.C., on January 22, 1979.

J. A. FERRARESE,
Acting Director,
Flight Standards Service.

[FR Doc. 79-2944 Filed 1-26-79; 8:45 am]

[4910-13-M]

[Docket No. 72-WE-22-AD, Amdt. 39-3401]

PART 39—AIRWORTHINESS DIRECTIVES

McDonnell Douglas Model DC-9 -10 Series Airplanes

AGENCY: Federal Aviation Administration (FAA) DOT.

ACTION: Final rule.

SUMMARY: This amendment amends an existing Airworthiness Directive (AD) applicable to McDonnell Douglas DC-9-10 Series airplanes by increasing the repetitive inspection interval specified in the AD. The amendment is needed because the FAA has determined that the compliance time for repetitive inspection of the fuselage frames covered by the subject AD may be safely extended, thus relieving a burden.

DATES: Effective January 31, 1979. Compliance schedule—As prescribed in the body of the AD.

FOR FURTHER INFORMATION CONTACT:

Jerry Presba, Executive Secretary, Airworthiness Directive Review Board, Federal Aviation Administration, Western Region, P.O. Box 92007, World Way Postal Center, Los Angeles, California 90009. Telephone: (213) 536-6351.

SUPPLEMENTARY INFORMATION: This notice further amends Amendment 39-1628 (38 FR 12053) AD 73-9-2, as amended by Amendments 39-1926 (39 FR 30108), 39-2004 (39 FR 39433) and 39-2850 (42 FR 13818). After issuing the AD as amended, and after evaluating the results of the operator's inspections and past service experience, the Federal Aviation Administration has determined that the repetitive inspection intervals specified in Paragraph (a)(1) of the AD can be increased to 2,000 hours time in service without adversely affecting safety. Therefore, the AD is being further amended to provide for an increase in repetitive inspection intervals.

Since this amendment provides relief 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.

ADOPTION OF THE AMENDMENT

Accordingly, 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 further amending Amendment 39-1628 (38 FR 12053), AD 73-9-2, as amended by Amendment 39-1926 (39 FR 30108), Amendment 39-2004 (39 FR 39433) and Amendment 39-2850 (42 FR 13818), is further amended by amending paragraph (a)(1) to read in pertinent part as follows:

... within the next 1,000 hours time in service and thereafter at intervals not to exceed 2,000 hours time in service from the last inspection, inspect the left and right hand lower sections of the fuselage frames

...
Amendment 39-1628 became effective May 30, 1973.

Amendment 39-1926 became effective August 26, 1974.

Amendment 39-2004 became effective November 13, 1974.

Amendment 39-2850 became effective March 20, 1977.

This amendment becomes effective January 31, 1979.

(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.)

Issued in Los Angeles, Calif., on January 16, 1979.

LEON C. DAUGHERTY,

Director,
FAA Western Region.

[FR Doc. 79-2917 Filed 1-26-79; 8:45 am]

[4910-13-M]

[Docket No. 77-WE-29-AD, Amdt. 39-3403]

PART 39—AIRWORTHINESS DIRECTIVES

McDonnell Douglas DC-9, -10, -20, -30, -40, -50 Series (including Military C-9A, C-9B, and VC-9C) Airplanes

AGENCY: Federal Aviation Administration (FAA) DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new Airworthiness Directive (AD) which requires repetitive inspections and replacement of the wing flap idler hinge support fitting attachment studs at wing station X_{333.148} on certain McDonnell Douglas DC-9 airplanes. These inspections and rework are necessary to prevent the hinge fitting from becoming loose and causing partial loss of flap and alleron control and damage to the spoiler and wing structure.

DATES: Effective March 2, 1979. Compliance schedule—as prescribed in the body of the AD.

ADDRESSES: The applicable service information may be obtained from: McDonnell Douglas Corporation, 3855 Lakewood Boulevard, Long Beach, California 90846. Attn: Director, Publications and Training, C1-750, (54-60).

Also, a copy of the service information may be reviewed at, or a copy obtained from:

Rules Docket in Room 916, FAA, 800 Independence Avenue, SW., Washington, D.C. 20591, or

Rules Docket in Room 6W14, FAA Western Region, 15000 Aviation Boulevard, Hawthorne, California 90261.

FOR FURTHER INFORMATION CONTACT:

Jerry Presba, Executive Secretary, Airworthiness Directive Review Board, Federal Aviation Administration, Western Region, P.O. Box 92007, World Way Postal Center, Los Angeles, California 90009. Telephone: (213) 536-6351.

SUPPLEMENTARY INFORMATION: A proposal to amend Part 39 of the Federal Aviation Regulations to include an airworthiness directive requiring repetitive inspections and re-

placement of the wing flap outboard idler hinge attach studs on McDonnell Douglas Model DC-9 Series airplanes was published in the FEDERAL REGISTER at 43 FR 45380. The proposal was prompted by several reported instances of failures of the studs which attach the wing flap outboard idler hinge to the wing rear spar at wing station $X_w=333.148$. When the lower studs fail, the support fitting is allowed to rotate upwards under flap loading. Because the aileron control cables pass through a hole in the support fitting, rotation of the fitting could cause the control cables to be broken or jammed. This could cause loss of lateral control.

Interested persons have been afforded an opportunity to participate in the making of the amendment and several comments were received. Three of the comments received requested an increase in the initial inspection time to allow large fleet operators to establish an inspection schedule that would not require special handling of the aircraft. However, no justification was provided by any of the commenters to show that such an increase could be made without jeopardizing safety of the aircraft.

One comment concerned the difference in threshold inspection time between the proposed AD and the Douglas Aircraft Company Service Bulletin 57-118. The Service Bulletin suggests inspecting within 3,400 landings for airplanes which have accumulated 10,000 landings, whereas the proposed AD would require inspection within 850 landings or before accumulating 10,000 landings, whichever occurs later. The commenter suggested that service experience to date does not support lowering the inspection threshold since there have been no stud failures on aircraft with less than 14,000 landings. The 10,000 landing inspection threshold is considered reasonable and prudent by the FAA since failure has been encountered at 14,000 landings and the objective of the AD is to minimize failures. The 10,000 landing inspection threshold is therefore maintained.

Another commenter requested that the 3,400 landing inspection interval be changed to 3,400 hours to agree with the fleet schedule they have already established. The FAA does not believe such a change is justified. Flap attach stud loads are applied each time the flaps are lowered for landing. Operators of DC-9 airplanes accumulate from less than one landing per hour of time in service to almost 1.5 landings per hour of time in service. Concurrence with the commenter's request in the latter case would produce an unsafe situation. To provide relief for operators who do not maintain rec-

ords of landings, paragraph (f) has been added.

After careful review of all available data, including the comments above, the FAA believes that sufficient evidence exists in the public interest of aviation safety to adopt the proposed rule with the relieving change noted, as a final rule.

ADOPTION OF THE AMENDMENT

Accordingly, pursuant to the authority delegated to be by the Administrator, § 39.13 of Part 39 of the Federal Aviation Regulations (14 CFR 39.13) is amended, by adding the following new airworthiness directive:

McDONNELL DOUGLAS: Applies to Model DC-9-10, -20, -30, -40, -50 Series Airplanes, including (Military C-9A, C-9B, and VC-9C) airplanes certificated in all categories, fuselage numbers F/N 1 thru F/N 880, which correspond to the factory serial numbers listed in Douglas DC-9 Service Bulletin 57-118 dated November 4, 1977.

Compliance required as indicated. To detect fatigue cracks and/or failure of the wing flap outboard idler hinge support fitting attachment studs, accomplish the following:

(a) Within the next 850 landings after the effective date of this AD, or before accumulating 10,000 total landings, whichever occurs later, unless already accomplished within the last 2,550 landings, and thereafter at intervals of 3,400 landings from the last inspection, accomplish the ultrasonic inspection in accordance with the instructions in Douglas DC-9 Service Bulletin 57-118 dated November 4, 1977.

NOTE.—Service Bulletin 57-118 dated November 4, 1977 is the only version of this Service Bulletin suitable for compliance with paragraphs (a) and (b) of this AD.

(b) If any one or more studs is found cracked or failed, or has accumulated 50,000 or more landings, before further flight:

1. Replace all four studs, two PLI washers and applicable attaching parts with new original design studs and PLI washers, and applicable attaching parts; or,

2. Replace all four studs, two PLI washers and applicable attaching parts with new studs, (upper two of original design and lower two of new design and higher heat treat), and two new design PLI washers, and applicable attaching parts, per Option 1, paragraph 2.D.1, Accomplishment Instructions, as prescribed in Douglas DC-9 Service Bulletin 57-118 dated November 4, 1977.

3. If new parts are installed per (b)1 above, the requirements of this AD may be discontinued for that idler hinge(s) group of four attachment studs only, until the newly replaced parts have accumulated 10,000 landings, at which time reinstate the program of repetitive inspections and/or corrective actions per this AD.

4. The requirements per this AD may be terminated for that idler hinge(s) group of four attachment studs only, upon compliance with paragraph (b)2 above, or upon installation of two lower studs of new design and two new design PLI washers, and applicable attaching parts, per Option 1, paragraph 2.D.2, Accomplishment Instructions,

as prescribed in Douglas DC-9 Service Bulletin 57-118 dated November 4, 1977.

5. Compliance with this AD notwithstanding, attachment studs must be replaced in accordance with the schedule specified in Douglas Report MDC-J0005, "DC-9 Safe Life Limits" (Reference DC-9 TC Data Sheet A6WE).

(c) Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate airplanes to a base for the accomplishment of inspections required by this AD.

(d) Equivalent inspection procedures and repairs may be used when approved by the Chief, Aircraft Engineering Division, FAA Western Region.

(e) Upon request of operator, an FAA maintenance inspector, subject to prior approval of the Chief, Aircraft Engineering Division, FAA Western Region may adjust the initial and repetitive inspection intervals specified in this AD to permit compliance at an established inspection period of the operator if the request contains substantiating data to justify the increase for that operator.

(f) For the purpose of complying with this AD, when records of landings are not available, subject to acceptance by the assigned FAA maintenance inspector, the number of landings may be determined by dividing each airplane's hours' time in service by the operator's fleet average time from takeoff to landing for the airplane type.

This amendment becomes effective March 2, 1979.

(Secs. 313(a), 601, 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. 1555(c)); and 14 CFR 11.89)

Issued in Los Angeles, Calif., on January 17, 1979.

LEON C. DAUGHERTY,

Director, FAA Western Region.

[FR Doc. 79-2945 Filed 1-26-79; 8:45 am]

[4910-13-M]

[Airspace Docket No. 78-SO-35]

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

Alteration of Controlled Airspace; Correction

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Correction to final rule.

SUMMARY: In a rule published in the FEDERAL REGISTER of January 2, 1979, (44 FR 39), under the amendment to § 71.163, the coordinates "Lat. 24°00'00"N., Long. 80°56'30"W.; to Lat. 24°45'40"N., Long. 80°48'20"W.;" were incorrectly published as "Lat. 24°00'00"N., Long. 80°56'20"W.; to Lat. 24°45'40"N., Long. 80°48'00"W.;" This correction reflects the correct coordinates for a portion of the description

of the South Atlantic Additional Control Area.

EFFECTIVE DATE: January 29, 1979.

FOR FURTHER INFORMATION CONTACT:

Mr. Everett McKisson, Airspace Regulations Branch (AAT-230), Airspace and Air Traffic Rules Division, Air Traffic Service, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, D.C. 20591; telephone: (202) 426-3715.

SUPPLEMENTARY INFORMATION: Since this action is corrective in nature, public procedure thereon is unnecessary and good cause exists for making it effective in less than 30 days.

ADOPTION OF THE AMENDMENT

Accordingly, pursuant to the authority delegated to me by the Administrator, FR Doc. 78-36240 as published in the FEDERAL REGISTER on January 2, 1979, (44 FR 39) is amended under § 71.163 by amending the description of the South Atlantic Control Area as follows:

In line three "Lat. 24°00'00"N., Long. 80°56'20"W.;" is deleted and "Lat. 24°00'00"N., Long. 80°56'30"W.;" is substituted therefor. In line four "Lat. 24°45'40"N., Long. 80°48'00"W.;" is deleted and "Lat. 24°45'40"N., Long. 80°48'20"W.;" is substituted therefor.

(Secs. 307(a), 313(a) and 1110, Federal Aviation Act of 1958 (49 U.S.C. 1348(a), 1354(a) and 1510; Executive Order 10854 (24 FR 9565); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.69.)

NOTE.—The FAA has determined that this document involves a regulation which is not significant under the procedures and criteria prescribed by Executive Order 12044 and implemented by interim Department of Transportation guidelines (43 FR 9582; March 8, 1978).

Issued in Washington, D.C., on January 23, 1979.

WILLIAM E. BROADWATER,
Chief, Airspace and Air
Traffic Rules Division.

[FR Doc. 79-2918 Filed 1-26-79; 8:45 a.m.]

[4910-13-M]

[Airspace Docket No. 78-EA-71]

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

Alteration of Transition Area: Pittstown, N.J.

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final Rule.

SUMMARY: This Amendment alters the Pittstown, N.J., transition area, over Sky Manor Airport, Pittstown, N.J. This alteration will change the approach course by one degree and provide protection to aircraft executing the revised instrument approach by increasing the controlled airspace. An instrument approach procedure requires the designation of controlled airspace to protect instrument aircraft utilizing the instrument approach.

EFFECTIVE DATE: February 1, 1979.

FOR FURTHER INFORMATION CONTACT:

Frank Trent, Airspace and Procedures Branch, AEA-530, Air Traffic Division, Federal Aviation Administration, Federal Building, J.F.K. International Airport, Jamaica, New York 11430, Telephone (212) 995-3391.

SUPPLEMENTARY INFORMATION: The purpose of this amendment to Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) is to alter the Pittstown, N.J., transition area. On page 49311 of the FEDERAL REGISTER for October 23, 1978, the FAA published a proposed amendment to the subject transition area. Interested parties were given an opportunity to comment, but no objections were received.

ADOPTION OF THE AMENDMENT

Accordingly, pursuant to the authority delegated to me by the Administrator, Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) is amended, effective January 29, 1979, as published.

(Sec. 307(a), 313(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a) and 1354(c)); sec. 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.69.)

Issued in Jamaica, New York, on January 15, 1979.

LOUIS J. CARDINALI,
Acting Director, Eastern Region.

1. Amend § 71.181 of Part 71 of the Federal Aviation Regulations, by deleting the description of the Pittstown, N.J., 700-foot floor transition area and by inserting the following in lieu thereof:

That airspace extending upward from 700 feet above the surface within a 7-mile radius of the center, 40°33'59" N., 74°58'43" W., of Sky Manor Airport, Pittstown, N.J., and within 4.5 miles each side of the Solberg, N.J., VORTAC 264° radial, extending from the 7-mile radius area to 23 miles west of the VORTAC.

[FR Doc. 79-2950 Filed 1-26-79; 8:45 am]

[4910-13-M]

[Airspace Docket No. 78-EA-79]

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

Designation of Transition Area: Albion, N.Y.

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final Rule.

SUMMARY: This amendment designates an Albion, N.Y., transition area, over Pine Hill Airport, Albion, N.Y. This designation will provide protection to aircraft executing the new VOR RWY 28 standard instrument approach which has been developed for the airport. An instrument approach procedure requires the designation of controlled airspace to protect instrument aircraft utilizing the instrument approach.

EFFECTIVE DATE: 0901 G.m.t. March 22, 1979.

FOR FURTHER INFORMATION CONTACT:

Frank Trent, Airspace and Procedures Branch, AEA-530, Air Traffic Division, Federal Aviation Administration, Federal Building, J.F.K. International Airport, Jamaica, New York 11430, Telephone (212) 995-3391.

SUPPLEMENTARY INFORMATION: The purpose of this amendment to Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) is to designate an Albion, N.Y., transition area. On page 51029 of the FEDERAL REGISTER for November 2, 1978, the FAA published a proposed designation to the subject transition area. Interested parties were given time in which to submit comments. No objections were received.

ADOPTION OF THE AMENDMENT

Accordingly, pursuant to the authority delegated to me by the Administrator, Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) is amended, effective 0901 G.m.t. March 22, 1979, as published.

(Sec. 307(a), and 313(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a) and 1354(c)); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.69)

Issued in Jamaica, New York, on January 15, 1979.

LOUIS J. CARDINALI,
Acting Director, Eastern Region.

1. Amend § 71.181 of Part 71 of the Federal Aviation Regulations by designating

nating an Albion, N.Y., 700-foot floor transition area as follows:

ALBION, N.Y.

That airspace extending upward from 700 feet above the surface with a 5-mile radius of the center, 43°10'24" N., 78°16'29" W., of Pine Hill Airport, Albion, N.Y., and within 2.5 miles each side of the Rochester, N.Y., VORTAC 277° radial, extending from the 5-mile radius area to 20 miles west of the VORTAC.

[FR Doc. 79-2952 Filed 1-26-79; 8:45 am]

[4910-13-M]

[Airspace Docket NO. 78-ASW-51]

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

Alteration of Transition Area: Ponca City, Okla.

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final Rule.

SUMMARY: The nature of the action being taken is an alteration of the transition area at Ponca City, Okla. The intended effect of the action is the provision of additional controlled airspace for aircraft executing instrument procedures at the Blackwell/Tonkawa Municipal Airport. The circumstances which created the need for this action were the proposed approaches using the Pioneer VORTAC for flight under instrument weather conditions to the airport. Coincident with this action the airport is changed from Visual Flight Rules (VFR) to Instrument Flight Rules (IFR).

EFFECTIVE DATE: April 19, 1979.

FOR FURTHER INFORMATION CONTACT:

Ken Stephenson, Airspace and Procedures Branch (ASW-535), Air Traffic Division, Southwest Region, Federal Aviation Administration, P.O. Box 1689, Fort Worth, Texas 76101; telephone 817-624-4911, extension 302.

SUPPLEMENTARY INFORMATION:

HISTORY

On November 16, 1978, a notice of proposed rulemaking was published in the FEDERAL REGISTER (43 FR 53448) stating that the Federal Aviation Administration proposed to alter the Ponca City, Okla., transition area. Interested persons were invited to participate in this rulemaking proceeding by submitting written comments on the proposal to the Federal Aviation Administration. No objections were received on the proposal. Except for editorial

changes, this amendment is that proposed in the notice.

THE RULE

This amendment to Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) alters the Ponca City, Okla., transition area. This action provides additional controlled airspace from 700 feet above the ground for the protection of aircraft executing instrument procedures at the Blackwell/Tonkawa Municipal Airport.

ADOPTION OF THE AMENDMENT

Accordingly, pursuant to the authority delegated to me by the Administrator, Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) as republished (43 FR 440) is amended, effective 0901 G.m.t., April 19, 1979 as follows.

In Subpart G, § 71.181 (43 FR 440), the Ponca City, Okla., transition area is amended by adding the following:

*** within a 5-mile radius of the Blackwell/Tonkawa Airport (latitude 36°44'40" N., longitude 97°20'58" W.), and 2 miles each side of the Pioneer VORTAC 269° radial, extending from the 5-mile radius to the VORTAC, and 2.5 miles each side of the 180° bearing from the Blackwell/Tonkawa Municipal Airport, extending from the 5-mile radius to 6 miles south of the Airport, and 2.5 miles each side of the 360° bearing from the Blackwell/Tonkawa Municipal Airport, extending from the 5-mile radius to 6 miles north of the Airport.

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

NOTE.—The FAA has determined that this document involves a proposed regulation which is not considered to be significant under the procedures and criteria prescribed by Executive Order 12044 and as implemented by interim Department of Transportation guidelines (43 FR 9582; March 3, 1978).

Issued in Fort Worth, Tex., on January 16, 1979.

PAUL J. BAKER,

Acting Director, Southwest Region.

[FR Doc. 79-2946 Filed 1-26-79; 8:45 am]

[4910-13-M]

[Airspace Docket No. 78-EA-76]

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

Alteration and Revocation of Transition Areas: Harrisburg and Annville, Pa.

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final Rule.

SUMMARY: This amendment alters the Harrisburg, Pa., and revokes the Annville, Pa., transition areas. The revocation of the Annville, Pa., area results from the cancellation of the VOR RWY 11 instrument approach to Millard Airport. However, a portion of this transition area is needed for radar vectoring service furnished by Harrisburg Approach Control. Therefore, the needed airspace will be transferred to the Harrisburg, Pa., transition area.

EFFECTIVE DATE: February 1, 1979.

FOR FURTHER INFORMATION CONTACT:

Frank Trent, Airspace and Procedures Branch, AEA-530, Air Traffic Division, Federal Aviation Administration, Federal Building, J.F.K. International Airport, Jamaica, New York 11430, Telephone (212) 995-3391.

SUPPLEMENTARY INFORMATION: The purpose of this amendment to Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) is to alter the Harrisburg, Pa., and revoke the Annville, Pa., transition areas. Since the net effect is to lessen the amount of controlled airspace, no additional burden is placed on any person, and thus notice and public procedure hereon are unnecessary and the rule may be made effective in less than 30 days.

ADOPTION OF THE AMENDMENT

Accordingly, pursuant to the authority delegated to me by the Administrator, Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) is amended, effective January 29, 1979, as follows:

1. Amend § 71.181 of Part 71 of the Federal Aviation Regulations so as to revoke the Annville, Pa. 700-foot floor transition area.

2. Amend § 71.181 of Part 71 of the Federal Aviation Regulations by adding the following to the description of the Harrisburg, Pa. 700-foot floor transition area, "within a 26-mile radius of a point 40°13'24"N., 76°52'39"W., extending clockwise from a 072° bearing to a 094° bearing from said point."

(Sec. 307(a), 313(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a), 1354(c)); sec. 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.69)

Issued in Jamaica, New York, on January 15, 1979.

LOUIS J. CARDINALI,

Acting Director, Eastern Region.

[FR Doc. 79-2951 Filed 1-26-79 8:45 am]

[4910-13-M]

[Airspace Docket No. 78-EA-102]

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

Alteration of Transition Area: N. Philadelphia, Pa.

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final Rule.

SUMMARY: This amendment alters the North Philadelphia, Pa., transition area. This alteration will provide protection to aircraft executing the new NDB RWY 6 instrument approach which has been developed for Wings Field, Philadelphia, Pa. An instrument approach procedure requires the designation of controlled airspace to protect instrument aircraft utilizing the instrument approach.

EFFECTIVE DATE: February 1, 1979.

FOR FURTHER INFORMATION CONTACT:

Frank Trent, Airspace and Procedures Branch, AEA-530, Air Traffic Division, Federal Aviation Administration, Federal Building, J.F.K. International Airport, Jamaica, New York 11430, Telephone (212) 995-3391.

SUPPLEMENTARY INFORMATION: The purpose of this amendment to Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) is to alter the North Philadelphia, Pa., transition area. The alteration requires the incorporation of additional airspace of approximately one mile in width and a change in the transition area extensions of one and two degrees. Since the additional airspace is a nominal amount, the effect does not impose an additional burden on any person and thus notice and public procedure hereon are unnecessary and the rule may be made effective in less than 30 days.

ADOPTION OF THE AMENDMENT

Accordingly, pursuant to the authority delegated to me by the Administrator, Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) is amended, effective January 29, 1979, as follows:

1. Amend § 71.181 of Part 71 of the Federal Aviation Regulations by amending the description of the North Philadelphia, Pa. 700-foot floor transition area as follows:

Delete, "within 4.5 miles northwest 6.5 miles southeast of a 052° bearing and a 232° bearing from a point 40°05'06"N., 75°21'24"W., extending

from 5.5 miles northeast to 11.5 miles southwest of said point; within 5 miles each side of a 254° bearing from a point 40°05'06"N., 75°21'24"W., extending from said point to 6.5 miles west of said point; within 5 miles each side of a 231° bearing from the Ambler, Pa., RBN 40°07'33"N., 75°17'08"W., extending from the RBN to 6.5 miles southwest of the RBN" and insert the following in lieu thereof: "within 4.5 miles northwest and 6.5 miles southeast of a 053° bearing and a 233° bearing from a point 40°05'06"N., 75°21'24"W., extending from 5.5 miles northeast to 11.5 miles southwest of said point; within 5 miles each side of a 255° bearing from a point 40°05'06"N., 75°21'24"W., extending from said point to 6.5 miles west of said point; within 8.5 miles northwest and 3.5 miles southeast of a 233° bearing from the Ambler, Pa. RBN 40°07'33"N., 75°17'08"W., extending from the RBN to 11.5 miles southwest of the RBN".

(Sec. 307(a), 313(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a) and 1354(c)); sec. 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.69.)

Issued in Jamaica, New York, on January 15, 1979.

LOUIS J. CARDINALI,
Acting Director, Eastern Region.

[FR Doc. 79-2953 Filed 1-26-79; 8:45 a.m.]

[4910-13-M]

[Airspace Docket No. 78-ASW-58]

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

Designation of Transition Area: Levelland, Tex., Revision of Federal Register Document

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Revision to final rule.

SUMMARY: This action revises a rule issued on October 18, 1978, which appeared in FR Doc. 78-30571 on page 50420 in the FEDERAL REGISTER of Monday, October 30, 1978. The rule described an amendment to Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR) designating the Levelland, Tex., transition area. The transition area provided controlled airspace from 700 feet above the ground for the protection of aircraft executing an instrument approach procedure to runway 35 at the Levelland Municipal Airport.

EFFECTIVE DATE: April 19, 1979.

FOR FURTHER INFORMATION CONTACT:

Ken Stephenson, Airspace and Procedures Branch (ASW-535), Air Traffic Division, Southwest Region, Federal Aviation Administration, P.O. Box 1689, Fort Worth, Texas 76101; telephone 817-624-4911, extension 302.

SUPPLEMENTARY INFORMATION: FR Doc. 78-30571 was published on October 30, 1978, with an effective date of December 28, 1978, (43 FR 37708) stating that the Federal Aviation Administration proposed to designate a transition area at Levelland, Tex. Since the final rule was published, the United States Air Force has filed a petition to modify the rule and has recommended that the instrument approach procedure be established to runway 17. The basis for this petition was the high volume of air traffic operating from the Terry County Auxiliary Airfield and possible conflicts with aircraft executing approaches at the Levelland Municipal Airport. The Federal Aviation Administration agrees that the high volume of high performance aircraft operating to and from the Terry County Auxiliary Airfield could, under certain conditions, create possible conflicts with aircraft executing instrument approaches to the Levelland Municipal Airport and that the instrument approach procedure should be established to runway 17.

THE RULE

This amendment to Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR 71) revises the Levelland, Tex., transition area. This action provides controlled airspace from 700 feet above the ground for the protection of aircraft executing an instrument procedure at the Levelland Municipal Airport.

ADOPTION OF THE AMENDMENT

Accordingly, pursuant to the authority delegated to me by the Administrator, FR Doc. 78-30571, appearing on page 50420 in the FEDERAL REGISTER of October 30, 1978, the Levelland, Tex., transition area is amended by deleting the description and substituting the following:

LEVELLAND, TEX.

That airspace extending upward from 700 feet above the surface within a 7-mile radius of the Levelland Municipal Airport (33°33'32" N. latitude, 102°22'20" W. longitude), and within 3 miles each side of the 360° bearing from the Levelland NDB (33°33'20" N. latitude, 102°22'29" W. longitude), extending from the 7-mile radius to 8.5 miles north of the RBN.

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

NOTE.—The FAA has determined that this document involves a proposed regulation which is not considered to be significant under the procedures and criteria prescribed by Executive Order 12044 and as implemented by interim Department of Transportation guidelines (43 FR 9582; March 3, 1978).

Issued in Fort Worth, Tex., on January 16, 1979.

PAUL J. BAKER,
Acting Director, Southwest Region.
[FR Doc. 79-2948 Filed 1-26-79; 8:45 am]

[4810-22-M]

Title 19—Customs Duties

CHAPTER I—UNITED STATES CUSTOMS SERVICE, DEPARTMENT OF THE TREASURY

[T.D. 79-31]

PART 4—VESSELS IN FOREIGN AND DOMESTIC TRADES

Container With Cargo Covered by Multiple Bills of Lading; Reporting Requirements

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: Final rule.

SUMMARY: This document amends the Customs Regulations by establishing a simplified alternative for reporting bill of lading numbers covering containerized cargo. Presently, (1) all bills of lading for inward foreign cargo in a particular container must be listed in numerical sequence, (2) the number of the container which contains the cargo covered by that bill of lading and the container seal number must be listed opposite the bill of lading number, and (3) the number of any other bill of lading for cargo in that container also must be listed immediately under the container number. As a result, bill of lading numbers for containers covered by multiple bills of lading must be listed more than once. The amendment provides a simplified alternative for listing bill of lading numbers only once on a separate container list and thereby eliminates multiple listings of the same number which are burdensome to carriers and of no benefit to Customs.

EFFECTIVE DATE: January 29, 1979.

FOR FURTHER INFORMATION CONTACT:

John A. Mathis, Carriers, Drawback, and Bonds Division, U.S. Customs Service, 1301 Constitution Avenue,

N.W., Washington, D.C. 20229 (202-566-5706).

SUPPLEMENTARY INFORMATION:

BACKGROUND

New cargo declaration forms for use as part of the manifest required in connection with the arrival and departure of vessels, and procedures for the use of those forms, were established by Treasury Decision 77-255, published in the FEDERAL REGISTER on October 25, 1977 (42 FR 56317), which amended Part 4, Customs Regulations (19 CFR Part 4). The forms involved, the Cargo Declaration, Customs Form 1302, and the Cargo Declaration Outward With Commercial Forms, Customs Form 1305, replaced the former Inward Foreign Manifest, Customs Form 7527-A, and the Outward Foreign Manifest, Customs Form 1374.

T.D. 77-255 provided for the use of the new forms any time after October 25, 1977, and for their mandatory use as of September 1, 1978. However, a number of U.S. ocean carriers advised Customs that mandatory use as of September 1, 1978, would impose a hardship. Accordingly, by a notice published in the FEDERAL REGISTER on August 18, 1978 (43 FR 36621), the effective date for mandatory use was delayed until January 1, 1979.

Section 4.7a(c)(2), Customs Regulations (19 CFR 4.7a(c)(2)), as amended by T.D. 77-255, provides (1) that all bills of lading for inward foreign cargo shipped in containers shall be listed in numerical sequence in the column headed "B/L Nr." on Customs Form 1302, (2) that the number of the container which contains the cargo covered by that bill of lading and the container seal number shall be listed in column No. 6, opposite the bill of lading number, and (3) that the number of any other bill of lading for cargo in that container also shall be listed in column No. 6 immediately under the container and seal numbers. Therefore, for containers with merchandise covered by more than one bill of lading number, the same bill of lading numbers must be listed more than once on Customs Form 1302.

Because multiple listings of the same bill of lading number impose a burden on carriers and are of no benefit to Customs, it has been decided to provide a simplified alternative that will eliminate the need for reporting bill of lading numbers more than once.

ALTERNATIVE PROCEDURE

As an alternative to the procedure provided in § 4.7a(c)(2), Customs Regulations, a separate container list made on a Cargo Declaration form or on a separate sheet attached to the Cargo Declaration, may be submitted.

If this procedure is used, container numbers shall be listed in alphanumeric sequence by port of discharge in Column No. 6 of Customs Form 1302, or on the separate sheet. Each bill of lading number covering cargo in that container, identifying the port of lading, shall be listed in the column headed "B/L Nr." on Customs Form 1302 opposite the container number, or either opposite or under the container number, if a separate sheet is used. The container list will not be required as part of the vessel's traveling manifest, but need be submitted only at each port of discharge.

The procedures set out in § 4.7a(c)(2) (i) and (ii), requiring the listing of bill of lading numbers opposite or under the numbers of the containers, are for the benefit of the importing public and Customs and are designed to enable Customs officers to expedite the clearance of containerized merchandise. Customs will not consider clerical errors in the listing of the bill of lading or container numbers under these provisions as manifest irregularities requiring penalty action.

EDITORIAL CHANGES

This document also makes several editorial changes in section 4.7a, Customs Regulations.

INAPPLICABILITY OF PUBLIC NOTICE AND DELAYED EFFECTIVE DATE REQUIREMENTS

Because this amendment imposes no duty or burden on the public but merely relaxes a present requirement by providing an alternative reporting procedure, notice and public procedure are unnecessary and good cause exists for dispensing with a delayed effective date under 5 U.S.C. 553.

DRAFTING INFORMATION

The principal author of this document was Mark Jenkins, Regulations and Legal Publications Division, Office of Regulations and Rulings, U.S. Customs Service. However, personnel from other Customs offices participated in its development.

AMENDMENTS TO THE REGULATIONS

Sections 4.7a(c) (1) and (2), Customs Regulations (19 CFR 4.7a(c) (1) and (2)), are amended to read as follows:

§ 4.7a Inward manifest; information required; alternative forms.

(c) *Cargo Declaration.* (1) The Cargo Declaration, Customs Form 1302, shall list all the inward foreign cargo on board regardless of the port of discharge. The block designated "Arrival" at the top of the form shall be checked. The cargo described in

column Nos. 6 and 7, and either column No. 8 or 9, shall refer to the respective bills of lading. Either column No. 8 or column No. 9 shall be used, as appropriate. The gross weight in column No. 8 shall be expressed in either pounds or kilograms. The measurement in column No. 9 shall be expressed according to the unit of measure specified in the Tariff Schedules of the United States (19 U.S.C. 1202).

(2)(i) When inward foreign cargo is being shipped by container, each bill of lading shall be listed in the column headed "B/L Nr." in numerical sequence according to the bill of lading number. The number of the container which contains the cargo covered by that bill of lading and the number of the container seal shall be listed in column No. 6 opposite the bill of lading number. The number of any other bill of lading for cargo in that container also shall be listed in column No. 6 immediately under the container and seal numbers. A description of the cargo shall be set forth in column No. 7 only if the covering bill of lading is listed in the column headed "B/L Nr."

(ii) As an alternative to the procedure described in subparagraph (i), a separate list of the bills of lading covering each container on the vessel may be submitted on Customs Form 1302 or on a separate sheet. If this procedure is used—

(A) Each container number shall be listed in alphanumeric sequence by port of discharge in column No. 6 of Customs Form 1302, or on the separate sheet; and

(B) The number of each bill of lading covering cargo in a particular container, identifying the port of lading, shall be listed opposite the number of the container with that cargo in the column headed "B/L Nr." if Customs Form 1302 is used, or either opposite or under the number of the container if a separate sheet is used.

(R.S. 251, as amended, sec. 624, 46 Stat. 759 (19 U.S.C. 66, 1624))

R. E. CHASEN,
Commissioner of Customs.

Approved: January 11, 1979.

RICHARD J. DAVIS,
Assistant Secretary
of the Treasury.

[FR Doc. 79-2914 Filed 1-26-79; 8:45 am]

[4810-22-M]

[T.D. 79-32]

PART 4—VESSELS IN FOREIGN AND DOMESTIC TRADES

PART 6—AIR COMMERCE REGULATIONS

Vessels in Foreign and Domestic Trades; Air Commerce Regulations—Customs Regulations Amended

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: Final Rule.

SUMMARY: This document amends the Customs Regulations to require that an aircraft commander or other authorized person furnish Customs with an export inspection certificate issued by the Veterinary Services, Animal and Plant Health Inspection Service, Department of Agriculture, at the time of departure from the United States of any aircraft carrying specified livestock for export. The purpose of this requirement is to prevent diseased livestock from being exported from the United States by air. The document also makes minor conforming changes to a similar provision of the Customs Regulations relating to the exportation of specified livestock by vessels.

EFFECTIVE DATE: February 28, 1979.

FOR FURTHER INFORMATION CONTACT:

Leonard Rosenberg, Carriers, Drawback and Bonds Division, U.S. Customs Service, 1301 Constitution Avenue, N.W., Washington, D.C., 20229 (202-566-5706).

SUPPLEMENTARY INFORMATION:

BACKGROUND

Section 4.71, Customs Regulations (19 CFR 4.71), requires the master of a vessel which is exporting horses, mules, asses, cattle, sheep, swine, or goats to furnish Customs with a notice of inspection by the Animal and Plant Health Inspection Service, Department of Agriculture, to ensure that no diseased animals are exported.

However, there is no similar provision in Part 6, Customs Regulations, requiring an aircraft commander or other authorized person to furnish Customs an export inspection certificate before departure of an aircraft carrying these animals. The Department of Agriculture informed Customs of several instances when livestock subject to export health inspection and certification were exported by aircraft without proper documentation.

Therefore, a notice was published in the FEDERAL REGISTER on June 1, 1978 (43 FR 23731), proposing that section 6.8(a), Customs Regulations, be amended to require that an aircraft commander or other authorized person furnish Customs with an export inspection certificate issued by the Veterinary Services, Animal and Plant Health Inspection Service, Department of Agriculture, before departure of an aircraft carrying horses, mules, asses, cattle, sheep, swine, or goats. The notice also proposed to amend § 4.71 to conform to an organizational change within the Department of Agriculture and to a change of title in its required documentation.

DISCUSSION OF COMMENTS

Three comments were received in response to the notice, all of which strongly supported the proposal.

One commenter, the representative of a large dairy cattle breed registry organization, agreed that air transportation as well as surface transportation should be covered by health provisions applicable to exported animals.

The other commenters, representatives of the Department of Agriculture, pointed out that the proposed rule is an essential control measure which would avoid damage to the U.S. export market by preventing the exportation of uninspected livestock by aircraft. Such damage would seriously impair the United States balance of payments, which agriculture marketing abroad is now reducing.

AMENDMENT TO THE REGULATIONS

After consideration of the comments received, Customs has decided that the proposed amendments should be adopted without change, as set forth below.

DRAFTING INFORMATION

The principal author of this document was Mark Jenkins, Regulations and Legal Publications Division, Office of Regulations and Rulings, U.S. Customs Service. However, personnel from other Customs offices participated in its development.

G. R. DICKERSON,
Acting Commissioner of Customs.

Approved: January 8, 1979.

RICHARD J. DAVIS,
Assistant Secretary
of the Treasury.

Section 4.71, Customs Regulations (19 CFR 4.71), is amended to read as follows:

§ 4.71 Inspection of livestock.

A proper export inspection certificate issued by the Veterinary Services, Animal and Plant Health Inspection Service, Department of Agriculture,

shall be filed before the clearance of a vessel carrying horses, mules, asses, cattle, sheep, swine, or goats (9 CFR Part 91).

Section 6.8(a), Customs Regulations (19 CFR 6.8(a)), is amended by inserting a new sentence between the first and second sentences to read as follows:

§ 6.8 Documents for clearance, or for certain departures.

(a) * * * The aircraft commander or authorized person also shall deliver a proper export inspection certificate issued by the Veterinary Services, Animal and Plant Health Inspection Service, Department of Agriculture (9 CFR Part 91), to the Customs officer in charge at the time of departure of any aircraft carrying horses, mules, asses, cattle, sheep, swine, or goats. * * *

(R.S. 251, as amended (19 U.S.C. 66), secs. 12, 13, 14, 34 Stat. 1263, as amended (21 U.S.C. 612, 613, 614), secs. 624, 644, 46 Stat. 759, 761, as amended (19 U.S.C. 1624, 1644), sec. 1109, 72 Stat. 799, as amended (49 U.S.C. 1509).)

[FR Doc. 79-2913 Filed 1-26-79; 8:45 am]

[3710-08-M]

Title 32—National Defense

CHAPTER V—DEPARTMENT OF THE ARMY

[Army Reg. 340-211]

PART 505—PERSONAL PRIVACY AND RIGHTS OF INDIVIDUALS REGARDING THEIR PERSONAL RECORDS

Exemptions

AGENCY: Department of the Army.

ACTION: Final rule.

SUMMARY: The Department of the Army is adopting an exemption rule pertaining to a system of records subject to the Privacy Act of 1974 identified as A0402.01aDAJA, entitled General Legal Files.

EFFECTIVE DATE: January 29, 1979.

FOR FURTHER INFORMATION CONTACT:

Mr. Cyrus H. Fraker, Department of the Army, The Adjutant General Center, Washington, DC 20314; telephone 202/693-0973.

SUPPLEMENTARY INFORMATION: In 43 FR 59852, December 22, 1978, the Army published a proposed exemption rule to system notice A0402.01aDAJA General Legal Files. No comments were received. Accord-

ingly, the exemption rule as set forth below, is adopted.

MAURICE W. ROCHE,
Director, Correspondence and
Directives, Washington Headquarters Services, Department of Defense.

JANUARY 23, 1979.

32 CFR Part 505 is amended as follows:

1. Section 505.9 is amended by adding the following exempted systems of records:

§ 505.9 Exemption rules for Army systems of records.

* * * * *

EXEMPTED RECORD SYSTEMS

(Specific Exemptions)

ID-A0402.01aDAJA

SYSNAME—General Legal Files.

EXEMPTION—Those portions of this system of records falling within 5 U.S.C. 552a(k)(1), (2), (5), (6), and (7) may be exempt from the following provisions of Title 5 U.S.C. Section 552a: (c)(3), (d), (e)(1), and (f).

AUTHORITY—U.S.C. 552a(k)(1), (2), (5), (6), and (7).

REASONS—Various records from other exempted systems of records are sometimes submitted for legal review or other action. A copy of such records may be permanently incorporated into the General Legal Files system of records as evidence of the facts upon which a legal opinion or review was based. Exemption of the General Legal Files system of records is necessary in order to ensure that such records continue to receive the same protection afforded them by exemptions granted to the systems of records in which they were originally filed.

[FR Doc. 79-2915 Filed 1-26-79; 8:45 am]

[3710-08-M]

[AR 725-1]

PART 621—LOAN AND SALE OF PROPERTY

Procedures and Responsibilities

AGENCY: Department of the Army.

ACTION: Correction of Final Rule.

SUMMARY: This amendment corrects editorial errors and omissions to 32 CFR Part 621 published in FR Doc. 77-25317 appearing at page 43799 in the FEDERAL REGISTER issue of August 31, 1977. These errors have been cor-

rected for clarity Part 621 is republished to read as set forth below.

EFFECTIVE DATE: August 1, 1977.

ADDRESS: Write to: Commander, U.S. Army Materiel Development and Readiness Command, ATTN: DRCMM-SP, 5001 Eisenhower Avenue, Alexandria, VA 22333.

FOR FURTHER INFORMATION CONTACT:

Mrs. Caryl L. Veth, (703) 274-9617.

By authority of the Secretary of the Army.

Dated: January 16, 1979.

ROME D. SMYTH,
Colonel, U.S. Army, Director,
Administrative Management,
TAGCEN.

Accordingly, 32 CFR Part 621 is hereby corrected to read as follows:

Sec.

621.1 Loan of Army/Defense Logistics Agency (DLA) owned property for use at national and State conventions.

621.2 Sales of ordnance property to individuals, non-Federal government agencies, institutions, and organizations.

621.3 Accounting for arms and accouterments loaned to other government agencies.

621.4 Issues, loans, and donations for scouting.

(Pub. L. 81-193; 10 U.S.C. secs. 2574, 4308, 4506, 4507, 4627, and 4655, and Pub. L. 92-249.)

1. Present § 621.1 is revised as follows:

§ 621.1 Loan of Army/Defense Logistics Agency (DLA) owned property for use at national and State conventions.

(a) General. This section—

(1) Prescribes procedures for loan of Army-owned property to recognized National Veterans' Organizations for National or State conventions as authorized by Pub. L. 81-193.

(2) Request for loans for National Youth Athletic or recreation tournaments sponsored by veterans' organizations listed in the "Veterans Administration Bulletin 23 (ALPHA)," will be processed by parent veterans' organizations.

(3) Loans are not authorized for other types of conventions or tournaments.

(b) Items authorized for loan. If available, the following items may be loaned for authorized veterans' organizations requirements.

(1) Unoccupied barracks.

(2) Cots.

(3) Mattresses.

(4) Mattress covers.

(5) Blankets.

(6) Pillows.

(7) Chairs, folding.

(8) Tentage, only when unoccupied barracks are not available.

(c) *Requests for loan.* (1) Requests by authorized veterans' organizations for loan of authorized Government property will be submitted to the appropriate CONUS Army Commander of the area in which the convention will be held or the Commander, Military District of Washington (MDW) if within his area.

(2) The tenure of loan is limited to 15 days from the date of delivery, except under unusual circumstances. A narrative explanation will be provided to support loan requests for more than 15 days duration.

(3) Loan requests should be submitted by letter at least 45 days prior to required date, if practicable.

(4) Requests for loans will contain the following information:

(i) Name of veterans' organization requesting the loan.

(ii) Location where the convention will be held.

(iii) Dates of duration of loan.

(iv) Number of individuals to be accommodated.

(v) Type and quantity of equipment required.

(vi) Type of convention, (State or National).

(vii) Complete instructions for delivery of equipment and address of requesting organizations.

(viii) Other pertinent information necessary to insure prompt delivery.

(d) *Responsibilities.* The Army or MDW Commander will:

(1) When the availability of personal and real property is determined, notify the requesting veterans' organization of the following:

(i) The items and quantities available for loan and the source of supply.

(ii) No compensation will be required by the Government for the use of real property.

(iii) No expense will be incurred by the United States Government in providing equipment and facilities on loan.

(iv) Costs of packaging, packing, transportation and handling from source of supply to destination and return will be borne by the requesting organization.

(v) All charges for utilities (gas, water, heat, and electricity) based on meter readings or such other methods determined will be paid by the veterans' organization.

(vi) Charges which may accrue from loan of DLA/GSA material in accordance with paragraph III, AR 700-49/DSAR 4140.27, and GSA Order 4848.7 and Federal Property Management Regulations, subparagraph 101-27.5.

(vii) The Army will be reimbursed for any material not returned.

(viii) Costs of renovation and repair of items loaned will be borne by the requesting organization. Renovation and repair will be accomplished in accordance with agreement between the

Army Commander and the loanee to assure expeditious return of items.

(ix) Transportation costs in connection with the repair and renovation of property will also be at the expense of the using organization.

(x) Assure that sufficient guards and such other personnel necessary to protect, maintain, and operate the equipment will be provided by the loanee.

(xi) The period of loan is limited to 15 days from date of delivery, except as provided for in paragraph (c) of this section.

(xii) Any building or barracks loaned will be utilized in place and will not be moved.

(xiii) Upon termination of use, the veterans' organization will vacate the premises, remove its own property therefrom, and turn over all Government property.

(2) Specify a bond in an amount to insure safe return of real and personal property in the same condition as when borrowed. (In the case of personal property, this amount will be equal to the total value of the items based on current acquisition costs.)

(i) An agreement will be executed between the Army Commander and the Veterans' Organization if the terms of the loan are acceptable. A sample loan agreement is shown at Figure 7-5 of this subchapter.

(ii) When the agreement has been executed and the bond furnished, requisitions will be submitted to the appropriate source of supply. Requisitions will indicate shipping destination furnished by the veterans' organization. Transportation will be by commercial bills of lading on a collect basis.

(iii) Appoint a Property Book Officer to maintain accountability for the Government property furnished under this regulation.

(3) Property Book Officer will:

(i) Assume accountability from the document used in transferring property to the custody of the veterans' organization.

(ii) Perform a joint inventory with the veterans' organization representative. Survey any shortage or damages disclosed by the joint inventory in accordance with AR 735-11.

(iii) Maintain liaison with the veterans' organization during the period of the loan.

(iv) Prepare, in cooperation with the veterans' organization representative, an inventory of property being returned. Certify all copies of the receipt document with the veterans' organization representative.

(v) Insure the return of all property at the expense of loanee to the supply source or to repair facilities.

(vi) Obtain a copy of receipted shipping document from the installation receiving the property.

(vii) Determine cost and make demand on the loanee for:

(A) Items lost, destroyed, or damaged.

(B) Costs of repair or renovation. Estimated costs will be obtained from the accountable activity.

(C) Comply with instructions contained in AR 700-49/DSAR 4140.27 in the application of condition A and/or B, C, and T items utilized.

(D) Ascertain that items lost in transit are reconciled prior to assessing charges. Where the loss is attributable to other than the loanee, charges should not be borne by the borrower.

(viii) Request payment from the loanee. Checks are to be made payable to the Treasurer of the United States. Upon receipt of payment, appropriate fiscal accounts will be credited. The Property Transaction Record will be closed and the Stock Record Accounts audited.

(ix) Deposit collections in accordance with instructions contained in AR 37-103. In the event payment is not received within a reasonable period, Report of Survey Action will be initiated in accordance with AR 735-11.

(x) Reimburse DLA/GSA for the cost of any repair, reconditioning and/or materiel not returned.

§ 621.2 Sales of ordnance property to individuals, non-Federal government agencies, institutions, and organizations.

(a) *General.* This Section—

(1) Cites the statutory authority for, and prescribes the methods and conditions of sale of certain weapons, ammunition, and related items as specified herein.

(2) Applies to all sales of weapons and related material to individuals, organizations, and institutions, when authorized by the US Army Armament Materiel Readiness Command (ARRCOM), and overseas commanders.

(3) Provides that sales under this section will be limited to quantities of an item which authorized purchasers can put to their own use. It is not intended that property be sold under the provisions of this section for the purpose or resale or other disposition.

(4) Does not apply to sales of property determined to be surplus. (See AR 755 series.)

(b) *Price.* Except as noted below, when sales of the Army property are made and the title thereto passes from the US Government, the prices charged will be the standard list price contained in the SC 1305/30 Management Data List series, plus cost of packing, crating, and handling and administrative charges.

(c) *Condition of sale.* Provisions apply to sales under this section, as follows:

(1) Sales will be made without expense to the Government.

(i) All costs incident to sales (including packing, crating, handling, etc.) will be paid in advance by the purchaser.

(ii) All costs incident to shipment (transportation, parcel post charges, etc.) will also be paid by the customer.

(iii) Payment for items and charges incident to sale will be made only by cashier's check, certified check, bank money order, or postal money order made payable to the Treasurer of the United States.

(iv) For other than items of ammunition and ammunition components, cash will be acceptable when consignee pickup is authorized or purchase is made in person.

(2) All financial transactions will be accomplished in accordance with applicable Department of the Army directives and regulations. Moneys collected for cost of items, as well as packing, crating, and handling, will be deposited as an appropriate reimbursement as prescribed in applicable regulations.

(3) Generally, all sales are final and, normally, the US Government assumes no obligation or responsibility for repair, replacement, or exchange, except as provided in AR 920-20. Purchasers will be so advised prior to making the sale. All weapons sold, however, will be safe for firing.

(4) Weapons sold at standard price will be supplied with equipment. Weapons sold at less than standard price will be supplied less equipment.

(5) Sales of specific items may be suspended at any time by the direction of CDR, ARRCOM.

(d) *Purchasing procedure.* (1) Except as provided in paragraph (e) of this section, all requests originating within CONUS for the purchase of small arms weapons, repair parts, cleaning, preserving, and target material will be submitted to the Commander, ARRCOM, Rock Island, IL 61201.

(i) Upon approval, these items will be shipped from Army depots stocking such material, based upon availability of material. Customers will be furnished instructions for submission of remittance.

(ii) Upon receipt of proper remittance from eligible customers ARRCOM will issue the necessary documents directing shipment from an Army depot where the items are available.

(2) In implementing the subchapter, oversea commands should designate installations within the oversea command to which requests for purchase of ammunition and related material will be directed.

(3) Depots shipping weapons to individuals, Director of Civilian Marksmanship (DCM) affiliated rifle and pistol "clubs", museums, veterans organizations, and other US Government agencies will annotate shipping documents with the serial number of all the weapons they ship. Firearms shipped will be reported to Commander, ARRCOM, ATTN: DR SAR-MMD-D, Rock Island, IL 61202, using DA Form 3535 (Weapons Sales Record), DA Form 3535 may be obtained from Commander, Letterkenny Army Depot, ATTN: DRXLE-ATD, Chambersburg, PA 17201.

(i) The transportation officer will ascertain estimated transportation costs, to include DA transportation security measures (costs) for shipment to destination. Such information will be transmitted by letter to consignee with request for acknowledgement that shipment will be accepted based on costs submitted.

(ii) Shipment will not be made unless consignee agrees to accept shipments. Refusal to accept shipment shall be reported to ARRCOM.

(4) CDR, ARRCOM is responsible for maintaining a record by serial number of all weapons reported by depot in accordance with paragraph (d)(3) of this section. He will establish procedures to screen purchase requests to insure compliance with any limitations established by this section.

(e) *Sales to individuals, organizations, and institutions.* (1) Sales of small arms weapons and ammunition are limited by statute (10 U.S.C. 4308) to members of the National Rifle Association (NRA). Such sales will be made in accordance with the provisions of this paragraph and with other rules and regulations approved by the Secretary of the Army.

(2) Sales will be limited to M1 service rifles, either national match grade or service grade. Only one such rifle and spare parts for it will be sold to an individual. No ammunition will be sold to individuals.

(3) Junior marksmanship clubs and junior marksmanship division affiliated within the Director of Civilian Marksmanship (DCM) pursuant to AR 920-20 may purchase limited quantities of .22 caliber ammunition.

(4) The DCM will determine the maximum quantity of such ammunition that clubs will be permitted to purchase in each fiscal year.

(5) Approved, non-profit summer camp organizations which are of a civic nature and are chartered or recognized by the NRA are allowed to purchase from the DCM at cost plus shipping and handling charges, 300 rounds of .22 caliber ammunition for each junior who is participating in a summer camp marksmanship program.

(6) Requests for purchase of ammunition by marksmanship clubs and summer camp organizations will be submitted to the DCM for approval. If he approves, the application will be forwarded to ARRCOM for processing. If it is disapproved, it is returned to applicant with reason(s) stated for disapproval.

(f) *Eligibility of purchasers.* In order to purchase a rifle under this program, an individual must:

(1) Be a member of the NRA as required by statute.

(2) Be a member of a marksmanship club affiliated with the DCM (AR 920-20).

(3) Based upon regular competitive shooting, have an established status as a marksman as determined by the DCM.

(g) *Purchase procedure.* (1) Individual members of the NRA desiring to purchase National Match grade M1 service rifles will submit requests to the Director of Civilian Marksmanship, Department of the Army, Washington, DC, 20315.

(i) The request should contain the name and address of the shooting club with which the purchaser is affiliated and appropriate evidence of status as a competitive marksman.

(ii) The individual's current NRA membership card (or exact facsimile thereto) will be forwarded with the request, accompanied by a self-addressed stamped envelope for return of the membership card.

(2) Upon receipt of a request, the Director of Civilian Marksmanship will forward to the individual a Certificate for Purchase of Firearms in the suggested format at figure 5-1 to be completed, notarized and returned. When returned with check or arrangements for payment, the Certificate will be referred for appropriate verification in the records of US Government agencies and for other investigation as required. This is done to insure that the sale of a weapon to the applicant is not likely to result in a violation of law. The Privacy Act Statement for Certificate of Purchase of Firearms (figure 5-2) will be made available to the individual supplying data on the Certificate for Purchase of Firearms (suggested format, figure 5-1). Prior to requesting the individual to supply data on the Certificate for Purchase of Firearms (suggested format, figure 5-1) the Privacy Act Statement for Certificate will be made available to the individual concerned. (The Privacy Act Statement will be reproduced locally on 8 x 10 1/2 inch paper.)

(i) A purchase application will be denied if the applicant fails to meet all the conditions required in the Certificate.

(ii) If an application is denied, the applicant will be informed of the

action and will be given an opportunity to submit additional information justifying approval of the application.

(iii) If the results of the investigation are favorable, the application will be forwarded to ARRCOM for processing.

(h) *Targets and spare parts.* Marksmanship clubs affiliated with the DCM and individuals who are members of National Rifle Association are authorized to purchase from the Army targets of types not otherwise available from commercial sources. Request for such purchases will be submitted to the Director of Civilian Marksmanship for approval and processing. Individuals who are members of the National Rifle Association and who have in the past purchased rifles from the Army under the authority of 10 U.S.C. 4308(a)(5), may purchase spare parts for those rifles if the parts are available. Requests for purchase of spare parts will be submitted to the Director of Civilian Marksmanship for approval. If he approves the application, he will forward it to ARRCOM for processing. If he disapproves the application, he will return it to the applicant stating the reasons for disapproval. Current DA transportation security measures for weapons will be applied under procedures contained in paragraph (d)(1) (i) and (ii) of this section.

(i) *Cadets, US Military Academy.* (1) When approved by the CDR DARCOT, the Superintendent, US Military Academy may sell to cadets upon graduation from the Academy those sabers which no longer meet prescribed standards of appearance and/or serviceability.

(2) Application to purchase sabers under these provisions will be made in accordance with procedures established by the Superintendent.

(j) *Reserve Officer's Training Corps (ROTC) and National Defense Cadet Corps (NDCC).* Supplies required by educational institution for the training of units and individuals of the Reserve Officer's Training Corps and National Defense Cadet Corps, in addition to authorized items normally furnished to ROTC and NDCC schools, may be sold when available by the activities listed in paragraph (g) of this section (10 U.S.C. 4627). Such purchases will be in accordance with AR 145-2.

(k) *Manufacturers and designers.* (1) Under the provisions of title 10 U.S.C. Section 4506, the Secretary of the Army is authorized to sell to contractors or potential contractors such samples, drawings, and manufacturing and other information as he considers best for national defense. Procedures for such sale are contained in APP 13-1502.

(2) Under the provisions of title 10, U.S.C. Section 4507, the Secretary of

the Army may sell to designers who are nationals of the United States, serviceable ordnance and ordnance stores necessary in the development of designs for the Armed Forces. Designers will submit application to purchase to the appropriate Commodity Command.

(3) If any item normally requiring demilitarization pursuant to the Defense Disposal Manual (DoD 4160.21-M) and the AR 755-series is sold, a special condition of sale will prohibit further disposition by the purchaser without prior approval of the Deputy Chief of Staff for Logistics, Department of the Army.

(l) *Sales of individual pieces of U.S. armament for sentimental reasons.* Under the provisions of title 10, U.S.C., Section 2574, individual pieces of U.S. armament, which are not needed for their historical value and can be advantageously replaced, may be sold at a price not less than cost when there exists for such sale sentimental reasons adequate in the judgment of the Secretary of the Army.

(m) *Method of sale.* (1) Applications to purchase under the provisions of this act will be submitted to Deputy Chief of Staff for Logistics, ATTN: DALO-SMS, Department of the Army, with a complete identification including serial number, and location of desired item, if known.

(2) Approved applications for major items will be forwarded through Commander, U.S. Army Materiel Development and Readiness Command, ATTN: DRCMM-SP, to the Commander, U.S. Army Armament Materiel Readiness Command.

§ 612.3 Accounting for arms and accouterments loaned to other government agencies.

(a) *General.* This section—

(1) Prescribes procedures governing the accounting for arms and accouterments loaned to another agency of the U.S. Government by DARCOT for the protection of public money and property under the provisions of Title 10, U.S.C. 4655.

(2) Applies to DARCOT and those activities and installations thereof responsible for shipment of materiel and processing of supply documents for loans of arms and accouterments to other U.S. Government agencies.

(3) Issue of arms and accouterments to other U.S. Government agencies should be pursuant to section 601, Economy Act of 1932, (47 Stat. 417; 31 U.S.C. 686) as amended by the act of 26 June 1943 (57 Stat. 219).

(4) The Secretary or Under Secretary of the Army is the approving authority for loans covered by this section. Loans will be approved or disapproved after consideration of the purpose and proposed duration of the

loan, and such factors as stock position, programmed Army requirements, and type classification with pending changes thereto.

(5) Unless otherwise approved by the Secretary or Under Secretary of the Army, loan agreements will be for a maximum of one year.

(b) *Requests.* (1) Requests for an initial loan of materiel or for the extension of an existing loan will be forwarded by the head of the agency involved to the Secretary or Under Secretary of the Army. Only those items which are available in on-hand stocks will be considered for approval. Procurement of materiel required to satisfy a loan requirement is not authorized.

(2) Normally, request for loan of weapons/items which are type classified standard (Logistics Control Code A or B), will not be approved when a similar item or lower type classification is available.

(c) *Issue, cost and care.* (1) Loaned materiel will be returned to the Army in the same condition in which it was received.

(2) Cost of packing, handling, and transportation will be borne by the borrowing agency.

(3) Borrowing agencies are fully responsible for the care, custody, and proper use of materiel loaned, and for payment for materiel lost, damaged or destroyed.

(d) *Responsibilities.* (1) Under the provisions of statute cited in paragraph (a)(1) of this section, CDR DARCOT will require the maintenance of a stock record account, as specified in AR 735-5, for the purpose of reflecting accountability for property loaned pursuant to this regulation.

(2) Commander, ARRCOM, ATTN: DRSAR-MMD, has been designated by Commander, DARCOT as the activity to maintain accountable property records for these loans.

(e) *Processing loan requests.* (1) Requests for loan of arms and accouterments received in DARCOT or other Army activity supply channels will be returned to the originating agency for referral in accordance with paragraph (b)(1) of this section. Those approved by the Secretary or Under Secretary will be sent to ARRCOM for execution of a formal loan agreement.

(2) Requests for loans will specify the responsible official, consignee, specific need for materiel, proposed duration of the loan, a citation of funds to cover the cost of packing, handling, and transportation, and that facilities are available to keep firearms in locked security when not in use.

(f) *Shipment procedure.* (1) Inventory control points will initiate materiel release orders in accordance with AR 725-50. Concurrently with initiation of the materiel release order, the

consignee will be furnished notice that shipment has been directed, a list of the DOD Single Line Item Release/Receipt Documents (DD Form 1348-1), and instructions as follows:

(i) *Special note to consignee.* Upon receipt of the articles listed herein, the following certificate will be signed on three copies and forwarded with receiving document (DD Form 1348-1) to (insert name and address of responsible official).

"I certify that the articles listed on (insert number) copies of attached DD Form 1348-1, numbered as follows: (list number of each Release/Receipt Document) were received in apparent good condition, except as noted. Serial numbers have been verified. (Omit second sentence if not applicable).

(Signed) _____
(Typed) _____
(Date)." _____

(ii) *Special note to responsible official.*

(A) Upon receipt of signed copies from the consignee, another certificate as given in (B) below will be prepared and signed, with one copy to (insert name and address of accountable property officer) and one copy retained for file.

(B) When the requirement for these articles no longer exists, disposition instructions will be requested from (insert inventory control point). (The next sentence will be varied to fit cases where items are furnished on a nonreimbursable basis and can be disposed of in accordance with regulations of the borrowing agency; and cases where weapons, though furnished on a nonreimbursable basis, must be returned to Army control for demilitarization prior to disposal.)

"I certify that responsibility for articles listed on (insert number) copies of attached DD Form 1348-1, numbered as follows: (list number of each Release Receipt Document) is acknowledged, except as noted.

(Signed) _____
(Typed) _____
(Date)." _____

(2) All shipments will be documented on DoD Single Line Item Release/Receipt Document (DD Form 1348-1). Transportation, packing, and handling costs will be shown on all copies as will serial numbers in the case of weapons shipments.

(3) In addition to the normal distribution of DD Form 1348-1 to the consignee, one copy will be mailed to the designated responsible official of the agency concerned, and one to the pertinent inventory control point.

(g) *Accounting.* (1) *Stock record account.* Copies of the DD Form 1348-1 transmitted by the supplying installations as prescribed in paragraph (f)(1) of this section will be used as a basis for establishing accountability for the items on loan.

(2) *Hand receipt accounts.* The signature of the responsible official of the agency on DD Form 1348-1 will constitute a valid hand receipt in the accounts of the Army accountable property officer.

(3) *Annual settlements.* If a loan has been approved for a period longer than one year, property officers will reconcile loan accounts with responsible officials each 12 months. An Inventory Adjustment Report, DA Form 444, will be prepared in quadruplicate by the accountable property officer, listing items and quantities on loan to each agency. (Three copies will be forwarded to the responsible official concerned requesting verification of the listing and return of two signed copies.)

(h) *Returns.* (1) The responsible property officer normally will request disposition instructions from the accountable property officers when materiel is no longer needed or upon expiration of the established loan period. However, property may be drawn from the borrowing agency at any time to satisfy military requirements.

(2) The accountable property officer will issue shipping instructions for the return of property to a designated installation. The letter of instruction will contain a MILSTRIP document number (AR 725-50) for each line item to be returned, to be used for the shipment. The shipper will be directed to cite this document number on the shipping document.

(3) The accountable property officer will prepare and submit to the receiving installation a prepositioned materiel receipt card (DoD Materiel Receipt Document (DD Form 1486)) (document identifier DWC) as advance notice of the shipment.

(i) Exception data will be annotated as follows: "Return of Loan from other Government Agency-Report Receipt of Arms and Accouterments Accountable Property Officer, ATTN: DR SAR-MMD".

(ii) A copy of the letter of shipping instructions (paragraph (h)(2) of this section) will be inclosed with the prepositioned materiel receipt card for information.

(4) Upon receipt at the receiving installation, property will be inspected immediately. Cost of repairing unserviceable items and cost of replacement, if irreparable, will be determined at time of inspection. The MILSTRIP receipt card will be mailed to the accountable property officer with estimated damage cost and detail materiel conditions as exception data.

(5) Upon notification of materiel receipt, the accountable property officer will clear the loan record with a credit entry and process the receipt to the inventory records as an increase on-hand to asset balance.

(6) The accountable property officer will furnish receipted copies of the receiving document to the consignor and the responsible property officer closing the transaction. Billing action, when required, will be initiated as pre-

scribed below by paragraph (i) of this section.

(i) *Fiscal procedure.* Inventory control points will be responsible for initiating billing and collection upon receipt of documents specified in paragraphs (g) and (h) of this section.

(1) Collection of amounts due the Department of the Army under this section will be in accordance with the procedures set forth in Chapter 5, AR 37-27. The same procedure will be followed whether collections are to cover the cost of packing, handling, and transportation; the value of property lost or irreparably damaged; or the cost of repair.

(2) Collections will be credited to the appropriation out of which similar materiel will be procured, or similar services rendered.

(3) Standard Form 1080 (Voucher for Transfer between Appropriations and/or Funds) will be annotated to indicate that collections are to reimburse Department of the Army appropriations in accordance with 10 U.S.C. 4655.

§ 621.4 Issues, loans, and donations for scouting.

(a) *General.* This section provides information relative to issue, loan or donation of Government property to the Boy Scouts of America and the Girl Scouts of America.

(b) *Guidance.* (1) Issues are made under the provisions of the loan agreement and reimbursement is made for adjusted shortages and damages.

(2) Provisions for donations of surplus property to Scout organizations, including lists of classes of donable property, are contained in Chapter III, Part 3, Defense Disposal Manual (DOD 4160.21M).

(3) The loan of certain Army, Navy, Air Force and DLA equipment and the provision of transportation and other services for Jamborees is initially provided for by Pub. L. 92-249. Implementation on a current basis is made in DOD Directive 7420.1. Army implementation is provided as follows:

(i) Army stock fund in paragraph 2-6b(4), AR 37-111, Working Capital Fund-Army Stock Fund Uniform Policies, Principles and Procedures Governing Army Stock Fund Operations.

(ii) Non-stock fund in paragraph 2-18, AR 310-34, Equipment Authorization Policies and Criteria, and Common Table of Allowances.

(c) *Procedure.* Loan agreements are mutually developed preceding the actual lending of the equipment. Paragraph 1-16, AR 735-5, General Principles, Policies and Basic Procedures, is used as the guide for preparation of loan agreements. Authority for commanders to participate in World and National Jamborees is included in paragraph (d) of this section; Proce-

dures for Loan of Equipment and Providing of Transportation and Other Services to the Boy Scouts of America for World and National Jamborees is included in paragraph (j); and sample loan agreement to be executed by area commanders is included as figure 7-5.

(d) *World and National Boy Scout Jamborees.* The Act of 10 March 1972 (Pub. L. 92-249; 86 Stat. 62.) and (86 Stat. 63.) authorized the Secretary of Defense to lend equipment and provide transportation and other services to the Boy Scouts of America in support of World and National Jamborees. The Secretary of Defense has delegated his authority and responsibility for the support of Jamborees to the Secretary of the Army. The Commander DARCOT ATTN: DRCMM-SP has been assigned to monitor the program for the Secretary of the Army.

(e) *Group travel and visits.* Many Scouts and Leaders will travel in groups and their itinerary will provide for visits to places of interest in CONUS en route to and from Jamborees. Such group travel may begin in June and extend into September and October of the Jamboree year. In keeping with Department of the Army policies, commanders of Army installations may extend an invitation to and honor requests from Scout groups en route to and from the Jamboree to visit and encamp at their installation.

(f) *Commissary and post privileges.* Installation commanders are authorized to provide commissary and post exchange privileges to Scout groups en route to and from the Jamboree for food items such as bread, meat, and dairy products. These privileges will be extended only to Scout groups which are en route to or from the Jamboree and who are encamped or quartered at the installation or the Jamboree site. Commissary and post exchange privileges extended to Scout groups while encamped at the Jamboree site for supply and food items will only be honored upon application by officials of the Boy Scouts of America to supplement supplies and rations not considered adequate for American Scouts or Scouters.

(g) *Arrangements.* Regional Scout Executives have been informed by the National Headquarters of the contents of this subchapter and that arrangements pursuant to this subchapter must be made in advance directly with the installation commanders. However, commanders will consider factors of extenuation or emergency which may preclude advance arrangements.

(h) *Hospitalization.* Boy Scouts and Scout Leaders attending Jamborees are considered designees of the Secretary of the Army for the purpose of receiving medical care at US Army Medical facilities. The reciprocal rate

will not be charged. Subsistence charges will be at the rate of \$1.80 per day for hospitalized patients, but will not be collected locally. Each Boy Scout and Leader participating in Jamborees and hospitalized in Army medical treatment facilities will be reported to The Surgeon General, ATTN: DASG-SGRE-SSC, Department of the Army, Washington, DC 20314, on DD Form 7 (Report of Treatment Furnished Pay Patients; Hospitalization Furnished (Part A)). No local collections are authorized.

(i) *Service coordination.* (1) The Departments of the Navy and the Air Force and the Defense Logistics Agency will assist the Department of the Army in providing necessary equipment, transportation, and services in support of the Boy Scouts of America attending Jamborees. The Secretary of the Army or his designee will maintain liaison, as appropriate, with such agencies to avoid duplication of effort.

(2) Other departments (agencies) of the Federal Government are authorized under such regulations as may be prescribed by the Secretary (Administrator) thereof, to provide to the Boy Scouts of America (BSA), equipment and other services, under the same conditions and restrictions prescribed for the Secretary of Defense.

(j) *Procedure for loan of equipment and providing of transportation and other services to the Boy Scouts of America for world and national jamborees. Preliminary actions.* (1) In accordance with the provisions of Pub. L. 92-249, H.R. 11738, 10 March 1972, and Secretary of Defense Memo of 17 May 1972, Subject: Loan of Equipment and Providing of Transportation and Other Services to the Boy Scouts of America for Boy Scout Jamborees; Memo of 23 January 1973, Subject: Military Transportation Support for Boy Scout Jamborees; and Memo of 19 August 1974, Subject: Military Transportation Support for Boy Scout Jamborees, the DOD is authorized to lend certain items and provide transportation and certain other services to such Jamborees. Prior to the loan of property and providing transportation and other services, an appropriate agreement will be executed between the United States of America and the activity to be supported. A bond (fig. 7-6), in an amount specified by the Commander, DARCOT, based on statute taken by the Commander-in-Chief/Commander, Major Army Command (MACOM), and held until termination of the encampment and final settlement is made for each Jamboree.

(2) The Commander-in-Chief/Commander, MACOM designated, on behalf of the Commander, DARCOT, representing the Secretary of Defense will enter into legal arrangements

with the Boy Scouts of America for the loan of equipment and the providing of transportation and certain other services for Boy Scouts World and National Jamborees. National Jamborees include Jamborees conducted by and within the United States and also those conducted by and within foreign nations.

(3) The Commander-in-Chief/Commander, MACOM, will appoint a Property Book Officer who will maintain separate stock records in order to provide for a single final billing to the supported activity (Boy Scouts of America) for items consumed, lost, damaged or destroyed. The Department of the Army will not be billed for items obtained from other than Army sources, except medical supply losses. Bills for medical supply losses will be submitted to the US Army Area Surgeon for payment. He will establish liaison with the activity to be supported. The property book account will be established in accordance with section II, chapter 2, AR 710-2.

(4) The Commander-in-Chief, MACOM, will task the Army Area Surgeon for Medical Supply Support to the Jamborees. Each Surgeon designated should appoint an accountable officer and furnish the name, location, and routing identifier of a project office wherein medical supply problems can be resolved.

(5) The Property Book Officer is authorized direct communication with the source of supply, other military department liaison personnel and DARCOT ICP's to resolve routine supply problems.

(k) *Preparing bills of material.* (1) The activity (BSA) will submit a list of equipment and supplies desired to the Commander-in-Chief/Commander, MACOM. This list will be edited during and subsequent to preliminary conferences with representatives of the activity and furnished to Commander, DARCOT, ATTN: DRCMM-SP.

(2) HQ, DARCOT will convert the informal list to a tentative Bill of Material and will furnish the respective Commodity Command that part of the Bill of Material for their items of logistical responsibility. A suggested format for the Bill of Material is included as figure 7-1. Local reproduction is authorized. Copies of the entire tentative Bill of Material will also be furnished to each of the military departments authorized to participate in the support of the encampments. The Bill of Material forwarded to the Commander-in-Chief/Commander, MACOM will be screened to determine inhouse availability prior to placing requisitions on CONUS supply points.

(3) At such time as item availability information is on hand and the sources to be used are determined

(paragraph (m) of this section, a Bill of Material (figure 7-1) will be prepared by HQ, DARCOM, and forwarded to the Commander-in-chief/Commander, MACOM.

(4) The Bill of Material will list, by commodity command (military department), all items desired, identified by National Stock Number (NSN) description, quantity desired and required delivery date. The NSN will provide identification of the items required. Items will be identified by the Property Book Officer to the responsible commodity command or military department as indicated below:

- (i) CERCOM..... 1 US Army Communications and Electronics Materiel Readiness Command.
- (ii) TSARCOM..... 2 US Army Troop and Aviation Materiel Readiness Command.
- (iii) ARRCOM..... 3 US Army Armament Materiel Readiness Command.
- (iv) TARCOM..... 4 U.S. Army Tank-Automotive Materiel Readiness Command.
- (v) DLA..... 5 Defense Logistics Agency.
- (vi) Navy..... N Department of the Navy.
- (vii) Air Force..... F Department of the Air Force.
- (viii) Other Installations. A

The Bill of Material will be screened to insure that radioactive items restricted for military use are not included.

(1) *Establish property transaction records.* (1) A Property Transaction Record reflecting complete information about each item loaned to the activity will be established and maintained by the Property Book Officer (figure 7-2) and the respective commodity command military department (figure 7-3). Suggested formats for the Property Transaction Records are found in figures 7-2, 7-3, and 7-4. Local reproduction is authorized.

(2) The Property Book Officer will also establish and maintain separate Property Transaction Records for items obtained from supply sources other than Army commodity commands, i.e., other Army installations, Department of the Navy, Department of the Air Force (figure 7-4).

(3) Each entry on the Property Transaction Record will be supported by appropriate documentation (commodity command: copies of shipping documents, copies of return documents and copies of surveillance inspection report—Property Book Officer: Requisition voucher files and hand receipt cards). This is particularly important for reconciliation purposes in order that all property received from each source will be returned to that source upon termination of each encampment.

(m) *Locating and obtaining equipment and supplies.* (1) The respective commodity commands (military de-

partments) will screen the tentative Bill of Material (paragraph (k)(2)) and determine availability and source of supply identified by Routing Identifier Code. They will advise HQ, DARCOM, ATTN: DRCMM—SP of availability, appropriate substitute items when the requested items are not available in sufficient quantity, and the source of supply for requisitioning purposes.

(2) Concurrently, the Bill of Material will be screened within the MACOM to determine those items that can be obtained from assets available in the command.

(3) The Property Book Officer will requisition equipment and supplies from the source of supply as indicated by Commander, DARCOM in accordance with AR 725-50 or other separately furnished instructions. The requisition number, quantity requisitioned, stock number and source of supply will be entered in the Property Transaction Record. Requisitions will cite the appropriate project code assigned and appropriate activity address code on all requisitions submitted. Project codes will be assigned by Commander, Logistic Systems Support Activity, ATTN: DRXLS-LCC, Chambersburg, PA, 17201 and distributed by message to all interested addressees.

(4) Loan of General Services Administration (GSA) General Supply Fund Material—The Federal Property and Administrative Services Act of 1949, as amended, authorizes the Administrator, GSA to loan GSA General Supply Fund Material to the Department of Defense and other federal agencies. Loan shall be made to the extent that items are readily available and that such loans will not jeopardize the GSA stock inventory. The loan of GSA General Supply Fund Material shall normally be limited to 90 Calendar days. Requisitions for GSA material should be submitted to the nearest GSA Regional Office by the CINC/CDR MACOM.

(5) Formal accountability for all items shipped to the site of the activity will be retained by the appropriate accountable activity. Property and financial accounting will be in accordance with respective military department regulations governing loans.

(6) The shipping depot or other source will furnish a copy of the shipping document to the respective commodity command (military department) where the quantity charged, date shipped, condition of the property and total value will be posted to the Property Transaction Record.

(7) Upon receipt of the advance copy of the shipping document, the commodity command (military department) will post information to his Transaction Record, by source as in paragraph (l)(1) of this section.

(8) When the shipment is received, the Property Book Officer will inspect the property. A narrative statement of condition will be prepared if condition of the property is other than that indicated on the shipping document and referenced to the condition entry on the Property Transaction Record. The source of supply, as appropriate, will be immediately notified of overages or shortages and verified in condition, as provided in Chapter 8, AR 735-11. The Property Book Officer will enter on the shipping document the quantity actually received when it differs from quantity shown as shipped and will post the quantities received to the property book record.

(9) Discrepancies between the quantity shipped by the depot and that received by the Property Book Officer and variance in condition will be reconciled as rapidly as possible and appropriate records will be brought into agreement. When shortage or damage is not attributable to the carrier, the Property Book Officer will immediately contact the responsible source of supply, furnishing the stock number and document number involved, together with an explanation of the discrepancy. Reconciliation is particularly important in order to ensure a common point of departure in determining charges to be assessed upon termination of the activity. Replacement shipments, when required, will be covered by appropriate shipping documents.

(10) Special Instructions for Defense Logistics Agency, Clothing and Textile Items. (See DSAR 4140.27/AR 700-49).

(n) *Transportation.* (1) Transportation of equipment and supplies—The responsibility of coordinating movement of equipment and supplies placed on loan to the Boy Scouts of America during National and World Jamborees is delegated to the Commander, US Army Materiel Development and Readiness Command, ATTN: DRCMM-ST.

(2) All requisitions for items in question, will cite the appropriate project code and will be shipped by commercial bill of lading on a collect basis to all National Jamborees and World Jamborees held in the United States.

(3) Shipments to Boy Scout contingents at World Jamborees in foreign countries will be by Government bills of lading, unless otherwise specified by the Boy Scouts of America.

(4) All shipments directed to Boy Scout Jamborees will be routed by the most feasible means as determined by the shipper. Shipments will be consolidated to the maximum extent possible to assure the lowest charges available to the Boy Scouts of America.

(5) Separate shipping instructions will be provided for each Jamboree to

assure that correct consignee and rail-head addresses are furnished.

(6) Movement of Boy Scouts, Scouters, and officials living in the United States of America to a Jamboree within the United States of America or to a Jamboree in an overseas area shall be the responsibility of the Boy Scouts of America or the individuals concerned.

(7) No authority exists under Public Law 92-249 for the movement of Boy Scouts, Scouters, and officials via military capabilities other than those of the Military Airlift Command or the Military Sealift Command.

(o) *Transportation by vessels of the Military Sealift Command (MSC).* (1) The MSC does not operate any ships suitable for carriage of passengers on transoceanic routes. Although pertinent directives and Public Law 92-249 authorize the movement of Boy Scouts on Military Vessels, the MSC has no capability to provide such transportation.

(2) The MSC is an industrial-funded organization and charges the military service for sealift services provided in accordance with established rates. The host command will be responsible to compensate the MSC for any equipment or material moved on MSC ships. The limitations inherent in Public Law 92-249 stipulate that transportation support provided will be at no cost to the Government. Under these directions, Boy Scout equipment or material is not authorized movement on a space available basis without prior approval of the Secretary of Defense. Such approval is not anticipated.

(3) All billings for transportation provided by MSC will be forwarded to the appropriate Commander-in-Chief/Commander of the support major Army command (MACOM). Reimbursement will be requested by the MACOM Commander from the Boy Scouts of America.

(p) *Transportation of overseas based scouts, scouters, and other authorized personnel by military airlift to national or international jamborees.* (1) Space required reimbursable transportation by Military Airlift Command (MAC) airlift over established MAC channels is authorized from points outside the Continental United States (CONUS) to aerial ports within CONUS, or to other overseas locations and return. Such transportation will be provided only to the extent that it does not interfere with the requirements of military operations, and only to those Boy Scouts, Scouters, and officials residing overseas and certified by the Boy Scouts of America (BSA) as representing the BSA at the Jamboree. Certification by the BSA will be in the form of a letter identifying each such individual as their authorized

representative at the Jamboree. This letter of authorization must be presented to the sponsoring overseas command.

(2) Boy Scouts, Scouters, officials and their equipment will be moved after all space-required traffic, but before any space-available traffic.

(3) Each passenger is authorized the normal accompanying free baggage allowance of 66 pounds while traveling on MAC aircraft. It is not contemplated that any excess baggage allowance will be authorized.

(4) Transportation of Boy Scouts, Scouters, officials, and their equipment provided by MAC controlled aircraft will be reimbursed at the common user tariff rates assessed U.S. Government Traffic, as contained in AFR 76-11.

(5) On the basis of letters of authorization issued by the BSA, the BSA will monitor services provided by the Department of Defense. One copy of each BSA letter of authorization will be forwarded to the Commander, US Army Materiel Development and Readiness Command, ATTN: DRCMM-SP, 5001 Eisenhower Avenue, Alexandria, VA 22333, for planning purposes. This letter of authorization should specify whether one way or round trip transportation is requested.

(6) DACROM responsibilities include the following:

(i) Compiling a passenger forecast to be submitted to MAC in accordance with AR 59-8/OPNAVINST 4630.18C/AFR 76-38/MCO 4630.6B.

(ii) Providing Military Traffic Management Command (MTMC) an information copy of the passenger forecast.

(iii) Submitting all passenger requirements for one way and round trip transportation originating overseas to the appropriate overseas command.

(7) The responsibilities of the sponsoring overseas command include:

(i) Verifying that Scout passengers are officially authorized representatives of BSA in accordance with paragraph (p)(1) of this section.

(ii) Making all necessary passenger reservations with MAC, for transportation originating overseas, in accordance with AR 55-6/AFR 76-5/OPNAVINST 4630.23/MCO P4630.11. The overseas command will submit CONUS outbound return passenger requirements to Commander, Military Traffic Management Command, ATTN: MTMC-PTO-P, Washington, D.C. 20315.

(iii) Issuing each passenger a MAC Transportation Authorization (DD Form 1482) for transportation from the overseas location and return, when round trip transportation has been requested. The customer identification code, item (7) of the DD Form 1482, should be designated—JBWJ—which

was approved by MAC as the permanent CIC for direct billing purposes to HQ, Boy Scouts of America, North Brunswick, New Jersey, 08902.

(iv) Ensuring that each Scout passenger has a completed DD Form 1381, signed by a parent, guardian or other legally responsible individual.

(v) Evaluating the use and necessity of military airlift within or between overseas locations. This evaluation will include such factors as reasonable travel time, number of connections required, and assurance of Scout group integrity. Surface transportation will normally be used for travel within an overseas area.

(8) The responsibilities of the MTMC include:

(i) Evaluating the return outbound passenger requirements and making the necessary transportation arrangements so as to maintain Scout group integrity at all times.

(ii) Assisting the BSA in completing required documentation and insuring that passengers are ready prior to the return flight.

(iii) Pub. L. 92-249 does not provide authorization for the use of the Department of Defense transportation by Scouts, Scouters, and Officials of foreign nations. All requests to transport such persons should be forwarded through the unified command channels to the Office of the Assistant Secretary of Defense (Public Affairs). However, DOD does not contemplate authorization for the use of MAC aircraft for other than U.S. Scouts, Scouters, and Officials.

(iv) Use of military helicopters in support of medical evacuation, VIP, press and photo-services—The Director of Army Aviation, the Department of the Army Staff Judge Advocate, and the Comptroller of the Army have furnished the general opinion that Public Law 92-249 authorizes the use of Military helicopters in support of the above described services to the extent they are reasonably available and permits the use of appropriated funds.

(q) *Determination of charges and settlement.* (1) All property on which repair cost is claimed will be held at the depot or post, camp or station until final charges are determined and a release is given by CDR, DARCOM, Department of the Army.

(2) The commodity command (military department) will prepare the following information and statement, and forward them, to CDR, DARCOM, Department of the Army, for final review:

(i) Complete Property Transaction Record and supporting documents.

(ii) Proper accounts for which reimbursement received for shortages and repairs are to be deposited.

(iii) The following statement: "The losses and/or damages indicated on the Property Transaction Report in the amount of \$— represent the total claim by (appropriate commodity command or military department) relative to commodity command or military department property loaned to (Boy Scouts of America). Upon settlement and deposit to the proper account, the CDR of the commodity command or military department releases the (Boy Scouts of America) from further obligations."

(iv) Statements as to the general type of repair (e.g., tentage, repair tears, insert new panels, replace grommets) will be reported on separate addendum to the Property Transaction Record for items requiring repair.

(3) The CINC/CDR, MACOM, will prepare the following information and statement for property furnished for assets in the command and will forward this to CDR, DARCOM:

(i) Same as (q)(2)(i) of this section.

(ii) Same as (q)(2)(ii) of this section.

(iii) The following statement: The losses and/or damages indicated on the Property Transaction Record in the amount of \$— represent the total claim by (appropriate Army) relative to (appropriate Army) property loaned to (Boy Scouts of America). Upon settlement and deposit to the proper account, the CINC/CDR, MACOM releases the (Boy Scouts of America) from further obligations.

(iv) Same as (q)(2)(iv) of this section.

(4) CDR, DARCOM, will review the charges, inspect property to be repaired, if necessary, reconcile any discrepancies and determine final charges to be levied against the supported activity. Approved list of charges will be forwarded to the CINC/CDR, MACOM, for collection, and property being held for repair will be released.

(5) The CINC/CDR, MACOM, will prepare and dispatch a letter to the supporting activity and request payment made payable to the Treasurer of the United States. Upon receipt of payment, collection documents will be prepared and appropriate fiscal accounts, as furnished by the commodity command (military departments) ((q)(2) and (3) of this section) credited. The MACOM Surgeon will take action to reimburse the DLA stock fund for expendable medical supply losses reported. The CINC/CDR, MACOM, will close the Property Transaction Record Account.

(6) The CINC/CDR, MACOM, will advise the CDR, commodity command (military departments and CDR, DARCOM, DA) that settlement has been accomplished. Commodity command (military department) Property Transaction Records will be closed upon receipt of the foregoing advice.

(7) The CDR, DARCOM will advise the CINC/CDR, MACOM, to return the bond to Boy Scouts of America.

(8) In the event of unsatisfactory settlement, the proceeds of the bond will be used to satisfy the claim. The Power of Attorney executed in connection with the agreement will be invoked and proceeds collected from the bond (fig. 7-7).

[FR Doc. 79-2908 Filed 1-26-79; 8:45 am]

[4910-14-M]

Title 33—Navigation and Navigable Waters

CHAPTER I—COAST GUARD, DEPARTMENT OF TRANSPORTATION

[CGD 78-89]

PART 117—DRAWBRIDGE OPERATION REGULATIONS

Miami River, Florida

AGENCY: Coast Guard, DOT.

ACTION: Final rule.

SUMMARY: At the request of the Dade County Department of Transportation, the Coast Guard is changing the regulations governing the drawbridges across the Miami River to exclude the present restricted period on Saturday (i.e., the draws will open on signal). This change reflects decreased vehicular congestion on Saturday. This action results in less restriction on Saturdays for vessel traffic through the bridges.

EFFECTIVE DATE: This amendment is effective on March 1, 1979.

FOR FURTHER INFORMATION CONTACT:

Frank L. Teuton, Jr., Chief, Drawbridge Regulations Branch (G-WBR/73), Room 7300, Nassif Building, 400 Seventh Street, S.W., Washington, D.C. 20590 (202-426-0942).

SUPPLEMENTARY INFORMATION: On August 28, 1978, the Coast Guard published a proposed rule (43 FR 38434) concerning this amendment. The Commander, Seventh Coast Guard District, also published these proposals as a Public Notice dated August 29, 1979. Interested persons were given until September 29, 1978 to submit comments.

DRAFTING INFORMATION

The principal persons involved in drafting this rule are: Frank L. Teuton, Jr. Project Manager, Office of Marine Environment and Systems, and Mary Ann McCabe, Project Attorney, Office of the Chief Counsel.

DISCUSSION OF COMMENTS

Twelve letters and one petition with ten signatures were received, all of which supported the proposal.

In consideration of the foregoing, Part 117 of Title 33 of the Code of Federal Regulations is amended by revising paragraph (a) of §117.448 to read as follows:

§ 117.448 Miami River, Fla.: highway bridges from mouth to and including city of Miami bridge at Northwest 27th Avenue, Miami.

(a) Except as otherwise provided in paragraphs (b), (c), and (d) of this section, the owners of or agencies controlling these bridges shall not be required to open the drawspans for the passage of vessels from 7:30 to 9 a.m. and from 4:30 to 6 p.m., on all days other than Saturdays, Sundays, and the following legal holidays: New Year's Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, and Christmas Day.

(Sec. 5, 28 Stat. 362, as amended, sec. 6(g)(2), 80 Stat. 937; 33 U.S.C. 499, 49 U.S.C. 1655(g)(2); 49 CFR 1.46(c)(5).)

Dated: January 20, 1979.

J. B. HAYES,
Admiral, U.S. Coast Guard
Commandant.

[FR Doc. 79-2965 Filed 1-26-79; 8:45 am]

[4910-14-M]

[CGD2-79-1-R]

PART 165—SAFETY ZONES

Safety Zone—Upper Mississippi River, Mile 0 to Mile 126

AGENCY: Coast Guard, DOT.

ACTION: Final Rule.

SUMMARY: This amendment to the Coast Guard's Safety Zone Regulations establishes the Upper Mississippi River, Mile 0 to Mile 126, as a safety zone. This safety zone is established to prevent the destruction or loss of any vessel in this area. This area has been made especially hazardous by the presence of extremely heavy ice conditions, and this hazard will be amplified as efforts are undertaken to break the ice and clear the channel.

DATES: This amendment is effective at 6 P.M., CST, 18 January 1979 and will remain effective until further notice.

FOR FURTHER INFORMATION CONTACT:

CAPT. GLENN F. YOUNG, USCG,
c/o Commander, Second Coast
Guard District, 1430 Olive St., St.

Louis, MO 63013, TEL: 314 425-4614.

SUPPLEMENTARY INFORMATION: This amendment is issued without publication of a notice of proposed rulemaking and is effective in less than 30 days from the date of publication, because public procedures on this amendment are impractical due to the emergency nature of the ice conditions, and due to the additional hazard that will be created by icebreaking efforts scheduled to begin on 22 January 1979.

DRAFTING INFORMATION: The principal persons involved in the drafting of this rule are CAPT. R. W. H. BARTELS, USCG, Project Officer, and LCDR K. J. BARRY, USCG, Project Attorney, c/o Commander, Second Coast Guard District, 1430 Olive St., St. Louis, MO 63103 TEL: 314 425-4614. In consideration of the above, Part 165 of Title 33 of the Code of Federal Regulations is amended by adding § 165.203, to read as follows:

§ 165.203 Upper Mississippi River, Mile 0 to Mile 126.

(a) *Safety Zone:* All the waters of the Upper Mississippi River from Mile 0 to Mile 126 are a safety zone.

(b) *Special regulations.* No vessel may enter into or proceed within the safety zone described in subsection (a) without the express permission of the Commander, Second Coast Guard District, 1430 Olive St., St. Louis, MO 63103, TEL: 314 425-4614.

(92 STAT. 1475 (33 U.S.C. 1225); 49 CFR 1-46 (n)(4).)

Dated: January 18, 1979.

W. E. CALDWELL,
Rear Admiral, U.S. Coast Guard
Commander, Second Coast
Guard District.

[FR Doc. 79-2975 Filed 1-26-79 8:45 am]

[3640-01-M]

Title 35—Panama Canal

CHAPTER I—CANAL ZONE REGULATIONS

PART 10—ACCESS TO INFORMATION CONCERNING INDIVIDUALS

General Routine Use

AGENCY: Canal Zone Government and Panama Canal Company.

ACTION: Final rule.

SUMMARY: On December 14, 1978, the Canal Zone Government and the Panama Canal Company published a proposed rule to establish a new general routine use in the FEDERAL REGISTER (43 FR 58394). No comments requiring amendment of the proposed

rule were received, and the rule is now adopted without change. The rule establishes a new general routine use applicable to all systems of records maintained by the Canal Zone Government and the Panama Canal Company. The routine use permits the Canal agencies to release information from their systems of records to other agencies of the United States, and to officials of the Government of the Republic of Panama, for the purpose of planning the implementation of the Panama Canal Treaty of 1977 and related agreements.

EFFECTIVE DATE: January 30, 1979.

ADDRESS: Panama Canal Company (Administrative Services Division), Box M, Balboa Heights, Canal Zone.

FOR FURTHER INFORMATION CONTACT:

Mrs. Hazel M. Murdock, Assistant to the Secretary, Panama Canal Company, Room 312, Pennsylvania Building, 425 13th Street N.W., Washington, D.C. 20004 (telephone 202-724-0104).

Accordingly, Appendix A to Part 10 of Title 35, Code of Federal Regulations, is amended by the addition of a new paragraph 7. The introductory paragraph to Appendix A and the new paragraph 7 read as follows:

APPENDIX A—GENERAL ROUTINE USES

Information pertaining to individuals which is maintained in any system of records under the control of the Panama Canal Company or Canal Zone Government is subject to disclosure, as a routine use of such information, to any of the following persons or agencies under the circumstances described:

* * * * *

7. To the extent necessary for planning the implementation of the Panama Canal Treaty of 1977 and related agreements, information may, upon approval by the Chief, Administrative Services Division (Agency Records Officer) or that official's designee, be disclosed to officials of the Government of the Republic of Panama and to U.S. Government agencies which will, under the Treaty, assume functions now performed by the Panama Canal Company or the Canal Zone Government.

Dated: January 17, 1979.

H. R. PARFITT,
Governor of the Canal Zone,
President, Panama Canal Company.

[FR Doc. 79-2864 Filed 1-26-79; 8:45 am]

[3410-11-M]

Title 36—Parks, Forests, and Public Property

CHAPTER II—FOREST SERVICE, DEPARTMENT OF AGRICULTURE

PART 200—ORGANIZATION, FUNCTIONS, AND PROCEDURES

Subpart A—Organization

ORGANIZATIONAL CHANGES AND CORRECTIONS

AGENCY: Forest Service, USDA.

ACTION: Final rule (Organization statement).

SUMMARY: The organizational description of the Forest Service is updated to reflect a current listing of land management units and research facilities and a name change for Region 5, from "California Region" to "Pacific Southwest Region." This organizational description is required to be published in the FEDERAL REGISTER by the Administrative Procedure Act.

EFFECTIVE DATE: January 29, 1979.

FOR FURTHER INFORMATION CONTACT:

Thomas R. Jones, Administrative Management Staff, Forest Service, USDA, P.O. Box 2417, Washington, D.C. 20013, 202-447-3093.

Part 200 of Title 36 of the Code of the Federal Regulations is amended as follows:

§ 200.1 [Amended]

1. In paragraph (c)(2) of § 200.1, revise the listing of National Forest System land units to read as follows:

154 Proclaimed or designated National Forests
19 National Grasslands
26 Purchase Units
17 Land Utilization Projects
24 Research and Experimental Areas
45 Other Areas

§ 200.2 [Amended]

2. In § 200.2, revise paragraph (a)(1) to read as follows:

(a) * * *

(1) *National Forests.* Each Forest has a headquarters office and is supervised by a Forest Supervisor who is responsible to the Regional Forester. Two or more proclaimed or designated National Forests, or all of the Forests in a State, may be combined into one Forest Service Administrative Unit headed by one Forest Supervisor. Each Forest is divided into Ranger Districts. The Alaska Region is composed of two National Forests without Ranger Districts; with one Forest di-

vided into three areas, each administered by a Forest Supervisor.

3. In paragraph (d) of § 200.2, in the listing of National Forest by Regions, change the name of Region 5 from "California Region" to "Pacific Southwest Region."

(81 Stat. 54 (5 U.S.C. 552).)

Dated: January 22, 1979.

JOHN R. MCGUIRE,
Chief, Forest Service.

[FR Doc. 79-2996 Filed 1-26-79; 8:45 am]

[6560-01-M]

Title 40—Protection of Environment

CHAPTER I—ENVIRONMENTAL
PROTECTION AGENCY

SUBCHAPTER C—AIR PROGRAMS

[FRL 1036-11]

PART 52—APPROVAL AND PROMUL-
GATION OF IMPLEMENTATION
PLANS

Louisiana

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final Rule.

SUMMARY: This rulemaking approves an administrative revision to the Louisiana State Implementation Plan (SIP) showing the change in location of an ozone and sulfur dioxide sampling site in New Orleans and the deletion of the list of equipment needed to complete the SIP network. The sampling site was moved because the original location was no longer available. Since the location of the new sampling site is in close proximity to the location of the original site, no significant differences in monitoring results will occur. The list of equipment, as compiled is obsolete.

EFFECTIVE DATE: January 30, 1979.

FOR FURTHER INFORMATION CONTACT:

Jerry Stubberfield, Chief, Implementation Plan Section, Air and Hazardous Materials Division, Environmental Protection Agency, Region 6, 1201 Elm Street, Dallas, Texas 75270, (214/767-2742).

SUPPLEMENTARY INFORMATION: On April 3, 1978, after adequate notice and public hearing, the Louisiana Air Control Commission (LACC) submitted a SIP revision to the Environmental Protection Agency which was approved and adopted by the Commission on March 28, 1978. The revision

proposed that (1) sampling site number 2 of Table II in the Louisiana SIP be changed from "Campsite", corner of Orleans and Lafitte Avenue 29°58', 90°4', to State Office Building, 325 Loyola Avenue, New Orleans, 29°57', 90°4', (2) site "S-2" be deleted from the Remarks column of the sulfur dioxide continuous sampling section of the Table I and added to the Remarks column of sulfur dioxide 24-hour sampling section of Table I, and (3) the list of equipment needed to complete the SIP network be deleted as it is obsolete and no longer of any value in the plan. That page which carried the equipment list will read "Intentionally Left Blank". The Louisiana SIP, as amended, specifies a monitoring site for ozone and sulfur dioxide to be operated in New Orleans at the intersection of Orleans Avenue and Lafitte Street. This site was located on city owned property. In late 1974 the City of New Orleans removed the building, requiring the LACC to move the monitoring equipment. It was moved approximately ¼ mile southwest of the original site, to the State Office Building at 325 Loyola Avenue, which maintains surroundings similar to the original site. Both sites are in a commercial district with well traveled streets and approximately ¼ mile from a limited access highway. Analysis of the ozone data from the original and the new site locations show no significant differences. The lack of personnel coupled with mechanical and maintenance difficulties precluded the operation of a continuous SO₂ monitor at the new site. Instead, the Commission is using the non-continuous EPA reference method to monitor SO₂ concentrations.

CURRENT ACTION: The EPA is promulgating an administrative revision to the Louisiana State Implementation Plan (SIP) which will involve changes to the Air Quality Surveillance Network.

This notice of final rulemaking is issued under the authority of Section 110(a) of the Clean Air Act, as amended, 42 U.S.C. 7410-(a).

Dated: January 23, 1979.

DOUGLAS M. COSTLE,
Administrator.

Part 52 of Chapter 1, Title 40 of the Code of Federal Regulations is amended as follows:

Subpart T—Louisiana

1. In § 52.970, paragraph (c) is amended by adding paragraph (10) as follows:

§ 52.970 Identification of plan.

(c) * * *

(10) An administrative revision of the Air Quality Surveillance Network was submitted by the Louisiana Air Control Commission on April 3, 1978. (Non regulatory)

[FR Doc. 79-2987 Filed 1-26-79; 8:45 am]

[6560-01-M]

[FRL 1016-7]

PART 52—APPROVAL AND PROMUL-
GATION OF IMPLEMENTATION
PLANS

Texas Regulation V

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final Rule.

SUMMARY: This rule approves, in part, Texas Regulation V, Control of Air Pollution from Volatile Carbon Compounds, submitted by the Governor on July 20, 1977. The revision was submitted to replace regulations promulgated by EPA on July 21, 1977. The approved parts of Regulation V will improve the State's capability to control volatile carbon compounds and attain the national standards for photochemical oxidants.

EFFECTIVE DATE: January 30, 1979.

FOR FURTHER INFORMATION CONTACT:

Jerry Stubberfield, Chief, Implementation Plan Section, Air and Hazardous Materials Division, Environmental Protection Agency, Region 6, 1201 Elm Street, Dallas, Texas 75270 (214-767-2742).

SUPPLEMENTARY INFORMATION: On July 20, 1977, the Governor of Texas, after adequate notice and public hearing, submitted a revision to Regulation V, Control of Air Pollution from Volatile Carbon Compounds. EPA reviewed the regulation and with the exception of Rules 507 and 510.3, determined it to be approvable. Accordingly, a proposed approval of Rules 510.1 and 510.2 were published in the FEDERAL REGISTER on July 27, 1978 (43 FR 32440), and EPA proposed to revoke §§ 52.2283 and 52.2289. In addition, EPA proposed disapproval of Sections 507 and 510.3. Interested persons were given 30 days in which to comment on these proposed actions. Comments were received from the Texas Chemical Council and from Monsanto. These comments centered on EPA's proposed disapproval of Section 507 of Texas Regulation V.

PUBLIC HEARING REQUIREMENTS

Both comments suggested that EPA is required to hold a public hearing prior to disapproval of Section 507

since it is currently an approved part of the State Implementation Plan (SIP), and was not revised in the Governor's submittal on July 20, 1977. The section of the Clean Air Act cited as requiring such hearing was Section 110(c). This section of the Act addresses public hearing requirements for regulations proposed by the Administrator. In EPA's action concerning Section 507, no regulation has been proposed. EPA has simply proposed to exclude a State rule from the SIP on the basis that application of the rule by the State violates Section 110(i) of the Act which specifies the methods for modifying the SIP. Therefore, there is no requirement for EPA to hold a public hearing prior to final action on Section 507.

EFFECTS OF SECTION 507 DISAPPROVAL

In EPA's proposed action on Section 507, the effects of disapproval on facilities previously granted exemptions were not clearly stated. It is not the intent of EPA to require immediate compliance with Regulation V by exempted facilities upon disapproval of Section 507. Section 113(d) of the Clean Air Act allows issuing a delayed compliance order for non-complying facilities until July 1, 1979, if facilities are unable to comply immediately.

CURRENT ACTION

This action approves revised Sections 510.1 and 510.2 of Texas' Regulation V, and disapproves Sections 507 and 510.3. These actions are being promulgated as proposed by EPA on July 27, 1978. The rationale for these actions was provided in the proposed rulemaking, and therefore, will not be repeated in this notice. Sections 52.2283 and 52.2289 of 40 CFR Part 52 are being revoked.

This rulemaking is issued under the authority of Section 110(a) of the Clean Air Act, as amended, 42 U.S.C. 7410-(a).

Dated: January 23, 1979.

DOUGLAS M. COSTLE,
Administrator.

Part 52 of Chapter 1, Title 40 of the Code of Federal Regulations is amended as follows:

Subpart 55—Texas

1. Section 52.2270 is amended by revising paragraph (c) to read as follows:

§ 52.2270 Identification of plan.

(c) The plan revisions listed below were submitted on the dates specified.

(1) Certification that statewide public hearings had been held on the plan was submitted by the Texas Air Control Board (TACB) on February 8, 1972. (Nonregulatory.)

(2) A discussion of its policy concerning the confidentiality of certain hydrocarbon emission data was submitted by the TACB on May 2, 1972. (Nonregulatory.)

(3) A discussion of the source surveillance and extension sections of the plan was submitted by the TACB on May 3, 1972. (Nonregulatory.)

(4) A discussion of minor revisions to the plan was submitted by the Governor on July 31, 1972. (Nonregulatory.)

(5) Revisions of section XI, paragraph C.3; rule 9; regulation V and control strategy for photochemical oxidants/hydrocarbons in Texas designated regions 7 and 10; regulation VII; and control strategy for nitrogen oxides in regions 5, 7, and 8 were submitted by the TACB on August 8, 1972.

(6) A request that inconsistencies in the plan concerning the attainment dates of primary air standards be corrected was submitted by the Governor on November 10, 1972. (Nonregulatory.)

(7) Revisions to regulation IV, regulation V, the general rules and control strategy for photochemical oxidants/hydrocarbons, and a request for a two year extension to meet Federal standards for photochemical oxidants was submitted by the Governor on April 13, 1973.

(8) Revisions to regulation IV (Control of Air Pollution from Motor Vehicles) were adopted on October 30, 1973, and were submitted by the Governor on December 11, 1973.

(9) A revision of priority classifications for particulate matter, sulfur oxides, and carbon monoxide was submitted by the Governor on March 21, 1975. (Nonregulatory.)

(10) Revisions to rule 23, concerning compliance with new source performance standards, and rule 24, concerning compliance with national emission standards for hazardous air pollutants were submitted by the Governor on May 9, 1975.

(11) Administrative revisions were submitted by the TACB with the semi-annual report in 1974 for sections I, II, III, IV, XI and XIII, and with the semi-annual report in 1975 for sections I, II, XI, and XII. (Nonregulatory.)

(12) A revision of section IX, Air Quality Surveillance, was submitted by the Governor on August 2, 1976. (Nonregulatory.)

(13) Revisions to section IX, Air Quality Surveillance Plan, which include changes of several air quality monitoring sites, were submitted by the TACB on August 12, 1977. (Nonregulatory.)

(14) Administrative revisions to section X, the Permit System, were submitted by the TACB in 1973, 1974, 1975, and 1977. (Nonregulatory.)

(15) Revisions to regulation V for control of volatile carbon compound emissions, as amended on December 10, 1976, were submitted by the Governor on July 20, 1977.

2. Section 52.2275 is amended by adding paragraphs (b) and (c) as follows:

§ 52.2275 Control strategy: Photochemical oxidants (hydrocarbons).

(b) Section 507 of Texas Regulation V is disapproved since its application by the State violates the requirements of Section 110(i) of the Clean Air Act, as amended.

(c) Section 510.3 of revised Regulation V, which was submitted by the Governor on July 20, 1977, is disapproved.

§ 52.2283 [Revoked and Reserved]

3. Section 52.2283 is revoked and reserved.

§ 52.2289 [Revoked and Reserved]

4. Section 52.2289 is revoked and reserved.

[FR Doc. 79-2986 Filed 1-26-79; 8:45 am]

[6560-01-M]

[FRL 1032-6]

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

California Plan Revision: Yolo-Solano Air Pollution Control District

AGENCY: Environmental Protection Agency.

ACTION: Final Rulemaking.

SUMMARY: The Environmental Protection Agency (EPA) takes final action to approve and, where appropriate, take no action on changes to the Yolo-Solano Air Pollution Control District (APCD) portion of the California State Implementation Plan (SIP) submitted by the Governor's designee. The intended effect of this action is to update rules and regulations and to correct certain deficiencies in the SIP.

EFFECTIVE DATE: February 28, 1979.

FOR FURTHER INFORMATION CONTACT:

Allyn M. Davis, Director, Air and Hazardous Materials Division, Environmental Protection Agency, 215 Fremont Street, San Francisco, California 94105, Attn: Douglas Grano, (415) 556-2938.

SUPPLEMENTARY INFORMATION: On August 9, 1978, in FR 35347, EPA

published a Notice of Proposed Rulemaking for revisions to the Yolo-Solano APCD's rules and regulations submitted on June 22, 1978 by the California Air Resources Board for inclusion in the California SIP.

The changes contained in this submittal and being acted upon by this notice include the following: language changes to incorporate the recodification of the California Health and Safety Code; deletion of an exemption for solid waste burning; changes to rules regarding organic solvents; changes in the rule governing fuel burning equipment; and an administrative change in the rule providing for the place of hearings.

Under Section 110 of the Clean Air Act as amended, and 40 CFR Part 51, the Administrator is required to approve or disapprove the regulations as SIP revisions.

Rules concerning new source review have been revised; however, no action is being taken at this time and these rules will be acted upon in a separate FEDERAL REGISTER notice.

The State also submitted regulations concerning New Source Performance Standards (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAPS) on June 22, 1978. These NSPS and NESHAPS regulations implement Sections 111 and 112 of the Clean Air Act, and are not appropriate for inclusion in a SIP under Section 110 of the Act. Therefore, these regulations will be neither approved nor disapproved by EPA as part of an applicable implementation plan. They will, however, be reviewed in determining whether to delegate authority to implement and enforce the NSPS and NESHAPS regulations in the APCD under the appropriate provisions of Sections 111 and 112. Announcement of such delegation would appear in a separate FEDERAL REGISTER notice.

A list of the rules being considered by this action was published as part of the Notice of Proposed Rulemaking and can be found in 43 FR 35347 (August 9, 1978). Comments were received from the Yolo-Solano APCD during the 30-day public comment period. No other comments were received.

The APCD commented on actions EPA has taken with regard to Rule 2.16. The APCD noted the differences between the July 19, 1974 submittal of Rule 2.16, *Fuel Burning Heat and Power Generators*, which was disapproved by EPA (43 FR 25676), and the earlier approved and currently applicable rule, *Fuel Burning Equipment*, submitted on February 21, 1972. Although the APCD agrees that allowable emissions for post-1972 fuel burning units are increased under the disapproved rule, the District argued that

the rule also provides for a strengthening of control, including an emission limitation on NO_x for pre-1972 sources where there are presently no limitations in the SIP.

Nevertheless, the July 19, 1974 submittal of Rule 2.16 was disapproved because it included a relaxation in particulate matter limits without an adequate control strategy demonstration that this relaxation would not interfere with the attainment and maintenance of the National Ambient Air Quality Standards (NAAQS). EPA cannot approve subparagraph c.2 to Rule 2.16, submitted June 22, 1978 and being considered in this notice, because that subparagraph is intended to revise a rule which was never approved by EPA and is not presently a part of the applicable SIP. Therefore, EPA will take no action on this rule. The February 21, 1972 submittal of Rule 2.16, *Fuel Burning Equipment*, remains Federally enforceable as part of the applicable SIP. The APCD is encouraged to resubmit Rule 2.16 with an adequate control strategy demonstration, which should be in accordance with the specific requirements of 40 CFR 51.13(e).

The APCD also commented on Rule 6.5(a), *Standards for Granting Applications*, which allows the granting of a special permit for agricultural burning based on economic factors. Although economic factors often are considered in the development of limitation rules, the overriding requirement of Section 110 of the Clean Air Act is that the SIP provides for the attainment and maintenance of the NAAQS. Since Rule 6.5(a) does not include provisions to consider the permit's impact on the NAAQS, it could allow emissions that might cause or contribute to a violation of the air quality standards. That is, the Clean Air Act does not allow economic factors to be used as the sole basis in granting exceptions to emission limits. Economic exceptions are acceptable only if the rule includes adequate safeguards to protect the NAAQS. Action will be taken on rule 6.5(a) in a separate FEDERAL REGISTER notice.

It is the purpose of this Final Rulemaking notice to approve all changes contained in the June 22, 1978 submittal and incorporate them into the California SIP with the exception of those rules not being acted upon.

EPA is taking no action on the amendments to subparagraph (c)(2) of Rule 2.16, *Fuel Burning Heat or Power Generators*. These amendments place limitations on the emission rates of sulfur compounds and particulate matter when burning an alternate fuel. However, these provisions apply to the July 19, 1974 submittal of Rule 2.16 [43 FR 25676], which was disapproved by EPA because it allowed for

increased emission rates, particularly during the use of alternate fuels, without including an adequate control strategy demonstration as required by 40 CFR 51.13. Since there are no provisions for alternate fuel use in the previously approved and currently applicable February 21, 1972 submittal of Rule 2.16, *Fuel Burning Equipment* [37 FR 10842], the June 22, 1978 submitted amendments are not appropriate for inclusion in the California SIP at this time, and thus no action will be taken. The February 21, 1972 submittal shall remain in effect.

Additionally, the EPA is taking no action in this notice on Rule 6.5, *Standards for Granting Applications*. Action will be taken on this rule in a separate FEDERAL REGISTER notice.

It is also the purpose of this notice to correct a clerical error in 40 CFR 52.280 paragraph (a)(2)(i)(A). The FEDERAL REGISTER notice dated June 14, 1978 (43 FR 25677) mistakenly stated that the submittal date for the previously approved and currently applicable Rule 2.16, *Fuel Burning Equipment*, was June 30, 1972. The submittal date for this rule was actually February 21, 1972.

The California Air Resources Board has certified that the public hearing requirements of 40 CFR 51.4 have been satisfied.

AUTHORITY: Sections 110 and 301(a) of the Clean Air Act as amended (42 U.S.C. 7410 and 7601(a)).

DOUGLAS M. COSTLE,
Administrator.

Dated: January 23, 1979.

Incorporation by reference provisions approved by the Director of the FEDERAL REGISTER.

Subpart F of Part 52 of Chapter I, Title 40 of the Code of Federal Regulations is amended as follows:

Subpart F—California

1. Section 52.220, paragraph (c)(4)(iv) is added as follows:

§ 52.220 Identification of plan.

* * *

(c) * * *

(44) * * *

(iv) Yolo-Solano APCD.

(A) Amended Rules 1.2 (preamble), 1.4, 2.8(c)(2), 2.13(h)(4), 2.15, 2.17, 2.20, 4.4(b), 5.1, 5.4(e)(1), 5.10, 5.11, and 6.7(f).

(B) Previously approved and now deleted (without replacement) Rule 2.8(b)(4).

* * *

2. Section 52.280, paragraph (a)(2)(i)(A) is revised as follows:

§ 52.280 Fuel burning equipment.

- (a) ***
(2) ***
(i) ***

(A) Rule 2.16, *Fuel Burning Heat or Power Generators*, submitted on July 19, 1974 is disapproved; and Rule 2.16, *Fuel Burning Equipment*, submitted on February 21, 1972 and previously approved as part of the SIP in 40 CFR 52.223, is retained.

[FR Doc. 79-2985 Filed 1-26-79; 8:45 am]

[6560-01-M]

[FRL 1032-2]

PART 65—DELAYED COMPLIANCE ORDERS

Delayed Compliance Order for the City of Orrville, Municipal Power Plant, Orrville, Ohio¹

AGENCY: U.S. Environmental Protection Agency.

ACTION: Final Rule.

SUMMARY: By this rule, the Administrator of U.S. EPA issues a Delayed Compliance Order to the City of Orrville. The Order requires the City of Orrville to bring air emissions from its Boilers Nos. 9, 10, 11, 12 and 13 at Orrville, Ohio, into compliance with certain regulations contained in the federally approved Ohio State Implementation Plan (SIP). The City of Orrville's compliance with the Order will preclude suits under the Federal enforcement and citizen suit provisions of the Clean Air Act (the Act) for violations of the SIP regulations covered in the Order.

DATES: This rule takes effect January 29, 1979.

FOR FURTHER INFORMATION CONTACT:

Peter Kelly, Attorney, United States Environmental Protection Agency, Region V, 230 South Dearborn Street, Chicago, Illinois 60604, Telephone (312) 353-2082.

SUPPLEMENTARY INFORMATION: On May 31, 1978, the Acting Regional Administrator of U.S. EPA's Region V Office published in the FEDERAL REGISTER (43 FR 23612) a notice setting out the provisions of a proposed Federal Delayed Compliance Order for the City of Orrville. The notice asked for public comments and offered the opportunity to request a public hearing on the proposed Order. No public com-

ments and no request for a public hearing were received in response to the notice.

Therefore, a Delayed Compliance Order effective this date is issued to the City of Orrville by the Administrator of U.S. EPA pursuant to the authority of Section 113(d)(2) of the Clean Air Act, 42 U.S.C. 7413(d)(2). The Order places the company on a schedule to bring its Boilers Nos. 9, 10, 11, 12 and 13 at Orrville, Ohio, into compliance as expeditiously as practicable with Regulation OAC 3745-17-10, a part of the federally approved Ohio State Implementation Plan. The City of Orrville is unable to immediately comply with this regulation. The Order also imposes interim requirements which meet Sections 113(d)(1)(C) and 113(d)(7) of the Act, and emission monitoring and reporting requirements. If the conditions of the Order are met, it will permit the City of Orrville to delay compliance with the SIP regulations covered by the Order until July 1, 1979.

Compliance with the Order by the City of Orrville will preclude Federal enforcement action under Section 113 of the Act for violations of the SIP regulations covered by the Order. Citizen suits under Section 304 of the Act to enforce against the source are similarly precluded. Enforcement may be initiated, however, for violations of the terms of the Order, and for violations of the regulation covered by the

Order which occurred before the Order was issued by U.S. EPA or after the Order is terminated. If the Administrator determines that the City of Orrville is in violation of a requirement contained in the Order, one or more of the actions required by Section 113(d)(9) of the Act will be initiated. Publication of this notice of final rulemaking constitutes final Agency action for the purposes of judicial review under Section 307(b) of the Act. U.S. EPA has determined that the Order shall be effective upon publication of this notice because of the need to immediately place the City of Orrville on schedule for compliance with the Ohio State Implementation Plan.

(42 U.S.C. 7413(d), 7601.)

Dated: January 23, 1979.

DOUGLAS M. COSTLE,
Administrator.

In consideration of the foregoing, Chapter I of Title 40 of the Code of Federal Regulations is amended as follows:

PART 65—DELAYED COMPLIANCE ORDERS

1. By amending the table in § 65.400 to reflect the approval of the following order as follows:

§ 65.400 Federal Delayed Compliance Orders Issued Under Section 113(d) (1), (3), and (4) of the Act.

Source	Location	Order No.	Date of FR proposal	SIP regulation involved	Final compliance date
City of Orrville Municipal Power Plant.	Orrville, Ohio.....	EPA-5-79-A-2.....	May 31, 1978.	OAC 3745-17-10.	July 1, 1979

[FR Doc. 79-2984 Filed 1-26-79; 8:45 am]

[6560-01-M]

SUBCHAPTER E—PESTICIDE PROGRAMS

[OPP-260032; FRL 1046-7]

PART 180—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Editorial Amendment

AGENCY: Office of Pesticide Programs, Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: On August 11, 1978, EPA published a rule in the FEDERAL REGISTER which established a new tolerance for residues of the herbicide terbacil on mint hay (peppermint and spearmint). The new tolerance level was established at 2 ppm. At that time, the old tolerance of 0.1 ppm should have been deleted from the regulations. This rule deletes the old tolerance of 0.1 ppm from the regulations in § 180.209.

EFFECTIVE DATE: Effective on January 29, 1979.

FOR FURTHER INFORMATION CONTACT:

Mr. Edward Gross, Program Support Division (TS-757), Office of Pesti-

¹ A copy of the order was submitted as a part of the original document.

cide Programs, EPA, 401 M Street, SW, Washington, DC 20460 (202/755-4854).

SUPPLEMENTARY INFORMATION:

On August 11, 1978 (43 FR 35697), a tolerance was established for residues of the herbicide terbacil (3-*tert*-butyl-5-chloro-6-methyluracil) and its metabolites 3-*tert*-butyl-5-chloro-6-hydroxymethyluracil, 6-chloro-2,3-dihydro-7-hydroxymethyl-3,3-dimethyl-5H-oxazolo (3,2-a)pyrimidin-5-one, and 6-chloro-2,3-dihydro-3,3,7-trimethyl-5H-oxazolo (3,2-a)pyrimidin-5-one (calculated as terbacil) in or on the raw agricultural commodity mint hay (peppermint and spearmint) at 2 parts per million (ppm). Existing tolerances for residues of terbacil in or on peppermint hay and spearmint hay at 0.1 ppm should have been deleted at the time the 2 ppm tolerance was established. This rulemaking document editorially amends 40 CFR 180.209 by deleting peppermint and spearmint hay at 0.1 ppm from the regulation.

Since this change is nonsubstantive in nature and merely clarifies and editorially amends an existing regulation, notice and public rulemaking procedures pursuant to the Administrative Procedure Act, 5 U.S.C. 553(b)(B) are not prerequisite to the promulgation of this regulation. This order is effective on January 29, 1979.

Dated: January 24, 1979.

EDWIN L. JOHNSON,
Deputy Assistant Administrator
for Pesticide Programs.

Part 180, Subpart C, § 180.209 is amended by deleting peppermint hay and spearmint hay at 0.1 ppm from the table in paragraph (a) as follows:

§ 180.209 [Amended]

In § 180.209 *Terbacil; tolerances for residues*, "Peppermint hay" and "Spearmint hay" at 0.1 part per million are deleted from the list of commodities in the table in paragraph (a).

[FR Doc. 79-2981 Filed 1-26-79; 8:45 am]

[4110-12-M]

Title 42—Public Health

CHAPTER I—PUBLIC HEALTH SERVICE, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

PART 50—POLICIES OF GENERAL APPLICABILITY

CHAPTER IV—HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

PART 441—SERVICES: REQUIREMENTS AND LIMITS APPLICABLE TO SPECIFIC SERVICES

Federally Funded Sterilizations

AGENCY: Public Health Service; Health Care Financing Administration, HEW.

ACTION: Final Rule: Change of Effective Date.

SUMMARY: On November 8, 1978, the Public Health Service, the Health Care Financing Administration, and the Office of Human Development Services, published three parallel sets of regulations governing expenditures for sterilizations under various HEW programs. (43 FR 52146, 52171, 52173.) These regulations provide that Federal funding is available for sterilizations only if the individual to be sterilized has given informed, written consent in accordance with the specific requirements detailed in the regulations. Except for two specified situations, the consent must be obtained on an approved consent form at least 30 days before the date of sterilization.

The effective date of these rules was set at February 6, 1979 (90 days after the date of publication). This meant that they would apply to all sterilizations performed on or after February 6. However, because of the requirement that consent be obtained, in most cases, 30 days before the procedure, the February 6 effective date called for the consent forms to be distributed by January 7. We have learned that this was not feasible, particularly with respect to distribution by State agencies for the Medicaid program.

In order to allow the States adequate time to meet the requirements of these rules, we are delaying their effective date until March 8, 1979. This means that the regulations published on November 8, 1978 apply to all sterilizations performed on or after March 8, 1979.

To ensure uniformity, we are also delaying the effective date of the Public Health Service regulation.

In a separate notice published elsewhere in this issue, we have delayed the effective date of the Office of Human Development Services (OHDS) sterilization regulation.

EFFECTIVE DATE: The rules published on November 8, 1978 are effective on March 8, 1979.

FOR FURTHER INFORMATION CONTACT:

Paul Willging, 202-245-0128.

Dated: January 23, 1979.

JOSEPH A. CALIFANO, Jr.,
Secretary.

[FR Doc. 79-3008 Filed 1-26-79; 8:45 am]

[4110-12-M]

Title 45—Public Welfare

CHAPTER II—SOCIAL AND REHABILITATION SERVICE (ASSISTANCE PROGRAMS), DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

PART 220—SERVICE PROGRAMS FOR FAMILIES AND CHILDREN: TITLE IV, PARTS A AND B OF THE SOCIAL SECURITY ACT

PART 222—SERVICE PROGRAMS OF AGED, BLIND OR DISABLED PERSONS: TITLES I, X, XIV, AND XVI OF THE SOCIAL SECURITY ACT

PART 228—SOCIAL SERVICE PROGRAMS FOR INDIVIDUALS AND FAMILIES: TITLE XX OF THE SOCIAL SECURITY ACT

Federal Financial Participation in State Claims for Sterilization

AGENCY: Office of Human Development Services (OHDS), HEW.

ACTION: Final Rule: Change of Effective Date.

SUMMARY: The effective date for the rules governing expenditures for sterilizations funded by OHDS (published on November 8, 1978, at 43 FR 52173) is delayed from February 6, 1979 until March 8, 1979. The reasons for this delay are explained in the notice delaying the effective date of the sterilization regulations of the Public Health Service and the Health Care Financing Administration, published elsewhere in this issue.

EFFECTIVE DATE: The regulations published on November 8, 1978 are effective on March 8, 1979.

FOR FURTHER INFORMATION CONTACT:

Mrs. Johnnie U. Brooks 202-245-9415.

Dated: January 23, 1979.

JOSEPH A. CALIFANO, Jr.,
Secretary.

[FR Doc. 79-3009 Filed 1-26-79; 8:45 am]

[6712-01-M]

Title 47—Telecommunication

CHAPTER I—FEDERAL COMMUNICATIONS COMMISSION

[FCC 78-822]

PART 19—EMPLOYEE RESPONSIBILITIES AND CONDUCT

Amendment of Rule Concerning Misuse of Information

AGENCY: Federal Communications Commission.

ACTION: Final Rule.

SUMMARY: Because the Government in the Sunshine Act requires advance notice of the subject and date of Commission meetings, FCC amends standards of employee conduct to permit disclosure of such information and extends *ex parte* rules to prohibit *ex parte* communications from any interested person who knows that the question of designating a case for hearing will be considered at a Commission meeting.

EFFECTIVE DATE: February 2, 1979.

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

FOR FURTHER INFORMATION CONTRACT:

Upton Guthery, Office of General Counsel, 202-632-6444.

ORDER

Adopted: November 30, 1978.
Released: January 23, 1979.

1. Section 19.735-206 of the rules and regulations currently prohibits staff "disclosure of information about the content or scheduling of agenda items." Because the Government in the Sunshine Act requires seven days notice of the subject and the date for consideration of such items, and because disclosure as to scheduling is sometimes necessary for other reasons, it is appropriate to note Sunshine disclosure as an exception to this general prohibition, and to eliminate that part of the prohibition relating to scheduling.

2. This section also prohibits "disclosure of actions or decisions by the Commission prior to the public release of such information." Insofar as this provision relates to actions or decisions at a Commission meeting opened to the public under the Sunshine Act, it is no longer appropriate. Members of the public who are unable to attend a Commission meeting should be afforded, upon request, the same access to information concerning actions at an open meeting as those who did in

fact attend. We are therefore amending this provision to apply only to actions taken at Commission meetings which are closed to the public or by circulation.

3. Accordingly, it is ordered, Effective February 2, 1979, That § 19.735-206 is amended as set out in the Appendix hereto. Authority for this amendment is contained in Sections 4 (i) and (j) and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. 154 (i) and (j) and 303(r). Because the amendments involve matters of procedure and internal standards of conduct, the prior notice and effective date provisions of 5 U.S.C. 553 are inapplicable.

(Secs. 4, 303, 48 stat., as amended, 1066, 1082; (47 U.S.C. 154, 303).)

WILLIAM J. TRICARICO,
Secretary.

APPENDIX

Chapter I of Title 47 of the Code of Federal Regulations is amended as follows:

In Part 19, § 19.735-206 is revised to read as follows:

§ 19.735-206 Misuse of information

Except as provided in § 19.735-203(c), or as authorized by the Commission, an employee shall not, directly or indirectly, disclose to any person outside the Commission any information, or any portion of the contents of any document, which is part of the Commission's records or which is obtained through or in connection with his Government employment, and which is not routinely available to the public and, with the same exceptions, shall not use any such documents or information except in the conduct of his official duties. Conduct intended to be prohibited by this section includes, but is not limited to, the disclosure of information about the content of agenda items (except as provided in the Government in the Sunshine Act, Pub. L. 94-409) or other staff papers to persons outside the Commission, and disclosure of actions or decisions made by the Commission at closed meetings or by circulation, unless otherwise directed by the Commission, prior to the public release of such information.

[FR Doc. 79-2896 Filed 1-26-79; 8:45 am]

[4910-60-M]

Title 49—Transportation

CHAPTER I—RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

PART 178—SHIPPING CONTAINER SPECIFICATIONS

[Docket No. HM-156; Amdt. No. 178-53]

Flattening Test Requirement for Seamless Cylinders

AGENCY: Materials Transportation Bureau, Research and Special Programs Administration, DOT.

ACTION: Final rule.

SUMMARY: This rule amends the regulations in Part 178 of Title 49, Code of Federal Regulations, pertaining to flattening tests by deleting the requirement that certain seamless cylinders be hydrostatically tested prior to the flattening test and by requiring that the longitudinal axis of the cylinder be perpendicular to the knife edges during flattening testing. This amendment allows flexibility as to when the sample cylinder may be selected, and assures uniformity in the procedures used in performing the flattening tests.

EFFECTIVE DATE: On January 29, 1979.

FOR FURTHER INFORMATION CONTACT:

Mr. Douglas A. Crockett, Standards Division, Office of Hazardous Materials Regulation, Materials Transportation Bureau, Research and Special Programs Administration, 2100 Second Street S.W., Washington, D.C. 20590 (202-426-2075).

SUPPLEMENTARY INFORMATION:

On January 19, 1978, the Materials Transportation Bureau published a Notice of Proposed Rulemaking, Docket HM-156, Notice 78-2 (43 FR 2741), which proposed these amendments. The background and basis for these amendments were discussed in that notice. Interested persons were invited to give their views prior to the closing date of March 20, 1978. The only comment received was in favor of the rule change as proposed. The commenter also suggested that the word "longitudinal" be included to clarify the orientation of the cylinder to the knife edges during testing, and the suggestion has been adopted.

Analysis of the proposed amendments and comment thereon indicate that cost of regulatory enforcement will not be significantly affected, nor would additional costs be imposed on the private sector, consumers, or Federal, State or local governments.

Primary drafters of this document are Jose Pena, Technical Services Branch, Office of Hazardous Materials Regulation and Evan Braude, Office of Chief Counsel, Research and Special Programs Administration.

Since these amendments are relaxation of existing rules, and place no additional burden on any person, they are being made effective before February 28, 1979.

In consideration of the foregoing, Part 178 of Title 49 of the Code of Federal Regulations is amended as follows:

1. In § 178.36, § 178.36-15 is revised to read as follows:

§ 178.36 Specification 3A; seamless steel cylinders or 3AX; seamless steel cylinders of capacity over 1,000 pounds water volume.

§ 178.36-15 Flattening test.

Between knife edges, wedge shaped, 60-degree angle, rounded to 1/2-inch radius; test 1 cylinder¹ taken at random out of each lot of 200 or less

cylinders. Longitudinal axis of the cylinder must be at approximately a 90-degree angle to knife edges.

2. In § 178.37, § 178.37-15 is revised to read as follows:

§ 178.37 Specification 3AA; seamless steel cylinders made of definitely prescribed steels or 3AAX; seamless steel cylinders made of definitely prescribed steels of capacity over 1,000 pounds water volume.

§ 178.37-15 Flattening test.

Between knife edges, wedge shaped, 60-degree angle, rounded to 1/2-inch radius; test 1 cylinder¹ taken at random out of each lot of 200 or less cylinders. Longitudinal axis of the cylinder must be at approximately a 90-degree angle to knife edges.

3. In § 178.44, § 178.44-17 is revised to read as follows:

§ 178.44 Specification 3HT; inside containers, seamless steel cylinders for aircraft use made of definitely prescribed steel.

§ 178.44-17 Flattening test.

Between knife edges, wedge shaped, 60-degree angle, rounded to 1/2-inch radius; test 1 cylinder¹ taken at random out of each lot of 200 or less cylinders. Longitudinal axis of the cylinder must be at approximately a 90-degree angle to knife edges.

(49 U.S.C. 1803, 1804, 1808; 49 CFR 1.53(e).)

NOTE.—The Materials Transportation Bureau has determined that this final amendment will not have a major economic impact under the terms of Executive Order 12044 and DOT implementing procedures (43 FR 9582). A regulatory evaluation is available for review in the docket.

Issued in Washington, D.C. on January 17, 1979.

L. D. SANTMAN,
Director, Materials
Transportation Bureau.

[FR Doc. 79-2958 Filed 1-26-79; 8:45 am]

proposed rules

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

[3410-34-M]

DEPARTMENT OF AGRICULTURE

Office of the Secretary

[7 CFR Part 2900]

ESSENTIAL AGRICULTURAL USES OF NATURAL GAS

Availability of Draft Environmental Impact Statement

AGENCY: Office of the Secretary, USDA.

ACTION: Notice of availability of draft environmental impact statement and request for comments.

SUMMARY: Notice is hereby given that the Office of Energy (OE) has prepared a Draft Environmental Impact Statement (DEIS) in accordance with Section 102(2)(c) of the National Environmental Policy Act of 1969 (NEPA) in connection with the proposed rule by the Secretary of Agriculture to certify the essential agricultural uses of natural gas to the Secretary of Energy under Section 401 of the Natural Gas Policy Act (Pub. L. 95-621). (43 FR 54938, November 24, 1978).

This statement examines the impacts of certification of essential agricultural uses of interstate natural gas that will protect such users from curtailment of gas from interstate pipelines.

DATE: Comments must be received on or before February 16, 1979.

ADDRESS: Send comments to: Director, Office of Energy, U.S. Department of Agriculture, Rm. 226-E, Administration Building, 12th and Independence Ave. S.W., Washington, D.C. 20250.

FOR FURTHER INFORMATION CONTACT:

Weldon Barton, (202) 447-2455.

SUPPLEMENTARY INFORMATION: It has been necessary to reduce the usual period for draft comment to February 16, 1979 in order to comply with the provisions of Section 401 of the Natural Gas Policy Act (Pub. L. 95-621) which require the Secretary of Agriculture's certification of essential agricultural uses to be made to the Secretary of Energy in time to enable the necessary implementing rules to

be issued by March 9, 1979 (120 days after enactment of the NGPA).

Additional information may be secured on request, submitted to Weldon V. Barton, Director, Office of Energy, Room 226-E, U.S. Department of Agriculture, Washington, D.C. 20250 (202) 447-2455.

Comments are particularly invited from State and local agencies which are authorized to develop and enforce environmental standards and from Federal agencies having jurisdiction by law or special expertise with respect to any environmental impact involved from which comments have not been requested specifically.

Copies of the OE Draft Environmental Impact Statement have been sent to various Federal, State and local agencies, as outlined in the Council of Environmental Quality guidelines. The Draft Environmental Impact Statement may be examined during regular business hours at the Office of Energy in the South Agriculture Building, 12th Street and Independence Avenue, SW., Washington, D.C., Room 5173. Copies of the OE DEIS may be obtained upon request to the OE at the above address.

Comments concerning the DEIS should be addressed to the Director, Office of Energy at the address given above. Comments must be received on or before February 16, 1979 to be considered in connection with the proposed action.

Final OE Action with respect to this matter will be taken only after OE has reached satisfactory conclusions with respect to its environmental effects and after procedural requirements set forth in the National Environmental Policy Act of 1969 have been met.

Dated at Washington, D.C. this 25th day of January 1979.

WELDON V. BARTON,
Director, Office of Energy.

[FR Doc. 79-3104 Filed 1-26-79; 8:45 am]

[4410-10-M]

DEPARTMENT OF JUSTICE

Immigration and Naturalization Service

[8 CFR Part 212]

VOIDANCE OF NONRESIDENT ALIEN BORDER CROSSING CARDS ON GROUNDS OF ABANDONMENT OF RESIDENCE IN CANADA OR MEXICO

Proposed Rules

AGENCY: Immigration and Naturalization Service, Justice.

ACTION: Notice of Proposed Rule Making.

SUMMARY: This is an amendment to the regulations of the Immigration and Naturalization Service concerning grounds for voidance of Mexican and Canadian nonresident alien border crossing cards. The amendment is necessitated by the need to clarify Service policy respecting the validity of border crossing cards held by aliens who have abandoned their residence in the country in which they resided when the card was issued. The intent of the proposed regulation is to provide for voidance of Mexican or Canadian border crossing cards held by aliens who have abandoned residence in Mexico or Canada.

DATES: Written representations should be submitted on or before: March 30, 1979.

ADDRESSES: Please submit representations in duplicate to the Commissioner of Immigration and Naturalization, 425 Eye Street, N.W., Room 7100, Washington, D.C. 20536.

FOR FURTHER INFORMATION CONTACT:

James G. Hoofnagle, Jr., Instructions Officer, Immigration and Naturalization Service, 425 Eye Street, N.W., Washington, D.C. 20536. Telephone: (202) 633-3048.

SUPPLEMENTARY INFORMATION: This notice of proposed rule making is issued under the provisions of section 553 of Title 5 of the United States Code (80 Stat. 383).

The proposal adds a new paragraph (d-1) to 8 CFR 212.6 which will provide that a border crossing card shall be voided where it is found that the holder has abandoned his residence in the country in which he resided at the time the card was issued.

This amendment is necessary because it has always been Service policy to restrict the use of Mexican and Canadian Border Crossing Cards to citizens and residents of those two countries respectively. This amendment will clarify that policy and further provide that should the holder abandon his Mexican or Canadian residence the card will be voided.

The Form I-586 referred to in the proposed rule is the new ADIT card which will be machine-readable and will be used as a border crossing card by both Mexican and Canadian residents when the system becomes operational.

Interested persons are invited to submit written data, views and arguments concerning this proposed rule to the Commissioner of Immigration and Naturalization at the address shown above. Oral representations may not be presented in any manner. All relevant material received on or before the closing date indicated above will be considered.

In the light of the foregoing, it is proposed to amend Title 8 of Chapter I of the Code of Federal Regulations as set forth below:

PART 212—DOCUMENTARY REQUIREMENTS: NONIMMIGRANTS; WAIVERS; ADMISSION OF CERTAIN INADMISSIBLE ALIENS; PAROLE

In Part 212, it is proposed to amend § 212.6 by adding a new subparagraph (d-1) to be entitled "Voidance on grounds of abandonment of residence in Canada or Mexico", to read as follows:

§ 212.6 Nonresident alien border crossing cards

(d-1) *Voidance on grounds of abandonment of residence in Canada or Mexico.* When it is found that the holder of an I-185, I-186, or I-586 has abandoned residence in the country upon which the benefit was granted, the card shall be voided.

(Sec. 103, 66 Stat. 173; 8 U.S.C. 1103)

Dated: January 23, 1979.

LEONEL J. CASTILLO,
Commissioner of Immigration
and Naturalization.

[FR Doc. 79-2961 Filed 1-26-79; 8:45 am]

[4410-10-M]

[8 CFR Part 214]

APPLICATION TO ACCEPT OR CONTINUE EMPLOYMENT BY A-1 AND A-2 NONIMMIGRANTS

Proposed Formal Procedure

AGENCY: Immigration and Naturalization Service, Justice.

ACTION: Proposed Rule.

SUMMARY: This proposed amendment of the regulations of the Immigration and Naturalization Service establishes a formal procedure under which the spouses and unmarried dependent sons and unmarried dependent daughters of aliens classified as A-1 and A-2 nonimmigrants and serving as officers or employees of diplomatic or consular establishments may apply for permission to accept or continue employment.

Currently, spouses and dependents of these nonimmigrants apply under an informal procedure to the Office of Protocol of the Department of State for permission to accept or continue employment.

It is necessary to publish formal regulations pertaining to the employment of these nonimmigrants at this time because section 401(a) of the Foreign Relations Authorization Act of 1979 provides that the President shall seek to conclude bilateral and multilateral agreements with foreign countries to facilitate the expansion of employment opportunities for family members of U.S. Government personnel stationed abroad.

This statutory provision requires permission to work granted on the basis of this proposed regulation to be reciprocal. Its benefits will extend to family members of foreign diplomatic and consular officials whose governments extend similar employment opportunities to members of families of United States diplomatic and consular officials.

The proposal is intended to incorporate existing formal procedures in the regulations, and to ensure compliance with the employment reciprocity requirement set forth in section 401(a) of the Foreign Relations Authorization Act of 1979.

DATES: Representations must be received on or before March 30, 1979.

ADDRESSES: Please submit written representations, in duplicate, to the COMMISSIONER OF IMMIGRATION AND NATURALIZATION, Room 7100, 425 Eye Street, NW., Washington, DC 20536.

FOR FURTHER INFORMATION CONTACT:

James G. Hoofnagle, Jr., Instructions Officer, Immigration and Naturalization Service. Telephone: (202) 633-3048.

SUPPLEMENTARY INFORMATION:

A. BACKGROUND

This notice of proposed rulemaking would amend 8 CFR 214.2(a) to add a new paragraph (2) which will establish formal regulations governing the employment of spouses and unmarried dependent sons and unmarried dependent daughters of aliens classified as A-1 and A-2 nonimmigrants and serving as officers or employees of diplomatic or consular establishments.

At the present time, requests for employment by spouses and unmarried dependent sons and unmarried dependent daughters of aliens classified as A-1 and A-2 nonimmigrants and serving as officers or employees of diplomatic consular establishments are submitted to and approved by the Office of Protocol of the Department of State because it is the responsibility of that Department to determine whether an alien is entitled to A-1 or A-2 status.

The Immigration and Naturalization Service and the Department of State feel that the procedures for determining eligibility for employment by A-1 and A-2 nonimmigrants should be published in the regulations. In addition, section 401(a) of the Foreign Relations Authorization Act of 1979 provides that the President shall seek to conclude bilateral and multilateral agreements with foreign countries to expand employment opportunities in those countries for family members of United States Government personnel stationed abroad.

Therefore, the employment privileges extended by this proposed rule are to be reciprocal. Under this regulation, spouses and unmarried dependent children of diplomatic and consular officials from foreign countries may obtain permission to work in this country if the host-country governments provide for acceptance of similar employment opportunities by spouses and unmarried dependent children of United States diplomatic and consular officials and employees of similar rank stationed in those countries.

The effect of this proposal on the U.S. labor market has been examined and it has been determined that any adverse effects would be minimal or nonexistent for several reasons. There are about 6,000 family members of working age in the Washington, DC area who potentially could be affected by the proposed regulation, and about 4,000 additional family members in the rest of the country. Of those,

about 500 at any one time have been working with permission granted by the department of State's Office of Protocol, about 200 of these being sons and daughters who are full-time students. It is estimated that there are about 1,200 spouses in the DC area and 900 spouses in the rest of the country who are not working but who would be interested in doing so. Of these, only about half, or 600 and 450 respectively, are likely to find employment in positions which will qualify for approval under the regulation. This is because the regulation prohibits approval for a spouse whose employment will be in an occupation on the Department of Labor's Schedule B, or whose occupation is otherwise determined by the Department of Labor to be one for which there are available sufficient resident workers. (Schedule B is an extensive list of positions, mostly unskilled, for which the Department of Labor has determined there is an ample supply of workers across the country.) Of the estimated 1,050 spouses finding approvable employment, many will not qualify because their countries prohibit acceptance of similar employment opportunities by spouses of U.S. officials. As a result, it is expected that only about 550 more A-1 and A-2 spouses will be employed than are employed now. Under the present informal procedures, there are no restrictions on the part-time and summer employment of unmarried dependent sons and daughters of A-1 and A-2 principals as long as they are full-time students. Likewise, the proposed regulation does not prohibit such dependents from accepting employment in jobs listed on Schedule B. The proposed regulation will, however, introduce reciprocity as a factor, thereby reducing the total number of A-1 and A-2 dependents who are also full-time students working at any one time from 200 to about 100. Considering spouses and dependent student sons and daughters together, the proposed regulation is likely to add approximately 450 persons to the United States labor force. Slightly more than half of these will be in the Washington, DC area and the rest will be scattered about the country. As the reciprocity provision will reduce the number of approvals for unmarried dependents who are students, there will be a net reduction of aliens employed in Schedule B jobs, the area in which most unemployment is found.

It is believed that the reciprocity clause of this regulation will expand employment opportunities for the family members, particularly spouses, of officers and employees of United States diplomatic and consular offices abroad. This will particularly be so in

industrialized economies such as our own.

B. OUTLINE OF THE PROPOSED RULE

New subparagraph (2) will provide that the A-1 or A-2 spouse, unmarried dependent son or unmarried dependent daughter of an alien who is an employee or officer of a diplomatic or consular office in the United States admitted to the United States as a nonimmigrant under section 101(a)(15)(A) (i) or (ii) of the Act, may apply for permission to accept or continue employment of Form I-566. The application is first submitted to the Visa Office of the Department of State through the Office of Protocol, which will verify the official standing of the principal alien and family. The application may be approved if the Visa Office determines that similar employment opportunities for family members of United States diplomatic and consular officials are not prohibited by the government employing the principal alien, and if the Visa Office and the Service are satisfied that both the applicant and the principal alien are maintaining A-1 or A-2 status, that, except for the part-time work of A-1 or A-2 dependents who are students, the proposed employment is not in an occupation listed in the department of Labor Schedule B or otherwise in an occupation for which there is an oversupply of U.S. workers in the employment area, and that the employment is not contrary to the interests of the United States. Permission to accept or continue employment granted under this section will be for incremental periods of 2 years each. There shall be no appeal from a denial of an application under this section. In the unlikely event that an A-1 or A-2 alien is currently working with permission in a Schedule B occupation, he or she may continue in that employment for a period of two years following the effective date of this regulation. An A-1 or A-2 nonimmigrant who is working without authorization as of the effective date of this regulation must apply for permission to continue that employment within 90 days of the effective date of this regulation. However, previous unauthorized employment will not be held against such an applicant.

The Service shall inform the applicant by letter whether the application is approved or denied, and if denied, the reasons therefor. The Service shall also inform the Internal Revenue Service and Department of Labor whenever an I-566 application authorizing employment for an A-1 or A-2 spouse or unmarried dependent is approved.

C. PROPOSED RULE

It is proposed to amend Chapter I of Title 8 of the Code of Federal Regulations as set forth below.

PART 214—NONIMMIGRANT CLASSES

In Part 214, it is proposed to amend 8 CFR 214.2(a) by designating the existing paragraph as subparagraph (1) *General*, and by adding a new subparagraph (2) *Employment*. As amended, 8 CFR 214.2(a) is proposed to read as follows:

§ 214.2 Special requirements for admission, extension and maintenance of status.

(a) Foreign government officials—(1) *General*. ***

(2) *Employment*. The spouse, unmarried dependent son or unmarried dependent daughter habitually residing with a foreign government official classified as a nonimmigrant under section 101(a)(15)(A)(i) or (ii) of the Act as an officer or employee assigned to a diplomatic or consular office in the United States may be granted permission to accept or continue employment in the United States if an application to do so has first been favorably recommended by an authorized representative of the Department of State and approved by the District Director of the Service as indicated below. To apply, the spouse or unmarried dependent son or unmarried dependent daughter shall first submit Form I-566 to the Visa Office of the Department of State through the Office of Protocol. The form shall be accompanied by a certification by the diplomatic mission of the Government employing the principal alien that the applicant is the spouse or unmarried dependent son or unmarried dependent daughter of an official of that Government whose assignment is expected to last more than six months. The applicant shall also submit with the application a statement from the prospective employer describing the position and salary offered, the duties of the position and verification that the applicant possesses the necessary qualifications for the position. The applicant shall also submit his or her own sworn statement, or, in the case of a minor, the statement of the principal alien, acknowledging that all income earned from such employment is taxable. The application may be approved if both the authorized representative of the Department of State and the District Director of this Service at Washington, DC are satisfied that: (i) Both the principal alien and the applicant desiring employment are maintaining A-1 or A-2 status; (ii) the proposed employment is not in an occupation listed in the Department of Labor Schedule B (20 CFR 656) or

otherwise determined by the Department of Labor to be one for which there is an oversupply of qualified U.S. workers in the area of proposed employment, except in the case of the employment of an unmarried dependent son or unmarried dependent daughter in A-1 or A-2 status who is a full-time student, if the employment is part-time, consisting of not more than 20 hours per week and/or if it is temporary employment of not more than 12 weeks at a time during school holiday periods; *Provided*, that if an A-1 or A-2 alien was authorized to accept full-time employment in a Schedule B occupation prior to the effective date of this regulation he/she may continue in that employment for a period of 2 years following the effective date of this regulation; (iii) employment of a similar nature for family members of United States Government officials assigned to a diplomatic or consular office in the country employing the principal alien is not prohibited by the host country government; and (iv) the proposed employment would not be contrary to the interests of the United States. Employment of A-1 or A-2 aliens who have criminal records, or who have violated the immigration and nationality laws or regulations or who worked illegally or who cannot establish that they paid taxes on income from previous U.S. employment may be considered contrary to the interests of the United States. However, an A-1 or A-2 alien who is working without authorization on the effective date of this regulation must apply for authority to continue that work within 90 days of the effective date of this regulation. He/she must comply with the terms of this regulation in all respects except for the provision relating to illegal employment, and the fact of such illegal employment will not be construed against him/her in considering that application for employment. Permission to accept employment may not be granted to A-1 or A-2 spouses, unmarried dependent sons or unmarried dependent daughters if the principal alien will be stationed in this country for a definite period of six months or less. Permission to accept or continue employment under this section shall be granted in increments of not more than two years each. There shall be no appeal from a denial of permission to accept or continue employment under this section. The Service will inform the A-1 or A-2 applicant by letter whether the application has been granted or denied and if denied, of the reasons therefor. When an application is approved, the Service shall inform the Internal Revenue Service and Department of Labor. A family member of a principal alien classified A-3 may not be employed in

the United States under these regulations.

(Sec. 103 and 214; 8 U.S.C. 1103 and 1184; Interpret or apply sec. 401(a) of the Foreign Relations Authorization Act of 1979)

D. COMMENTS INVITED

In accordance with the provisions of section 553 of Title 5 of the United States Code, interested persons are invited to submit relevant data, views and arguments concerning this proposed rule to the COMMISSIONER OF IMMIGRATION AND NATURALIZATION, Room 7100, 425 Eye Street, N.W., Washington, DC 20536 on or before March 30, 1979. Please submit all comments in writing, in duplicate.

Dated: January 19, 1979.

LEONEL J. CASTILLO,
*Commissioner of Immigration
and Naturalization.*

Dated: January 23, 1979.

BARBARA M. WATSON,
*Assistant Secretary
of State for Consular Affairs.*

[FR Doc. 79-2992 Filed 1-26-79; 8:45 am]

[4410-10-M]

[8 CFR Part 274]

ILLEGAL TRANSPORTATION OF ALIENS INTO THE UNITED STATES

Seizure of Vessels, Vehicles, and Aircraft

AGENCY: Immigration and Naturalization Service, Justice.

ACTION: Proposed Rule.

SUMMARY: This notice of proposed rulemaking sets forth proposed amendments to the regulations of the Immigration and Naturalization Service under which vehicles, vessels, and aircraft used to transport aliens into the United States in violation of law may be seized by authorized and designated immigration officers and forfeited to the United States. The proposed regulations also provide that if a seized conveyance was stolen, or the owner had no knowledge of the illegal activity, it shall be returned to the owner expeditiously. These proposed regulations are necessary and intended to comply with the directive of the Congress that the agency promulgate implementing regulations which provide for the prompt return to the owner of conveyances which are not in fact subject to seizure and forfeiture under this statute.

DATES: Representations must be received on or before March 30, 1979.

ADDRESSES: Please submit written representations, in duplicate to the COMMISSIONER OF IMMIGRATION AND NATURALIZATION, Room 7100, 425 Eye Street, N.W., Washington, DC 20536.

FOR FURTHER INFORMATION CONTACT:

James G. Hoofnagle, Jr., Instructions Officer, Immigration and Naturalization Service. Telephone: (202) 633-3048.

SUPPLEMENTARY INFORMATION:

On November 2, 1978, the President signed Pub. L. 95-582 into law. Section 2 of that statute amends section 274 of the Immigration and Nationality Act to provide that any vehicle, vessel, or aircraft which is used in the commission of a violation of subsection (a) of section 274 of the Act shall be subject to seizure and forfeiture except when the owner, master, or other person in charge of the vehicle, vessel, or aircraft was not, at the time of the alleged illegal act, a consenting party or privy thereto or where the illegal act occurred while the vessel, vehicle, or aircraft was in the illegal possession of any person other than the owner, as established by the criminal laws of the United States, or of any States. This statute further provides that should the conveyance be improperly seized, it shall be expeditiously returned to the owner, master, or other person in charge thereof, and the Government shall not charge any expense incidental to the seizure to that individual. This statute also provides that all provisions of law relating to the seizure, forfeiture, and disposition of vessels, vehicles, and aircraft for violations of customs law shall apply to violations of the provisions of this statute subject to the exceptions noted.

These proposed regulations are intended to implement this statute. They consist of 16 sections including definitions; regulations relating to officers who will make seizures; conveyances subject to seizure and duties of the regional commissioners relating to their custody; regulations respecting the expeditious return to the owner of improperly seized conveyances; procedures to be followed when a vehicle is to be seized and forfeited to the Government and procedures for the filing of petitions for remission or mitigation of forfeiture.

In the light of the foregoing, the following amendments are proposed to be made to Chapter I of Title 8 of the Code of Federal Regulations.

In Part 274 it is proposed to revise the title of the Part, revise § 274.1, and add new §§ 274.2-16 as set forth below:

PART 274—SEIZURE AND FORFEITURE OF VEHICLES, VESSELS AND AIRCRAFT

- Sec.
 274.1 Definitions.
 274.2 Officers who will make seizures.
 274.3 Custody and other duties of the regional commissioner.
 274.4 Conveyances subject to seizure.
 274.5 Return to owner of improperly seized conveyances; opportunity for personal interview.
 274.6 Appraisal.
 274.7 Notice to registered owner and lien holder of seizure.
 274.8 Advertisement.
 274.9 Requirements as to claim and bond.
 274.10 Summary forfeiture.
 274.11 Judicial forfeiture.
 274.12 Petitions for remission or mitigation of forfeiture.
 274.13 Provisions applicable to particular situations.
 274.14 Time for filing petitions.
 274.15 Handling of petitions.
 274.16 Holder of a valid lien or other third party interest in a vehicle.

AUTHORITY: The provisions of §§ 274.1-16 are issued under section 274(b) of the Immigration and Nationality Act (8 U.S.C. 1324(b)), as amended by Pub. L. 95-582 (92 Stat. 2479), and Sec. 103 of the Act (8 U.S.C. 1103).

§ 274.1 Definitions.

As used in this part, the following terms shall have the meanings specified:

(a) The term "consenting party or privy to the illegal act" means that the person knew of the illegal activity. A person shall be presumed to have knowledge of an illegal activity if the facts and circumstances are such that a person of reasonable diligence would be expected to know of the illegal activity.

(b) The term "conveyance" means a vessel, vehicle, or aircraft as used in section 274(b) of the Act. A trailer shall be considered a vehicle if it is being towed or readily capable of being towed. However, an immobilized house trailer which has been placed on permanent foundations, which is not readily mobile, is not a vehicle subject to seizure.

(c) The term "custodian" means the regional commissioner who under section 274.3 has been designated to receive and maintain in storage all conveyances seized pursuant to the Act.

(d) The term "lienholder" means a person who holds a security interest in a conveyance.

(e) The term "owner" means the person who holds primary and direct title to the conveyance, as opposed to a person who holds a security interest in the conveyance.

(f) The term "person" means an individual, partnership, corporation, joint business enterprise, or other entity capable of owning a conveyance.

(g) The term "record" means an arrest followed by a conviction, except

that a single arrest and conviction and the expiration of any sentence imposed as a result of such conviction, all of which occurred more than ten years prior to the date the petitioner acquired his interest in the seized property, shall not be considered a record: *Provided, however,* That two convictions shall always be considered a record regardless of when the convictions occurred: *And provided further,* That the regional commissioner may, in his discretion, consider as constituting a record, an arrest or series of arrests in which the charge or charges were subsequently dismissed for reasons other than acquittal or lack of evidence.

(h) The term "related crime" means any crime related to the illegal bringing in, harboring, transportation, entry, reentry, or importation of aliens.

(i) The term "reputation" means repute with a law enforcement agency or among law enforcement officers or in the community generally, including any pertinent neighborhood or other area.

(j) The term "regional commissioner" means the regional commissioner of the Immigration and Naturalization Service.

(k) The term "seizure" means the act of taking the vehicle into the custody of the Service for the express purpose of forfeiting it in accordance with the provisions of section 274(b) of the Act. Nothing contained in this part shall be construed as prohibiting an immigration officer from holding the conveyance temporarily, not to exceed 72 hours, for the purpose of investigating the ownership of the conveyance in order to determine whether such conveyance is subject to seizure under section 274(b)(1) of the Act. Such temporary holding shall not constitute a seizure within the meaning of section 274(b)(1) of the Act, and no cost shall be incurred by the Government under section 274(b)(2) of the Act by reason of such temporary holding. Such temporary holding shall be without prejudice to the right of the owner to regain possession of the vehicle from the Service up until the time when a seizure under this part occurs.

(l) The term "valid lien or other third party of interest" as used in section 274(b)(2) of the Act and this part means a security interest in a vehicle which is held by a person who establishes that he meets the minimum requirements for remission set forth in § 274.12(f), and whose petition for remission submitted under this part has been granted.

(m) The term "attorney fees associated with such seizure and forfeiture" as used in § 274(b)(2) of the Act and this part means Government attorney fees which would otherwise be charge-

able as an item of cost to a person seeking to reclaim the conveyance.

(n) The term "costs of transportation" as used in § 274(b)(2) of the Act and this part refers solely to costs of transportation of the conveyance which was done at the request of the U.S. Government as was directly related to the seizure. It shall not include any costs incurred by an owner in transporting the conveyance from the place where the Government makes it available for return to him in accordance with § 274.5 of this part.

(o) Any term not defined in this section shall have the definition set forth in section 101 of the Act and in § 1.1 of this chapter.

§ 274.2 Officers who will make seizures.

For the purpose of carrying out the provisions of section 274(b) of the Act, all immigration officers are authorized and designated to seize such conveyances as may be subject to seizure thereunder.

§ 274.3 Custody and other duties of the regional commissioner.

An officer seizing a conveyance under the Act shall store the conveyance in a location designated by the custodian, generally in the judicial district of the seizure. The regional commissioners are designated as custodians to receive and maintain in storage all conveyances seized pursuant to the Act. The regional commissioners are also authorized to dispose of any conveyances pursuant to the Act and any other applicable statutes or regulations relative to disposal, and to perform such other duties (not inconsistent with the provisions of the Act) regarding such seized conveyances as are imposed on the district directors of the U.S. Customs Service with respect to seizures under the Customs law, including the maintenance of appropriate records concerning the temporary detention, seizure and disposition of seized vehicles.

§ 274.4 Conveyances subject to seizure.

Generally, any conveyance which an immigration officer has probable cause to believe has been used in the commission of a violation of section 274(a) of the Act may be subject to seizure. However, a conveyance which has been used in a violation of section 274(a) of the Act is not subject to seizure if:

(a) The owner, master, or other person in charge of the conveyance was not a consenting party or privy to the illegal act; or

(b) The alleged illegal act occurred while the conveyance was in the illegal possession of someone other than the owner as established by the criminal laws of the United States or of any

state (as defined in section 101(a)(36) of the Act).

§ 274.5 Return to owner of improperly seized conveyances; opportunity for personal interview.

(a) The Service shall attempt with due diligence to ascertain the ownership of any conveyance held temporarily, in accordance with § 274.1(k) of this part, in order to determine whether such conveyance is subject to seizure under section 274(b)(1) of the Act.

(b) The owner of a conveyance seized hereunder shall be informed that he may, within 72 hours after receipt of notice of seizure, request a personal interview with an immigration officer (other than the officer who initially encountered the conveyance) at which time the owner may present any evidence and arguments that he might have that the conveyance was not properly seized. If such officer determines that the conveyance was not subject to seizure, the conveyance shall be returned to the owner without any expense (including the types of expenses set forth in paragraph (c)).

(c) If at any time after a seizure has taken place, the regional commissioner finds that the conveyance was not in fact subject to seizure, the regional commissioner shall immediately notify the owner of the conveyance by letter, return receipt requested, that the conveyance is available for return to him in accordance with the provisions of section 274(b)(2) of the Act. The conveyance shall be made available to the owner at the place of storage or place of seizure whichever, the owner may request. In such cases, the owner shall not incur any expenses, including costs of transportation, storage, damage, and attorney's fees associated with the seizure and forfeiture. In the event that the conveyance involved is the subject of judicial forfeiture proceedings instituted in accordance with section 274(b) of the Act and § 274.11 of this part, the regional commissioner shall immediately notify the U.S. Attorney that the conveyance is required to be returned to the owner in accordance with section 274(b)(2) of the Act, and that judicial forfeiture proceedings must be terminated. The notice to the owner shall also state that if the conveyance remains unclaimed for 60 days following the receipt of the notice provided in this paragraph, it shall be considered to be voluntarily abandoned to the government, and the regional commissioner shall dispose of such conveyance in accordance with the provisions of 40 U.S.C. 304g.

§ 274.6 Appraisal.

The custodian shall appraise the conveyance to determine the domestic value at the time and place of seizure.

The domestic value shall be considered the retail price at which such or similar conveyance is freely offered for sale. If there is no market for the conveyance at the place of seizure, the domestic value shall be considered the value in the principal market nearest the place of seizure.

§ 274.7 Notice to registered owner and lienholder of seizure.

Whenever a seizure takes place, notice shall be given to the registered owner(s) and any known lienholder(s) notifying them of the seizure of their conveyance and the contemplated forfeiture. Such notice shall be accompanied by copies of the applicable regulations, section 274 of the Act, and the proposed advertisement if such advertisement is required under section 274.8 of this part. The owner shall be informed of the provisions of section 274.5(b).

§ 274.8 Advertisement.

(a) If the appraised value does not exceed \$10,000, the custodian shall cause a notice of the seizure and of the intention to forfeit and sell or otherwise dispose of the conveyance to be published once a week for at least three successive weeks in a newspaper of general circulation in the judicial district in which the seizure occurred. A copy of this notice shall be sent to the registered owner(s) of the conveyance and to any known lienholder(s) in accordance with § 274.7 of this part.

(b) The notice shall: (1) describe the conveyance seized and show the motor and serial numbers, if any; (2) state the time, cause, and place of seizure; and (3) state that any person desiring to claim the property may, within 20 days of the date of first publication of the notice, file with the custodian a claim to the conveyance and a bond with satisfactory sureties in the sum of \$250; and (4) state that a petition for remission or mitigation may be filed with the regional commissioner in accordance with § 274.12 of this part.

§ 274.9 Requirements as to claim and bond.

(a) The bond shall be rendered to the United States, with sureties to be approved by the custodian, conditioned that in case of condemnation of the conveyance the obligor shall pay all costs and expenses of the proceedings to obtain such condemnation. If a person certifies under oath that he is unable to pay the \$250 bond to obtain a judicial determination of forfeiture, the regional commissioner may waive the bond requirement. When the claim and bond are received by the custodian, he shall, after finding the documents in proper form and the surety satisfactory, immediately trans-

mit the documents, together with a description of the conveyance and a complete statement of the facts and circumstances surrounding the seizure, to the United States Attorney for the judicial district in which the seizure was made for the purpose of proceeding to a condemnation of the conveyance in the manner prescribed by law. If the documents are not in satisfactory condition when first received, the person claiming the conveyance and furnishing the bond shall be advised by letter as to the inadequacy of the documents and advised that he has 20 days from the date of the letter to correct the documents. If correction is not made within the time allowed, the documents may be treated as of no effect and the case shall proceed as though they had not been tendered.

(b) The filing of the claim and the posting of the bond does not entitle the claimant to possession of the conveyance. However, it does stop the summary forfeiture proceedings. The bond posted to cover costs may be in cash, certified check, or on Treasury Department Form 171 with satisfactory sureties. The costs and expenses secured by the bond are such as are incurred after the filing of the bond including storage costs, safeguarding, court fees, marshal's costs, etc.

§ 274.10 Summary forfeiture.

If the appraised value does not exceed \$10,000, and a claim and bond are not filed within the 20 days previously mentioned, the custodian may declare the conveyance forfeited. The custodian shall prepare the declaration of forfeiture and forward it to the Commissioner as notification of the action he has taken. Thereafter, the conveyance shall be retained in the custodian's region or delivered elsewhere for official use, or otherwise disposed of, in accordance with the official instructions received by the custodian.

§ 274.11 Judicial forfeiture.

If the appraised value is greater than \$10,000, or a claim and satisfactory bond have been received for a conveyance appraised at \$10,000 or less, the custodian shall immediately transmit a description of the conveyance and a complete statement of the facts and circumstances surrounding the seizure to the U.S. Attorney for the judicial district in which the seizure was made for the purpose of instituting condemnation proceedings. The U.S. Attorney shall also be furnished the newspaper advertisement if such advertisement was required by § 274.8.

§ 274.12 Petitions for remission or mitigation of forfeiture.

(a) Any person having a legal or equitable interest in any conveyance

which has been seized, or forfeited either summarily or by court proceedings, may file a petition for remission or mitigation of the forfeiture. Such petition shall be filed in triplicate with the regional commissioner having jurisdiction over the judicial district in which the seizure occurred. The petition shall be addressed to the regional commissioner if the conveyance is subject to summary forfeiture pursuant to section 274.10, and addressed to the Attorney General if the conveyance is subject to judicial forfeiture pursuant to § 274.11. The petition must be executed and sworn to by the person alleging interest in the conveyance.

(b) The petition shall include the following: (1) a complete description of the conveyance, including motor and serial numbers, if any, and the date and place of seizure; (2) the petitioner's interest in the conveyance, which shall be supported by bills of sale, contracts, or other satisfactory evidence; and (3) the facts and circumstances, to be established by satisfactory proof, relied upon by the petitioner to justify remission or mitigation.

(c) When the petition is for the restoration of the proceeds of sale, or for value of the conveyance placed in official use, it must be supported by satisfactory proof that the petitioner did not know of the seizure prior to the declaration of condemnation of forfeiture and was in such circumstances as prevented him from knowing of the same.

(d) If the petitioner is the owner of the vehicle, and establishes that he was not a consenting party or privy to the illegal act, or that the alleged illegal act occurred while the conveyance was in the illegal possession of someone other than the owner as established by the criminal laws of the United States or of any state, the procedures relating to petitions for remission or mitigation shall be inapplicable, and the mandatory return provisions of § 274.5(c) shall apply instead.

(e) The regional commissioner shall not remit a forfeiture unless the petitioner:

- (1) establishes a valid, good faith interest in the seized conveyance;
- (2) establishes that he at no time had any knowledge or reason to believe that the conveyance in which he claims an interest was being or would be used in a violation of the law; and
- (3) establishes that he at no time had any knowledge or reason to believe that the owner had any record or reputation for violating laws of the United States or of any state for related crime; and
- (4) establishes that he has taken all reasonable steps to prevent the illegal use of the conveyance.

§ 274.13 Provisions applicable to particular situations.

(a) Mitigation: In addition to his discretionary authority to grant relief by way of complete remission of forfeiture, the regional commissioner may, in the exercise of his discretion, mitigate forfeitures of seized conveyances. This authority may be exercised in those cases where the petitioner has not met the minimum conditions for remission but where there are present other extenuating circumstances indicating that some relief should be granted to avoid extreme hardship. Mitigation may also be granted where the minimum standards for remission have been satisfied, but the overall circumstances are such that, in the opinion of the regional commissioner, complete relief is not warranted. Mitigation shall take the form of a money penalty imposed upon the petitioner in addition to any other sums chargeable as a condition to remission. This penalty is considered as an item of cost payable by the petitioner.

(b) Straw purchase transactions: If a person purchases in his own name a conveyance for another who has a record or reputation for related crimes, and if a lienholder knows or has reason to believe that the purchaser of record is not the real purchaser, a petition filed by such a lienholder shall be denied unless the petitioner establishes compliance with the requirements of section 274.12(e) as to both the purchaser of record and the real purchaser. This rule shall also apply where money is borrowed on the security of property held in the name of the purchaser of record for the real purchaser.

(c) Notwithstanding the fact that a petitioner has satisfactorily established compliance with the administrative conditions applicable to his particular situation, the regional commissioner may deny relief if there are unusual circumstances present which, in his judgement, provide reasonable grounds for concluding that remission or mitigation of the forfeiture would be contrary to the interests of justice.

§ 274.14 Time for filing petitions.

(a) In order to be considered as timely filed, a petition for remission or mitigation of forfeiture should be filed within 30 days of the receipt of the notice of seizure. If a petition for remission or mitigation forfeiture has not been received within 30 days of the notice of seizure, the property will either be placed in official government service or sold as soon as it is forfeited. Once the property is placed in official use, or is sold, a petition for remission or mitigation of forfeiture can no longer be accepted.

(b) A petition for restoration of proceeds of sale, or for the value of prop-

erty placed in official use, must be filed within 90 days of the sale of the property, or within 90 days of the date the property is placed in official use.

§ 274.15 Handling of petitions.

Upon receipt of a petition, the regional commissioner shall request an appropriate investigation. If the petition involves a case which has been referred to the U.S. Attorney for institution of court proceedings, the regional commissioner shall transmit the petition to the U.S. Attorney for the judicial district in which the seizure occurred. He shall notify the petitioner of this action.

§ 274.16 Holder of a valid lien or other third party interest in a vehicle.

In the event that a vehicle is forfeited and sold, the holder of a valid lien or other third party interest (as defined in § 274.1(1)) in the vehicle shall have such interest satisfied without expense. However, the money paid to such interest-holder shall not exceed the proceeds of the sale, or in the case of a vehicle placed in official use, the appraised value of the vehicle.

PUBLIC COMMENTS INVITED

In accordance with 5 U.S.C. 553 the Service invites representations of interested parties on these proposed rules. All relevant data, views, or arguments submitted on or before March 30, 1979, will be considered. Representations should be submitted in writing, in duplicate, to the Commissioner of Immigration and Naturalization at the address shown at the beginning of this notice.

Dated: January 25, 1979.

LEONEL J. CASTILLO,
Commissioner of Immigration
and Naturalization.

[FR Doc. 79-3120 Filed 1-26-79; 8:45 am]

[4910-13-M]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 39]

[Docket No. 77-WE-26-AD]

AIRWORTHINESS DIRECTIVES

McDonnell Douglas Model DC-9 Series Airplanes Including Military Type C-9A, C-9B, and VC-9C

AGENCY: Federal Aviation Administration (FAA) DOT.

ACTION: Notice of proposed rule making.

SUMMARY: This Notice proposes to amend an existing Airworthiness Directive (AD) applicable to McDonnell Douglas DC-9 series airplanes to re-

quire a continuing inspection if repair of the DC-9 elevator is accomplished in accordance with a certain procedure. This amendment is considered necessary to provide for assurance of continued structural integrity of the DC-9 elevator after repair.

DATES: Comments must be received on or before April 2, 1979.

ADDRESSES: Send comments on the proposal to: Department of Transportation, Federal Aviation Administration, Western Region, Attention: Regional Counsel, Airworthiness Rule Docket, P.O. Box 92007, Worldway Postal Center, Los Angeles, California 90009. The applicable service information may be obtained from: McDonnell Douglas Corporation, 3855 Lakewood Boulevard, Long Beach, California 90846, ATTN: L. A. Eisenberg, C1-750, 54-60.

Also, a copy of the service information may be reviewed at, or a copy obtained from: Rules Docket in Room 916, FAA, 800 Independence Avenue, S.W., Washington, D.C. 20591, or Rules Docket in Room 6W14, FAA Western Region, 15000 Aviation Boulevard, Hawthorne, California 90261.

FOR FURTHER INFORMATION CONTACT:

Jerry Presba, Executive Secretary, Airworthiness Directive Review Board, Federal Aviation Administration, Western Region, P.O. Box 92007, World Way Postal Center, Los Angeles, California 90009, Telephone: 213-536-6351.

SUPPLEMENTARY INFORMATION:

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Interested persons are also invited to comment on the economic, environmental and energy impact that might result because of adoption of the proposed rule. Communications should identify the regulatory docket number and be submitted in duplicate to the address specified above. All communications received on or before the closing date for comments will be considered by the Administrator before taking action on the proposed rule. The proposal contained in this notice may be changed in light of comments received. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact, concerned with the substance of the proposed AD, will be filed in the Rules Docket.

This Notice proposes to amend Amendment 39-3119, AD-78-01-12, which currently requires inspection for cracks and repair or replacement

of the elevator spar on McDonnell Douglas Model DC-9 series airplanes. After the issuance of Amendment 39-3119, the manufacturer, at the request of several operators, revised DC-9 Service Bulletin 55-28 to permit the use of an alternate repair method for cracked spars. This alternate repair involves the use of an external leading edge cuff/doubler, whereas the standard repair in the DC-9 Structural Repair Manual provides a repair which splices in a new spar section or replaces the spar. The alternate repair described above is considered acceptable under the terms of Paragraph (c) of the AD; however, use of the alternate repair requires that the repetitive inspection interval of 3600 flight hours presently prescribed for the structural repair manual methods be reduced to 1800 flight hours for this specific repair. Therefore, the FAA is considering amending Amendment 39-3119 by changing Paragraph (c) to require a repetitive inspection interval of 1800 flight hours time in service if repairs are accomplished per DAC Service Sketch 2737A on McDonnell Douglas Model DC-9 series airplanes.

PROPOSED AMENDMENT

Accordingly, the Federal Aviation Administration proposes to amend § 39.13 of Part 39 of the Federal Aviation Regulations (14 CFR 39.13) by amending Amendment 39-3119, AD-78-01-12, by adding the following sentence to the end of Paragraph (c):

"If the cracked spar is repaired per McDonnell Douglas Service Sketch 2737A, the repetitive inspection procedures of Paragraph (a) of this AD must be accomplished on the repaired area at intervals of 1800 hours."

(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 11.85)

The Federal Aviation Administration has determined that this document is not significant in accordance with the criteria required by Executive Order 12044 and set forth in interim Department of Transportation Guidelines.

Issued in Los Angeles, California on January 16, 1979.

LEON C. DAUGHERTY,
Director, FAA Western Region.

[FR Doc. 79-2960 Filed 1-26-79; 8:45 am]

[4910-13]

[14 CFR Part 71]

[Airspace Docket No. 78-SO-62]

FEDERAL AIRWAY

Proposed Revocation

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This notice proposes to revoke Victor Airway V-35W between Macon, Ga., and Albany, Ga., since this airway segment is not being used. This action would support FAA's continuing review of airway utilization and eliminate routes, where possible, to reduce chart clutter.

DATES: Comments must be received on or before February 28, 1979.

ADDRESSES: Send comments on the proposal in triplicate to: Director, FAA Southern Region, Attention: Chief, Air Traffic Division, Docket No. 78-SO-62, Federal Aviation Administration, P.O. Box 20636, Atlanta, Ga. 30320.

The official docket may be examined at the following location: FAA Office of the Chief Counsel, Rules Docket, (AGC-24), Room 916, 800 Independence Avenue, SW., Washington, D.C. 20591.

An informal docket may be examined at the office of the Regional Air Traffic Division.

FOR FURTHER INFORMATION CONTACT:

Mr. Lewis W. Still, Airspace Regulations Branch (AAT-230), Airspace and Air Traffic Rules Division, Air Traffic Service, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, D.C. 20591, telephone (202) 426-8525.

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 identify the airspace docket number and be submitted in triplicate to the Director, Southern Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, P. O. Box 20636, Atlanta, Ga. 30320. All communications received on or before February 28, 1979, will be considered before action is taken on the proposed amendment. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available, both before and after the

closing date for comments, in the Rules Docket for examination by interested persons.

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 docket 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 FAA is considering an amendment to Subpart C of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) that would revoke alternate Airway V-35W between Albany, Ga., and Macon, Ga. This airway segment is not being used and is no longer required for the expeditious and efficient movement of traffic. Subpart C of Part 71 was republished in the FEDERAL REGISTER on January 2, 1979, (44 FR 307).

THE PROPOSED AMENDMENT

Accordingly, pursuant to the authority delegated to me, the Federal Aviation Administration proposes to amend 71.123 of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) as republished (44 FR 307) as follows:

Under V-35

"Albany, Ga.; Macon, Ga.; including a west alternate via INT Albany 013" and Macon 240" radials;" would be deleted and

"Albany, Ga.; Macon, Ga.;" would be substituted therefor.

(Secs. 307(a) and 313(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a) and 1354(a)); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.65.)

NOTE.—The FAA has determined that this document involves a proposed regulation which is not significant under the procedures and criteria prescribed by Executive Order 12044 and implemented by interim Department of Transportation guidelines (43 FR 9582; March 8, 1978).

Issued in Washington, D. C. on January 23, 1979.

WILLIAM E. BROADWATER,
Chief, Airspace and Air
Traffic Rules Division.

[FR Doc. 79-2943 Filed 1-26-79; 8:45 am]

[4910-13-M]

[14 CFR Part 71]

[Airspace Docket No. 79-ASW-11]

TRANSITION AREA

Proposed Alteration: Patterson, Louisiana

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of Proposed Rule Making.

SUMMARY: The nature of the action being taken is to propose alteration of a transition area at Patterson, La. The intended effect of the proposed action is to provide additional controlled airspace for aircraft executing the instrument approach procedures to the Harry P. Williams Memorial Airport. The circumstance which created the need for the action is that higher performance aircraft are utilizing the airport requiring additional controlled airspace for their protection.

DATES: Comments must be received by February 28, 1979.

ADDRESSES: Send comments on the proposal to: Chief, Airspace and Procedures Branch, Air Traffic Division, Southwest Region, Federal Aviation Administration, P.O. Box 1689, Fort Worth, Texas 76101.

The official docket may be examined at the following location: Office of the Regional Counsel, Southwest Region, Federal Aviation Administration, 4400 Blue Mound Road, Fort Worth, Texas.

An informal docket may be examined at the Office of the Chief, Airspace and Procedures Branch, Air Traffic Division.

FOR FURTHER INFORMATION CONTACT:

David Gonzalez, Airspace and Procedures Branch (ASW-536), Air Traffic Division, Southwest Region, Federal Aviation Administration, P.O. Box 1689, Fort Worth, Texas 76101; telephone 817-624-4911, extension 302.

SUPPLEMENTARY INFORMATION: In Subpart G § 71.181 (44 FR 442) of FAR Part 71, the description of the Patterson, La., transition area reflects the controlled airspace designed for aircraft executing instrument approach procedures within a 5-mile radius of the Harry P. Williams Memorial Airport. Criteria III (turbojets) aircraft are utilizing the airport and require expansion of the transition area to an 8.5-mile radius to provide the necessary additional controlled airspace for their protection.

COMMENTS INVITED

Interested persons may submit such written data, views or arguments as they may desire. Communications

should be submitted in triplicate to Chief, Airspace and Procedures Branch, Air Traffic Division, Southwest Region, Federal Aviation Administration, P.O. Box 1689, Fort Worth, Texas 76101. All communications received on or before February 28, 1979, 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 Chief, Airspace and Procedures Branch. 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. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

AVAILABILITY OF NPRM

Any person may obtain a copy of this notice of proposed rule making (NPRM) by submitting a request to the Chief, Airspace and Procedures Branch, Air Traffic Division, Southwest Region, Federal Aviation Administration, P.O. Box 1689, Fort Worth, Texas 76101, or by calling 817-624-4911, extension 302. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRMs should contact the office listed above.

THE PROPOSAL

The FAA is considering an amendment to Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) to alter the Patterson, La., transition area. The FAA believes this action will enhance IFR operations at the Harry P. Williams Memorial Airport by providing additional controlled airspace for aircraft executing instrument approach procedures established for the airport. Subpart G of Part 71 was republished in the FEDERAL REGISTER on January 2, 1979 (44 FR 442).

THE PROPOSED AMENDMENT

Accordingly, pursuant to the authority delegated to me, the FAA proposes to amend § 71.181 of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) as republished (44 FR 442) by altering the Patterson, La., transition area as follows:

That airspace extending upward from 700 feet above the surface within an 8.5-mile radius of Harry P. Williams Memorial Airport (latitude 29°42'40" N., longitude 91°20'18" W.), and within 3.5 miles each side of the 228° bearing from the Patterson RBN (latitude 29°42'32" N., longitude 91°20'14"

W.) extending from the 8.5-mile radius area to 11.5 miles southwest of the RBN.

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

NOTE.—The FAA has determined that this document involves a proposed regulation which is not considered to be significant under the procedures and criteria prescribed by Executive Order 12044 and as implemented by interim Department of Transportation guidelines (43 FR 9582; March 3, 1978).

Issued in Fort Worth, Tex., on January 16, 1979.

PAUL J. BAKER,
Acting Director, Southwest Region.
[FR Doc. 79-2947 Filed 1-26-79; 8:45 am]

[4910-13-M]

[14 CFR Part 71]

[Airspace Docket No. 78-EA-114]

TRANSITION AREA

Proposed Alteration; Ogdensburg, N.Y.

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of Proposed Rule Making.

SUMMARY: This notice proposes to alter the Ogdensburg, N.Y., Transition Area, over Ogdensburg International Airport, Ogdensburg, N.Y. This alteration is required due to development of a new LOC RWY 27 instrument approach procedure. The instrument approach procedure requires a widening of the transition area extension to protect aircraft utilizing the instrument approach.

DATES: Comments must be received on or before March 12, 1979.

ADDRESSES: Send comments on the proposal in triplicate to: Chief, Airspace & Procedures Branch, AEA-530, Eastern Region, Federal Aviation Administration, Federal Building, Jamaica, New York 11430. The docket may be examined at the following location: FAA, Office of Regional Counsel, AEA-7, Federal Building, J.F.K. International Airport, Jamaica, New York 11430.

FOR FURTHER INFORMATION CONTACT:

Frank Trent, Airspace & Procedures Branch, AEA-530, Air Traffic Division, Federal Aviation Administration, Federal Building, J.F.K. International Airport, Jamaica, New York 11430, Telephone (212) 995-3391.

COMMENTS INVITED

Interested parties may participate in the proposed rulemaking by submitting such written data, views or arguments as they may desire. Communi-

cations should identify the airspace docket number and be submitted in triplicate to the Director, Eastern Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, J.F.K. International Airport, Jamaica, New York 11430. All communications received on or before March 12, 1979, will be considered before action is taken on the proposed amendment. The proposals contained in this notice may be changed in the light of comments received. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

AVAILABILITY OF NPRM

Any person may obtain a copy of this notice of proposed rulemaking (NPRM) by submitting a request to the Chief, Airspace & Procedures Branch, AEA-530, Eastern Region, Federal Aviation Administration, Federal Building, Jamaica, New York 11430, or by calling (212) 995-3391.

Communications must identify the docket 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 PROPOSED AMENDMENT

Accordingly, pursuant to the authority delegated to me, the Federal Aviation Administration proposes to amend § 71.181 of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) as follows:

1. Amend § 71.181 of Part 71 of the Federal Aviation Regulations by amending the description of the Ogdensburg, N.Y., 700-foot floor transition area as follows:

a. Delete, "within 3.5 miles each side of a 075° bearing from the Ogdensburg RBN, (44°41'30" N., 75°24'25" W.), extending from the 5-mile radius area to 11.5 miles east of the RBN."

b. Following, "Ogdensburg International Airport, Ogdensburg, N.Y.," insert, "within 4.5 miles each side of a 075° bearing from the Ogdensburg RBN (44°41'30" N., 75°24'25" W.) extending from the RBN to 11.5 miles east of the RBN."

(Sec. 307(a), Federal Aviation Act of 1958 (72 Stat. 749 (49 U.S.C. 1348(a))); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.65.)

NOTE.—The FAA has determined that this document involves a proposed regulation which is not considered to be significant under the procedures and criteria prescribed by Executive Order 12044 and as implemented by interim Department of Transportation guidelines (43 FR 9582; March 8, 1978).

Issued in Jamaica, New York, on January 15, 1979.

LOUIS J. CARDINALI,
Acting Director, Eastern Region.
[FR Doc. 79-2949 Filed 1-26-79; 8:45 am]

[6750-01-M]

FEDERAL TRADE COMMISSION

[16 CFR Part 13]

[File No. 792 3014]

WOODLAND MOBILE HOMES, INC., ET AL.

Consent Agreement With Analysis To Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Provisional consent agreement.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this provisionally accepted consent agreement, among other things, would require a Santa Rosa, Calif. seller of mobile homes and other consumer products and its affiliate, Woodland Mobile Homes, Inc. of Nevada, to cease failing to make available to prospective buyers, prior to purchase, the text of written warranties offered for mobile homes and other consumer products as required by federal regulations.

DATE: Comments must be received on or before March 27, 1979.

ADDRESS: Comments should be directed to: Office of the Secretary, Federal Trade Commission, 6th St. and Pennsylvania Ave., NW., Washington, D.C. 20580.

FOR FURTHER INFORMATION CONTACT:

William A. Arbitman, Director, 9R, San Francisco Regional Office, Federal Trade Commission, 450 Golden Gate Ave., San Francisco, Calif. 94102. (415) 556-1270.

SUPPLEMENTARY INFORMATION: Pursuant to Section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and § 2.34 of the Commission's rules of practice (16 CFR 2.34), notice is hereby given that the following consent agreement containing a consent order to cease and desist and an explanation thereof, having been filed with and provisionally accepted by the Commission, has been placed on the public record for a period of sixty (60) days. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with § 4.9(b)(14) of the Commission's rules of practice (16 CFR 4.9(b)(14)).

[File No. 792 3014]

WOODLAND MOBILE HOMES, INC., ET AL.

AGREEMENT CONTAINING CONSENT ORDER TO
CEASE AND DESIST

In the matter of Woodland Mobile Homes, Inc., a corporation, and Woodland Mobile Homes, Inc. of Nevada, a corporation, and Allan Borgia, individually and as an officer of said corporation.

The Federal Trade Commission having initiated an investigation of certain acts and practices of Woodland Mobile Homes, Inc., and Woodland Mobile Homes, Inc. of Nevada, corporations, and Allan Borgia, individually and as an officer of said corporations, hereinafter sometimes referred to as proposed respondents, are willing to enter into an agreement containing an order to cease and desist from the use of the acts and practices being investigated.

It is hereby agreed by and between Woodland Mobile Homes, Inc., by its duly authorized officer; Woodland Mobile Homes, Inc. of Nevada, by its duly authorized officer; Allan Borgia, individually and as an officer of said corporations; and counsel for the Federal Trade Commission that;

1. Proposed respondent Woodland Mobile Homes, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of California. Its principal office and place of business is located at 333 South E Street, Santa Rosa, California 95404.

Proposed respondent Woodland Mobile Homes, Inc., of Nevada, an affiliate of Woodland Mobile Homes, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Nevada. Its principal office and place of business is located at 440 Gentry Way, Reno, Nevada 89502.

Proposed respondent Allan Borgia is an officer of said corporations. He formulates, directs and controls the policies, acts and practices of said corporations and his address is the same as that of said Woodland Mobile Homes, Inc.

2. Proposed respondents admit all the jurisdictional facts set forth in the draft of complaint here attached.

3. Proposed respondents waive:
(a) Any further procedural steps;
(b) The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law; and
(c) All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.

4. This agreement shall not become a part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission it, together with the draft of complaint contemplated thereby and related material pursuant to Rule 2.34, will be placed on the public record for a period of sixty (60) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify the proposed respondents, in which event it will take such action as it may consider appropriate,

or issue and serve its complaint (in such form as the circumstances may require) and decision, in disposition of the proceeding.

5. This agreement is for settlement purposes only and does not constitute an admission by proposed respondents that the law has been violated as alleged in the draft of complaint here attached.

6. This agreement contemplated that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of § 2.34 of the Commission's Rules, the Commission may, without further notice to proposed respondents, (1) issue its complaint corresponding in form and substance with the draft of complaint here attached and its decision containing the following order to cease and desist in disposition of the proceeding and (2) make information public in respect thereto. When so entered, the order to cease and desist shall have the same force and effect and may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery by the U.S. Postal Service of the complaint and decision containing the agreed-to order to proposed respondents' address as stated in this agreement shall constitute service. Proposed respondents waive any right they may have to any other manner of service. The complaint may be used in construing the terms of the order, and no agreement, understanding, representation, or interpretation not contained in the order or the agreement may be used to vary or contradict the terms of the order.

7. Proposed respondents have read the proposed complaint and order contemplated hereby. They understand that once the order has been issued, they will be required to file one or more complaints reports showing that they have fully complied with the order. Proposed respondents further understand that they may be liable for civil penalties in the amount provided by law for each violation of the order after it becomes final.

ORDER

I. DEFINITIONS

For the purposes of this order the definitions of the terms "consumer product," "warrantor," and "written warranty" as defined in Section 101 of the Warranty Act shall apply. The definition of the term "binder" as defined in § 702.1(g) of the Pre-Sale Rule shall apply.

II.

It is ordered, That respondents Woodland Mobile Homes, Inc., and Woodland Mobile Homes, Inc. of Nevada, corporations, their successors and assigns, and their officers, and Allan Borgia, individually and as an officer of said corporations, and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division or any other device, in connection with the advertising, offering for sale, and sale of mobile homes or other consumer products, do forthwith cease and desist from:

1. Failing to make available in respondents' display area for prospective buyers' review prior to sale, the text of any written warranties offered or granted by the manufacturers of mobile homes and consumer products sold by respondents.

With respect to mobile homes, "display area" means a prominent location inside each mobile home.

2. Maintaining a binder or series of binders to satisfy the requirements of Paragraph 1, above, unless such binder or binders are located in each mobile home being displayed for sale by respondents, and such binder or binders include at least one copy of each written warranty applicable to the mobile home and the consumer products contained in the mobile home.

In utilizing any such binder or binders respondents shall:

(a) Provide prospective buyers with ready access thereto; and

(b) (1) Display such binder(s) in a manner reasonably calculated to elicit the prospective buyers' attention; or

(2) (i) Make such binder(s) available to prospective buyers on request; and

(ii) Place signs reasonably calculated to elicit the prospective buyers' attention in prominent locations within each mobile home, advising such prospective buyers of the availability of the binder(s), including instructions for obtaining access; and

(c) Index such binder(s) according to product or warrantor; and

(d) Clearly entitle such binder(s) as "Warranties" or other similar title.

III.

It is further ordered, That respondents post, in a prominent location in each mobile home being displayed for sale, a sign two feet (length) by two feet (width), reasonably calculated to elicit prospective buyers' attention, which contains a verbatim reproduction of the following language:

IMPORTANT!

NOT ALL WARRANTIES ARE THE SAME

We provide warranties for you to compare before you buy

Please ask to see them

Check: Full or limited?

What costs are covered?

What do you have to do?

Are all parts covered?

How long does the warranty last?

Such sign shall be posted for a period of not less than three years from the effective date of this order. The language in such sign shall be unnumbered by other written or visual matter, shall be indented and punctuated as indicated in this paragraph, above, and shall be printed in black against a solid white background, as follows:

a. The word "Important" shall serve as the title of the notice and shall be printed in capital letters in 42 point boldface type followed by an exclamation mark.

b. The next phrase shall be printed on a separate line in capital letters and in 42 point boldface type.

c. The next two phrases shall be printed on separate lines and in 36 point medium face type.

d. Each succeeding phrase shall be printed on a separate line and in 24 point medium face type.

IV.

1. It is further ordered, That respondents deliver a copy of this order to cease and desist to all present and future employees.

salespersons, agents, independent contractors, and other representatives of respondents engaged in the sale of mobile homes or consumer products on behalf of respondents, and secure a signed statement acknowledging receipt of the order from each such person.

2. *It is further ordered*, That respondents instruct all present and future employees, salespersons, agents, independent contractors, and other representatives of respondents, engaged in the sale of mobile homes or other consumer products on behalf of respondents, as to their specific obligations and duties under the Magnuson-Moss Warranty—Federal Trade Commission Improvement Act (Pub. L. 93-637, 15 U.S.C. Section 2301 *et seq.*), all present and future implementing Rules promulgated under the Act, and this order.

3. *It is further ordered*, That respondents institute a program of continuing surveillance to reveal whether respondents' employees, salespersons, agents, independent contractors, or other representatives are engaged in practices which violate this order.

4. *It is further ordered*, That respondents maintain complete records for a period of not less than three (3) years from the date of the incident, of any written or oral information received which indicates the possibility of a violation of this order by any of respondents' employees, salespersons, agents, independent contractors, or other representatives. Any oral information received indicating the possibility of a violation of this order shall be reduced to writing, and shall include the name, address and telephone number of the informant, the name and address of the individual involved, the date of the communication and a brief summary of the information received. Such records shall be available upon request to representatives of the Federal Trade Commission during normal business hours upon reasonable advance notice.

5. *It is further ordered*, That respondents maintain, for a period of not less than three (3) years from the effective date of this order, complete business records to be furnished upon request to the staff of the Federal Trade Commission, relating to the manner and form of their continuing compliance with all the terms and provisions of this order.

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

7. *It is further ordered*, That the individual respondent named herein promptly notify the Commission of the discontinuance of his present business or employment and of his affiliation with a new business or employment. In addition, for a period of 10 years from the date of service of this order, the respondent shall promptly notify the Commission of each affiliation with a new business or employment. Each such notice shall include the respondent's new business address and a statement of the nature of the business or employment in which the respondent is newly engaged as well as a description of respondent's duties and responsibilities in connection with the business or employment. The expiration of the notice

provision of this paragraph shall not affect any other obligation arising under this order.

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

WOODLAND MOBILE HOMES, INC., ET AL.

[File No. 792 3014]

ANALYSIS OF PROPOSED CONSENT ORDER TO AID PUBLIC COMMENT

The Federal Trade Commission has accepted an agreement to a proposed consent order from Woodland Mobile Homes, Inc.; Woodland Mobile Homes, Inc. of Nevada; and Allan Borgla, their president.

The proposed consent order has been placed on the public record for sixty (60) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

Woodland Mobile Homes, Inc. is engaged in the sale of mobile homes which are equipped with refrigerators, dishwashers, water heaters, furnaces, and other appliances. The mobile homes and appliances are covered by warranties.

The complaint alleges that respondents violated the Federal Trade Commission Act and the Magnuson-Moss Warranty Act by failing to disclose warranty terms to buyers prior to sale, as required by the Rule Concerning the Pre-Sale Availability of Written Warranty Terms, the implementing rule of the Warranty Act. The Rule requires that warranties be disclosed through one or more of the following methods:

1. Displaying the warranty text in close conjunction with the product;
2. Maintaining a binder containing the warranties;
3. Displaying a package on which the warranty text appears; or
4. Displaying a sign containing the warranty text.

The order requires specifically that respondents disclose warranty terms as required by the Warranty Act and the Rule. The order requires respondents to post, in each mobile home displayed, a sign which tells buyers that warranties are available and alerts them to check for certain important warranty terms.

The order will benefit consumers by requiring that they be given full information regarding warranty terms in order to enable them to more effectively compare warranties.

The purpose of this analysis is to facilitate public comment on the proposed order and it is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.

CAROL M. THOMAS,
Secretary.

[FR Doc. 79-2997 Filed 1-26-79; 8:45 am]

[4310-05-M]

DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

[30 CFR Chapter VII]

SURFACE COAL MINING AND RECLAMATION OPERATIONS

Permanent Regulatory Program

AGENCY: Office of Surface Mining Reclamation and Enforcement (OSM), U. S. Department of the Interior, Washington, D.C., 20240.

ACTION: Notice of addition of document to administrative record for the national permanent program regulations.

SUMMARY: A memorandum summarizing three conversations relating to the proposed rules, between a Program Analysis Officer in the Office of Policy Analysis of the Department of the Interior, and employees of the U.S. Environmental Protection Agency and the U.S. Mine Safety and Health Administration, and a faculty member at the Carnegie Mellon University, has been placed in the administrative record.

ADDRESS: The memorandum is available for review in Room 120, U. S. Department of the Interior, South Building, 1951 Constitution Avenue, Washington, D.C., 20240.

FOR FURTHER INFORMATION CONTACT:

Ron Drake, Special Assistant to the Director, Office of Surface Mining, U. S. Department of the Interior, Washington, D.C., 20240, (202) 343-5371.

SUPPLEMENTARY INFORMATION: On September 18, 1978, OSM proposed rules to implement a nationwide permanent program for the regulation of surface and underground coal mining by the states and the Federal Government as required by the Surface Mining Control and Reclamation Act of 1977, 43 FR 41661-41940. After receiving extensive comments the administrative record was closed on November 27, 1978.

On January 4, 1979, OSM reopened the administrative record in order to place in it a catalogue of oral and written contacts between the Council of Economic Advisors and parties outside the Executive Office of the President with regard to OSM's proposed rules and to receive comments on those contacts. The administrative record was again closed on January 22, 1979.

In the context of preparing a response to a request for documents under the Freedom of Information Act, the Department has discovered that three telephone contacts between

a Program Analysis Officer in the Office of Policy Analysis of the Department of the Interior, and persons outside the Department and the Executive Office of the President, which occurred after the rules were proposed, were not recorded in the administrative records. Accordingly, a memorandum summarizing those three contacts has been placed in the administrative record and is available for public inspection between 8:00 A.M. and 4:30 P.M. on all weekdays except Federal holidays.

Dated: January 24, 1979.

HOPE M. BABCOCK,
Deputy Assistant Secretary
for Energy and Minerals.

[FR Doc. 79-2959 Filed 1-26-79; 8:45 am]

[4910-14-M]

DEPARTMENT OF TRANSPORTATION

Coast Guard

[33 CFR Part 162]

[CGD 78-050]

TOWS NAVIGATING PASS MANCHAC

AGENCY: Coast Guard, DOT.

ACTION: Supplementary Notice of Proposed Rule Making and Public Hearing Rescheduling.

SUMMARY: The Coast Guard is taking this action because certain important information was obtained after the original notice was published. This information, namely the bridgetender's logs, reflects the regularity of barge traffic and has enabled the Coast Guard to more accurately assess the economic impact of the proposed rule.

DATES: 1. Comments must be received on or before March 28, 1979. 2. Rescheduling of Public Hearing: The Coast Guard will hold a public hearing at 9:30 a.m. on March 13, 1979 at the New Orleans Hilton, Poydras at the Mississippi River, New Orleans, Louisiana 70140, (504) 561-0500 in the Prince of Wales Room.

ADDRESSES: Comments should be submitted to Commandant (G-CMC/81) (CGD 78-050), U.S. Coast Guard, Washington, D.C. 20590. Comments will be available for examination at the Marine Safety Council (G-CMC/81), Room 8117, Department of Transportation, 400 Seventh Street, S.W., Washington, D.C. 20590.

FOR FURTHER INFORMATION CONTACT:

Lieutenant (jg) George W. Molessa, Jr. (G-WLE-4/73), Room 7315, Department of Transportation, Nassif Building, Washington, D.C. 20590, (202) 426-4958.

SUPPLEMENTARY INFORMATION: Interested persons are invited to participate in this proposed rulemaking by submitting written views, data, or arguments. Persons submitting a comment should include name and address, identify this notice (CGD 78-050) and the specific section of the proposal to which the comment applies, and give reasons for each comment. All comments received before the expiration of the comment period will be considered before final action is taken on this proposal. Interested persons are invited to attend the hearing and present oral or written statements on this proposal. It is requested that anyone desiring to make comments notify the Executive Secretary of the Marine Safety Council (G-CMC/81), Room 8117, Department of Transportation, Nassif Building, 400 Seventh Street, S.W., Washington, D.C. 20590, (202) 426-1477 at least 10 days before the scheduled date of the public hearing and specify the approximate length of time needed for the presentation. Comments at the public hearing will normally be heard in the order the requests to comment are received. It is urged that a written summary or copy of the oral presentation be included with the request.

DRAFTING INFORMATION

The principal persons involved in the drafting of this proposal are: Lieutenant (jg) George W. Molessa, Jr., Project Manager, Office of Marine Environment and Systems, and Mr. Michael N. Mervin, Project Counsel, Office of the Chief Counsel.

DISCUSSION OF SUPPLEMENTARY NOTICE

In the December 21, 1978 edition of the FEDERAL REGISTER, the Coast Guard published a Notice of Proposed Rule Making limiting the length of tows navigating Pass Manchac. Since that time, it has been brought to our attention that because the Illinois Central Gulf Railroad bridge is a drawbridge, the statistical data necessary in determining the regularity of barge traffic, the bridgetender's logs, are available for examination.

This information has enabled the Coast Guard to more accurately assess the economic impact of the proposed regulation. The logs from October 1976 to September 1977 indicate that about 14 tows per month would have had to comply with the regulation, had it already been in effect. If the industry complied by making extra roundtrips, the estimated cost is over \$250,000 annually. If the industry complied by conducting the "tripping procedure" mentioned in the preamble of the original notice, the estimated cost is \$50,000 annually. A Supplementary Draft Evaluation has been pre-

pared and is included in the public docket.

The public hearing that was originally scheduled for February 7, 1979 has been cancelled.

The purpose of this supplementary notice is to give interested persons sufficient time to study the new information and prepare comments as well as oral presentation for the hearing.

Dated: January 20, 1979.

J. B. HAYES,
Admiral,

U.S. Coast Guard Commandant.

[FR Doc. 79-2964 Filed 1-26-79; 8:45 am]

[4310-70-M]

DEPARTMENT OF THE INTERIOR

National Park Service

[36 CFR Part 7]

BIG CYPRESS NATIONAL PRESERVE, FLA.

Establishment of Special Regulations

AGENCY: National Park Service, Interior.

ACTION: Proposed rule.

SUMMARY: The proposed regulations set forth below are necessary to implement the provisions of the Act of October 11, 1974, (16 U.S.C. 698f et seq., 88 Stat. 1258), establishing Big Cypress National Preserve. The Act requires the Secretary of the Interior to publish such rules and regulations as he deems necessary and appropriate to limit or control the use of Federal lands and waters with respect to:

- (1) Motorized vehicles.
- (2) Exploration for and extraction of oil, gas, and other minerals.
- (3) Grazing.
- (4) Draining or constructing of works or structures which alter the natural water courses.
- (5) Agriculture.
- (6) Hunting, fishing, and trapping.
- (7) New construction of any kind.
- (8) Such other uses as the Secretary determines must be limited or controlled in order to carry out the purposes of the Act.

Since Congress intended that the above uses, nontraditional in many units of the National Park System, may be permitted when they do not interfere with the natural and historic significance of the area, it is necessary to exempt Big Cypress National Preserve from the restrictions now imposed by many of the general regulations governing the operation of the National Park System. The publication of these special regulations will modify the application of the general regulations and eliminate any conflict between the administrative regulations found in Parts 1 through 6 of Title 36 of the Code of Federal Regu-

lations and the Big Cypress National Preserve establishment Act (16 U.S.C. 698f et seq., 88 Stat. 1258). The regulations, in addition, do not address the benefits provided to the Miccosukee and Seminole Indian Tribes "to continue their usual and customary use and occupancy of Federal or federally acquired lands and waters within the preserve." These Tribal prerogatives, preserved by legislation, are currently under study and will be the subject of a separate Notice of Rulemaking.

DATES: Written comments, suggestions or objections will be accepted until March 30, 1979.

ADDRESSES: Written comments should be directed to: Superintendent, Everglades National Park, P.O. Box 279, Homestead, Florida 33030.

FOR FURTHER INFORMATION CONTACT:

Mr. Ralph Miele, Management Assistant, Everglades National Park, telephone: (305) 247-6211, Ext. 50, or Mr. Irvin L. Mortenson, Park Manager, Big Cypress National Preserve, telephone: (813) 262-1066.

BACKGROUND

The Act of October 11, 1974 (16 U.S.C. 698i) establishing the Big Cypress National Preserve provides in part, that "Such lands shall be administered . . . in a manner which will assure their natural and ecological integrity in perpetuity in accordance with the provisions of this Act, and with the provisions of the Act of August 25, 1916 * * *". Section 4 (b) of the Act, requires, in pertinent part, that the Secretary shall publish such other rules and regulations as he deems necessary and appropriate to limit or control the use of Federal lands and waters with respect to:

- (1) Motorized vehicles.
- (2) Exploration for an extraction of oil, gas, and other minerals.
- (3) Grazing.
- (4) Draining or constructing of works or structures which alter the natural water courses.
- (5) Agriculture.
- (6) Hunting, fishing, and trapping.
- (7) New construction of any kind.
- (8) Such other uses as the Secretary determines must be limited or controlled in order to carry out the purposes of the Act.

General regulations issued pursuant to the Act of August 25, 1916 (16 U.S.C. 3), are found in Title 36 of the Code of Federal Regulations, Parts 1 through 6 and are applicable to Big Cypress National Preserve by virtue of its being part of the National Park System. There are some inconsistencies between these general regulations and the Act of October 11, 1974, relating to hunting, off-road vehicle use and certain special resource uses such as the exploration and extraction of

oil, gas and other minerals, grazing and agriculture. The special regulations proposed herein will provide relief from or otherwise modify the restrictions now imposed by Parts 1 through 6 of Title 36 of the Code of Federal Regulations.

The proposed regulations will limit and control certain activities which heretofore have been unrestricted and, since they will phase out some adverse uses of the Preserve lands, the National Park Service has determined that the proposal has little potential for causing a significant environmental impact. Therefore, an Environmental Impact Statement is not needed.

An Environmental Assessment and Review of the Assessment are on file and available for inspection upon request at the Southeast Regional Office, National Park Service, 1895 Phoenix Boulevard, Atlanta, Georgia 30349, and at the Superintendent's office, Headquarters building, Everglades National Park 33030, for 60 days from the date of this notice.

The assessment considers the nature of the resources, available alternatives, their impacts, mitigating values, adverse effects, a description of the alternative selected as the proposed action, and additional considerations that provide a basis for the conclusion that an Environmental Statement is not needed.

Several workshops were held which were attended by persons from the local communities, members of conservation organizations, oil company personnel, residents and users of the Preserve, and other interested parties. Numerous oral and written comments and suggestions were received and have been considered in the development of the proposed regulations.

MOTORIZED VEHICLES

It is recognized that public access into the Preserve is generally by the use of motorized vehicles. Congress has authorized regulation of the use of all-terrain vehicles in order to assure the preservation of the natural and ecological integrity of the Preserve (House Report No. 93-502).

The resource planning process will provide for the designation of specific areas or trails within the Preserve open for the use of off-road vehicles. Within other areas of the Preserve, off-road vehicles use will be prohibited or otherwise restricted in some manner. This process will incorporate public participation by providing an opportunity to comment on any such proposed action. This process will also include coordination with appropriate Federal, State and local agencies. The goal is to analyze and evaluate alternatives and produce decisions which best provide for the protection of the natural and historic resources, promotion

of safety for all users, minimize use conflicts, and accomplish all other resource objectives of the Preserve. Analysis and evaluation of off-road vehicle use will take into consideration the criteria contained in Sections 3 and 4 of E.O. 11644 (37 FR 2877) as amended by E.O. 11989 (42 FR 26959) and shall consider factors such as noise, safety, quality of the various recreational experiences provided, potential impacts on soil, watershed, vegetation, fish, wildlife, habitat, and conflicts between existing or proposed uses of the same or neighboring lands.

The public will be provided an opportunity to participate in the designation of areas and trails relating to off-road vehicle use. Except in emergencies, or when the Superintendent determines that off-road vehicle use will cause or is causing considerable adverse effects on the soil, vegetation, wildlife habitat or cultural resources, advance notice will be given to the public of any intention to designate an area or trail, or to close or restrict such areas or trails. A public notice of the proposed action shall be published in the "FEDERAL REGISTER" and the public shall be provided a period of 30 days to comment on the proposed designations or revisions.

Since factors listed in E.O. 11644, as amended, may change over a period of time, broad language is used to allow for establishing limits to protect the integrity of the Preserve. Due to the great diversity of design and types of vehicles used, language has been incorporated which will include all present day and future types of transportation, to minimize future changes in the regulations.

A total of 63 comments were received during workshops relative to restrictions on motorized vehicles (off-road vehicles). Three (3) wanted no restrictions for camp owners, fourteen (14) wanted no restrictions, and forty-six (46) said restrictions were necessary, ranging in degree from limiting vehicle size and weight to no vehicles in parts of the Preserve.

Owners of improved property wanted assurance of access to their property at all times. Some property owners wanted to restrict the general public. Many commented on the vegetative damage and deep ruts caused by very large vehicles. Hikers wanted their trails restricted to foot travel only. Vehicle operators wanted to run the hiking trails and/or be allowed to cross them.

Several commented on vehicle equipment and operating standards, e.g., spark arrestors, lights, safety flags and those regulations pertaining to passenger safety. Certain portions have been rephrased and additions made to achieve greater clarity, the desired safety aspects, and to conform with

the terms of Executive Order 11644 (37 FR 2877).

Numerous comments were received relative to vehicle size and weight. Most condemned the large vehicles used by oil companies. Many claimed their own vehicles did no damage. One suggested a weight limit of 4000 pounds on 4 tires of at least a 12.00 size as being non-damaging. Some expressed the thought that ruts caused by vehicles would disappear in a year. Many wanted to stop the damage being done, and called attention to the numerous scars now present. A majority of comments suggested a weight or size limit is needed. Specific regulations addressing these issues are not proposed at this time, pending the completion of a study period to determine the effects of motorized vehicle use on Preserve lands.

The majority of the public response indicated a desire to protect the Preserve and still use motorized vehicles for transportation. Since it is the express intent of the Congress to limit and control the use of motorized vehicles to assure the natural and ecological integrity of the Preserve, it is proposed that a new Part 7.86(a) is needed to allow a limited use of motorized vehicles within the Big Cypress National Preserve.

CAMP STRUCTURES

For many years the area of the Big Cypress was an uncharted, unsurveyed wilderness. Several hundred structures ranging from single room, one-story shacks to well-built, multi-story houses have been built on lands the builders or occupants did not own. The builders and occupants have no legal status to retain rights to occupy or maintain the structures on Federal lands.

Title 16 of the United States Code, Section 698h(a) provides for the owner of "improved property," where construction began before November 23, 1971, to retain for himself, and his heirs and assigns a right of use and occupancy for a definite term of not more than twenty-five years following acquisition by the Secretary, or in lieu thereof, for a term ending at the death of the owner or the death of his spouse, whichever is later. No such provisions were made for the above described cabin owners who did not "own" the lands under the cabin. There is no legal right for these individuals to continue the occupancy of the land on which the cabins are constructed. Extended use of such property is not in the best interest of the Preserve. However, the long, customary use of such property by the individuals, and the sizeable investment that many have made require consideration of an alternative means of orderly termination of this use. The leg-

islation in establishing the Preserve did not specifically address this problem. Accordingly, it is proposed, for structures in existence prior to the effective date of the regulations, that a nonrenewable, nontransferrable permit be issued to the occupant, provided the occupant acknowledges in the permit that he does not have legal title to the land. The permit would have a term of five (5) years from the effective date of the regulations or upon acquisition for Preserve purposes by the Federal government of that land upon which the structures are located, whichever occurs first. Occupants of the structures may continue to use the structures under this permit provided that the structures are in a safe and sound condition and meet applicable sanitary requirements. Occupants must also agree to vacate at the end of the 5-year period. There will be no extensions of these permits beyond the initial 5-year period. Other provisions of the permit would include reasonable use fees and the option of salvaging or removing the structure from Preserve lands at any time prior to the expiration of the 5-year period. The burden of proof of ownership of a structure shall be that of the claimant. No responsibility, liability, or burden would be placed upon the Federal government, except as a result of its own actions, for the protection, suitability, safety, or compliance with State or local laws for the structures.

Public comments and suggestions received ranged from that of immediate eviction, to phasing out, leasing, and allowing occupants to remain with numerous restrictions. Since unauthorized residence on Federal lands is prohibited by 36 CFR 5.15 and the legislation establishing the Preserve did not provide for the non-owners of lands who built structures, the phase-out procedure provides the most equitable solution.

AIRCRAFT USE

The use of light aircraft for the transportation of persons and supplies to and from prepared airstrips within the Preserve may be permitted when they are operated in a manner which will assure the natural and ecological integrity of the Preserve. It is estimated that approximately 35 such airstrips are now being used within the area. Since 36 CFR 2.2 restricts the operation or use of aircraft to sites designated by special regulations, it is proposed that some of the airstrips presently in use within the Preserve may continue to be used in accordance with an annual special use permit which may be obtained by the former owners or users of the land upon which the airstrips are located. Applicants will be required to supply a sketch showing location, size, type of landing surface

and camps served by the airstrip. Permittees will be responsible for the proper operation and maintenance of airstrips in accordance with appropriate Federal and State regulations. The government shall not be responsible or held liable or incur any liability for damages in connection with the operation of permitted airstrips. A map showing the location of all airstrips under special use permit shall be available for public inspection at the office of the Superintendent.

Numerous comments and suggestions were received relative to the operation of airstrips. Many suggested that Federal Aviation Administration (FAA) regulations and licensing should prevail. The FAA, however, does not license private airstrips. It may recommend and approve, but leaves the licensing to the State and/or County. Aircraft operations are covered by 36 CFR 2.2(d), which requires that all aircraft be operated in accordance with current applicable regulations of the Federal Aviation Administration.

Several suggestions were received that advocated complete, unrestricted use of the existing airstrips. Since the quality of improvements such as type of landing surface, markings, lights, length, etc., are not uniform, some constraints are necessary to limit and control this activity in the interest of public safety and to protect the ecological integrity of the Preserve.

Provisions are made for the controlled use of helicopters in authorized gas and oil exploration and extraction activities.

WATERSHED PROTECTION

Since the major purpose for establishing the Preserve was to protect the watershed, priority consideration must be given to insure that no significant alteration of the natural water courses nor changes in the quality or quantity of the water will occur. Section 5.7 of Title 36 of the Code of Federal Regulations prohibits the unauthorized construction of structures, roads, trails, paths, or other ways, and 36 CFR 2.24 imposes certain sanitation requirements upon users of the Preserve. Florida Statutes 373, 387, and 403 provide miscellaneous laws related to controlling pollution of surface and underground waters.

The Federal Water Pollution Control Act, Pub. L. 92-500, 33 USCA 1251 et seq., provides for regulation of pollutants from point source discharges but does not regulate non-point sources. Dade, Monroe, and Collier County water and sanitation laws are not uniform. The above citations of the various water laws leaves largely untouched non-point sources of pollution such as runoff of pesticides and fertilizers from farm lands, although

these are significant sources of pollution. Therefore, paragraph (d), Watershed Protection, is necessary to provide that the waters of the Preserve receive interim protection. Specific regulations to control the introduction of any pollutant, contaminant, agricultural chemical or other deleterious material into the surface or subterranean waters of the Preserve are currently under study and will be the subject of proposed rulemaking under paragraph (d)(1) which is currently reserved.

Comments from the public indicated that drainage structures already built adjacent to or within the Preserve are detrimental to the purposes for which the Preserve was established and suggested that these be blocked or filled to restore natural water levels.

Several suggested that agricultural chemical use be banned.

A summary of comments indicates that almost all persons wanted assurance that the watershed would be adequately protected and restored to former natural conditions, if possible.

HUNTING, FISHING AND TRAPPING

Many comments and suggestions were directed toward greater protection of wildlife. Some went so far as to suggest that there wouldn't be any game left unless enforcement was begun soon.

Several commented that year round hunting should be stopped.

Several wanted dogs banned, or restricted to the first week of hunting, and no dog training within the Preserve.

Some stated that firearms were needed for protection, while others thought they should be allowed only during open hunting season.

One recommendation was to not allow trapping.

The Act establishing the Big Cypress National Preserve provides, that the Secretary shall permit hunting, fishing and trapping in accordance with Federal and State laws. However, he may, after consultation with the appropriate State agency having jurisdiction over these activities, restrict these activities for reasons of public safety, administration, floral and fauna protection and management, or public use and enjoyment.

The National Park Service has consulted with the Florida Fresh Water Fish and Game Commission and there is mutual agreement to make the Preserve a Cooperative Wildlife Management Area governed by Florida Regulations 16E-802 and by paragraph (e) as set forth below.

GRAZING

Grazing on public lands within the Preserve is permitted only pursuant to

an agreement with the National Park Service (see 36 CFR 5.16).

Grazing has historically occurred on certain lands within the Preserve and it is considered appropriate that they be allowed to continue in accordance with rules that will limit and control the activity in order to carry out the purposes of the Act.

Public comments were almost unanimous for restricting grazing to the area that was currently being grazed.

Other comments were to limit grazing to beef cattle only, prohibit improvement of new pasture, and restrict fertilizer and pesticide applications.

Accordingly, a new paragraph (f), Grazing, is needed to limit and control grazing activities on Federal lands within the Preserve.

AGRICULTURE

Regulations to limit and control agriculture are not necessary since there are no active agricultural activities within the Preserve.

OIL, GAS AND MINERALS

The National Park Service proposed regulations, on December 18, 1977 (42 FR 63058), Title 36 CFR, Chapter 1, Part 9, which will control all activities resulting from the exercise of rights to oil and gas not owned by the United States on lands within any unit of the National Park System. This is to insure that such activities are conducted in a manner consistent with the purposes for which the National Park System and each unit thereof was created, to prevent or minimize damage to the environment or other resource values, and to insure that the pristine beauty of the units are preserved. Because of the proposed servicewide regulations, additional special regulations are not proposed. The public has had the opportunity to review and comment on the proposed servicewide oil and gas regulations at the time of their publication.

NATIVE AMERICAN RIGHTS

The proposed regulations do not address the benefits provided to the Miccosukee and Seminole Indian Tribes by the Big Cypress Preserve Establishment Act (16 U.S.C. 698f et seq., 88 Stat. 1258). The Act provides that members of the Miccosukee Tribe and members of the Seminole Tribe of Florida shall be permitted, subject to reasonable regulations established by the Secretary, to continue their usual and customary use and occupancy of Federal or federally acquired lands and waters within the Preserve, including hunting, fishing and trapping on a subsistence basis and traditional tribal ceremonies. These Tribal prerogatives, preserved by legislation, are now under study and will be the sub-

ject of a separate notice of rulemaking.

AUTHORITY

Section 3 of the Act of August 25, 1916 (39 Stat. 535 as amended, 16 U.S.C. 3); Act of October 11, 1974 (88 Stat. 1260, 16 U.S.C. 698i); 245 DM (27 FR 6395) as amended; National Park Service Order No. 77 (38 FR 7478, as amended).

DRAFTING INFORMATION

The following National Park Service personnel were the primary authors of these proposed regulations: John M. Good, Superintendent, Everglades National Park; Jack E. Stark, Former Superintendent, Everglades National Park; Claude W. McClain, Assistant Superintendent, Everglades National Park; Ralph Miele, Management Assistant, Everglades National Park; Irvin L. Mortenson, Park Manager, Big Cypress National Preserve; and Michael V. Finley, Division of Ranger Activities and Protection, Washington, D.C.

IMPACT ANALYSIS

The National Park Service has determined that these rules are not significant rules and do not require a regulatory analysis under Executive Order 12044; nor is it a major Federal action significantly affecting the quality of the human environment which would require preparation of an Environmental Impact Statement.

BOYD EVISON,

Acting Associate Director, Management and Operations, National Park Service.

JANUARY 24, 1979.

In consideration of the foregoing, it is proposed to amend Part 7 of Title 36 of the Code of Federal Regulations by the addition of a new section 7.86 as follows:

§ 7.86 Big Cypress National Preserve.

(a) Motorized Vehicles.

(1) Definitions.

(i) The term "motorized vehicle" means automobiles, trucks, glades or swamp buggies, airboats, amphibious or air cushion vehicles or any other device propelled by a motor and designed, modified for or capable of cross country travel on or immediately over land, water, marsh, swampland or other terrain, except boats which are driven by a propeller in the water.

(ii) The term "operator" means any person who operates, drives, controls or has charge of a motorized vehicle.

(iii) The term "preserve lands" means all federally owned or controlled lands and waters administered by the National Park Service within the boundaries of the Preserve.

(2) Travel in Preserve Areas.

(i) Areas open to motorized vehicles:

(A) The area south and west of Loop Road (State Road #94.)

(B) The area north of Tamiami Trail.

(C) The above areas open to travel by motorized vehicles are shown on a map numbered BC-91,001, dated November 1975, which is available for public inspection in the office of the Superintendent.

(D) Even though an area or route outside of an established public road or parking area has been established as open for motor vehicle use, the Superintendent may temporarily or permanently close or restrict the use of the areas and routes designated for use of motor vehicles, or close or restrict such areas or routes to the use of particular types of motor vehicles by the posting of appropriate signs, or by marking on a map which shall be available for public inspection at the office of the Superintendent, or both. In determining whether to close or restrict the uses of the areas or routes under this paragraph, the Superintendent shall be guided by the criteria contained in Sections 3 and 4 of E.O. 11644 (F.R. 2877) as amended, and shall also consider factors such as other visitor uses, safety, wildlife management, noise, erosion, geography, vegetation, resource protection, and other management considerations. Prior to making a permanent closure of an area or route, notice of such intention shall be published in the "FEDERAL REGISTER" and the public shall be provided a period of 30 days to comment.

(ii) All other areas are closed to motorized vehicles except as provided below:

(A) The areas between the Loop Road (State Hwy. #94) and the Tamiami Trail (U.S. Hwy. #41), except that the Superintendent may issue a permit to allow reasonable access for legal residents or oil and gas activities.

(B) Big Cypress Florida Trail, Section 1. One marked main hiking trail, from Tamiami Trail to Alligator Alley; and the two marked loop trails are closed to the use of all motorized vehicles, except that vehicles may cross the trails.

(C) The above areas closed to travel by motorized vehicles are shown on a map numbered BC-91,001, dated November 1975, which is available for public inspection in the office of the Superintendent.

(3) *Operations, Limitations and Equipment.*

(i) *Vehicle operation.*

(A) Off-road vehicle permits shall be required after December 31, 1979.

(B) Motorized vehicles shall not be operated in a manner causing, or likely to cause, significant damage to or disturbance of the soil, wildlife habi-

tat, improvements, cultural, or vegetative resources. Cutting, grading, filling or ditching to establish new trails or to improve old trails is prohibited, except under written permit where necessary in the exploration for and extraction of oil and gas.

(C) Passengers shall not ride on the fenders, hood, roof or tailgate, or in any other position outside of a moving vehicle.

(D) Motorized vehicles shall not be used to tow a person, on a sled, skis, box, surfboard, parachute, kite or other device.

(ii) *Vehicle Limitations and Equipment.*

(A) (RESERVED)

(B) The Superintendent, by the posting of appropriate signs or by marking on a map, which shall be available for public inspection in the office of the Superintendent, may require during dry periods, that a motorized vehicle or a particular class of motorized vehicle, operated off established roads and parking areas, shall be equipped with a spark arrestor that meets Standard 5100-1a of the Forest Service, U.S. Department of Agriculture, or the 80 percent efficiency level when determined by the appropriate Society of Automotive Engineers (SAE) Standard.

(C) A motorized vehicle, except an airboat, when operated off of established roads and parking areas, from one-half hour after sunset to one-half hour before sunrise, shall display at least one forward-facing white headlight and one red lighted taillight, which shall be visible from a distance of 500 feet to the front and rear under clear atmospheric conditions.

(D) Airboats and amphibious vehicles shall fly a safety flag at least 10 inches wide by 12 inches long at a minimum height of 10 feet above the bottom of the vehicle or boat, and shall display one white light aft visible for 360° when running during periods of darkness.

(b) *Camp Structures.*

(1) Buildings or other structures, on lands not owned by claimants to these structures, existing prior to the effective date of these regulations, may be occupied and used by said claimants pursuant to a nonrenewable, nontransferable permit. This use shall be for a maximum term of five (5) years from the date of Federal acquisition for preserve purposes of the land upon which the structures are situated or five years from the effective date of these regulations, whichever occurs first, provided, however, That the claimant to the structures by his application:

(i) Shows proof of ownership of the structure,

(ii) Submits a sketch and photograph of the structure and a map showing its geographic location, and

(iii) Agrees to vacate or remove the structure from the preserve upon the expiration of the permit.

(iv) The claimant acknowledges in the permit that he/she has no interest in the real property.

(2) Structures built after the effective date of these regulations will be removed upon acquisition by the Federal government of the lands upon which the structures are situated.

(3) Structures that are razed or destroyed by fire or storm, or deteriorate structurally to the point of being unsafe or uninhabitable shall not be rebuilt and the permit shall be cancelled.

(4) The National Park Service reserves the right to full and unrestricted use of the lands under permit including, but not limited to, such purposes as managed hunting programs executed in accordance with applicable State Game and Fish laws and regulations, use of existing roads and trails, and unrestricted public access.

(c) *Aircraft: Designated Landing Sites.*

(1) Except as provided for below, aircraft may be landed in the Preserve only at improved landing strips which were in existence at the time the lands were acquired for Preserve purposes, or the effective date of these regulations, whichever occurs first. A permit may be issued to the former land owner or airstrip user upon application which shall include a sketch showing location, airstrip license, if any, size of strip, type of landing surface, height of obstructions, special markings, and camps served.

(2) A map showing the locations, size, and limitations of each airstrip designated under a permit shall be available for public inspection at the office of the Superintendent.

(3) Rotorcraft used for purposes of oil and gas exploration or extraction, as provided for in Part 9 Subpart B of this chapter, may be operated only in accordance with an approved operating plan or a permit issued by the Superintendent.

(d) *Watershed Protection.*

(1) (RESERVED)

(2) The provisions of all Federal and Florida statutes pertaining to protection of waters and watersheds are applicable to the lands and waters of the Preserve.

(e) *Hunting, Fishing and Trapping.*

(1) Hunting, fishing and trapping are permitted in accordance with the general regulations found in Parts 1 and 2 of this chapter and applicable Florida law governing Cooperative Wildlife Management Areas.

(f) *Grazing.*

(1) Grazing privileges shall be available under permit to owners or lessees who were actually using land within the Preserve for grazing purposes on

October 11, 1974, or who elected to request a permit at the time the land was acquired for Preserve purposes (See 36 CFR 5.16.)

(2) Such permit may be renewed during the lifetime of the permittee or his spouse.

(3) The breach of any of the terms or conditions of the permit or the regulations applicable thereto shall be grounds for termination, suspension or denial of grazing privileges.

(4) Failure to use land under permit for grazing or to renew the permit shall automatically terminate the permit and grazing privileges, *provided, however*, That a permittee may be granted a nonuse permit on an annual basis, not to exceed three consecutive years. Permitted nonuse beyond this time may be granted if necessitated by reasons clearly outside the control of the permittee.

(5) Annual fees based on Departmental regulations (43 CFR 4125.1-1 (m)) will be charged for all livestock grazing upon Preserve lands.

(6) Each permittee shall comply with the range management plan approved by the Superintendent for the area under permit.

(7) State laws and regulations relating to fencing, sanitation and branding are applicable to graziers using Preserve lands.

(8) The National Park Service reserves the right to full and unrestricted use of the lands under permit including, but not limited to, such purposes as managed hunting programs executed in accordance with applicable State Game and Fish laws and regulations, use of existing roads and trails, unrestricted public access, and the right to revoke the permit if the activity is causing or will cause considerable adverse effect on the soil, vegetation, watershed or wildlife habitat.

(9) Corporations formed by owners or lessees who were actually using lands within the Preserve for grazing purposes on October 11, 1974, may be issued annual permits for a period not to exceed twenty-five (25) years from the date of acquisition for preserve purposes.

[FR Doc. 79-2869 Filed 1-26-79; 8:45 am]

[6560-01-M]

ENVIRONMENTAL PROTECTION AGENCY

[40 CFR Part 35]

[FRL 1004-1]

GRANTS FOR RESTORING PUBLICLY OWNED FRESHWATER LAKES—STATE AND LOCAL ASSISTANCE

AGENCY: Environmental Protection Agency.

ACTION: Proposed rule.

SUMMARY: This proposed regulation establishes policies and procedures by which States may apply for grants to assist in carrying out approved methods and procedures for restoring publicly owned freshwater lakes, and protecting them against degradation, as authorized by section 314 of the Clean Water Act (33 U.S.C. § 1251 *et seq.*).

DATES: The public is invited to submit comments which must be received by EPA on or before March 30, 1979.

EFFECTIVE DATE: The provisions of these regulations govern only those clean lakes grants that are awarded on or after the final regulation promulgation date. Grants that are awarded before the promulgation date will not be affected by these regulations and will continue according to their original terms subject to the regulations under which the funds were awarded.

ADDRESSES: Submit comments, in writing, to Mr. Alexander Greene, Director, Grants Administration Division (PM-216), Environmental Protection Agency, 401 M Street, S.W., Washington, D.C. 20460.

FOR FURTHER INFORMATION CONTACT:

Mr. Kenneth M. Mackenthun, Director, Criteria and Standards Division (WH-585), Environmental Protection Agency, Washington, D.C. 20460. Telephone: (202) 755-0100.

SUPPLEMENTARY INFORMATION: Section 314 of the Clean Water Act (33 U.S.C. § 1251 *et seq.*) provides the authority for Federal financial assistance for the restoration of publicly owned freshwater lakes. The program is called the clean lakes program.

Section 314 requires that each State prepare and submit a report to the Environmental Protection Agency (EPA) indicating: (1) an identification and classification of all publicly owned freshwater lakes in that State according to "eutrophic" condition; (2) procedures, processes, and methods (including land use requirements) to control sources of pollution of these lakes; and (3) methods and procedures, in conjunction with appropriate Federal agencies, to restore the quality of these lakes. Section 314 also provides financial assistance to States to implement lake restoration and protection methods and procedures that the Administrator has approved.

The Congress, in section 62 of Pub. L. 95-217, amended section 314(b) of the Clean Water Act by adding the following: "The Administrator shall provide financial assistance to States to prepare the identification and classification surveys required in subsection (a) (1) of this section." On July 10, 1978, EPA published a notice in the FEDERAL REGISTER that financial assist-

ance would be provided to States for the identification and classification of publicly owned freshwater lakes according to trophic condition. EPA also would provide financial assistance for establishing a priority ranking for lakes in need of restoration, or conducting diagnostic or feasibility studies to determine methods and procedures to protect or restore the quality of those priority lakes (43 FR 29617). Each State can use up to \$100,000 Federal funds for these studies. No award can exceed 70 percent of the eligible cost of the proposed project.

EPA carefully evaluated the performance of the clean lakes program during 1977 to determine how it might be improved, and based on this evaluation, developed the revised procedures contained in this regulation. EPA conducted meetings during this review with many State representatives. We later asked for and received comments from the States on draft recommendations that might improve the program. We considered and included those comments, where appropriate, into this proposed rule.

A principal concern that many States raised during the 1977 program review centered on the level of Federal financial assistance for clean lakes grants. First, the States indicated that they needed Federal support in order to develop technically sound lake restoration proposals. Second, they believed that the Federal share for implementing selected lake restoration methods and procedures should be increased above the current 50 percent level. During the program review we informed the States that we would review the possibility of increasing the Federal share by 5 to 10 percent above the 50 percent level.

The regulation provides the maximum allowable grant assistance level, 70 percent, to conduct diagnostic-feasibility studies to select the best available lake restoration procedures. Regarding the second concern, EPA has received no quantitative documentation to indicate that increasing the support level by 5 or 10 percent would be effective in encouraging greater participation among the States in the clean lakes program. EPA is concerned that if we increase the support level by 5 or 10 percent, the limited annual appropriations will be used for fewer lake restoration projects. Based on direct discussions with State water quality representatives from the New England and Great Lakes States during the evaluation, and considering the comments received from the States, EPA believes that the current 50 percent funding level is appropriate for implementing lake restoration procedures. This funding formula requires sufficient State/substate (non-Federal) commitment to ensure the

best project implementation and proper maintenance of the project after implementation is completed. EPA is interested in receiving comments on this issue.

Another change in program procedures involves the eligibility of grant recipients. Section 314 allows grants to be made *only to the States*. States can elect to have substate agencies do part of the work that is specified in particular grants. Provisions contained in § 35.1615 allow States to enter into interagency agreements for this purpose.

In order to receive and include the largest amount of additional input in the proposed section 314 regulations, EPA distributed in mid-August 1978 a draft copy of the proposed regulations to all of the States and Territories, 18 prominent environmental and public interest groups, to other Federal, State, and local agencies at their request, and to all program offices within EPA. Thirty-two responses have been received, but additional responses are anticipated and those comments will be considered in drafting the final regulations. Many of the comments received were helpful and were incorporated into the proposed regulations. Some of the concerns raised are discussed in the following paragraphs.

There were a significant number of questions regarding grant eligibility, administrative responsibility and establishing priorities for clean lakes projects. In the past, EPA used its research and demonstration grant regulations to award clean lakes grants since section 314 regulations were not developed. The research and demonstration authority allows grants to be made to substate entities as well as to States. However, since the proposed regulations are written specifically for section 314 of the Act, only State agencies will be eligible to receive clean lakes grant assistance. Since many States would prefer that substate entities carry out clean lakes grant activities, § 35.1615 allows delegation of the clean lakes grant activities to substate agencies by interagency agreement.

Even though tasks specified in clean lakes grants are delegable, the State ultimately is responsible. Therefore, all of the grant limitations and conditions specified under § 35.1650 are directed at the State. A particular question was raised about the State guaranteeing the non-Federal share required to support a clean lakes grant (see § 35.1650-3(a)(1)). This grant condition does not require that all non-Federal grant support money come from the State, and EPA expects that in most cases a significant portion, if not all, of the required non-Federal share will be provided from substate

agency resources. The manner in which a State chooses to provide the matching grant share is not rigidly defined; however, the State must ensure that adequate non-Federal funds are available at the time the grant is accepted.

EPA received questions regarding the amount of annual funding that is available to the clean lakes program, and the manner in which EPA administers these monies. As with all publicly supported programs, appropriations from the Congress to the clean lakes program are limited. However, since the amount of these appropriations is relatively small, EPA cannot effectively allocate this money directly among all the States. Further, direct allocation is complicated by the variable needs of individual projects, by the fact that lakes are not uniformly distributed across the country, the fact that lake restoration needs of individual States fluctuate unpredictably, and the fact that States vary greatly in their ability to support lakes restoration projects. In order to ensure the most equitable distribution from available funding, EPA believes that clean lakes program appropriations should remain in a central account where all States can compete for the available Federal support on the basis of merit and demonstrated need. EPA will monitor continuously the distribution of funds to ensure an equitable distribution of annual appropriations among the States. EPA will take into account the lake restoration needs that States express to EPA as their annual water quality management plans.

EPA has considered other administrative methods for receiving and evaluating grant applications and making grant awards. Each method has its merits and demerits. EPA is interested in receiving further comments on the method they propose to use as well as alternative methods. These alternative methods could include a National competition where the regulation would specify a deadline for proposal submission. After the deadline EPA would evaluate all applications received against one another and award proposals with the highest rating based on the review criteria (see § 35.1640-1). This method could be modified where EPA would consider only the first priority proposals during a first round of evaluation, then the second priority proposals would be considered, and so forth, until all applications are evaluated or available funds are exhausted. We believe any method that specifies a deadline for submitting applications will increase the time EPA would require to reach a grant decision, possibly as much as six months. A third method could involve an allotment procedure of appropriated funds to the States or to the EPA Regional of-

fices for disbursement to States within their jurisdictions. However, the only basis EPA has at this time to allocate funds would be an equal allotment to the 50 States, Territories and the District of Columbia.

To assure that the best projects are funded, EPA is requiring that States annually establish priority rankings for clean lakes projects. The priorities should reflect a State's Water Quality Management Plan and should consider the review criteria that the EPA will use in evaluating specific proposals (see § 35.1640-1). The review criteria are not weighted because EPA believes States should be allowed to emphasize certain factors above others, and that different States may emphasize different factors. EPA also requires that all projects provide for adequate public participation according to the procedures presented in Part 25 of this chapter. (Part 105 currently addresses public participation; Part 105 will be replaced by Part 25 when the latter is promulgated). Public participation requirements appear under §§ 35.1620-2, 35.1620-4 and Appendix A of this regulation. Until Part 25 is promulgated, the term Part 25 shall mean Part 105.

Since priorities within States are subject to change and unforeseen lake restoration needs can arise during the year that require priority attention, the proposed regulation (see § 35.1620-5(a)) allows States to alter priorities during the year and add projects to priority lists through a petition process.

In order to be eligible for clean lakes program assistance after January 1, 1982, States must have surveyed and classified their publicly owned freshwater lakes they believe are in need of protection or restoration. This survey is required under section 314(a) of the Act, and the information is necessary for States to establish priorities on clean lakes projects. The requirement does not mean that all of a State's publicly owned freshwater lakes must be surveyed, but that the States must provide EPA with survey results and a rationale for having selected specific lakes. As noted earlier, funding support for this purpose is being made available to the States through the July 10, 1978, FEDERAL REGISTER notice (43 FR 29617). Until January 1, 1982, States can apply for clean lakes program assistance without a complete lake survey; however, all grant applications received by EPA must include a State priority certification (see § 35.1620-2(a)).

Other significant concerns centered on the amount and type of technical information required in grant applications and the work to be conducted under clean lakes grants. The information required in a Phase 1 grant application, as specified under § 35.1620-

2(b), is not excessive and is readily available to a grant applicant. Moreover, the information requirements are the same as those EPA specified in the July 10, 1978, FEDERAL REGISTER notice for conducting lake classification surveys. The required information is essential to provide EPA a sufficient technical basis to judge the merits of a proposed Phase 1 project and to make an appropriate funding decision.

Similarly, the scope of work requirements specified in Appendix A to this proposed regulation are the minimum amount of information to allow EPA to adequately assess project merits and to reach a technically sound Phase 2 grant funding decision. EPA understands that in certain situations some variation in these requirements might be advantageous to make a project more cost-effective without diminishing EPA's ability of adequately evaluating all relevant technical aspects of the project. Such situations will be dealt with on a case by case basis, with careful consultation between the grant applicant or grantee and EPA. If a grant applicant or grantee doubts the appropriateness of certain information requirements that are in the regulations, they should immediately contact the EPA Regional Office or Headquarters. This will minimize problems that could arise.

Some reviewers expressed their strong belief that protecting lakes is as important in some instances as restoring lakes, and that the clean lakes program should not be limited to lake restoration. Since the inception of clean lakes program, EPA has advocated that we will give water pollution controls, or lake protection measures, priority consideration in any clean lakes project for both high quality and degraded lakes. It is the EPA policy to support in-lake treatment measures only when pollution control is not sufficient to return a degraded lake to a useful condition in a reasonable amount of time.

In these and other regulations, EPA is developing the concept of a State/EPA Agreement. The Agreement will provide a way for EPA Regional Administrators and States to coordinate a variety of programs under the Clean Water Act, the Resource Conservation and Recovery Act, the Safe Drinking Water Act and other laws administered by EPA. Since this subpart governs only that part of the State/EPA Agreement which relates to Phase 1 and Phase 2 clean lakes grants, other programs included in the State/EPA Agreement will be governed by provisions found elsewhere in this chapter. In Fiscal Year 1979, the Regional Administrator and the State must develop the State/EPA Agreement sufficiently to assure a clean lakes grant will be consistent with the State/EPA

Agreement. Beginning in FY 1980, State programs funded under section 314 of the Act will be part of the State/EPA Agreement and the State/EPA Agreement must be completed before grant award. EPA will issue guidance concerning the development and the content of the State/EPA Agreement.

REGULATORY ANALYSIS: We have determined that this proposal does not require regulatory analysis under Executive Order 12044.

EVALUATION: Section 2(d)(8) of Executive Order 12044 requires that each regulation be accompanied by a plan for evaluating a regulation after it is issued. In order to comply with this requirement, EPA will conduct an evaluation of this regulation which will either be presented in the section 304(j) report, which is scheduled to be published in December 1981, or published separately at that time.

Dated: January 17, 1979.

DOUGLAS M. COSTLE,
Administrator.

It is proposed to add Subpart H to Part 35 of Title 40 to read as set forth below:

Subpart H—Grants for Restoring Publicly Owned Freshwater Lakes

- Sec.
35.1600 Purpose.
35.1603 Summary of clean lakes grant program.
35.1605 Definitions.
35.1605-1 The Act.
35.1605-2 Freshwater lake.
35.1605-3 Publicly owned freshwater lake.
35.1605-4 Nonpoint source.
35.1605-5 Eutrophic lake.
35.1605-6 Trophic condition.
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35.1610 Grant eligibility.
35.1615 Substate agreements.
35.1620 Grant application requirements.
35.1620-1 Types of grant assistance.
35.1620-2 Contents of grant applications.
35.1620-3 Environmental evaluation.
35.1620-4 Public participation.
35.1620-5 State priority.
35.1620-6 State and local clearinghouse procedures.
35.1630 State lake classification surveys.
35.1640 Application review and evaluation.
35.1640-1 Application review criteria.
35.1650 Grant award.
35.1650-1 Project period.
35.1650-2 Limitations on awards.
35.1650-3 Grant conditions.
35.1650-4 Grant payment.
35.1650-5 Reports.
Appendix A—Guidance for Diagnostic-Feasibility Studies.

AUTHORITY: Secs. 314 and 501 of Pub. L. 92-500 (86 Stat. 816; 33 U.S.C. § 1251 *et seq.*) as amended by Pub. L. 95-217.

§ 35.1600 Purpose.

This subpart supplements the EPA general grant regulations and proce-

dures (Part 30 of this chapter) and establishes policies and procedures for grants to assist States in carrying out approved methods and procedures for restoration (including protection against degradation) of publicly owned freshwater lakes.

§ 35.1603 Summary of clean lakes grant program.

(a) Under Section 314 of the Clean Water Act, EPA may provide financial assistance to States to implement methods and procedures to restore publicly owned freshwater lakes. Although grants may be awarded only to States, these regulations allow States, through intergovernmental agreements, to delegate some or all of the required work to substate agencies.

(b) The only projects that are eligible for grant assistance must deal with publicly owned freshwater lakes. The State must have assigned a priority to restore the lake, and the State must certify that the lake project is consistent with the State Water Quality Management Plan developed under the State/EPA Agreement. The State/EPA Agreement is a means for EPA Regional Administrators and States to coordinate a variety of programs under the Clean Water Act, the Resource Conservation and Recovery Act, the Safe Drinking Water Act and other laws administered by EPA.

(c) These regulations provide for Phase 1 grants and Phase 2 grants. The purpose of a Phase 1 grant is to allow a State to conduct a diagnostic-feasibility study to determine a lake's trophic characteristics and to evaluate possible solutions and to recommend a feasible program to restore and preserve the quality of the lake. A Phase 2 grant is to be used for implementing recommended methods and procedures for controlling pollution or restoring the lake. The fact that EPA has awarded a Phase 1 grant to a State does not obligate EPA to award a Phase 2 grant to that State. Additionally, the award of a Phase 1 grant is not a prerequisite for receiving a Phase 2 grant. However, a Phase 2 grant application for a proposed project which was not evaluated under a Phase 1 grant must contain the information specified in Appendix A.

(d) EPA will evaluate all applications for Phase 1 and Phase 2 grants in accordance with the application review criteria of § 35.1640-1. The review criteria include technical feasibility, public benefit, reasonableness of proposed costs, environmental impact, and the State's priority ranking of the lake project.

(e) Before awarding grant assistance, the Regional Administrator must determine that pollution control measures in the lake watershed authorized by section 201, included in an approved

208 plan or required by section 402 of the Act have been completed or are being implemented according to a schedule that is included in an approved plan or discharge permit. Clean lakes funds may not be used to control the discharge of pollutants from a point source, where the cause of pollution can be alleviated through a municipal or industrial permit under section 402 of the Act or through the planning and construction of wastewater treatment facilities under section 201 of the Act.

§ 35.1605 Definitions.

The terms used in this subpart have the meanings defined in section 502 of the Act. In addition, the following terms shall have the meaning set forth below.

§ 35.1605-1 The Act.

The Clean Water Act, as amended (33 U.S.C. § 1251 *et seq.*).

§ 35.1605-2 Freshwater lake.

Any inland pond, reservoir, impoundment, or other similar body of water that has public recreational value, that exhibits no oceanic and tidal influences, and that has a total dissolved solids concentration of less than 1 percent.

§ 35.1605-3 Publicly owned freshwater lake.

A freshwater lake that offers public access to the lake through publicly owned contiguous land so that any member of the public may have the same or equivalent opportunity to enjoy privileges and benefits of the lake as any other member of the public or as any resident around the lake. If the user fees are charged for public use and access, the fees must be used solely of maintenance of the access and recreational facilities, or for improving the lake.

§ 35.1605-4 Nonpoint source.

Pollution sources which generally are not controlled by establishing effluent limitations under sections 301, 302, and 402 of the Act. Nonpoint source pollutants are pollutants which are not traceable to a discrete identifiable origin, but which generally result from runoff, precipitation, drainage, or seepage.

§ 35.1605-5 Eutrophic lake.

A lake that exhibits any of the following characteristics: (a) biomass accumulations of primary producers; (b) rapid organic and inorganic sedimentation and shallowing; or (c) seasonal dissolved oxygen deficiencies in the bottom waters and a subsequent shift in species composition of aquatic fauna to forms that can tolerate lower concentrations of oxygen.

§ 35.1605-6 Trophic condition.

A relative description of a lake's biological productivity based on the availability of plant nutrients. The range of trophic conditions is characterized by the terms of oligotrophic for the least biologically productive, to eutrophic for the most biological productive.

§ 35.1605-7 Desalinization.

Any mechanical procedure or process where some or all of the salt is removed from lake water and the freshwater portion is returned to the lake.

§ 35.1605-8 Diagnostic-feasibility study.

A two part study to determine a lake's current condition and to develop possible methods for lake restoration and protection.

(a) In the diagnostic portion of the study, information and data is gathered to determine the limnological, morphological, demographic, socioeconomic, and any other pertinent characteristics of the lake and its watershed. The purpose of gathering this information is to lead to an understanding of the quality of the lake, specifying the location and loading characteristics of significant sources polluting the lake.

(b) The feasibility portion of the study includes: (1) performing an analysis of the diagnostic information to define methods and procedures for controlling the sources of pollution; (2) determining the most energy and cost efficient procedures to improve the quality of the lake for maximum public benefit; (3) developing a technical plan and milestone schedule for implementing pollution control measures and in-lake restoration procedures; and (4) if necessary, conducting pilot scale evaluation.

§ 35.1610 Grant eligibility.

EPA shall award grants for restoring publicly owned freshwater lakes to a State agency designated by the State's Chief Executive. The award will be for projects which meet the requirements of this subchapter. EPA will not award grants for lakes that are used only as drinking water supplies.

§ 35.1615 Substate agreements.

States may make financial assistance available to substate agencies by means of a written interagency agreement transferring grant funds from the State to those agencies. The agreement shall be developed, administered and approved in accordance with the provisions of 40 CFR 33.240 (Intergovernmental agreements). A State may enter into an agreement with a substate agency to perform all or a portion of the work stated in a particular clean lakes grant agreement. All interagency agreements must be submitted

to the Regional Administrator. If the sum involved exceeds \$100,000, the agreement must be approved by the Regional Administrator before funds may be released by the State to the substate agency. The agreement shall incorporate by reference the provisions of this subchapter making such provisions applicable to the substate agency. The agreement shall specify outputs and the budget required to perform the associated work in the same manner as a grant agreement between the State and EPA.

§ 35.1620 Grant application requirements.

Grant applications will be processed in accordance with subpart B of Part 30 of this subchapter. Applicants for grants assistance under the clean lakes program shall submit EPA form 5700-33 (original with signature and two copies) to the appropriate EPA Regional Office (see 40 CFR Part 30.130). EPA will evaluate proposals under § 35.1640. Before applying for assistance, applicants should contact the appropriate Regional Administrator to determine EPA's current funding capability.

§ 35.1620-1 Types of grants assistance.

EPA will provide assistance in two phases in the clean lakes program.

(a) *Phase 1-Diagnostic-feasibility studies.* Phase 1 grants of up to \$100,000 per award (requiring a 30 percent non-Federal match) are available to support diagnostic-feasibility studies (see Appendix A).

(b) *Phase 2-Implementation.* Phase 2 grants (requiring a 50 percent non-Federal match) are available to support the implementation of pollution control or in-lake restoration methods and procedures including final engineering design.

§ 35.1620-2 Contents of grant applications.

(a) All applications shall contain a written State certification that the project is consistent with the State Water Quality Management Plan (see § 35.1511 of this subchapter). Additionally, the State must indicate the priority ranking for the particular project (see § 35.1620-5).

(b) Phase 1 grant applications shall contain a narrative statement that describes the specific procedures that will be used by the grantee to conduct the diagnostic-feasibility study including a description of the public participation to be involved (see § 25.11 of this chapter), a milestone schedule, itemized estimated costs and a justification for those costs. For each lake being investigated, the Phase 1 grant application must also include the following information:

(1) The legal name of the lake, reservoir, or pond.

(2) The location of the lake within the State, including the latitude and longitude, in degrees and minutes, of the approximate center of the lake.

(3) A description of the physical characteristics of the lake, including its maximum depth (in meters); its mean depth (in meters); its surface area (in hectares); its volume (in cubic meters); the presence or absence of stratified conditions; and major hydrologic inflows and outflows.

(4) A summary of available chemical and biological data demonstrating the current water quality of the lake.

(5) A description of the type and amount of public access to the lake, and the public benefits that will be derived by implementing pollution control and lake restoration procedures.

(6) A description of any recreational uses of the lake that are impaired due to degraded water quality. Indicate the cause of the impairment, such as algae, vascular aquatic plants, sediments, or other pollutants.

(7) A description of the lake water shed in terms of size, land use (list each major land use classification as a percentage of the whole), and the general topography, including major soil types.

(8) An identification of the major point source pollution discharges in the watershed. Indicate if the sources are currently controlled under the National Pollutant Discharge Elimination System (NPDES), and if so, include the permit numbers. If the information is available, applicants should indicate or estimate the percent contribution of total nutrient and sediment loading to the lake by the identified point sources.

(9) An indication of the major non-point sources in the watershed. If the sources are being controlled describe the control practice(s), including best land management practices.

(10) A description of the local interests and fiscal resources committed to restoring the lake.

(11) An indication of the lake restorative measures anticipated, including watershed management, and a projection of the net improvement in water quality.

(12) A statement of known or anticipated adverse environmental impacts resulting from the project.

(13) A description of the proposed monitoring program to provide the information required in Appendix A of this regulation.

(b) Phase 2 grant applications must contain the information specified in Appendix A in order to receive funding consideration. The appropriate areawide or State 208 planning agency must certify in writing as part of the application that the proposed Phase 2 lake restoration proposal is consistent with any approved 208 planning.

Phase 2 grant applications must also contain all permits that are required for the discharge of dredged or fill material under section 404 of the Act.

§ 35.1620-3 Environmental evaluation.

Phase 2 applicants are required to submit an evaluation of the environmental impacts of the proposed project in accordance with the requirements in Appendix A of this regulation.

§ 35.1620-4 Public participation.

(a) In accordance with this Part and Part 25 of this chapter, the grant applicant shall provide for, encourage, and assist public participation in developing a proposed project for lake restoration.

(b) A Phase 1 grantee must solicit public comment in developing, evaluating, and selecting alternatives; in assessing potential adverse environmental impacts; and in identifying measures to mitigate any adverse impacts that were identified. The grantee shall provide information relevant to these decisions, in fact sheet or summary form, and distribute them to the public at least 30 days before the grantee finally selects a proposed course of lake restoration. A formal or informal meeting with the public shall be held after all pertinent information is distributed, but before a method of lake restoration is finally selected. If there is significant public interest in the grant activity, an advisory group to the study process shall be formed in accordance with the requirements of § 25.3(d)(4) of this chapter.

(c) A formal public hearing shall be held before the grantee finally selects the alternative for lake restoration if the alternative involves major construction, dredging, or significant modifications to the environment, or if the grantee or the Regional Administrator determines that a hearing would be beneficial. A summary of the grantee's response to all public comments, along with copies of any written comments, shall be prepared and submitted to EPA with a Phase 2 application.

(d) Where a proposed project has not been studied under a Phase 1 grant, the applicant for a Phase 2 grant shall provide an opportunity for public consultation with adequate and timely notice before the applicant submits the application to EPA. The public shall be given the opportunity to discuss the proposed project, the alternatives, and any potentially adverse environmental impacts. A public hearing should be held where the proposed project involves major construction or dredging or significant modification of the environment. The grant applicant shall provide a summary of his responses to all public comments and

submit the summary, along with copies of any written comments, as part of the application.

(e) Public consultation may be coordinated with related activities to enhance the economy, the effectiveness, and the timeliness of the effort, or to enhance the clarity of the of the issue. This procedure cannot be detrimental by discouraging the widest possible participation by the public.

§ 35.1620-5 State priority.

(a) A State shall submit to the Regional Administrator as part of its annual work program (§ 35.1511 of this subchapter) a description of the activities it will conduct during the fiscal year to classify its lakes according to trophic condition (§ 35.1630 of this subpart) and to set priorities for implementing clean lakes projects within the State. The work plan must indicate on a priority basis the grant applications that will be submitted by the State for Phase 1 and Phase 2 grants during that fiscal year, along with the rationale used to establish project priorities. A State may petition the Regional Administrator to modify the EPA approved priority list.

(b) Clean lake restoration priorities should be consistent with the Statewide water quality management strategy (see § 35.1515-2 of this subchapter). In establishing priorities on particular lake restoration projects, States should use as criteria the application review criteria (§ 35.1640-1) that EPA will use in preparing funding recommendations for specific projects. If a State chooses to use different criteria, the State should indicate this to the Regional Administrator as part of the yearly work program.

§ 35.1620-6 State and local clearinghouse procedures.

In accordance with § 30.305 of this subchapter, all requirements of OMB Circular A-95 must be met prior to application submission to EPA.

§ 35.1630 State lake classification surveys.

States that wish to participate in the clean lakes program shall be required to establish and submit to EPA by January 1, 1982, a classification, according to trophic condition, of their publicly owned freshwater lakes that are in need of restoration or protection. States that have not complied with this requirement by January 1, 1982, will not be eligible for Federal financial assistance under this subpart until they meet this requirement.

§ 35.1640 Application review and evaluation.

EPA will review grant applications as they are received. EPA Headquarters may request peer review by appropriate experts to assist with technical

evaluation. Funding decisions will be based on the merit of each application in accordance with the application review criteria under § 35.1640-1 of this subpart. Phase 1 grant applications will be considered separately from Phase 2 grant applications. Twenty percent, but not exceeding \$5 million, of annual appropriations for the clean lakes program may be set aside to fund Phase 1 applications.

§ 35.1640-1 Application review criteria.

(a) EPA will consider the following criteria when evaluating both Phase 1 and Phase 2 applications:

(1) The technical feasibility of the project, and where appropriate, the estimated improvement in lake water quality using the information supplied by the grant applicant; and the anticipated positive changes that the project would produce in the overall lake ecosystem, including the watershed, such as the net reduction in sediment, nutrient, and other pollutant loadings.

(2) The extent of anticipated benefits to the public. EPA will consider such factors as (i) the degree, nature and sufficiency of public access to the lake; (ii) the size and characteristics of the population residing near the lake which would use the improved lake for recreational and other purposes; (iii) the amount and kind of public transportation available for transport of the public to and from the public access points; (iv) whether other relatively clean publicly owned freshwater lakes already adequately serve the population; and (v) whether the restoration would benefit primarily the owners of private land adjacent to the lake.

(3) The degree to which the project considers the "open space" policies contained in sections 201(f), 201(g)(6), and 208(b)(2)(A) of the Act, as they are applicable.

(4) The reasonableness of the proposed costs relative to the proposed work, the likelihood that the project will succeed, and the potential public benefits.

(5) The means for controlling adverse environmental impacts which would result from the proposed restoration of the lake. EPA will give specific attention to the environmental concerns listed in Appendix A.

(6) The State priority ranking for a particular project. However, after consulting with the State, EPA can fund projects that are not the first priority according to the State's ranking.

(b) For Phase 1 applications, the review criteria presented in paragraph (a) of this section will be modified in relation to the smaller amount of technical information and analysis that is available in the grant application. Specifically, under criteria (a)(1) EPA will consider a technical assess-

ment of the proposed project approach to meet the requirements stated in Appendix A to this regulation. Under criteria (a)(2), EPA will consider the degree of public access to the lake and the benefit. Under criteria (a)(5), EPA will consider known or anticipated adverse environmental impacts that have been identified in the application or that EPA can presume will occur.

§ 35.1650 Grant award.

(a) Under § 30.345 of this Part, within 90 days after EPA has received a complete application, the application will either be (1) approved for funding by the Assistant Administrator for Water and Waste Management as the grant approving official, with a grant awarded by the Regional Administrator in an amount determined to be appropriate for the project; (2) returned to the applicant due to lack of funding; or (3) disapproved. The applicant shall be promptly notified by EPA in writing of any funding decisions.

(b) Applications that were disapproved can be submitted as new applications to EPA if the applicant resolves the issues indicated during EPA review. In the case of applications returned due to lack of funding, the applicant may resubmit them when additional appropriations are made available. If applications that were returned to States because of lack of funds are resubmitted with the highest State priority in the following fiscal year, these proposals will be given priority review by EPA in that fiscal year.

§ 35.1650-1 Project period.

(a) Phase 1 grants shall be approved for a project period of up to two years.

(b) Phase 2 grants shall be approved for a project period of up to four years. Implementation of complex projects and projects incorporating major construction may have longer project periods if approved by the Regional Administrator.

§ 35.1650-2 Limitations on awards.

(a) Before awarding grant assistance, the Regional Administrator shall determine that: (1) The applicant has met all of the applicable requirements of § 35.1620 of this subpart; and

(2) In fiscal year 1980 and subsequent fiscal years, State programs funded under section 314 of the Act are part of a State/EPA Agreement which must be completed before the grant is awarded.

(b) Before awarding Phase 2 grants, the Regional Administrator shall further determine that:

(1) When a Phase 1 grant was awarded, the final report prepared under a Phase 1 grant is used by the grantee to apply for a Phase 2 implementation grant. Only the lake restoration proce-

dures selected under the Phase 1 grant as the best alternative can be implemented under a Phase 2 grant.

(2) Pollution control measures in the lake watershed authorized by section 201, included in an approved 208 plan, or required by section 402 of the Act have been completed or are being implemented according to a schedule that is included in an approved plan or discharge permit.

(3) The project does not include costs for controlling point source discharges of pollutants in cases where the cause(s) of pollution can be alleviated by permits issued under section 402 of the Act, or by the planning and construction of wastewater treatment facilities under section 201 of the Act.

(4) The "open space" policy presented in sections 201(f), 201(g)(6), and 208(b)(2)(A) of the Act has been considered appropriately by a State or substate agency in any wastewater management activities being implemented by them in the lake watershed through construction grants awarded by EPA under section 201 of the Act.

(5) The project does not include costs for harvesting aquatic vegetation, or for chemical treatment to alleviate temporarily the symptoms of eutrophication, or for maintaining lake aeration devices, or for providing other similarly palliative methods and procedures. However, a project may include a cost for such procedures when the grant applicant can verify that these procedures are the most energy efficient and cost effective approaches to provide a usable recreational lake facility. These approaches can be supported only where pollution in the lake watershed has been controlled to the greatest practicable extent, and where such methods and procedures are a necessary part of a project during the project period. EPA will determine the eligibility of such a project, based on the justification that the applicant has presented for the proposed restoration, the estimated time period for improved lake water quality, and public benefits associated with the restoration.

(6) The project does not include costs for desalinization procedures for naturally saline lakes.

(7) The project does not include costs for purchasing or long-term leasing of land to provide public access to a lake.

(8) The project costs associated with procedures for mitigating adverse environmental impacts resulting from lake restoration or protection cannot exceed 20 percent of the Phase 2 grant.

(9) The project does not include costs resulting from litigation against the grantee by EPA.

(10) The project does not include costs for measures to mitigate adverse

environmental impacts that are not identified in the approved project scope of work. (EPA may allow additional costs for mitigation after it has reevaluated the cost-effectiveness of the selected alternative and has approved a request for a grant increase from the grantee.)

§ 35.1650-3 Grant conditions.

(a) In addition to the EPA General Grant conditions (Subpart C and Appendix A of Part 30 of this chapter), each clean lakes grant is subject to the following conditions:

(1) The State agrees to pay the non-Federal share of the project costs.

(2) The State agrees to monitor the project to provide, at a minimum, all of the information and procedures required in paragraph (a)(3) of Appendix A of this regulation, as well as any specific measurements that would be necessary to assess specific aspects of the project. The exact water quality monitoring program for each awarded project will be approved by the project officer in consultation with the State.

(b) In addition to the conditions stated in paragraph (a) to this subsection, Phase 1 grants are subject to the following condition. Before selecting the best alternative for controlling pollution and improving the lake, as required in paragraph (b)(1) of Appendix A of this regulation, and before undertaking any other work stated under paragraph (b) of Appendix A, the grantee must submit an interim report to the project officer. The interim report must include a discussion of the various available alternatives and a technical justification for the alternative which the grantee most likely will choose. The grantee must obtain EPA approval of the selected alternative before conducting additional work under the grant.

(c) In addition to the conditions stated in paragraph (a) to this subsection, Phase 2 grants are subject to the following conditions:

(1) The State agrees to manage and maintain the project for at least ten years after the project is completed in such a way that all pollution control measures supported under the grant will continue at the level of efficiency as at the end of the grant project period. The State will provide reports regarding project maintenance as required in the grant agreement.

(2) The State agrees to upgrade its water quality standards to reflect a higher water quality use classification if this was achieved for the subject lake, as required in 40 CFR section 130.17(c)(2).

(3) If an approved project allows purchase of equipment for lake maintenance, such as weed harvesters and aeration equipment, the State agrees to maintain and operate the equip-

ment according to an approved lake maintenance plan for a period specified in the grant agreement, but in any case for not less than the time period it takes to completely amortize the equipment, or five years, whichever is greater.

(4) If primary adverse environmental impacts result from implementing approved lake restoration or protection procedures, the State shall include measures to mitigate these adverse impacts as part of the work under the grant.

§ 35.1650-4 Grant Payment.

Under § 30.615 of this chapter, EPA generally will make payments through letter of credit as the grantee accomplishes milestones that were in the approved application. However, the Regional Administrator may place any grantee on advance payment, except for construction projects, or on cost reimbursement, as he determines necessary.

§ 35.1650-5 Reports.

(a) States with Phase 1 grants shall submit quarterly progress reports (original and one copy) to the project officer within 30 days after the end of each quarter. These reports shall include the following:

(1) Work progress relative to the milestone schedule, and difficulties encountered during the quarter.

(2) Water quality monitoring data along with a brief analysis of these data to document the existing water quality of the lake, and where appropriate, sources of pollution to the lake.

(3) A justification of expenditures in the past quarter and those anticipated in the next quarter.

(b) States with phase 2 grants shall submit quarterly progress reports (original and one copy) to the project officer within 30 days after the end of the quarter. The Phase 2 quarterly progress report shall contain all of the information required for Phase 1 quarterly progress reports indicated in paragraph (a) of this subsection. This report also must include a discussion of the changes in water quality which appear to have resulted from the lake restoration activities implemented during the quarter.

(c) States shall prepare a final report for all grants in accordance with § 30.635-2 of this subchapter and the EPA manual on "Scientific and Technical Publications," May 14, 1974, as revised or updated. The States shall submit the report within 90 days after the project is completed.

APPENDIX A

GUIDANCE FOR DIAGNOSTIC-FEASIBILITY STUDIES

Phase 1 clean lakes projects must include in their scope of work at least the following

information, preferably in the order presented and under appropriate subheadings.

(a) A diagnostic study consisting of:

1. An identification of the lakes to be restored or studied, including their names, the State in which they are located, their location within the State, their general hydrologic relationship to associated upstream and downstream waters and the approved State water quality standards for the lake under study.

2. A geological description of the drainage basin including soil types and soil loss to stream courses that are tributary to the lake.

3. A description of the public access to the lakes including the amount and type of public transportation to the access points.

4. A description of the size and characteristics of the population residing near the lake which would use the improved lake for recreation and other purposes.

5. A summary of historical lake uses, including recreational uses up to the present time, and how these uses may have changed because of water quality degradation.

6. If a particular segment of the lake user population is or will be more adversely impacted by lake degradation, this should be explained.

7. A statement regarding the water use of the lake compared to other lakes within a 50-mile radius.

8. An itemized inventory of known point source pollution discharges affecting or which have affected lake water quality over the past 5 years, and the abatement actions for these discharges that have been taken or are in progress. If corrective action for the pollution sources is contemplated in the future, the time period should be specified.

9. A description of the land uses in the lake watershed, with an indication of what percentages of the watershed each uses, and discussion of the amount of nonpoint pollutant loading produced by each identified land use category.

10. A discussion and analysis of historical baseline limnological data. This presentation must include the present trophic condition of the lake as well as its surface area, maximum depth, average depth, hydraulic residence time, the area of the watershed draining to the lake, and the physical, chemical, and biological quality of the lake and important lake tributary waters. Bathymetric maps should be provided. If dredging is expected to be included in the restoration activities, representative bottom sediment core samples must be collected and analyzed according to EPA approved methods for phosphorus, heavy metals, and persistent organic chemicals where appropriate. An assessment of the phosphorus (and nitrogen when it is the limiting lake nutrient) inflows and outflows associated with the lake and a hydraulic budget including ground water flow must be included. Vertical temperature and dissolved oxygen data must be determined for the lake if the hypolimnion becomes anoxic and, if so, for how long and over what extent of the bottom. Total and soluble phosphorus (P); and nitrite, nitrate, ammonia and organic nitrogen (N) concentrations must be determined for the lake. Chlorophyll *a* values should be measured for the upper mixing zone. Representative alkalinities should be determined. Algal assay bottle test data or total N to total P ratios should be used to define the growth limiting nutrient. The extent of algal blooms, and the predominant algal genera

must be discussed. Algal biomass should be determined through cell density counts and volumetric mass counting and reported in biomass of each major genus identified. Secchi disk depth and/or suspended solids should be measured and reported. The portion of the shoreline and bottom that is impacted by vascular plants (submersed, floating, or emerged higher aquatic vegetation) must be estimated and that estimate must include an identification of the predominant species.

11. An identification and discussion of the biological resources in the lake, such as fish populations, and a discussion of the predominant genera of zooplankton and phytoplankton and the major known ecological relationships.

(b) A feasibility study consisting of:

1. An identification and discussion of the alternatives considered for pollution control or lake restoration and an identification and justification of the selected alternative after considering all alternatives. This should include a discussion of expected water quality improvement, technical feasibility, and estimated costs that are attached to each alternative. The discussion of each alternative and the selected lake restoration procedure must include detailed descriptions specifying exactly what activities would be undertaken under each, showing how and where these procedures would be implemented, illustrating the engineering specifications that would be followed including preliminary engineering drawings to show in detail the construction aspects of the project, and presenting a quantitative analysis of the pollution control effectiveness and the lake water quality improvement that is anticipated.

2. A discussion of the particular public benefits expected to result from implementing the project, including new public water uses that may result from the enhanced water quality.

3. A proposed monitoring program indicating the water quality sampling schedule. A single in-lake site should be sampled monthly during the months of September through April and biweekly during May through August. This site should be located in an area that best represents the limnological properties of the lake, preferably the deepest point in the lake. Additional sampling sites may be warranted in cases where lake basin morphometry creates distinctly different hydrological and limnological sub-basins; and/or where major lake tributaries adversely affect lake water quality. The sampling schedule may be shifted according to seasonal differences at various latitudes. The biweekly samples should be scheduled to coincide with the period of elevated biological activity. If possible, a set of samples should be collected immediately following spring turnover of the lake. Samples should be collected between 0800 and 1600 hours of each sampling day unless diel studies are part of the monitoring program. Samples should be collected between one foot below the surface and one foot off the bottom, and should be collected at intervals of every five feet, or at six equal depth intervals, whichever number of samples is less. Collection and analyses of all samples should be conducted according to EPA approved methods. All of the samples collected should be analyzed for total and soluble phosphorus; nitrite, nitrate, ammonia, and organic nitrogen; pH; temperature; and dissolved oxygen. Representative alkalinity should

be determined. Samples collected in the upper mixing zone should be analyzed for chlorophyll *a*. Algal biomass should be determined through algal genera identification, cell density counts, and volumetric mass counting; and reported in terms of biomass of each major genus identified. Secchi disk depth and/or suspended solids should be measured at each sampling period. The monitoring program for each clean lakes project should include all of the information mentioned above, in addition to any specific measurements that are found to be necessary to assess certain aspects of the project. Based on the information supplied by the applicant and the technical evaluation of the proposal, a detailed monitoring program will be established for each approved project and will be a condition of the grant agreement. Phase 2 grant projects will be monitored for at least one year after construction or pollution control practices are completed to evaluate project effectiveness.

4. A proposed milestone work schedule for completing the project with a proposed budget and a payment schedule that is related to the milestone.

5. A detailed description of how non-federal matching funds will be obtained for the proposed project.

6. A description of the relationship of the proposed project to pollution control programs such as the section 201 construction grants program, the section 208 areawide wastewater management program, the Soil Conservation Service programs under P.L. 83-566, the Department of Housing and Urban Development programs, and any other local, State, regional and Federal programs which may be related to the proposed project.

7. A summary of public participation in developing and assessing the proposed project under § 25.15 of this chapter.

8. Copies of all permits necessary to satisfy the requirements of section 404 of the Act. If the approved project includes dredging activities or other activities requiring permits, the State must obtain from the U.S. Army Corps of Engineers or other agencies the necessary permits required for the discharge of dredged or fill material under section 404 of the Act or other Federal, State or local requirements. Should additional information be required to obtain these permits, the State shall provide it. A Phase 2 grant shall not be awarded until all necessary section 404 permits have been obtained. Copies of section 404 permit applications must be provided to EPA at the time they are submitted to the U.S. Army Corps of Engineers. After reviewing the 404 permit applications, the project officer may provide recommendations for appropriate controls and treatment of supernatant derived from dredged material disposal sites to ensure the maximum effectiveness of lake restoration procedures.

(c) States shall complete and submit an environmental evaluation taking into consideration the questions listed below. In many cases the questions cannot be satisfactorily answered with a mere "Yes" or "No." Grantees are encouraged to address other considerations which they believe apply to their project.

1. Will the proposed project result in the displacement of any people?

2. Will the proposed project deface existing residences or residential areas? What mitigative actions such as landscaping,

screening, or buffer zones have been considered? Are they included?

3. Will the proposed project be likely to lead to a change in established land use patterns, such as increased development pressure near the lake? To what extent and how will this change be controlled through land use planning, zoning, or through other methods?

4. How does this project conform to areawide waste treatment management plans, if any, developed under section 208 of the Act?

5. Will the proposed project adversely affect a significant amount of prime agricultural land or agricultural operations on such land?

6. Will the proposed project result in a significant adverse effect on parkland, other public land, or lands of recognized scenic value?

7. Has the State Historical Society or State Historical Preservation Officer been contacted by the grantee? Has he responded, and if so, what was the nature of that response? Will the proposed project result in a significant adverse effect on lands or structures of historic, architectural, archaeological or cultural value?

8. Will the proposed project lead to a significant long-range increase in energy demands?

9. Will the proposed project result in significant and long range adverse changes in ambient air quality or noise levels? Short term?

10. If the proposed project involves the use of in-lake chemical treatment, what long and short term adverse effects can be expected from that treatment? How will the grantee mitigate these effects?

11. Does the proposal contain all the information that EPA requires in order to determine whether the project complies with Executive Order 11988? Is the proposed project located in a floodplain? If so, will the project involve constructing of structures in the floodplain? What steps will be taken to reduce the possible effects of flood damage to the project?

12. If project involves physically modifying the lake shore or its bed, through dredging, for example, what steps will be taken to minimize any immediate and long term adverse effects of such activities? When dredging is employed, where will the dredged material be deposited, what can be expected and what measures will the grantee employ to minimize any significant adverse impacts from its deposition?

13. Does the proposed project proposal contain all information that EPA requires in order to determine whether the project complies with Executive Order 11990? Will the proposed project have a significant adverse effect on fish and wildlife, or on wetlands or any other wildlife habitat, especially those of endangered species? How significant is this impact in relation to the local or regional critical habitat needs? Have actions to mitigate habitat destruction been incorporated into the project? Has the applicant properly consulted with appropriate State and Federal fish, game and wildlife agencies and with the U.S. Fish and Wildlife Service? What were their replies?

14. Describe any feasible alternatives to the proposed project, in terms of environmental impacts, commitments of resources, public interest and costs and why they were not proposed?

15. Describe other measures not discussed previously that are necessary to mitigate adverse environmental impacts resulting from the implementation of the proposed project.

[FR Doc. 79-2983 Filed 1-26-79; 8:45 am]

[6560-01-M]

[40 CFR Part 52]

[FRL 1046-5]

APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

Notice of Proposed Revision to the New York State Implementation Plan

AGENCY: Environmental Protection Agency.

ACTION: Proposed rule.

SUMMARY: This proposal announces receipt of a request from the State of New York to revise its State Implementation Plan (SIP). The proposed revision was submitted by the State as a substitute for the East and Harlem River Bridge Toll Strategy for New York City, which had been part of the currently approved SIP. As required by the 1977 Amendments to the Clean Air Act, the elimination of the bridge toll strategy was to be initiated by a request from the Governor of New York, including a certification that the SIP would be revised by August 7, 1978 to include certain measures to establish, expand, or improve public transportation to meet basic transportation needs, and to implement transportation control measures necessary to attain and maintain national ambient air quality standards. The Governor submitted such a request which resulted in the elimination of the bridge toll strategy. In fulfillment of his certification that he would revise the SIP, the Governor submitted to the Environmental Protection Agency (EPA) on August 6, 1978 a proposed SIP revision. This submittal is the subject of this FEDERAL REGISTER notice. Based on an initial review, the EPA finds that the State's proposed SIP revision is deficient. Consequently, EPA proposes herein to disapprove it. However, the State currently is preparing an improvement to the original submittal. EPA believes that this improvement will correct the deficiencies found in this submittal.

DATE: Written comments must be received on or before February 28, 1979.

ADDRESS: Written comments should be submitted to: Eckardt C. Beck, Regional Administrator, U.S. Environmental Protection Agency, Region II, 26 Federal Plaza, New York, New York 10007.

Copies of the proposal, including EPA's initial review thereof, December, 1978, are available for public inspection during normal business hours at:

U.S. Environmental Protection Agency, Air Programs Branch, Room 908, Region II Office, 26 Federal Plaza, New York, New York 10007.

U.S. Environmental Protection Agency, Central Docket Section, Waterside Mall, Room 2903 B, 401 M Street, S.W., Washington, D.C. 20460.

New York State Department of Environmental Conservation, Division of Air Resources, 50 Wolf Road, Albany, New York 12233.

New York State Department of Environmental Conservation, Region 2, 2 World Trade Center, 61st Floor, New York, New York 10047.

New York State Department of Transportation, 1220 Washington Avenue, Building 5, Room 115, State Campus, Albany, New York 12232.

FOR FURTHER INFORMATION CONTACT:

William S. Baker, U.S. Environmental Protection Agency, Region II, 26 Federal Plaza, Room 908, New York, New York 10007, 212-264-2517.

SUPPLEMENTAL INFORMATION:

A. BACKGROUND

Under the 1970 Clean Air Act each state was required to develop a State Implementation Plan (SIP) that provided for the attainment and maintenance of air quality standards. In addition to emission controls on stationary sources and the federal new car emission control program, the Clean Air Act (Section 110(a)(2)(B)) specifically required that states implement transportation control measures where necessary to meet the air quality standards. As a result of a suit filed by the Natural Resources Defense Council (NRDC v. EPA, 475 F. 2d 968 (1973)), the U.S. Court of Appeals for the District of Columbia Circuit ordered the Administrator of the Environmental Protection Agency (EPA) to require submission during 1973 of complete SIP's, including transportation control measures where necessary.

The Governor of New York State submitted a SIP revision on April 17, 1973 which included the required transportation control measures for the New York City metropolitan area. This revision, as approved by EPA in 1973, included Strategy B-7, "Imposition of Tolls on All East River Bridges and Harlem River Bridges." The goal of this strategy was to create a uniform toll structure for all bridges to the borough of Manhattan in New York City, thereby reducing unnecessary travel by vehicles attempting to avoid existing tolled facilities. In addition, the surplus of funds generated from the strategy would have been available for mass transportation or other high priority programs.

The 1973 SIP revision contained a schedule calling for imposition of the tolls by January 1977. However, after approval of the SIP revision, necessary preliminary steps for the implementation of Strategy B-7 were not taken by the State. Consequently, the EPA Region II Administrator issued an Administrative Order in 1975 to require implementation of this strategy. Later, federal court orders also were obtained by environmental groups to require implementation of the strategy. In *Friends of the Earth III (Friends of the Earth v. Carey*, 552 F.2d 25 (1977)), the U.S. Court of Appeals for the Second Circuit held, on January 18, 1977, that requiring the State and City of New York to implement the State's own SIP was constitutional. Subsequently, the U.S. District Court, on February 18, 1977, ordered the State and city to comply with a schedule requiring the imposition of bridge tolls by August 1978.

In August 1977, the 1970 Clean Air Act was amended. The 1977 Amendments to the Clean Air Act include a new section 110(c)(5)(A) which provides that any measure in a SIP which requires a toll or other charge for the use of a bridge located entirely within one city must, upon application by the Governor, be eliminated from the plan by the Administrator of EPA. Section 110(c)(5) provides that this application must include a certification by the Governor that he will revise the SIP by August 7, 1978 to include comprehensive measures to establish, expand or improve public transportation measures, and to implement transportation control measures necessary to attain and maintain national ambient air quality standards.

Under provisions of this section, on October 19, 1977 the Governor of New York applied to the Administrator of EPA to eliminate the requirement for bridge tolls on all East and Harlem River bridges. On December 5, 1977, by notice in the FEDERAL REGISTER (42 FR 61453), the bridge toll requirement was removed from the SIP. Subsequently, the EPA Administrator, in a June 20, 1978 letter to the Governor, provided guidance as to the elements that a SIP revision should contain to meet the requirements of Section 110(c)(5)(B).

On July 26, 1978, the State held a public hearing on the SIP revision required by Section 110(c)(5)(B). This revision could not fully address the Administrator's June 20 guidance because the guidance was received by the State after the revision had been printed. The revision consisted of a document entitled, "New York State Air Quality Implementation Plan for Mass Transit Improvements in the New York City Metropolitan Area," June 1978. (The contents of this docu-

ment are summarized in Section C of this notice.) The Governor submitted this document to the Administrator in a letter dated August 6, 1978.

B. REQUIREMENTS OF SECTION 110(c)(5)(B)

Section 110(c)(5)(B) of the Clean Air Act requires that the SIP be revised to include comprehensive measures to establish, expand or improve public transportation to meet basic transportation needs. This necessitates that these needs be identified in the SIP and that an evaluation be made as to what extent existing and planned measures satisfy basic transportation needs. The assessment of basic transportation needs must also account for the impact of any decreased reliance on the private automobile that might be necessary to provide for the attainment and maintenance of air quality standards.

Section 110(c)(5)(B) also requires that, for the purpose of implementing public transportation measures as would be necessary to meet basic transportation needs, the revised SIP must include requirements to use Federal grants and State or local funds in a manner consistent with the terms of their legislation. This requires the identification of the funding needs of the comprehensive measures to achieve basic transportation needs and any shortfall in presently available funds.

Another requirement of Section 110(c)(5)(B) is that the comprehensive measures provide for emission reductions equivalent to the reductions which were expected to be achieved through the eliminated tolls. This means that the revised SIP should contain a determination of the expected emission reductions and a demonstration that they will be obtained from the comprehensive measures. The final major requirement is that the comprehensive measures include transportation controls necessary to attain and maintain the national ambient air quality standards.

C. CONTENTS OF PROPOSED REVISION SUBMITTED BY THE STATE

The plan submitted by the Governor on August 6, 1978 consisted of an introduction, programs related to the public transit fare, transportation system management improvements, transit financing and calculation of emission reductions. These programs are generally described below.

Introduction.—The proposed plan revision submitted by the State to replace Strategy B-7, "Imposition of Tolls on All East River Bridges and Harlem River Bridges," is based on three objectives for the public transit system:

1. Retain the current ridership level;

2. Maintain the physical integrity and reliability of the system; and

3. Achieve improvements in service and attractiveness of the existing system and thereby achieve some increase in ridership.

The proposed SIP revision places emphasis on rail service improvements, with express bus service expansion held as a back-up strategy. Express bus service is considered as an interim approach for areas of high auto use and poor rail service and where rail service improvements are not possible in the near future.

Public Transit Fare.—The proposed SIP revision reiterates the announced intention of the Governor of New York State and Mayor of New York City to maintain current transit fares through 1981. The revision further states that, over the long term, a reasonable goal is to maintain transit fares at a level such that diversion from transit to auto travel because of fare changes will not take place. If, in the future, fare increases or service cutbacks occur that result in a significant number of people shifting from transit to auto use, then the SIP will be revised to add other strategies to offset the impact on air quality of this shift.

Transportation System Management and Improvement Elements.—In addition to stabilizing fare levels, the plan's objectives, contingent on several conditions, are to:

1. Provide more transit service on existing subway and suburban rail routes where appropriate to reduce overcrowding, and provide more frequent service, particularly during off-peak periods.

2. Accelerate the level of transit rehabilitation to retain the physical integrity and operational safety of the existing system and improve environmental factors of the system consistent with modern standards of noise, temperature levels, and physical appearance.

To meet these objectives, the revision commits to improve the subway system, commuter rail system, collection-distribution system, express bus service and work hour scheduling (staggered work hours).

Transit Financing.—The plan revision describes the public transit financing program for the region. It states that the policy of the State and City of New York is to provide adequate levels of public financing to the region's public transit system. The proposal presents current operational assistance levels and concludes that it is important for the federal government to approve an increase in the level of operating assistance.

The revision also summarized the components of the sources and uses of current and future annual capital pro-

grams. It concludes that the magnitude of the rehabilitation needs, particularly of the City subway system, necessitate increased funding levels beyond those currently received for the transit system to continue to serve its vital functions.

Emission Reductions from the SIP Revision.—The revision contains calculations of expected hydrocarbon reductions resulting from those changes in vehicle-miles-travelled (VMT) occurring from implementation of the substitute strategies. Calculations included in the 1973 plan revision and updated in a State report were identified as indicating that tolls on East and Harlem River Bridges would lower VMT in New York City by about one percent. Since the current average weekday City VMT is 36,000,000, bridge tolls were estimated by the State as being capable of lowering VMT by 360,000.

The plan references an evaluation performed by the Tri-State Regional Planning Commission of the impact of various public transit strategies, including some of those contained in the proposed SIP revision. Rail and express bus service improvements coupled with the establishment or expansion of park and ride lots were analyzed by Tri-State. Based on this analysis, the State estimated that the proposed SIP revision will produce in the region a diversion from auto use to transit sufficient to cause a reduction in VMT equal to that described above for the toll strategy.

D. EPA REVIEW OF PROPOSED REVISION

EPA has found the plan revision to be deficient in several respects and, consequently, inadequate to satisfy statutory requirements of Section 110(c)(5)(B). Therefore, EPA is proposing disapproval. This proposed action is being taken for the following reasons:

1. The proposed revision contains no certification that a full examination of basic transportation needs was completed or indication of the extent to which the public transit improvements identified in the plan meet these needs. General objectives of the public transit system were identified in the proposed revision but they were, in most cases, qualitative in nature.

2. The proposed revision presents a package of measures which are intended to improve the public transit system. However, the extent to which these measures result in the transportation system meeting basic transportation needs could not be determined from the information contained in the plan.

3. A schedule containing increments of progress in sufficient detail to monitor implementation of the identified measures was not provided.

4. Similarly, a schedule was not provided to monitor implementation progress of the measures which will achieve emissions reductions equivalent to those expected from the eliminated bridge tolls.

5. A program for evaluating, adopting and implementing alternative transportation measures for attainment and maintenance of air quality standards was not included in the plan.

6. The proposed revision did not review and allocate all revenue sources to determine which funds could be applied for public transit or transportation control purposes.

7. In order to determine what funding is necessary for the comprehensive measures, the proposed revision should have contained a long-range projection of operating expenses for the Metropolitan Transportation Authority. This was not provided.

E. IMPROVEMENTS TO THE PROPOSED REVISION

At the July 26, 1978 public hearing on the proposed SIP revision, the Hearing Officer announced that the public comment period was extended until August 23, 1978. This was done because public notification for the hearing was inadequate as a result of delays in publishing the notice of the hearing in the newspaper. In the Governor's August 6, 1978 letter, it was suggested that a further submission, based on a review of public comments received subsequent to the submittal date, might be made to modify the proposed SIP submission. This was elaborated upon in a December 1, 1978 letter from the Commissioner of the New York State Department of Transportation (NYSDOT), where it is indicated that the State would prepare a supplemental submission to address any public comments which were not covered in the August 6, 1978 submittal. In addition, the Commissioner informed EPA that the hearing record had been extended to October because of the problems with the hearing notice and the subsequent strike of New York City newspapers.

In addition to the changes that were expected to be made to the submittal as a result of public comments, frequent meetings among representatives of EPA, the Governor's Office, NYSDEC and NYSDOT have resulted in a commitment by the State to improve its plan to enable EPA to review it against the provisions of Section 110(c)(5)(B). The nature of the improvements to be made were documented in December 19, and December 20, 1978 letters between Regional Administrator Beck and the Director of State Operations, Thomas Frey. A schedule for this work was developed jointly by EPA and the State which

calls for a public hearing in March and submittal of an improved plan by April 1, 1979. EPA expects that if the improvements conform to the agreement reached, the submittal will be approvable and EPA will be able to expedite its review to ensure a decision by June 30, 1979.

F. PURPOSE OF THIS NOTICE

EPA has the responsibility under Section 110(a)(2) to take formal approval or disapproval action for any SIP revision proposed by a State. The disapproval action proposed in this notice is taken to meet this obligation. The public is advised that comments may be submitted as to whether the proposed revision to the New York State Implementation Plan should be approved or disapproved. The Administrator's decision regarding approval or disapproval of this proposed plan revision will be based on whether it meets the requirements of Section 110(c)(5)(B) of the Clean Air Act and EPA regulations in 40 CFR Part 51.

(Sections 110 and 301 of the Clean Air Act, as amended (42 U.S.C. 7410, 7601))

Dated: January 12, 1979.

ECKARDT C. BECK,
Regional Administrator.

[FR Doc. 79-2978 Filed 1-26-79; 8:45 am]

[6560-01-M]

[40 CFR Part 180]

[FRL 1047-1; PP 8E2084/P101]

PESTICIDE PROGRAMS

TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Proposed Tolerance for the Pesticide Chemical
Terbacil

AGENCY: Office of Pesticide Programs, Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: This notice proposes that a tolerance be established for residues of the herbicide terbacil on caneberries. The proposal was submitted by the Interregional Research Project No. 4. This regulation would establish a maximum permissible level for residues of terbacil on caneberries.

DATE: Comments must be received on or before February 23, 1979.

ADDRESS COMMENTS TO: Federal Register Section, Program Support Division (TS-757), Office of Pesticide Programs, EPA, Rm. 401, East Tower, 401 M Street, SW, Washington DC 20460.

FOR FURTHER INFORMATION CONTACT:

Mrs. Patricia Critchlow, Registration Division (TS-767), Office of Pesticide Programs, EPA (202/755-4851).

SUPPLEMENTARY INFORMATION:

The Interregional Research Project No. 4 (IR-4), New Jersey State Agricultural Experiment Station, PO Box 231, Rutgers University, New Brunswick, NJ 08903, on behalf of the IR-4 Technical Committee and the Agricultural Experiment Stations of Arkansas, California, Florida, Michigan, New Jersey, Oregon, and Washington, has submitted a pesticide petition (PP 8E2084) to the EPA. This petition requests that the Administrator propose that 40 CFR 180.209 be amended by the establishment of a tolerance for combined residues of the herbicide terbacil (3-tert-butyl-5-chloro-6-methyluracil) and its hydroxylated metabolites (calculated as terbacil) in or on the raw agricultural commodity caneberries (blackberries, raspberries, boysenberries, dewberries, loganberries, and youngberries) at 0.1 part per million (ppm).

The data submitted in the petition and other relevant material have been evaluated. The Toxicological data considered in support of the proposed tolerance included a two-year rat feeding study with a no-observable-effect level (NOEL) of 250 ppm, a two-year dog feeding study with a NOEL of 250 ppm (the highest level fed). Based on the two-year dog feeding study NOEL and using a 100-fold safety factor, the acceptable daily intake (ADI) is 0.0125 milligram (mg)/kilogram (kg) of body weight (bw)/day.

Studies currently lacking include an oncogenicity study in a second mammalian species and a teratology study. Additional mutagenicity testing will be required when EPA guidelines are finalized.

Tolerances have previously been established for residues of terbacil on a variety of raw agricultural commodities at levels ranging from 5 ppm to 0.1 ppm. The metabolism of terbacil is adequately understood, and an adequate analytical method (microcoulometric gas chromatography) is available for enforcement purposes. Although the above toxicology studies are lacking, based on the available information and the insignificance of caneberries in the diet, it is concluded that the tolerance of 0.1 ppm on caneberries should be established.

The pesticide is considered useful for the purpose for which a tolerance is being sought, and it is concluded that the tolerance of 0.1 ppm on caneberries established by amending 40 CFR 180.209 will protect the public health. It is proposed, therefore, that

the tolerance be established as set forth below

Any person who has registered or submitted an application for the registration of a pesticide, under the Federal Insecticide, Fungicide, and Rodenticide Act, which contains any of the ingredients listed herein, may request within 30 days after publication of this proposal in the **FEDERAL REGISTER** that this rulemaking proposal be referred to an advisory committee in accordance with section 408(e) of the Federal Food, Drug, and Cosmetic Act.

Interested persons are invited to submit written comments on the proposed regulation. The comments must bear a notation indicating both the subject and the petition/document control number, "PP 8E2084/P101". All written comments filed in response to this notice of proposed rulemaking will be available for public inspection in the office of the Federal Register Section from 8:30 a.m. to 4 p.m. Monday through Friday.

Dated: January 23, 1979.

HERBERT S. HARRISON,
Acting Director,
Registration Division.

AUTHORITY: Section 408(e) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 346a(e)).

It is proposed that Part 180, Subpart C, § 180.209 be amended by alphabetically inserting caneberries at 0.1 ppm in the table to read as follows:

§ 180.209 Terbacil; tolerances for residues.

Commodity:	Parts per million
* * * * *	
Caneberries (blackberries, boysenberries, dewberries, loganberries, raspberries, and youngberries)	0.1
* * * * *	

[FR Doc. 79-2979 Filed 1-26-79; 8:45 am]

[3510-22-M]

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[50 CFR Part 661]

COMMERCIAL AND RECREATIONAL SALMON FISHERIES OFF THE COASTS OF WASHINGTON, OREGON, AND CALIFORNIA

Extension of Public Comment Period

AGENCY: National Oceanic and Atmospheric Administration, Commerce.

ACTION: Notice of Extension of Public Comment Period.

SUMMARY: So that new information on the status of the salmon runs for 1979 may be reviewed and commented on, the Pacific Fishery Management Council has decided: (a) to make the new information available at its meeting during February 7-8, 1979; (b) to extend the public comment period until February 28, 1979; and (c) to postpone making its final decision on management measures for the salmon fisheries until its meeting during March 7-8, 1979.

DATES: Submit written comments to either of the contact persons listed below on or before February 28, 1979.

FOR FURTHER INFORMATION:

Mr. Lorry Nakatsu, Executive Director, Pacific Fishery Management Council, 526 S.W. Mill Street, Portland, OR 97201, (503) 221-6352.

Mr. Donald R. Johnson, Director, Northwest Region, National Marine Fisheries Service, 1700 Westlake Avenue North, Seattle, WA 98109, (206) 442-7575.

SUPPLEMENTARY INFORMATION: On December 11, 1978, a notice was published in the **FEDERAL REGISTER** (43

FR 57931) that public hearings on the Draft Supplemental Environmental Impact Statement/Fishery Management Plan (FMP) for these salmon fisheries would be held during January 2-6, 1979, and that written comments would be accepted until January 22, 1979.

The Pacific Fishery Management Council originally intended to make its final decision and recommendations on the salmon fishery management plan for 1979, at its February meeting, because an extension of the 1978 plan with very little change was proposed. However, the Council has since become aware of the possibility that the 1979 chinook and coho salmon runs are anticipated to be considerably lower than normal, and further restriction in the sport and commercial harvest of salmon may be required. Additional data will be available at the Council's February meeting. To give the public adequate time to comment fully on this new data, the Council extended the closure of the public comment period from January 22, to February 28, 1979. The Council will also decide at its February meeting whether additional public hearings are warranted. The final decision on recommendations for amendments to the salmon FMP for 1979 will be made by the Council at its March 8-9 meeting in Eureka, California.

Copies of the draft supplement to the Environmental Impact Statement/Fishery Management Plan for the Commercial and Recreational Salmon Fisheries off the Coasts of Washington, Oregon, and California, commencing in 1978, are available from either of the contact persons listed above.

Dated: January 23, 1979.

WINFRED R. MEIBOHM,
Acting Executive Director,
National Marine Fisheries Service.

[FR Doc. 79-2954 Filed 1-26-79; 8:45 am]

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formance of duties by the Department.

The Committee was established by the Secretary of Commerce on January 30, 1963, and chartered in January 1973 pursuant to Executive Order 11007. The charter was renewed on January 10, 1975 and again on January 10, 1977. The purpose of the Committee is to advise the Secretary of Commerce on the technical activities of the Department of Commerce and recommend measures to increase their value to the business community. The Committee's advice is transmitted to the Secretary by the Assistant Secretary for Science and Technology, who also serves as chairman of the Committee.

The advice of the Committee has been very useful for the Department in scientific policy formulation and program planning by assessing the future and continuing role of the Department's scientific and technical agencies in terms of the changing requirements of industry and commerce. The Committee has been used continuously as a sounding board in scientific policy decisions. To the end that economic growth may be promoted, the Committee suggests ways of stimulating research and development by private industry for private industry, and in helping industry get the maximum benefit from Federally-sponsored research and development. The Committee also advises on all matters of Federal science and technology policies directly related to productivity, inflation, employment, and the U.S. balance of trade position.

The Committee will continue with a representation of approximately 20 members and will operate in compliance with the provisions of the Federal Advisory Committee Act.

Copies of the Committee's revised Charter will be filed with appropriate members of Congress and with the Library of Congress.

Inquiries for the Committee may be addressed to the Director, Commerce Technical Advisory Board, Office of the Assistant Secretary for Science and Technology, U.S. Department of Commerce, Washington, D.C. 20230.

Dated: January 19, 1979.

ELSA A. PORTER,
Assistant Secretary
for Administration.

[FR Doc. 79-2861 Filed 1-26-79; 8:45 am]

[3510-17-M]

MARINE FISHERIES ADVISORY COMMITTEE

Renewal

In accordance with the provisions of the Federal Advisory Committee Act, 5 U.S.C. App. (1976), and the Office of Management and Budget Circular A-

63 of March 1974, the Secretary of Commerce has determined that the renewal of the Marine Fisheries Advisory Committee (MAFAC) is in the public interest in connection with the performance of duties by the Department.

The Committee was established by the Secretary of Commerce on February 17, 1971, pursuant to Executive Order 11007. The Committee charter was renewed on January 3, 1973, and amended on June 14, 1974, to include a provision to establish subgroups of its own members as necessary. The charter was again renewed on December 20, 1974, and January 10, 1977. The purpose of the Committee is to advise the Secretary of Commerce on matters pertinent to the Department's responsibilities for fisheries resources and on means to facilitate cooperation between public and private interests in these matters. Committee advice is transmitted to the Secretary through the Administrator, NOAA, who also serves as Chairman of the Committee. Actions concerned with these recommendations are generally implemented through the Assistant Administrator for Fisheries, NOAA, and the National Marine Fisheries Service (NMFS).

The advice of the Committee has been very useful to the Department and NOAA/NMFS in fishery policy formulation and program planning, particularly since NMFS is a constituency-oriented agency and the Committee represents a collective voice for the many and diverse interests concerned with marine fishery resources. The Committee has been used continually as a sounding board in policy decisions, many times changing the course of such policy.

The Committee will continue with a balanced representation of 27 members and will operate in compliance with the provisions of the Federal Advisory Committee Act.

Copies of the Committee's revised Charter will be filed with appropriate committees of the Congress, and with the Library of Congress.

Inquiries or comments may be addressed to the Executive Secretary, Marine Fisheries Advisory Committee, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, Washington, D.C. 20235.

Dated: January 19, 1979.

ELSA A. PORTER,
Assistant Secretary
for Administration, DOC.

[FR Doc. 79-2862 Filed 1-26-79; 8:45 am]

[3510-25-M]

DEPARTMENT OF COMMERCE

Industry and Trade Administration

FOREIGN AVAILABILITY SUBCOMMITTEE OF THE COMPUTER SYSTEMS TECHNICAL ADVISORY COMMITTEE

Open Meeting

Pursuant to Section 10(a)(2) of the Federal Advisory Committee Act, as amended, 5 U.S.C. App. (1976), notice is hereby given that a meeting of the Foreign Availability Subcommittee of the Computer Systems Technical Advisory Committee will be held on Tuesday, February 13, 1979, at 1:30 p.m. in Room 3817, Main Commerce Building, 14th Street and Constitution Avenue, N.W., Washington, D.C.

The Computer Systems Technical Advisory Committee was initially established on January 3, 1973. On December 20, 1974, January 13, 1977, and August 28, 1978, the Assistant Secretary for Administration approved the recharter and extension of the Committee, pursuant to Section 5(c)(1) of the Export Administration Act of 1969, as amended, 50 U.S.C. App. Sec. 2404(c)(1) and the Federal Advisory Committee Act. The Foreign Availability Subcommittee of the Computer Systems Technical Advisory Committee was established on July 8, 1975. On October 16, 1978, the Assistant Secretary for Industry and Trade approved the continuation of the Subcommittee pursuant to the charter of the Committee.

The Committee advises the Office of Export Administration with respect to questions involving (A) technical matters, (B) worldwide availability and actual utilization of production technology, (C) licensing procedures which affect the level of export controls applicable to computer systems, including technical data or other information related thereto, and (D) exports of the aforementioned commodities and technical data subject to multilateral controls in which the United States participates including proposed revisions of any such multilateral controls. The Foreign Availability Subcommittee was formed to ascertain if certain kinds of equipment are available in non-COCOM and Communist countries, and if such equipment is available, then to ascertain if it is technically the same or similar to that available elsewhere.

The Subcommittee meeting agenda has four parts:

- (1) Opening remarks by the Subcommittee Chairman.
- (2) Presentation of papers or comments by the public.
- (3) Review of East European and U.S.S.R. computer processing data rates.
- (4) Review of work program for 1979.

The meeting will be open for public observation and a limited number of seats will be available. To the extent time permits members of the public may present oral statements to the Subcommittee. Written statements may be submitted at any time before or after the meeting.

Copies of the minutes of the meeting will be available by calling Mrs. Margaret Cornejo, Operations Division, Office of Export Administration, U.S. Department of Commerce, Washington, D.C., telephone: A/C 202-377-2583.

For further information, contact Mr. Richard J. Isadore, Acting Director, Operations Division, Office of Export Administration, Industry and Trade Administration, Room 1617M, U.S. Department of Commerce, Washington, D.C. 20230, telephone: A/C 202-377-4738.

Dated: January 25, 1979.

LAWRENCE J. BRADY,
Acting Director, Office of Export
Administration, Bureau of
Trade Regulation, U.S. Department
of Commerce.

[FR Doc. 79-3162 Filed 1-26-79; 9:30 am]

[3510-25-M]

LICENSING PROCEDURES SUBCOMMITTEE OF THE COMPUTER SYSTEMS TECHNICAL ADVISORY COMMITTEE

Open Meeting

Pursuant to Section 10(a)(2) of the Federal Advisory Committee Act, as amended, 5 U.S.C. App. (1976), notice is hereby given that a meeting of the Licensing Procedures Subcommittee of the Computer Systems Technical Advisory Committee will be held on Tuesday, February 13, 1979, at 9:00 a.m. in Room 3817, Main Commerce Building, 14th Street and Constitution Avenue, N.W., Washington, D.C.

The Computer Systems Technical Advisory Committee was initially established on January 3, 1973. On December 20, 1974, January 13, 1977, and August 28, 1978, the Assistant Secretary for Administration approved the recharter and extension of the Committee, pursuant to Section 5(c)(1) of the Export Administration Act of 1969, as amended, 50 U.S.C. App. Sec. 2404(c)(1) and the Federal Advisory Committee Act. The Licensing Procedures Subcommittee of the Computer Systems Technical Advisory Committee was initially established on February 4, 1974. On July 8, 1975, the Director, Office of Export Administration, approved the reestablishment of this Subcommittee, pursuant to the charter of the Committee. And, on October 16, 1978, the Assistant Secretary for Industry and Trade approved the continuation of the Subcommittee

pursuant to the charter of the Committee.

The Committee advises the Office of Export Administration with respect to questions involving (A) technical matters, (B) worldwide availability and actual utilization of production technology, (C) licensing procedures which affect the level of export controls applicable to computer systems, including technical data or other information related thereto, and (D) exports of the aforementioned commodities and technical data subject to multilateral controls in which the United States participates including proposed revisions of any such multilateral controls. The Licensing Procedures Subcommittee was formed to review the procedural aspects of export licensing and recommended areas where improvements can be made.

The Subcommittee meeting agenda has six parts:

1. Opening remarks by the Subcommittee Chairman.
2. Presentation of papers or comments by the public.
3. Review status of pending Subcommittee recommendations to the Department of Commerce.
4. Review and discussion of the Government accounting Office report, October 31, 1978, on "Administration of U.S. Export Licensing Should Be Consolidated To Be More Responsive To Industry."
5. Discussion and clarification of "Qualified Product/General Distribution License."
6. Review of licensing procedures applying to repair parts and supplies, including recent revisions of GLR and Service Supply License.

The meeting will be open for public observation and a limited number of seats will be available. To the extent time permits members of the public may present oral statements to the Subcommittee. Written statements may be submitted at any time before or after the meeting.

For further information, contact Mr. Richard J. Isadore, Acting Director, Operations Division, Office of Export Administration, Industry and Trade Administration, Room 1617M, U.S. Department of Commerce, Washington, D.C. 20230, telephone: A/C 202-377-4738.

Copies of the minutes of the meeting can be obtained by calling Mrs. Margaret Cornejo, Operations Division, Office of Export Administration (202) 377-2538.

Dated: January 25, 1979.

LAWRENCE J. BRADY,
Acting Director, Office of Export
Administration, Bureau of
Trade Regulation, U.S. Department
of Commerce.

[FR Doc. 79-3163 Filed 1-26-79; 9:30 am]

[3710-08-M]

DEPARTMENT OF DEFENSE

Department of the Army

ARMED FORCES EPIDEMIOLOGICAL BOARD

Partially Closed Meeting

1. In accordance with section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 920463) announcement is made of the following committee meeting:

Name of Committee: Armed Forces Epidemiological Board.

Date of Meeting: 15-16 February 1979.

Time: 0900-1700 15 February, 0830-1400 16 February.

Place: Conference Room 3092, Walter Reed Army Institute of Research, Walter Reed Army Medical Center, Washington, DC.

Proposed Agenda: The proposed agenda will include briefings on National Security Planning, AFEB subcommittee progress reports, a report on the November 1978 USAMRIID meeting and the Armed Forces Preventive Medicine Officers will discuss their current activities. The meeting will conclude with a Board executive session.

2. The meeting will be partially closed to the public because there will be classified briefings and classified discussions concerning National Security. The portion of the meeting that will be closed is between 0900-1030 hours, 15 February 1979. This portion will be closed to the public in accordance with Section 552b(c) of Title 5, U.S.C., specifically subparagraph (1) thereof.

3. All other portions of the meeting will be open to the public, but limited by space accommodations. Any interested person may attend, appear before, or file statements with the committee at the time and in the manner permitted by the committee. Interested persons wishing to participate should contact the Executive Secretary, DASG-AFEB, Room 1B472 Pentagon, Washington, D.C. 20310 (Telephone 695-9115).

Dated: January 17, 1979.

CHARLES W. HALVERSON,
CDR, MSC, USN,
Executive Secretary.

[FR Doc. 79-2870 Filed 1-26-79; 8:45 am]

[3710-08-M]

ARMY SCIENCE BOARD

Partially Closed Meeting

In accordance with Section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), announcement is made of the following Committee meeting:

NAME OF COMMITTEE: Army Science Board.

DATES OF MEETING: 20-21 February 1979.

PLACE: Headquarters, 7th Infantry Division and Fort Ord, California.

TIME: 0800-1800 hours, 20 February 1979—Partially Closed. 0800-1700 hours, 21 February 1979—Open.

PROPOSED AGENDA: The meeting is partially closed because the members will receive classified briefings and classified discussions on studies done by certain ASB Members which relate to the offensive and defensive postures of the U.S. and other nations. The portion of the meeting that will be closed is between 0800-1200 hours, 20 February 1979. This portion will be closed to the public in accordance with Section 552b(c) of Title 5, U.S.C., specifically subparagraph (1) thereof.

ROBERT F. SWEENEY,
Lieutenant Colonel, GS, Executive Secretary, Army Science Board.

[FR Doc. 79-2871 Filed 1-26-79; 8:45 am]

[3620-01-M]

DEPARTMENT OF DEFENSE

Defense Logistics Agency

PRIVACY ACT OF 1974

Amendment to System of Record

AGENCY: Defense Logistics Agency (DLA).

ACTION: Notice of amendment to system of records.

SUMMARY: The Defense Logistics Agency proposes to amend a system of records subject to the Privacy Act of 1974. Specific change to the system being amended is set forth below followed by the system published in its entirety as amended.

DATES: This system shall be amended as proposed without further notice on February 28, 1979 unless comments are received on or before February 28, 1979, which would result in a contrary determination and require republication for further comments.

ADDRESS: Any comments, including written data, views or arguments concerning the amendment should be addressed to the System Manager identified in the record system.

FOR FURTHER INFORMATION CONTACT:

Mr. Anthony W. Hudson, Staff Director, Civilian Personnel, HQ DLA, Cameron Station, Alexandria, VA. 22314, telephone 202-274-6025.

SUPPLEMENTARY INFORMATION: The Defense Logistics Agency (DLA)

systems of records notices as prescribed by the Privacy Act have been published in the FEDERAL REGISTER as follows:

FR Doc. 77-28255 (42 FR 51388) September 28, 1977.

FR Doc. 78-25678 (43 FR 40904) September 13, 1978.

FR Doc. 78-25919 (43 FR 42379) September 20, 1978.

The proposed amendment is within the purview of the provisions of 5 U.S.C. 552a(o) of the Privacy Act which requires submission of an altered system report.

MAURICE W. ROCHE,
Director, Correspondence and Directives, Washington Headquarters Services, Department of Defense.

JANUARY 23, 1979.

AMENDMENT

S434.15 DLA-KP

System name:

S434.15 Automated Payroll, Cost and Personnel System (APCAPS) Personnel Subsystem (42 FR 51420) September 28, 1977.

Change:

Categories of records in the system:

In the last sentence of the first paragraph after the word sex, add: "minority Group designator".

S434.15 DLA-KP

System name:

434.15 Automated Payroll, Cost and Personnel System (APCAPS) Personnel Subsystem

System location:

Offices of Civilian Personnel at:
Defense Construction Supply Center (DCSC)
Defense Electronics Supply Center (DESC)
Defense General Supply Center (DGSC)
Defense Personnel Support Center (DPSC)
Defense Property Disposal Service (DPDS)
Defense Depot Memphis (DDMT)
Defense Depot Ogden (DDOU)
Defense Depot Tracy (DDTC)
Defense Depot Mechanicsburg (DDMP)
Defense Logistics Agency Administrative Support Center (DASC)

Categories of individuals covered by the system:

Defense Logistics Agency (DLA) civilian employees serviced by Offices of Civilian Personnel at the activities listed under LOCATION and other Department of Defense civilian em-

ployees who are both serviced by the Offices of Civilian Personnel and paid by the activities listed under LOCATION.

Categories of records in the system:

Employee data segment of APCAPS data bank, including data being manually collected prior to implementation of the automated record system. For the civilian personnel segment of APCAPS, the employee data segment of the APCAPS data bank contains, for civilian employees, current personnel data on employment status and selected personal data, such as Social Security Number (SSN), name, sex, minority group designator, date of birth, age, physical handicap, Government insurance, military reserve status, retired military status, education, whether individual passed the Federal Service Entrance Examination or the Professional and Administrative Career Examination, status preceding employment with DLA, U.S. citizenship, and veterans preference.

Position data segment of APCAPS data bank. For the civilian personnel segment of APCAPS, the position data segment of the APCAPS data bank contains position data pertinent to established positions, both those positions occupied by a civilian employee as well as those not so occupied.

Personnel history file. The personnel history file contains a profile of selected civilian employee personnel data as of the most recent transaction processed against it, as well as a chronological extract of all prior transactions processed on the employee.

Authority for maintenance of the system:

5 U.S.C., Sec. 301, 302; EO 10561; Federal Personnel Manual, Chapter 293.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

Purposes of the system are to effect Federal personnel actions, maintain the Federal personnel service control system, fulfill Federal personnel reporting requirements, and provide information to officials of DLA for effective personnel management and personnel administration.

Prospective employees. For employment determination purposes.

Credit firms. For verification of data for credit determination purposes.

Taxing authorities. For tax administration purposes.

Officials of the Executive Branch. For performance of official duties.

Officials of the Legislative Branch. For performance of official duties.

Officials of the Judicial Branch. For performance of official duties.

Hospitals, medical offices and institutions. For medical/hospital administration purposes.

Executor or administrator of the estate of a deceased employee, former employee, or annuitant, or next-of-kin. For estate settlement purposes.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage:

Computer magnetic tapes or discs. Computer paper printouts. Paper records in file folders.

Retrievability:

Information identified to a specific civilian employee is accessed and retrieved by Social Security Number.

Safeguards:

Records are either secured in locked storage and/or file cabinets or under the constant observation of personnel office officials during duty hours. During non-duty hours, records are either secured in locked storage and/or file cabinets; the records file area is locked, and/or the building in which the records are stored is protected by building security guard. If the records area is not protected by security guard, all records must be locked. Individually identifiable personnel documents will either be handcarried or will be transmitted in envelopes addressed to a specific office or individual and marked to be opened by addressee only. Magnetic tapes and disc are kept in the computer room which is itself a security container with locked door and access limited to persons appropriately cleared and identified. Tapes and disc packs are stored in a tape library when not used in processing, and are logged in and out only to cleared personnel with an official need. Reports with individual data are closely controlled. Computer personnel who process these reports are appropriately cleared and maintain continuous observation of reports during all processing phases. Individual requesting information must identify himself/herself and his/her relationship to the individual upon whom the record information is being requested. Individual other than the individual of record must specify what information is requested and the purpose for which it would be used if disclosed. Personnel office official determines if request is reasonable and consistent with provisions of the Freedom of Information Act and the Privacy Act of 1974. In order to prevent unauthorized modification of records contents, original records documents may only be reviewed in the presence of a witness designated by the Personnel Office.

Physical access, that is the ability to obtain the record, is limited to:

- Personnel office officials
- Civil Service Commission officials
- Data processing officials

Supervisors for those records for which they are authorized to maintain.

Responsible officials are granted temporary custody of an original record in order to monitor the review of the record by the individual to whom it pertains, when the individual is geographically remote from the personnel office.

Retention and disposal:

Records which are filed in the Official Personnel folder (OPF) are retained in the personnel office until the employee leaves the agency. At that time the permanent portion of the OPF is transferred to the gaining Federal agency and temporary OPF records are destroyed by shredding or burning. Copies of records which are furnished to the employee concerned, may be retained at his or her discretion. Copies of records authorized to be maintained by supervisors or other operating offices are destroyed by shredding or burning when the employee leaves the agency. Operating records maintained within the Civilian Personnel Office may be retained up to three years, as needed. At that time, or sooner, they may be destroyed by burning or shredding.

System manager(s) and address:

Staff Director, Civilian Personnel, HQ DLA and Directors of Civilian Personnel at DCSC DPDS, DESC, DGSC, DPSC, DDMT, DDOU, DDTC DDMP, OR DASC.

Notification procedure:

Written or personal requests may be directed to the SYSMANAGER at the activity where the record is maintained. Individual must provide name (last, first, middle initial) and SSN in order to determine whether or not the system contains a record about him/her. If a written request, individual must provide a return address.

For personal visits, the individual should be able to provide some acceptable identification, such as employing office identification card.

Record access procedures:

Written requests are required. The request is to contain the name of the individual (last, first, middle initial), SSN, return mailing address, telephone number where individual can be reached during the day, and a signed statement certifying that the individual understands that knowingly or willfully seeking or obtaining access to records about another individual under false pretenses is punishable by

a fine of up to 5,000 dollars. Complete records are maintained only on magnetic tapes or discs and are not available for access by personal visits.

Contesting record procedures:

The agency's rules for contesting contents and appealing initial determination by the individual concerned may be obtained from the SYSMANAGER.

Record source categories:

Agency supervisors and administrative personnel, medical officials, previous Federal employers, U.S. Civil Service Commission, applications and forms completed by individual.

Systems exempted from certain provisions of the act:

None

[FR Doc. 79-2916 Filed 1-26-79; 8:45 am]

[6450-01-M]

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket Nos. CS75-348, et al.]

BOW VALLEY PETROLEUM INC. & BOW VALLEY COAL RESOURCES, INC.

Applications for "Small Producer" Certificates¹

JANUARY 18, 1979.

Take notice that each of the Applicants listed herein has filed an application pursuant to Section 7(c) of the Natural Gas Act and Section 157.40 of the Regulations thereunder for a "small producer" certificate of public convenience and necessity authorizing the sale for resale and delivery of natural gas in interstate commerce, all as more fully set forth in the applications which are on file with the Commission and open to public inspection.

Any person desiring to be heard or to make any protest with reference to said applications should on or before February 14, 1979, file with the Federal Energy Regulatory Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and sub-

¹This notice does not provide for consolidation for hearing of the several matters covered herein.

ject to the jurisdiction conferred upon the Federal Energy Regulatory Commission by Sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission on all applications in which no petition to intervene is filed within the time required herein if the Commission on its own review of the matter believes that a grant of the certificates is required by the Public convenience and necessity.

Where a petition for leave to intervene is timely filed, or where the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

Docket No.	Date Filed	Applicant
CS75-348	Jan. 2, 1979	Bow Valley Petroleum Inc. & Bow Valley Coal Resources, Inc., 1700 Broadway, Suite 900, Denver, Colorado 80290
CS79-149	Dec. 18, 1978	Owl Petroleum Company, 1770 St. James Place, Suite 604, Houston, Texas 77056
CS79-150	Dec. 15, 1978	Robert A. Robinson, 9999 Richmond Ave., Suite 151, Houston, Texas 77042
CS79-151	Dec. 18, 1978	E. G. Bilderback, Jr., 9999 Richmond Ave., Suite 151, Houston, Texas 77042
CS79-152	Dec. 18, 1978	Pauline F. Thagard, 9999 Richmond Ave., Suite 151, Houston, Texas 77042
CS79-153	Dec. 15, 1978	Joseph P. Driscoll, Suite 1100-8333 Douglas, Dallas, Texas 75225
CS79-154	Dec. 15, 1978	Santa Fe Minerals, Inc. (a wholly-owned subsidiary of Santa Fe Int'l Corp.), 3131 Turtle Creek Blvd.—Suite 700, Dallas, Texas 75219
CS79-155	Dec. 18, 1978	Warren Drilling Co., Inc., P.O. Box 1218, Owensboro, Kentucky 42301
CS79-156	Dec. 18, 1978	Macquest Petroleum, Inc., 302-1300-8th Street S.W., Calgary, Alberta, Canada T2R 1B2
CS79-157	Dec. 19, 1978	Lela Gae Jacoby, 970 Fourth Financial Center, Wichita, Kansas 67202
CS79-158	Dec. 19, 1978	Gene McGill, P.O. Drawer H, Alva, Oklahoma 73717
CS79-159	Dec. 18, 1978	French & Walker, Inc., 3232 Liberty Tower, Oklahoma City, Okla. 73102
CS79-160	Dec. 18, 1978	Robert M. Gilbert and Frances Gilbert, 1318 47th Avenue, Greeley, Colorado 80631
CS79-161	Dec. 18, 1978	E. Max Gilpin, P.O. Box 1341, Shreveport, Louisiana 71162
CS79-162	Dec. 20, 1978	Barbara P. Janney, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-163	Dec. 20, 1978	Beatrice H. Guthrie, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-164	Dec. 20, 1978	Michael Hale Holden, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-165	Dec. 20, 1978	Audrey H. Charlson, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-166	Dec. 20, 1978	Sonia Holden Evers, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-167	Dec. 20, 1978	Sonia P. Seher-Thoss, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-168	Dec. 20, 1978	Howard Phipps, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-169	Dec. 20, 1978	Anne P. Sidamon-Eristoff, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-170	Dec. 20, 1978	Howard Phipps, Jr., et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-171	Dec. 20, 1978	Diana de la Valdene, 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-172	Dec. 20, 1978	Raymond R. Guest, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-173	Dec. 20, 1978	Townsend B. Martin, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-174	Dec. 20, 1978	John Eugene Phipps, 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-175	Dec. 20, 1978	Colin S. Phipps, 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-176	Dec. 20, 1978	Ogden Phipps, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-177	Dec. 20, 1978	Audrey P. Holden, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-178	Dec. 20, 1978	Sarah Janney, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-179	Dec. 20, 1978	Stuart S. Janney III, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-180	Dec. 20, 1978	J. Gordon Douglas III, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-181	Dec. 20, 1978	Bruce C. Farrell, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-182	Dec. 20, 1978	Wendy Farrell Waldorf, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-183	Dec. 20, 1978	Ogden Mills Phipps, et al., 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056

Docket No.	Date Filed	Applicant
CS79-184	Dec. 20, 1978	Cynthia Phipps, <i>et al.</i> , 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-185	Dec. 20, 1978	John M. Kingsley, <i>et al.</i> , 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-186	Dec. 20, 1978	Albert C. Bostwick, <i>et al.</i> , 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-187	Dec. 20, 1978	Constantine Sidamon-Eristoff, <i>et al.</i> , 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-188	Dec. 20, 1978	John H. Phipps, <i>et al.</i> , 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-189	Dec. 20, 1978	Alastair B. Martin, <i>et al.</i> , 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-190	Dec. 20, 1978	Elizabeth Kingsley, <i>et al.</i> , 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-191	Dec. 20, 1978	Dorothy B. Moore, <i>et al.</i> , 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-192	Dec. 20, 1978	Harriet Phipps, <i>et al.</i> , 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-193	Dec. 22, 1978	Houston Corporation, Trustee, <i>et al.</i> , 1100 Esperon Building, Houston, Texas 77002
CS79-194	Dec. 20, 1978	Margaret Boegner, <i>et al.</i> , 2200 South Post Oak Rd.—Suite 700, Houston, Texas 77056
CS79-195	Dec. 22, 1978	Joe F. Abendroth, 1500 Beck Building, Shreveport, Louisiana 71101
CS79-196	Dec. 22, 1978	Robert F. Tarpy, 1500 Beck Building, Shreveport, Louisiana 71101
CS79-197	Dec. 26, 1978	Aztec Minerals, Inc., P.O. Box 1365, Parkersburg, W. Va. 26101
CS79-198	Dec. 21, 1978	MacDonald Explorations, Inc., 10th Floor, 640 8th, S.W., Calgary, Alberta, Canada T2P 1G7
CS79-199	Dec. 26, 1978	Matthews-Bunn Operating Company, Inc., Route #1, Box 4, Mansfield, Louisiana 71052
CS79-200	Dec. 26, 1978	Frank Matthews Operating Company, Inc., Route #1, Box 4, Mansfield, Louisiana 71052
CS79-201	Dec. 26, 1978	Ferguson Oil & Gas Company, Inc., 2700 Liberty Tower, Oklahoma City, Okla. 73102
CS79-202	Dec. 26, 1978	Ennex Production Company, Suite 1020; 101 Park Ave. Bldg., Oklahoma City, Okla. 73102
CS79-203	Dec. 26, 1978	BLB Oil & Gas, Inc., Box 758, Stinnett, Texas 79083
CS79-204	Dec. 26, 1978	Cherokee II Drilling Partnership, Ltd., Suite 200, 200 North Harvey, Oklahoma City, Okla. 73102
CS79-205	Dec. 26, 1978	Amarex Drilling Fund, Ltd., Partnership No. A-1, Suite 200, 200 North Harvey, Oklahoma City, Okla. 73102
CS79-206	Dec. 26, 1978	Amarex Drilling Program, Ltd., Partnership No. 73/74-A, Suite 200, 200 North Harvey, Oklahoma City, Okla. 73102
CS79-207	Dec. 26, 1978	Amarex Drilling Program, Ltd., Partnership No. 73/74-B, Suite 200, 200 North Harvey, Oklahoma City, Okla. 73102
CS79-208	Dec. 26, 1978	Amarex Exploratory Programs, Ltd., Partnership No. 1, Suite 200, 200 North Harvey, Oklahoma City, Okla. 73102
CS79-209	Dec. 26, 1978	Ferris Oil and Gas Company, Suite 200, 200 North Harvey, Oklahoma City, Okla. 73102
CS79-210	Dec. 26, 1978	Amarex Year End Private Drilling Program, Ltd.—1974, Suite 200, 200 North Harvey, Oklahoma City, Okla. 73102
CS79-211	Dec. 26, 1978	Kiowa Company, Suite 200, 200 North Harvey, Oklahoma City, Okla. 73102
CS79-212	Dec. 26, 1978	Amarex Private Drilling Program, Ltd.—1974, Suite 200, 200 North Harvey, Oklahoma City, Okla. 73102
CS79-213	Dec. 26, 1978	Amarex Private Drilling Program, Ltd.—1976, Suite 200, 200 North Harvey, Oklahoma City, Okla. 73102
CS79-214	Dec. 20, 1978	Frank Walters, Pernell, Okla. 73076
CS79-215	Dec. 27, 1978	Connie J. McGill Allen, P.O. Drawer H, Alva, Oklahoma 73717
CS79-216	Dec. 27, 1978	Ivanhoe Petroleum Company, P.O. Box 130, Beaver, Oklahoma 73932
CS79-217	Dec. 28, 1978	Lynal Exploration Company, P.O. Box 52185, Lafayette, Louisiana 70505
CS79-218	Dec. 26, 1978	Herndon Oil and Gas Company, P.O. Box 489, Tulsa, Oklahoma 74101
CS79-219	Dec. 28, 1978	Rebel Oil Company, 3080 Liberty Tower, Oklahoma City, Okla. 73102
CS79-220	Dec. 28, 1978	Lynal, Ltd., P.O. Box 52185, Lafayette, Louisiana 70505
CS79-221	Dec. 29, 1978	Russell F. Freeman d.b.a. Continental Energy, South Star Route, Garden City, Kansas 6846
CS79-222	Jan. 2, 1979	Court Petroleum Corporation, 1240 First National Center, Oklahoma City, Okla. 73102
CS79-223	Jan. 2, 1979	Energy Exploration & Production, Inc., Suite 600, 1012 Baltimore Avenue, Kansas City, Missouri 64105
CS79-224	Jan. 2, 1979	Way Enterprises, Inc., P.O. Box 1756, Midland, Texas 79702
CS79-225	Jan. 2, 1979	David J. Lankford, 800 Johnson Building, Shreveport, Louisiana 71101

Docket No.	Date Filed	Applicant
CS79-226	Jan. 2, 1979	Jim N. Wedeberg, 800 Johnson Building, Shreveport, Louisiana 71101
CS79-227	Jan. 2, 1979	Dee Jay Oil Company, 800 Johnson Building, Shreveport, Louisiana 71101
CS79-228	Jan. 2, 1979	James C. Brown, P.O. Box 9158, Amarillo, Texas 79105
CS79-229	Jan. 2, 1979	Cecil L. Brown, P.O. Box 9158, Amarillo, Texas 79105
CS79-230	Jan. 2, 1979	Robert S. Brown, P.O. Box 9158, Amarillo, Texas 79105
CS79-231	Jan. 2, 1979	Burdette O. Brown, P.O. Box 9158, Amarillo, Texas 79105
CS79-232	Jan. 2, 1979	Albert L. Brown, P.O. Box 9158, Amarillo, Texas 79105
CS79-233	Jan. 2, 1979	Lillian F. Brown, P.O. Box 9158, Amarillo, Texas 79105
CS79-234	Jan. 2, 1979	Alice E. Brown Jordan, P.O. Box 9158, Amarillo, Texas 79105
CS79-235	Jan. 2, 1979	Alfred W. Brown, P.O. Box 9158, Amarillo, Texas 79105
CS79-236	Jan. 2, 1979	C. Willenell Zimmer Haynes, P.O. Box 9158, Amarillo, Texas 79105
CS79-237	Jan. 2, 1979	John P. Zimmer, P.O. Box 9158, Amarillo, Texas 79105
CS79-238	Jan. 2, 1979	Albert William Zimmer, P.O. Box 9158, Amarillo, Texas 79105
CS79-239	Jan. 2, 1979	Harold W. Ochsner, P.O. Box 9158, Amarillo, Texas 79105
CS79-240	Jan. 3, 1979	Martin Oil Company, P.O. Box 36078, Denver, Colorado 80236
CS79-241	Jan. 3, 1979	Trigg Drilling Company, Inc., P.O. Box 18605, Oklahoma City, Okla. 73154
CS79-242	Jan. 3, 1979	DeWitt T. Langford, d.b.a. Langford Oil & Gas Company, 1029 Shive Lane, Suite S-3, Bowling Green, Kentucky 42101
CS79-243	Jan. 3, 1979	Justin L. Henderson and P. D. Farr, II d.b.a. P-J Resources, 253 Carr Avenue, Clarksburg, W. Va. 26301
CS79-244	Jan. 8, 1979	E. J. Giering, III, 808 Warren Drive, West Monroe, Louisiana
CS79-245	Jan. 8, 1979	David L. Johnston, 2100 Forsythe Avenue, Monroe, Louisiana 71201
CS79-246	Jan. 2, 1979	George A. Brown, P.O. Box 9158, Amarillo, Texas 79105
CS79-247	Jan. 9, 1979	The Ann Gordon Singer 1978 Trust, Arthur Keith Whitelaw III, Trustee, 1910 Lincoln Center Building, 1660 Lincoln Street, Denver, Colorado 80264
CS79-248	Jan. 9, 1979	Mike Kahn Oil Company, Drawer 831, Seminole, Oklahoma 74868

*Being noticed to reflect that the smaller producer certificate held by Flying Diamond Oil Corporation in Docket No. CS75-348, is amended to read Bow Valley Petroleum Inc., and Bow Valley Coal Resources, Inc., who now own all the outstanding stock of Flying Diamond Oil Corporation.

[FR Doc. 79-2743 Filed 1-26-79; 8:45 am]

[6560-01-M]

ENVIRONMENTAL PROTECTION AGENCY

[OPP-180257; FRL 1046-2]

OREGON AND WASHINGTON DEPARTMENTS OF AGRICULTURE

Issuance of Specific Exemptions to Use Metribuzin To Control Cheatgrass on Winter Wheat and Barley

The Environmental Protection Agency (EPA) has granted specific exemptions to the Oregon and Washington State Departments of Agriculture (hereafter referred to as "Oregon" and "Washington") to use the herbicide metribuzin in a single post-emergence application for the control of cheatgrass on a maximum of 100,000 acres in Oregon and 280,000 acres in Wash-

ington. These exemptions were granted in accordance with, and are 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 applications on file with the Registration Division (TS-767), Office of Pesticide Programs, EPA, 401 M St., S.W., Room E-315, Washington, D.C. 20460.

According to Oregon and Washington, cheatgrass (downy brome) is an annual grass weed found throughout both States; cheatgrass infestation of winter wheat is a problem every year, but the problem is particularly severe this year due to excessive summer moisture that has resulted in favora-

ble conditions for seed germination. Oregon estimated that loss due to competition with cheatgrass might run as much as \$5,250,000 if an effective herbicide was not applied; Washington estimated a loss of \$12,600,000.

Atrazine is registered for cheatgrass control in Oregon and Washington; however, Atrazine should not be applied post-emergence and the winter wheat and barley are presently emerging.

Therefore, a single post-emergence application of metribuzin (4-Amino-6-(1,1-dimethylethyl)-3-(methylthio)-1,2,4-triazin-5(4H)-one), distributed under the trade names of Sencor and Lexone, was requested. A maximum of 100,000 acres in the following counties of eastern Oregon may require treatment: Gilliam, Morrow, Sherman, Umatilla, Union, Wallowa, and Wasco. A maximum of 280,000 acres in Washington east of the crest of the Cascade Mountains may require treatment. Application instructions were to be furnished by the Oregon and Washington Departments of Agriculture. Application of metribuzin to winter wheat and barley in these two States is expected to pose minimal hazard to the environment.

After reviewing the applications and other available information, EPA determined that (a) pest outbreaks of cheatgrass on winter wheat and barley have occurred; (b) there is no effective pesticide presently available for use to control cheatgrass in Oregon and Washington; (c) there are no alternative means of control, taking into account the efficacy and hazard; (d) significant economic problems may result if the cheatgrass 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, Oregon and Washington have been granted specific exemptions to use the pesticide noted above until April 1, 1979, to the extent and in the manner set forth in the applications. The specific exemptions are also subject to the following conditions:

1. A single post-emergence application of Lexone 50WP (EPA Reg. No. 352-375) or Sencor 50WP (EPA Reg. No. 3125-277) may be made at a rate of 0.25 to 0.50 pound active ingredient per acre;

2. Applications will be made with ground or air equipment;

3. Spray mixture volumes of 10-40 gallons per acre will be applied by ground equipment or 5-10 gallons by aircraft;

4. A maximum of 100,000 acres in Oregon in the counties named above and 280,000 acres in Washington counties east of the crest of the Cascade Mountain may be treated;

5. All applications will be made by qualified growers or by State-licensed commercial applicators. Information on rates and timing will be furnished by Oregon State University research specialists and extension agents and Washington State University extension agents;

6. Precautions will be taken to avoid spray drift to non-target areas;

7. Residue levels of metribuzin and its triazinone metabolites are not expected to exceed 0.75 part per million (ppm) in or on wheat grain, 1.0 ppm in or on wheat straw, and 2.0 ppm in or on wheat forage. Wheat grain and straw with residues which are not in excess of these levels may enter interstate commerce. The Food and Drug Administration, U.S. Department of Health, Education, and Welfare, has been advised of this action;

8. Treated fields may not be grazed for 14 days following application;

9. All applicable directions, restrictions, and precautions on the EPA-registered label must be followed;

10. Oregon and Washington are responsible for ensuring that all of the provisions of these specific exemptions are met, and must submit reports summarizing the results of these programs by July 15, 1979; and

11. The EPA shall be immediately informed of any adverse effects resulting from the use of metribuzin in connection with these exemptions.

(Section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended in 1972, 1975, and 1978 (92 Stat. 819; 7 U.S.C. 136))

Dated: January 22, 1979.

EDWIN L. JOHNSON,
Deputy Assistant Administrator
for Pesticide Programs.

[FR Doc. 79-2990 Filed 1-26-79; 8:45 am]

Reg. No.	Product Name	Registrant
7501-5.....	Mist-O-Matic Drill Box Treatment.....	Gustafson, Inc., 6350 LBJ Freeway, Dallas, TX 75240
7501-2.....	Mist-O-Matic Liquid Seed Disinfectant.	Do.
538-149.....	Pro Turf Broad Spectrum Fungicide..	O. M. Scott & Sons, Co., Maryville, OH 43040
538-148.....	Pro Turf Fertilizer Plus Fungicide.....	Do.
538-150.....	Pro Turf California Fertilizer Plus Fungicide.	Do.
605-37.....	Gallotox Liquid Seed Disinfectant.....	Guard Chem. Co., One Ave. L., Newark, NJ 07105

Dated: January 22, 1979.

[6560-01-M]

[OPP-66049; FRL 1046-4]

PESTICIDE PROGRAMS

Cancellation of Certain Pesticide Products

On February 17, 1976 the Administrator, Environmental Protection Agency (EPA) issued a Decision and Order cancelling certain registered uses of mercury compounds as fungicides and bacteriocides. (This Order was published at 41 FR 16497, April 19, 1976.) Following the issuance of the Order, several parties filed petitions for review pursuant to Section 16(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) as amended in 1972, 1975, and 1978 (92 Stat. 819; 7 U.S.C. 136).

Several registrants appealed this Order by commencing court action. On August 19, 1976, the Administrator issued a "Settlement and Order" with respect to those registrations. In accordance with the settlement, the effective date of the Order of February 17, 1976 was stayed until August 31, 1978 insofar as it cancelled (a) registrations for mercurial seed treatment pesticide products, and (b) registrations for mercurial fungicide products for use against summer turf diseases.

Pursuant to the Settlement and Order, notice is hereby given that the registrations of the following pesticide products were cancelled effective August 31, 1978. Under the Settlement and Order, products produced before August 31, 1978 will be treated as "existing stocks," the continued sale, distribution and use of which will be permitted.

EDWIN L. JOHNSON,
Deputy Assistant Administrator
for Pesticide Programs.

[FR Doc. 79-2988 Filed 1-26-79; 8:45 am]

[6560-01-M]

[OPP-30130A; FRL 1046-3]

PESTICIDE PROGRAMS

Approval of Application to Register Pesticide Product Containing New Active Ingredient

On April 29, 1977, notice was given (42 FR 21837) that AgBioChem, Inc., 3 Fleetwood Court, Orinda, CA 94563, had filed an application (EPA File Symbol No. 40230-R) with the Environmental Protection Agency (EPA) to register the pesticide product GALLTROL-A containing 1.7×10^{10} colony forming units/plate of the active ingredient agrobacterium radiobacter which was not previously registered at the time of submission. As stated in the April 29, 1977 notice, the pesticide is primarily used for control of crown gall on non-bearing nut and fruit tree transplants. Additionally, pursuant to 40 CFR 162.8(a)(3), the company has requested, and the Agency has granted, waivers of certain toxicity and all environmental chemistry, and environmental safety data.

This application was approved January 5, 1979, and the product has been assigned the EPA Registration No. 40230-1. GALLTROL-A is classified for general use. A copy of the approved label and list of data references used to support registration are available for public inspection in the office of the Federal Register Section, Program Support Division (TS-757), Office of Pesticide Programs, Rm. 401, East Tower, 401 M St., SW., Washington, D.C. 20460. The data and other scientific information used to support registration, except for the material specifically protected by Section 10 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) as amended in 1972, 1975, and 1978 (92 Stat. 819; 7 U.S.C. 136) will be available for public inspection in accordance with Section 3(c)(2) of FIFRA, within 30 days after the registration date of January 5, 1979. Requests for data must be made in accordance with the provisions of the Freedom of Information Act and must be addressed to the Freedom of Information Office (A-101), EPA, 401 M St., SW., Washington, D.C. 20460. Such requests should: (1) identify the product by name and registration number and (2) specify the data or information desired.

Dated: January 22, 1979.

EDWIN L. JOHNSON,
Deputy Assistant Administrator
for Pesticide Programs.

[FR Doc. 79-2989 Filed 1-26-79; 8:45 am]

[6560-01-M]

[FRL 1046-8; PP 6G1708/T182]

METOLACHLOR

Renewal Temporary Tolerances

On February 8, 1978, the Environmental Protection Agency (EPA) announced (43 FR 5564) in response to a pesticide petition (PP 6G1708) submitted by Ciba-Geigy Corp., P.O. Box 1142, Greensboro, N.C. 27409, a renewal of temporary tolerances for combined residues of the herbicide metolachlor (2-chloro-N-(2-ethyl-6-methylphenyl)-N-(2-methoxy-1-methylethyl) acetamide and its metabolites determined as 2-(2-ethyl-6-methylphenylamino) propanol and 4-(2-ethyl-6-methylphenyl)-2-hydroxy-5-methyl (calculated as the herbicide) in or on the raw agricultural commodities soybean forage and hay at 1.25 parts per million (ppm); soybeans at 0.1 ppm; and meat, milk, poultry, and eggs at 0.02 ppm.

This renewal expired January 6, 1979. (Permanent tolerances are being established for residues of metolachlor and the above metabolites in or on soybeans at 0.1 ppm and eggs, meat, milk, and poultry at 0.02 ppm.)

Ciba-Geigy Corp. requested a one-year renewal of the temporary tolerances on soybean forage and hay at 1.25 ppm both to permit continued testing to obtain additional data and to permit the marketing of the soybean forage and hay when treated in accordance with the provisions of the experimental use permit 100-EUP-43 that was renewed under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended in 1972, 1975, and 1978 (92 Stat. 819; 7 U.S.C. 136).

The scientific data reported and all other relevant material were evaluated, and it was determined that a renewal of the temporary tolerances of 1.25 ppm on soybean forage and hay would protect the public health. Therefore, the temporary tolerances have been renewed on condition that the pesticide be used in accordance with the experimental use permit with the following provisions:

1. The total amount of the pesticide to be used must not exceed the quantity authorized by the experimental use permit.

2. Ciba-Geigy Corp. must immediately notify the EPA of any findings from the experimental use that have a bearing on safety. The firm must also keep records of production, distribution, and performance and on request make the records available to any authorized officer or employee of the EPA or the Food and Drug Administration.

These temporary tolerances expire January 6, 1980. Residues not in excess of 1.25 ppm remaining in or on soybean forage and soybean hay after this expiration date will not be considered actionable if the pesticide is legally applied during the term of and in accordance with the provisions of the experimental use permit and temporary tolerances. These temporary tolerances may be revoked if the experimental use permit is revoked or if any scientific data or experience with this pesticide indicate such revocation is necessary to protect the public health. Inquiries concerning this notice may be directed to Ms. Willa Garner, Product Manager 23, Registration Division (TS-767), Office of Pesticide Programs, 401 M St., SW., Washington D.C. 20460 (202/755-1397).

(Sec. 408(j), Federal Food, Drug and Cosmetic Act (21 U.S.C. 346a(j)))

Dated: January 23, 1979.

HERBERT S. HARRISON,
Acting Director,
Registration Division.

[FR Doc. 79-2980 Filed 1-26-79; 8:45 am]

[6560-01-M]

[FRL 1047-2; PFT-35]

PESTICIDE PROGRAMS

Filing of Food Additive Petition

Elanco Products Co., Division of Eli Lilly & Co., P.O. Box 1750, Indianapolis, IN 46206, has submitted a petition (FAP 9H5202) to the Environmental Protection Agency (EPA) which proposes to amend 21 CFR 193 by establishing a regulation permitting the use of the herbicide fluridone (1-methyl-3-phenyl-5-[3-(trifluoromethyl)-phenyl]-4-(1H)pyridinone) in connection with an experimental program involving the use of the herbicide in an aquatic plant management systems with a tolerance limitation of 0.1 part per million in potable water. Notice of this submission is given pursuant to the provisions of section 409(b)(5) of the Federal Food, Drug, and Cosmetic Act.

Interested persons are invited to submit written comments on this petition to the Federal Register Section, Program Support Division (TS-757), Office of Pesticide Programs, EPA, Rm. 401, East Tower, 401 M St., S.W., Washington D.C. 20460. Inquiries concerning this petition may be directed to Product Manager (PM) 23, Registration Division (TS-767), Office of Pesticide Programs, at the above address, or by telephone at 202/755-1397. Written comments should bear a notation indicating the petition number.

Comments may be made at any time while a petition is pending before the Agency. All written comments filed pursuant to this notice will be available.

ble for public inspection in the office of the Federal Register Section from 8:30 a.m. to 4 p.m. Monday through Friday.

Dated: January 23, 1979.

HERBERT S. HARRISON,
Acting Director,
Registration Division.

[FR Doc. 79-2977 Filed 1-26-79; 8:45 am]

[6560-01-M]

[FRL 1047-41]

ENVIRONMENTAL IMPACT STATEMENTS

Availability

AGENCY: Office of Federal Activities, Environmental Protection Agency.

PURPOSE: This Notice lists the Environmental Impact Statements which have been officially filed with the EPA and distributed to Federal Agencies and interested groups, organizations and individuals for review pursuant to the Council on Environmental Quality's Regulations (40 CFR 1506.9).

PERIOD COVERED: This Notice includes EIS's filed during the week of January 15 to 19, 1979.

REVIEW PERIODS: The 45-day review period for draft EIS's listed in this Notice is calculated from January 26, 1979 and will end on March 12, 1979. The 30-day wait period for final EIS's will be computed from the date of receipt by EPA and commenting parties.

EIS AVAILABILITY: To obtain a copy of an EIS listed in this Notice you should contact the Federal agency which prepared the EIS. This Notice will give a contact person for each Federal agency which has filed an EIS during the period covered by the Notice. If a Federal agency does not have the EIS available upon request you may contact the Office of Federal Activities, EPA for further information.

BACK COPIES OF EIS'S: Copies of EIS's previously filed with EPA or CEQ which are no longer available from the originating agency are available at 10 cents per page from the Environmental Law Institute, 1346 Connecticut Avenue, Washington, D.C. 20036.

FOR FURTHER INFORMATION CONTACT:

Kathi Weaver Wilson, Office of Federal Activities, A-104, Environmental Protection Agency, 401 M Street, SW, Washington, D.C. 20460 (202) 755-0780.

SUMMARY OF NOTICE: Appendix I sets forth a list of EIS's filed with EPA during the week of January 15 to 19, 1979, the Federal agency filing the EIS, the name, address, and telephone number of the Federal agency contact for copies of the EIS, the filing status of the EIS, the actual date the EIS was filed with EPA, the title of the EIS, the State(s) and County(ies) of the proposed action and a brief summary of the proposed Federal action and the Federal agency EIS number if available. Commenting entities on draft EIS's are listed for final EIS's.

Appendix II sets forth the EIS's which agencies have granted an extended review period or a waiver from the prescribed review period. The Appendix II includes the Federal agency responsible for the EIS, the name, address, and telephone number of the Federal agency contact, the title, State(s) and County(ies) of the EIS, the date EPA announced availability of the EIS in the FEDERAL REGISTER and the extended date for comments.

Appendix III sets forth a list of EIS's which have been withdrawn by a Federal agency.

Appendix IV sets forth a list of EIS retractions concerning previous Notices of Availability which have been made because of procedural noncompliance with NEPA or the CEQ regulations by the originating Federal agencies.

Appendix V sets forth a list of reports or additional supplemental information on previously filed EIS's which have been made available to EPA by Federal agencies.

Appendix VI sets forth official corrections which have been called to EPA's attention.

Dated: January 24, 1979.

WILLIAM N. HEDEMAN, Jr.,
Director,
Office of Federal Activities.

APPENDIX I

EIS'S FILED WITH EPA DURING THE WEEK OF
JANUARY 15 TO 19, 1979

DEPARTMENT OF AGRICULTURE

Contact: Mr. Barry Flamm, Coordinator, Environmental Quality Activities, U.S. Department of Agriculture, Room 359A, Washington, D.C. 20250, 202-447-3965.

FOREST SERVICE

Final

Angelina National Forest, Timber Management Plan Several County, Tex., January 15: The proposed action is implementation of an eight year timber management plan for the Angelina National Forest. The Angelina National Forest is located in Angelina, San Augustine, Jasper and Nacogdoches Counties in east Texas and lies on both sides of the 114,500 acre Sam Rayburn Reservoir, approximately 391,000 acres of land lie inside the forest boundary, of which thirty-nine percent or 154,991 acres is na-

tional forest land. Private land ownership within the forest boundary is mixed and includes home sites, farm and pasture land, and woodlands. This plan proposes even-aged forest management on the commercial forest for production of timber products. (USDA-FS-R8-(DES(ADM)-78-07) Comments made by: EPA, AHP, USDA, DOT, DOI, State agencies, groups and individuals. (EIS Order No. 81303)

DEPARTMENT OF COMMERCE

Contact: Dr. Sidney R. Galler, Assistant Secretary for Environmental Affairs, Department of Commerce, Washington, D.C. 20230, 202-377-4335.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Final

Alaska Coast High Seas Salmon Fishery, FMP Alaska, January 19: The proposed action is to adopt and implement a fishery management plan for the High Seas Salmon Fishery of the coast of Alaska east of 175 degrees east longitude under provisions of Title III of the Fishery Conservation and Management Act of 1976. This act extends jurisdiction over fishery resources and establishes a program for their management. The purpose of the management plan is to manage ocean salmon resources off the coast of Alaska and the troll fishery on those resources. Comments made by: DOC, CGD, State and Local agencies individuals and businesses. (EIS Order No. 90076)

DEPARTMENT OF DEFENSE, ARMY CORPS

Contact: Dr. C. Grant Ash, Office of Environmental Policy, Attention: DAEN-CWR-P, Office of the Chief of Engineers, U.S. Army Corps of Engineers, 1000 Independence Avenue, S.W., Washington, D.C. 20314, 202-693-6795.

Final

Flood Control, Central and Southern Florida, Hendry County, Fla., January 19: Proposed is the Hendry County segment of the Central and Southern Florida flood control project. This section of the proposal consists of a canal and control structure designed to remove flood waters more efficiently and prevent overdrainage of 261 sq. mi. area in Eastern Hendry County, with an integrated pumping station and canal system, the project will also provide for the conveyance of agricultural water supply from lake Okeechobee during periods of drought for distribution to part of the project area and to Big Cypress Seminole Indian Reservation which is located about 5 miles south of the project area. (Jacksonville district). Comments made by: USDA, DOI, EPA, State and local agencies. (EIS Order No. 90075).

DEPARTMENT OF DEFENSE, ARMY

Contact: George Q. Cunney, Jr., Acting Chief, Environmental Office, Office of the Assistant Chief of Engineers, Department of the Army, Room 1E676, Pentagon, Washington, D.C. 20310, 202-694-4269.

Final

Fort Irwin National Training Center, San Bernardino County, Calif., January 19: Proposed is the establishment of a National Training Center at Fort Irwin located in the High Mojave Desert, San Bernardino County, California. The purpose is to pro-

vide simulated full-scale combat situations to support the Army's combined arms tactical unit training and to integrate similar exercises with the Air Force, Navy and Marine Corps. The proposed program would involve reopening post facilities with construction and rehabilitation proceeding operations. Fort Irwin was selected from eleven alternative sites. Comments made by: USDA, DOD, DOI, DOT, EPA, NASA, State and local agencies, groups, individuals and businesses. (EIS Order No. 90078).

DEPARTMENT OF DEFENSE, NAVY

Contact: Mr. Ed Johnson, Head, Environmental Impact Statement/RDT&E Branch, Office of the Chief of Naval Operations, Department of the Navy, Washington, D.C. 20350, 202-697-3689.

Draft

New Naval Regional Medical Center, San Diego County, Calif., January 18: Proposed is the replacement of approximately 69 substandard buildings with a modern Naval Regional Medical Center (NRMC) located in San Diego County, California. The NRMC will include: A 600-bed acute care and 300-bed light care hospital, outpatient and emergency medical care facilities, the Naval School of Health Sciences, and parking facilities. The existing major surgical facility will be retained, upgraded, and converted to other uses. Renovation will be planned such that the structure can be reconverted to a medical facility under emergency conditions. Five alternatives, including nine alternate sites are considered. (EIS Order No. 90070).

DEPARTMENT OF ENERGY

Contact: Mr. Robert Stern, Acting Director, Division of NEPA Affairs, Department of Energy, Federal Building, Room 7119, 1200 Pennsylvania Avenue, NW., Washington, D.C. 20461, (202) 566-9760.

BONNEVILLE POWER ADMINISTRATION

Draft

Southwest Oregon area service, facility plan FY79s, several counties in Oregon and Idaho, January 19: Proposed is the facility planning supplement to the BPA FY 1979 program for the southwest Oregon service area to allow power generated in Wyoming to be delivered and to facilitate the exchange of electric power between the Pacific Northwest and the Middle Snake region. Construction of two transmission facilities proposed includes: (1) 500 kV line from Brownlee substation in Idaho to Slatt substation near Arlington, Oregon and (2) 500 kV line from Buckley to Malin, Oregon. The new transmission line would provide backup to the overall system. (DOE-EIS-0005-DS-2.) (EIS Order No. 90072.)

GENERAL SERVICES ADMINISTRATION

Contact: Mr. Andrew E. Kauders, Executive Director, Environmental Affairs Division, General Services Administration, 18th and F Streets, NW., Washington, D.C. 20405, (202) 566-0405.

Final

Charlestown Naval Auxiliary Landing Field, Washington County, R.I., January 19: This action involves the disposing of Federal Properties which have been determined to be no longer needed for the purposes for which they were formerly used. Charles-

town Naval Auxiliary Landing Field (NALF) is located in the southern tier of Washington County of Rhode Island, Charlestown and the abutting Communities of Hopkinton, Richmond, South Kingstown, and westerly are the five communities most liable to be subjected to changes brought about by proposals to reuse the Charlestown NALF. Comments made by: USDA, DOE, DOI, State, and local agencies, groups, individuals, and businesses. (EIS Order No. 90077.)

DEPARTMENT OF HUD

Contact: Mr. Richard H. Broun, Director, Office of Environmental Quality, Department of Housing and Urban Development, 451 7th Street, SW., Washington, D.C. 20410, (202) 755-6308.

Draft

Denver Metropolitan Areawide Plan, several counties in Colorado, January 18: Proposed is the approval of the Denver Regional Council of Governments (DRCOG) Regional Growth and Development Plan as the basis for evaluating future housing development applications of HUD assisted or insured housing in the Denver Metropolitan area. The counties involved are: Denver, Boulder, Jefferson, Adams, and Arapahoe. Approval of this plan would allow HUD to discontinue its practice of preparing a full EIS for each project unless conditions are found which have not been dealt with adequately in this statement which examines the over-all cumulative impacts of areawide development. (EIS Order No. 90067.)

Brays Village East Subdivision, Harris County, Tex., January 16: Proposed is the issuance of HUD Home Mortgage Insurance for the Brays Village East Subdivision located in Harris County, Texas. The development will encompass approximately 96.4 acres and will be composed of 616 single-family homes. (HUD-R06-79-54D.) (EIS Order No. 90063.)

Dale City Subdivision, Prince William County, Va., January 16: Proposed is the issuance of HUD home mortgage insurance for Dale City located in Prince William County, Virginia. The plan applies to approximately 3,500 acres which will encompass 5,263 single family houses, 1,036 townhouses and 4,152 apartments. The development, when completed, will also contain 332 acres for commercial use, 208 acres for utilities and major highways, 851 acres for parks and open space and 500 acres for schools and other uses. (EIS Order No. 90064.)

Final

Woodland Oaks Subdivision, Harris County, Tex., January 16: Proposed is the acceptance for mortgage insurance purposes of the Woodland Oaks subdivision in Harris County, Texas. Project plans call for the development of 475,907 acres into a community composed of single-family homes. (HUD-R06-76-46F.) Comments made by: EPA, DOI, USDA, COE, AHP, State agencies. (EIS order No. 90062.)

SECTION 104(h)

The following are community development block grant statements prepared and circulated directly by applicants pursuant to section 104(h) of the 1974 Housing and Community Development Act. Copies may be obtained from the office of the appropriate local executive. Copies are not available from HUD.

Draft

Adams Normandie 4321 Redevelopment, Los Angeles, Los Angeles County, Calif., January 19: The purpose of the proposed project is to eliminate blighted conditions in the project area through the initiation and encouragement of rehabilitation and new development. The goal of the Adams Normandie 4321 Redevelopment, which is located in the city and county of Los Angeles, California, includes the rehabilitation of dwellings and commercial structures which do not comply with current standards, newly constructed dwellings for low/moderate income and the elderly, new commercial and manufacturing development and expansion of park and recreation facilities. (EIS Order No. 90073.)

Charleston Center, Redevelopment, Charleston County, S.C., January 18: Proposed is a mixed-use development plan for Charleston Center in Charleston County, South Carolina. The plan will consist of hotel/commercial/convention facilities and parking. The project, which is located on 8.5 acres in the lower peninsula of Charleston City, also includes improvements of: the adjacent area, street system, and related infrastructure. The city of Charleston has withdrawn the draft EIS previously filed on this project. (EIS order No. 90068.)

Final

Navy Yard City, Rehabilitation, Bremerton, Kitsap County, Wash., January 17: Proposed is the rehabilitation of existing housing and improvement of public services in and around Navy Yard City, Kitsap County, Washington. The project will include: 1) improvement/resurfacing of streets along WA-3, 2) construction of sidewalks, 3) installation of a storm drainage system, 4) improvement of coverage of the sanitary sewer system, 5) construction of a new fire station, 6) construction of a covered play area, and 7) rehabilitation of existing housing. Comments made by: DOI, EPA, USDA, State and local agencies. (EIS Order No. 90066.)

DEPARTMENT OF THE INTERIOR

Contact: Mr. Bruce Blanchard, Director, Environmental Project Review, Room 4256, Interior Bldg., Department of the Interior, Washington, D.C. 20240, (202) 343-3891.

NATIONAL PARK SERVICE

Draft

Grand Canyon National Park, Burro Control, Mohave and Coconino Counties, Ariz., January 15: Proposed is a management and restoration plan within four areas impacted by feral burros in Grand Canyon National Park, Mohave and Coconino Counties, Arizona. The plan proposes to remove approximately 500 feral burros, primarily by shooting and secondarily by herding, and to fence a 2.5 mile section of the Park boundary to prevent ingress of burros from surrounding Federal lands. The alternatives considered include: (1) no action, (2) total removal of burros by live removal techniques, (3) partial retention of burros in the park, and (4) other methods to achieve total or partial reduction. (DES-79-4.) (EIS Order No. 90059.)

Final

Cumberland Gap N.P. Master Plan, Kentucky, Tennessee, and Virginia, January 19: Proposed is a master plan for the Cumberland Gap National Historical Park, located in Kentucky, Virginia, and Tennessee. The

plan calls for relocation of US 25E, recreating the wilderness appearance of Historic Cumberland Gap, construction of a motor-history trail serving Hensley settlement, and boundary changes requiring land acquisition in Kentucky and Tennessee. The relocation of US 25E will have significant economic, ecologic, and sociologic impacts on the park and region. (FES 79-2.) Comments made by: COE, DOI, DOT, EPA, TVA, State agencies, groups. (EIS Order No. 90074.)

GEOLOGICAL SURVEY

Final

Coal Creek Mine, Mining and Reclamation Plan, Campbell County, Wyo., January 18: Proposed is the approval of the surface mining and reclamation plan for the Coal Creek Mine, Campbell County, Wyoming. The plan proposes mining about 330 million tons of coal at a production rate of 4.5 million tons during the first two years and 10 million tons during the following thirty-two years. Mining operations will occur on State, private, and 5,800 acres of federally owned land. The coal will be used for electric power generation in the Midwest and in the South. (FES 79-01.) (EIS order No. 90071.)

OHIO RIVER BASIN COMMISSION

Contact: Mr. Fred E. Morr, Chairman, Suite 208-20, Ohio River Basin Commission, 36 East Fourth Street, Cincinnati, Ohio 45202, 513-684-3831.

Final

The Ohio Main Stem CCJP and Study Report, several counties in Ohio, January 17: Proposed is a plan for 35,000 square miles of the Ohio River main stem in the States of Illinois, Indiana, Kentucky, Ohio, Pennsylvania, and West Virginia, the plan includes 594 projects relating to: Watersheds, navigation, reservoirs, flood protection, water quality, State parks/public areas/wild and scenic rivers, local and regional parks/historical sites, natural areas, wildlife habitat, embayments, wetlands, and islands. The EIS finalizes four draft statements: No. 80259, dated March 17, 1978 and No. 80313, No. 80314, No. 80315, dated March 31, 1978. Comments made by: USDA, USA, DOC, DOE, EPA, HEW, HUD, DOI, USCG, State agencies, groups. (EIS order No. 90065.)

DEPARTMENT OF TRANSPORTATION

Contact Mr. Martin Convisser, Director, Office of Environmental Affairs, U.S. Department of Transportation, 400 7th Street SW., Washington, D.C. 20590, 202-426-4357.

FEDERAL HIGHWAY ADMINISTRATION

Final

Arundel Expressway, MD-648 to MD-100, Anne Arundel County, Md., January 15: The proposed highway improvement consists of the continuation of the Arundel Expressway on new location from Old Annapolis Road (Maryland Route 648) in Glen Burnie southerly to Maryland Route 100. The project involves 2.1 miles of 4-lane di-

vided highway. (FHWA-MD-EIS-75-04-F.) Comments made by: USDA, USCG, DOT, EPA, DOI, State and local agencies. (EIS Order No. 90058.)

MI-20 Bridge replacement, Big Rapids, Mecosta County, Mich., January 19: Proposed is the selection of a location and alignment for a bridge to replace the current structure carrying MI-20 (Maple Street) over the Muskegon River in the city of Big Rapids, Mecosta County, Michigan. Plan implementation calls for the construction of the bridge and reconstruction of approaches, including widening of up to 2,100 feet (640 meters) of MI-20 in Big Rapids. Adverse impacts include the displacement of 0 to 24 residential units, depending upon the alternate selected, and 7 commercial establishments; increased traffic; and increased noise pollution. (FHWA-MICH-EIS-7706-F.) Comments made by: DOI, USDA, DOC, DOE, State and local agencies. (EIS Order No. 90079.)

Final

Jefferson Freeway (KY-84), 31W to KY-155, Jefferson County, Ky., January 15: Proposed is the construction of approximately 23 miles of the Jefferson Freeway (KY-84) in Jefferson County, Kentucky. The freeway generally forms a ten-mile radius of circumferential belt line around Louisville. KY-84 would begin at Dixie Highway (US 31W) and extends northeasterly to its terminus at Taylorville Road (KY-155). The freeway will be a fully controlled access facility of four-lanes. (FHWA-KY-EIS-73-04-F.) (EIS Order No. 90060.)

NOTICES

APPENDIX II

EXTENSION/WAIVER OF REVIEW PERIODS
ON EIS'S FILED WITH EPA

FEDERAL AGENCY CONTACT	TITLE OF EIS	FILING STATUS ACCESSION NO.	DATE NOTICE OF AVAILABILITY PUBLISHED IN FR	DATE NOTICE OF AVAILABILITY PUBLISHED IN FR	WAIVER EXTENSION	DATE REVIEW TERMINATES
GENERAL SERVICES ADMINISTRATION MR. ANDREW E. KAUDERS EXECUTIVE DIRECTOR, ENVIRONMENTAL AFFAIRS DIVISION GENERAL SERVICES ADMINISTRATION 18TH AND F STREETS, N.W. WASHINGTON, D.C. 20405 (202) 566-0405	CHARLESTOWN NAVAL AUXILIARY LANDING FIELD	FINAL 90077	SEE APPENDIX I 01/29/79	SEE APPENDIX I 01/29/79	EXTENDED	03/20/79

MR. ANDREW E. KAUDERS
EXECUTIVE DIRECTOR,
ENVIRONMENTAL AFFAIRS DIVISION
GENERAL SERVICES ADMINISTRATION
18TH AND F STREETS, N.W.
WASHINGTON, D.C. 20405
(202) 566-0405

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

MR. RICHARD H. BROWN, DIRECTOR OFFICE OF ENVIRONMENTAL QUALITY DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT 451 7TH STREET, S.W. WASHINGTON, D.C. 20410 (202) 755-6308	DENVER METROPOLITAN AREA WIDE PLAN	DRAFT 90067	SEE APPENDIX I 01/29/79	SEE APPENDIX I 01/29/79	EXTENDED	03/26/79
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DEPARTMENT OF DEFENSE, AIR FORCE

COL. LUIS F. DOMINGUEZ DEPARTMENT OF THE AIR FORCE ROOM 5D431, PENTAGON WASHINGTON, D.C. 20330 (202) 697-7799	PAVE PAWS RADAR SYSTEM OPERATION, OTIS AFB	DRAFT 81363	01/02/79	01/02/79	EXTENDED	02/27/79
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APPENDIX III

EIS'S FILED WITH EPA WHICH
HAVE BEEN OFFICIALLY WITHDRAWN
BY THE ORIGINATING AGENCY

FEDERAL AGENCY CONTACT	TITLE OF EIS	FILING STATUS ACCESSION NO.	DATE NOTICE OF AVAILABILITY PUBLISHED IN FR	DATE OF WITHDRAWAL
NONE				

APPENDIX IV

NOTICE OF OFFICIAL RETRACTION

FEDERAL AGENCY CONTACT	TITLE OF EIS	STATUS NUMBER	DATE NOTICE PUBLISHED IN FR	REASON FOR RETRACTION
DEPARTMENT OF AGRICULTURE MR. BARRY FLAMM COORDINATOR ENVIRONMENTAL QUALITY ACTIVITIES U.S. DEPARTMENT OF AGRICULTURE ROOM 359A WASHINGTON, D.C. 20250 (202) 447-3965	ANGELINA NATIONAL FOREST, TIMBER MANAGEMENT PLAN	FINAL 81303	12/18/78	THE FINAL EIS WAS NOT MADE AVAILABLE TO THE PUBLIC WHEN THE NOTICE OF AVAILABILITY WAS PUBLISHED BY EPA. THEREFORE, THE NOTICE OF THE FEIS IS RETRACTED AND REFILED AS PART OF THIS NOTICE (SEE APPENDIX I).

APPENDIX V

AVAILABILITY OF REPORTS/ADDITIONAL
INFORMATION RELATING TO EIS'S
PREVIOUSLY FILED WITH EPA

FEDERAL AGENCY CONTACT	TITLE OF REPORT	DATE MADE AVAILABLE TO EPA	ACCESSION NO.
DEPARTMENT OF DEFENSE, ARMY CORPS DR. C. GRANT ASH OFFICE OF ENVIRONMENTAL POLICY ATTN: DAEN-CWR-P OFFICE OF THE CHIEF OF ENGINEERS US ARMY CORPS OF ENGINEERS 1000 INDEPENDENCE AVENUE, S.W. WASHINGTON, D.C. 20314 (202) 693-6795	ILLINOIS WATERWAY CALUMET-SAG NAVIGATION PROJECT, MAINTENANCE DREDGING AND DISPOSAL	01/16/79	90061

APPENDIX VI

OFFICIAL CORRECTION

FEDERAL AGENCY CONTACT	TITLE OF EIS	DATE NOTICE OF AVAILABILITY PUBLISHED IN FR	CORRECTION
DEPARTMENT OF DEFENSE, ARMY CORPS DR. C. GRANT ASH OFFICE OF ENVIRONMENTAL POLICY ATTN: DAEN-CWR-P OFFICE OF THE CHIEF OF ENGINEERS US ARMY CORPS OF ENGINEERS 1000 INDEPENDENCE AVENUE, S.W. WASHINGTON, D.C. 20314 (202) 693-6795	WESTFIELD RIVER, LOCAL PROTECTION PROJECT	DRAFT 81387	THE AVAILABILITY OF THIS DEIS SHOULD HAVE BEEN ANNOUNCED IN THE FR DATED DECEMBER 12, 1978. THE SCHEDULED REVIEW PERIOD WILL TERMINATE ON JANUARY 29, 1979.

ABSTRACT:

MASSACHUSETTS
COUNTY; HAMPDEN
THE PROPOSED WESTFIELD RIVER LOCAL PROTECTION PROJECT IS
LOCATED IN WESTFIELD, HAMPDEN COUNTY, MASSACHUSETTS. THE
PROJECT CALLS FOR TWO U-SHAPED DIKE AND WALL SYSTEM, ONE
BETWEEN WESTFIELD RIVER AND LITTLE RIVER AND THE OTHER
BETWEEN WESTFIELD RIVER AND POWDERMILL BROOK. ALSO,
INCLUDED IS THE CONSTRUCTION OF THREE NEW DIVERSION
CHANNELS FOR THE SAME THREE STREAMS. OTHER ESSENTIAL
PARTS OF THE DIKE SYSTEM WOULD BE 5 STREET GATES, 1 RAIL-
ROAD GATE, 6 PONDING AREAS, 2 SANDBAG STRUCTURES, AND
2 PUMPING STATIONS TO REMOVE INTERIOR RUNOFF.
(NEW ENGLAND DIVISION)

[FR Doc. 79-2999 Filed 1-26-79; 8:45 am]

[6560-01-M]

[FRL 1046-6; OPP-00085]

**FEDERAL INSECTICIDE, FUNGICIDE, AND
RODENTICIDE ACT SCIENTIFIC ADVISORY
PANEL**

Open Meeting

AGENCY: Office of Pesticide Programs, Environmental Protection Agency (EPA).

ACTION: Notice of open meeting.

SUMMARY: There will be a two-day special subcommittee meeting of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) Scientific Advisory Panel from 9:00 a.m. to 5:00 p.m. each day on Wednesday and Thursday, February 14 and 15, 1979. The meeting will be held in Room 1112A, Crystal Mall, Building No. 2, 1921 Jefferson Davis Highway, Arlington, Va., and will be open to the public.

**FOR FURTHER INFORMATION
CONTACT:**

Dr. H. Wade Fowler, Jr., Executive Secretary, FIFRA Scientific Advisory Panel, Office of Pesticide Programs (TS-766), Rm. 803, Crystal Mall, Building No. 2, at the above address, telephone 703/557-7560.

SUPPLEMENTARY INFORMATION:

In accordance with Section 25(d) of the amended FIFRA, the Scientific Advisory Panel will comment on the impact on health and the environment of regulatory actions under Sections 6(b) and 25(a) prior to implementation. The purpose of this meeting is to discuss the following topics:

Subpart H—Label Development (draft), and Subpart I—Experimental Use Permits (draft) of the Guidelines for Registering Pesticides in the United States.

Any member of the public wishing to attend this meeting should contact Dr. H. Wade Fowler, Jr., at the address shown above. Time will be allotted for brief comments by the public each day; interested persons should contact Dr. Fowler for special instructions regarding oral statements. Individuals who wish to file written statements are advised to contact the Executive Secretary in a timely manner to ensure appropriate consideration by the Advisory Panel. All statements will be made a part of the record and will be taken into consideration by the Panel in formulating comments.

All interested persons are further advised that the meeting announced in this notice is a subcommittee meeting of the Advisory Panel for the purpose of conducting preliminary reviews of draft proposed rulemaking. Formal review of topics considered by the subcommittee will be conducted by the

FIFRA Scientific Advisory Panel at a later date.

(Sec. 25(d) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended in 1972, 1975, and 1978 (92 Stat. 819; 7 U.S.C. 186) and sec. 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463; 86 Stat. 770).)

Dated: January 24, 1979.

EDWIN L. THOMAS,
Deputy Assistant Administrator
for Pesticide Programs.

[FR Doc. 79-2982 Filed 1-26-79; 8:45 am]

[6560-01-M]

[FRL 1047-3, OPP-50350A]

ELANCO PRODUCTS CO.

**Issuance of Experimental Use Permit;
Correction**

In FR doc. 77-35033 appearing at page 61891 in the issue of Wednesday, December 7, 1977, in experimental use permit No. 1471-EUP-58, the following correction should be made in the center section describing the experimental use permit granted to Elanco Products Company, Indianapolis, Indiana 46206.

The sentence starting on line 13 of the description should read: " * * * The experimental use permit is effective from November 9, 1977 to July 9, 1979 * * * "

Dated: January 23, 1979.

HERBERT S. HARRISON,
Acting Director,
Registration Division.

[FR Doc. 79-2976 Filed 1-26-79; 8:45 am]

[6730-01-M]

FEDERAL MARITIME COMMISSION

AGREEMENTS FILED

The Federal Maritime Commission hereby gives notice that the following agreements have 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 each of the agreements and the justifications offered therefor at the Washington Office of the Federal Maritime Commission, 1100 L Street, N.W., Room 10423; or may inspect the agreements at the Field Offices located at New York, N.Y.; New Orleans, Louisiana; San Francisco, California; Chicago, Illinois; and San Juan, Puerto Rico. Interested parties may submit comments on each agreement, including requests for hearing, to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, on or before February 19,

1979. Comments should include facts and arguments concerning the approval, modification, or disapproval of the proposed agreement. Comments shall discuss with particularity allegations that the agreement is unjustly discriminatory or unfair as between carriers, shippers, exporters, importers, or ports, or between exporters from the United States and their foreign competitors, or operates to the detriment of the commerce of the United States, or is contrary to the public interest, or is in violation of the Act.

A copy of any comments should also be forwarded to the party filing the agreements and the statement should indicate that this has been done.

Agreement No. 5600-37.

Filing party: Charles F. Warren, Esq., Warren & Associates, P. C., 1100 Connecticut Avenue, N.W., Washington, D.C. 20036.

Summary: Agreement No. 5600-37 would extend, indefinitely, the authority granted the Philippines North America Conference to establish through and joint rate intermodal arrangements. The authority is presently set to expire on February 17, 1979.

Agreement No. 9735-10.

Filing party: John T. Reed, National Executive Secretary, Steamship Operators Intermodal Committee, 450 Mission Street, San Francisco, California 94105.

Summary: Agreement No. 9735-10, by the member lines of the Steamship Operators Intermodal Committee, modifies their basic agreement by providing that actions of the Executive Council shall require unanimous vote except that actions receiving two-thirds vote of the Executive Council shall be submitted to the individual member lines. Such actions then receiving two-thirds majority of the member lines will be adopted.

Agreement No. 9735-11.

Filing party: John T. Reed, National Executive Secretary, Steamship Operators Intermodal Committee, 450 Mission Street, San Francisco, California 94105.

Summary: Agreement No. 9735-11, by the member lines of the Steamship Operators Intermodal Committee, modifies their basic agreement by adding as areas of common interest to the member lines (1) the intermodal movement of containers, (2) the structure of rates and rules pertaining to intermodal movements, (3) governmental regulation of intermodal movements and (4) free time rules pertaining to containers and related equipment. This amendment also provides that the parties, as a whole, may consult with individual rail, motor, or air carriers, forwarders, shippers or insurers in addition to associations of same as their agreement presently provides.

Agreement No. 10182-3.

Filing party: Howard A. Levy, Esq., Suite 727, 17 Battery Place, New York, New York 10004.

Summary: Agreement No. 10182-3, among the parties of the Eurogulf Self-Policing Agreement would amend Article 4.1 of the basic agreement and Section 1 of the Annex by deleting all references to the Executive Director of the Associated North Atlantic Freight Conferences contained therein. The term "Executive Director" as used in the agreement shall mean the chief executive officer of the independent neutral body so appointed to serve as the exclusive enforcement authority.

Agreement No. T-3769.

Filing party: Leslie E. Still, Jr., Senior Deputy City Attorney, Harbor Administration Building, P.O. Box 570, Long Beach, California 90801.

Summary: Agreement No. T-3769, between the City of Long Beach (Port) and Sohio Transportation Company of California (Sohio), provides for the Port's 22-year lease to Sohio of certain premises at the Port of Long Beach, California, to be used as a pipeline right-of-way, a tank farm site, and a marine terminal site. The premises are to be operated by Sohio as a common carrier for the acceptance, conveyance and transportation of crude oil delivered in vessels to the terminal. Sohio, whose name will be changed to Pactex Pipeline Company, will operate and maintain a crude oil receiving terminal and transmission facility, primarily for the transport of North Slope Alaska Crude oil. As compensation, Sohio shall: (1) reimburse Port for the cost of improvements to the premises as outlined in the agreement; (2) pay Port a throughput charge of \$.011 per net barrel of crude oil off-loaded at the premises; and (3) pay charges for pilotage, and for fresh water and electricity pursuant to the Port's tariff. Sohio shall collect and keep dockage charges assessed according to the Port's tariff. During the period of improvement construction and prior to the assessment of throughput charges, Sohio shall pay the Port \$8,333.33 per month for the use of the premises.

By Order of the Federal Maritime Commission.

Dated: January 24, 1978.

FRANCIS C. HURNEY,
Secretary.

[FR Doc. 79-2957 Filed 1-26-79; 8:45 am]

[6730-01-M]

AHJOO FORWARDERS SERVICE ET AL.

Independent Ocean Freight Forwarder License;
Applicants

Notice is hereby given that the following applicants have filed with the Federal Maritime Commission applications for licenses as independent ocean freight forwarders pursuant to section 44(a) of the Shipping Act, 1916 (Stat. 422 and 46 U.S.C. 841(b)).

Persons knowing of any reason why any of the following applicants should not receive a license are requested to communicate with the Director, Bureau of Certification and Licensing, Federal Maritime Commission, Washington, D.C. 20573.

Ahjo Forwarders Service (Yong Yul Ro, dba), 955 S. Western Avenue, Suite 100, Los Angeles, CA 90006.

American Lamprecht Transport Inc., 148-36 New York Blvd., Jamaica, NY 11434.

Officers:

Jacob Epprecht, Vice President

Roland Schenk, Vice President

Adolf Lamprecht, President

James E. Brown, 300 East Russell Blvd., Thornton, Colorado 80299.

Transcontainer Transport Inc., c/o Peter U. Jordi, 265 High Street, Nutley, NJ 07110.

Officers:

Peter U. Jordi, President

Linda Sharon Jordi, Secretary/Treasurer

All-Freight Packers & Forwarders, Inc., 1441 Red Gum Street, Anaheim, CA 92806.

Officers:

John H. Adams, Vice President

Wm. M. Adams, President

Tamara H. Adams, Secretary/Treasurer

James J. Gallegos & Co. (James J. Gallegos, dba), 10910 So. La Cienega Blvd., Inglewood, CA 90304.

Pacific Air Cargo (Gerry A. Dango, dba), 2700 West Third Street, Rm. 110, Los Angeles, CA 90057.

Amara Express International Inc., 161-15 Rockaway Blvd., #1, Jamaica, NY 11434.

Officers:

Spiro Efstathiadis, President

Helen Efstathiadis, Secretary/Treasurer

Nicholas Tassa, Vice President

Samuel Focarino, Vice President

G. & C. Freight Services Inc., 20 Vesey Street, Rm. 1410, New York, NY 10007.

Officers:

Byron Leslie, President/Treasurer

Linda Pollackov, Secretary/Vice President

K.A.B. Inc., 216 Harris Ct., San Francisco, CA 94080.

Officers:

Keith R. Haas, President

Bruce G. Main, Vice President

Gemini International Company, P.O. Box 660274, Miami Springs, FL 33166.

Officers:

Edward Weitz, President

Mike Zambri, Vice President

Cartway Shipping Inc., 501 SW 71st Avenue, Miami, FL 33144.

Officers:

Raciel Cartaya, President

Raciel A. Cartaya, Secretary

Josefina Cartaya, Treasurer

Sergio Cartaya, Vice President/President/Treasurer

Sergio A. Cartaya, Vice President

Diana Cartaya, Vice Treasurer

Leschaco, Inc., 8552 Katy Freeway, Houston, TX 77024.

Officers:

Herbert Conrad, Chairman

Walter Vollmer, Director

Hans Ehlers, Board Member

Manfred Lengua, President

Horst Kleist, Ex-Vice President

Hans Hillmann, Vice President

Hana Forwarding Co., Inc., 7255 Clarewood, Houston, TX 77036.

Officers:

Claude F. Spang, President/Director

Clyde L. McGuire, Executive Vice President/Director

Cynthia C. Godoy, Secretary/Treasurer/Director

Cargo Dispatch Intl. (Enrique J. Cepero, dba), 340 NW 56th Avenue, Miami, FL 33126.

Vincent F. Messina dba Messina & Co., 239 Prescott Street, #503, East Boston, MA 02128.

Love Shipping Corporation, P.O. Box 520625, Miami, FL 33152.

Officers:

Olga Mayra Guerrero-Mashour, President

Caribmar Forwarding Co., Inc., 3500 NW 114th Street, Miami, FL 33167.

Officers:

Irene Reed, President

C. Neil Smith, Jr., Vice President

Pamela I. Smith, Secretary/Treasurer
Jade International CHB Inc., 714 S. Isis Street, Inglewood, CA 90301.

Officers:

David G. Harlow, Vice President

Jack L. Coppock, Vice President

Tsutomu Aoyagi, President

Clifford Douglas, Secretary

Maureen S. Lambert & Company (Maureen S. Lambert, dba), 7 Drayton St., Suite 514 American Bldg., Savannah, GA 31402.

Donald Charles Shefferly, 5383 Lewis, Lot #158, Toledo, OH 43612.

Ferguson Shipping & Forwarding Co., Inc., 3474 Yale Street, Houston, TX 77018.

Officers:

Jean Ferguson, President

David Redford, Secretary

Michael Ferguson, Treasurer

Kaifesh Transport International (Mark J. Kaifesh, dba), 2122 Gray Falls, Houston, TX 77077.

Murphy Worldwide Transportation Services, Inc., 3434 State Road, Cornwells Heights, PA 19020.

Officers:

Thomas W. Murphy, President

Marion C. Murphy, Vice President

Thomas R. Cavanaugh, Secretary/Treasurer

Robert H. Latimer, Executive Vice President

Betty L. Celaya, Vice President International

By the Federal Maritime Commission.

Dated: January 24, 1978.

FRANCIS C. HURNEY,
Secretary.

[FR Doc. 79-2956 Filed 1-26-79; 8:45 am]

[6730-01-M]

[Docket No. 79-5]

LEONARD T. BUTLER D.B.A. MANUFACTURERS FORWARDING-INDEPENDENT OCEAN FREIGHT FORWARDER APPLICATION AND INTERMODAL SALES, INC. POSSIBLE VIOLATIONS OF SECTIONS 15 AND 18(b)(3).

Order of Investigation and Hearing

Leonard T. Butler as a sole proprietor d.b.a. Manufacturers Forwarding filed an application with the Commission for a license as an independent ocean freight forwarder. During the course of the Commission's investigation of Leonard T. Butler d.b.a. Manufacturers Forwarding, information was received which may indicate that:

1. Intermodal Sales, Inc. of which Mr. Butler is President and majority stockholder under the trade name Intermodal Services, Inc., maintains with the Commission an NVOCC tariff as required by section 18, Shipping Act, 1916. Evidence deduced in the course of the investigation appeared to demonstrate that Intermodal Services, Inc. violated section 18(b)(3), Shipping Act, 1916, (46 U.S.C. 817) on at least eleven of the nineteen shipments it handled during the period January 15, 1978 through May 12, 1978 in charging, demanding or collecting a greater, lesser or different compensation for the transportation of property than the

rates and charges specified in its tariff on file with the Commission.

2. Intermodal Sales Inc. d.b.a. Intermodal Services, Inc. appeared to violate section 15, Shipping Act, 1916, (46 U.S.C. 814) in that it and Seaway Express Lines, a vessel operating common carrier by water, entered into an exclusive, non-competitive cooperative working agreement subject to the filing and approval requirements of the aforementioned section 15, implementing that agreement in carrying out its terms without the pre-requisite Commission sanction.

In view of the above, Leonard T. Butler, 52% owner and President of Intermodal Sales, Inc. would appear to lack the fitness to properly carry on the business of forwarding and to conform to the provisions of the Shipping Act, 1916, and the requirements, rules and regulations of the Commission issued thereunder as required by section 44 and the Commission's Rules and Regulations issued pursuant to section 44 of the Shipping Act, 1916.

Pursuant to section 510.8 of the Commission's General Order 4 (46 CFR 510.8), the Commission, on October 30, 1978, advised Leonard T. Butler d.b.a. Manufacturers Forwarding of its intent to deny the application for the reasons set out hereinabove. In accordance with General Order 4 an applicant may, within 20 days of receipt of such advice, request a hearing on the application.

By letter dated November 6, 1978, Leonard T. Butler d.b.a. Manufacturers Forwarding requested the opportunity to show at a hearing that the denial of the application is unwarranted.

NOW, THEREFORE, IT IS ORDERED, That pursuant to sections 15, 18(b), 22 and 44 (46 U.S.C. 814, 817, 821 and 841(b)) of the Shipping Act, 1916 and section 510.8 of the Commission's General Order 4 (46 CFR 510.8) a proceeding is hereby instituted to determine:

1. Whether Intermodal Sales Inc. d.b.a. Intermodal Services, Inc. has violated section 15 Shipping Act, 1916, by entering into an exclusive non-competitive cooperative working agreement with Seaway Express Lines without the pre-requisite Commission approval;

2. Whether Intermodal Sales, Inc. d.b.a. Intermodal Services, Inc. has violated section 18(b)(3), Shipping Act, 1916, by transporting property at rates and charges other than those specified in its tariff on file with the Commission, and

3. Whether, in light of the evidence, adduced pursuant to the foregoing issues, together with any other evidence adduced, Leonard T. Butler d.b.a. Manufacturers Forwarding possess the requisite fitness, within the meaning of section 44(b), Shipping Act, 1916, to properly carry on the business of forwarding and to conform to the provisions of the Shipping Act, 1916, and the requirements, rules and regulations of the Commission issued thereunder.

IT IS FURTHER ORDERED, That Leonard T. Butler d.b.a. Manufactur-

ers Forwarding and Intermodal Sales, Inc. be made the Respondents in this proceeding and that the matter be assigned for public hearing before an Administrative Law Judge at a date and place to be determined by the Administrative Law Judge presiding, but in no event, later than July 20, 1979. The hearing shall include oral testimony and cross-examination in the discretion of the presiding officer only upon a 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 otherwise necessary for the development of an adequate record;

IT IS FURTHER ORDERED, That this Order be published in the FEDERAL REGISTER and a copy thereof be served upon the Respondent;

IT IS FURTHER ORDERED, That any person other than Respondents and the Commission's Bureau of Hearing Counsel, having an interest and desiring to participate in this proceeding, may do so by filing a timely petition for leave to intervene pursuant to section 502.72 of the Commission's Rules;

IT IS FURTHER ORDERED, That all future notices issued by or on behalf of the Commission, including notice of time and place of hearing or of prehearing conference, shall be mailed directly to all parties of record.

By the Commission.

FRANCIS C. HURNEY,
Secretary.

[FR Doc. 79-2955 Filed 1-26-79; 8:45 am]

[6770-01-M]

FOREIGN CLAIMS SETTLEMENT COMMISSION

PRIVACY ACT OF 1974

Systems of Records: Annual Publication

The purpose of this document is to give notice that the Privacy Act Systems of Records identified in a notice published at 42 FR 48152, September 22, 1977, with an amending notice published at 42 FR 57346, November 2, 1977, continue in effect without change. This notice is issued in compliance with the annual publication requirements of 5 U.S.C. 552a(e)(4).

Dated at Washington, D.C., on January 22, 1979.

WAYLAND D. MCCLELLAN,
General Counsel.

[FR Doc. 79-2858 Filed 1-26-79; 8:45 am]

[1616-01-M]

GENERAL ACCOUNTING OFFICE

REGULATORY REPORTS REVIEW

Receipt of Report Proposals

The following requests for clearance of reports intended for use in collecting information from the public were received by the Regulatory Reports Review Staff, GAO, on January 22, 1979. See 44 U.S.C. 3512 (c) and (d). The purpose of publishing this notice in the FEDERAL REGISTER is to inform the public of such receipts.

The notice includes the title of each request received; the name of the agency sponsoring the proposed collection of information; the agency form number, if applicable; and the frequency with which the information is proposed to be collected.

Written comments on the proposed CAB and ICC requests are invited from all interested persons, organizations, public interest groups, and affected businesses. Because of the limited amount of time GAO has to review the proposed requests, comments (in triplicate) must be received on or before February 13, 1979, and should be addressed to Mr. John M. Lovelady, Assistant Director, Regulatory Reports Review, United States General Accounting Office, Room 5106, 441 G Street, NW, Washington, DC 20548.

Further information may be obtained from Patsy J. Stuart of the Regulatory Reports Review Staff, 202-275-3532.

CIVIL AERONAUTICS BOARD

The CAB requests clearance of the application and notice requirements governing unused nonstop route authority contained in a new Part 321 of the Board's Procedural Regulations. This new Part supersedes the original application and notice requirements found in Subpart R of 14 CFR Part 302, Rules of Practice in Economic Proceedings. (PR-180, October 18, 1978; 43 FR 49549, October 24, 1978). The CAB estimates respondents will number approximately 75 Certificated Route Air Carriers and respondent burden will average 5 hours.

INTERSTATE COMMERCE COMMISSION

The ICC request clearance of a new Annual Report, Form R-3, required to be filed by approximately 470 Class III line-haul railroads, switching and terminal companies and stockyard companies, pursuant to Section 20 of the Interstate Commerce Act. Data collected by Form R-3 will be used for economic regulatory purposes. The establishment of this report resulted from the Commission's designation of a Class III railroad classification. This class will be required to file Form R-3

annually starting with the calendar year beginning January 1, 1978. Reports are mandatory and available for use by the public. The ICC estimates reporting burden for carriers will average 22 hours per annual report.

ICC's Final Rule in Docket No. 36730 (Sub-No. 1), decided December 11, 1978, service date December 22, 1978, promulgated Form R-3, Annual Report, Class III Railroads. Although the Rule specified that the new Form R-3 becomes effective for the reporting year beginning January 1, 1978, this effective date is contingent upon ICC's compliance with 44 U.S.C. 3512 which precludes the collection of information from ten or more persons until the Comptroller General has had the opportunity to advise that the information is not presently available from other Federal sources and that the proposed report forms are consistent with the provisions of section 3512. This notice represents the beginning of our review.

NORMAN F. HEYL,
Regulatory Reports
Review Officer.

[FR Doc. 79-2863 Filed 1-26-79; 8:45 am]

[4110-89-M]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of the Assistant Secretary for Education

PUBLIC AND NONPUBLIC ELEMENTARY AND SECONDARY SCHOOL FINANCING

Review of Draft Study Plan

AGENCY: Department of Health, Education, and Welfare

ACTION: Notice of Availability for Public Review.

SUMMARY: The draft study plan describes the proposed research agenda for the study of public and nonpublic elementary and secondary school financing mandated by the Education Amendments of 1978.

DATE: January 26, 1979

LOCATION: Room 4145, 400 Maryland Ave., S.W., Washington, D.C. 20202.

CONTACT: William E. McLaughlin, (202) 245-6996.

SUPPLEMENTARY INFORMATION: The Education Amendments of 1978 direct the Secretary of the Department of Health, Education, and Welfare to conduct a comprehensive, three-year study of elementary and secondary school finance. The legislation provides the following framework for the study:

(1) Investigation of the availability of reliable and comparative data on

the status and trends in financing elementary and secondary education.

(2) Conduct of studies necessary to understand and analyze the trends and problems affecting the financing of elementary and secondary education, both public and nonpublic, including the prospects for adequate financing during the next ten years.

(3) Development of recommendations for Federal policies to assist in improving the equity and efficiency of Federal and State systems for raising and distributing revenues to support elementary and secondary education.

The authorizing legislation requires that the Secretary submit a study plan to Congress by March 1, 1979. The Department has prepared an initial draft of this research program and is seeking review by interested groups and individuals. Comments received by February 9 will be considered.

Dated: January 22, 1979.

MARY BERRY,
Assistant Secretary for Education.

Dated: January 22, 1979.

BEN W. HEINEMAN,
Acting Assistant Secretary
for Planning and Evaluation.

[FR Doc. 79-2974 Filed 1-26-79; 8:45 am]

[4110-83-M]

Health Resources Administration

GRADUATE MEDICAL EDUCATION NATIONAL ADVISORY COMMITTEE

Notice of Filing of Annual Reports

Notice is hereby given that pursuant to section 13 of Public Law 92-463, the Annual Report for the following Health Resources Administration Federal Advisory Committee has been filed with the Library of Congress:

Graduate Medical Education National Advisory Committee

Copies are available to the public for inspection at the Library of Congress, Special Forms Reading Room, Main Building, or weekdays between 9:00 a.m. and 4:30 p.m. at the Department of Health, Education, and Welfare, Department Library, North Building, Room 1436, 330 Independence Avenue, S.W., Washington, D.C. 20201, Telephone (202) 245-6791. Copies may be obtained from Dr. Robert Graham, Health Resources Administration, Office of the Administrator, Room 10-37, Center Building, 3700 East-West Highway, Hyattsville, Maryland 20782, Telephone (301) 436-7202.

Dated: January 18, 1979.

JAMES A. WALSH,
Associate Administrator for
Operations and Management.

[FR Doc. 79-2872 Filed 1-26-79; 8:45 am]

[4310-55-M]

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

RESULTS OF POSTAL VOTING PROCEDURES ON PROPOSALS TO ADD CERTAIN MAM- MALS AND INSECTS TO THE CONVENTION OF INTERNATIONAL TRADE IN ENDAN- GERED SPECIES OF WILD FAUNA AND FLORA

AGENCY: Fish and Wildlife Service,
Interior.

ACTION: Notice.

SUMMARY: The Service announces the results of postal procedures under the Convention on International Endangered Species of Wild Fauna and Flora on certain proposals made by the United Kingdom. The Parties decided to include the Himalayan population of musk deer in Appendix I, and the remainder of the genus to which it belongs on Appendix II. They also decided to include three genera of birdwing butterflies in Appendix II. The actions enter into force on February 16, 1979, except as to Parties which enter reservations. The Service requests comment as to whether any reservation should be so entered. Since objections were made to the proposals to include Hartmann's mountain zebra and Grevy's zebra in Appendix II, a postal vote by the Parties will be conducted. The Service announces how and why it will vote.

DATE: All comments concerning a possible reservation on the Himalayan population of the Musk deer and the birdwing butterfly genera will be considered if received by February 5, 1979.

ADDRESS: Comments should be sent to the Director, U.S. Fish and Wildlife Service, Federal Wildlife Permit Office, Washington, D.C. 20240.

FOR FURTHER INFORMATION CONTACT: Arthur Lazarowitz, Staff Legal Assistant Federal Wildlife Permit Office, U.S. Fish and Wildlife Service, Washington, D.C. 20240, telephone 703-235-2418.

SUPPLEMENTARY INFORMATION: On August 18, 1978 the Service published an advanced notice requesting public comment within 30 days on a United Kingdom postal procedures proposal to amend the Convention by including Grevy's zebra, *Equus grevyi*, Hartmann's mountain zebra, *Equus zebra hartmannae*, and the Himalayan population of the musk deer, *Moschus moschiferus*, (in lieu of *Moschus moschiferus moschiferus*) in Appendix I; and by including the balance of genus *Moschus* and three birdwing butterfly

genera, *Ornithoptera*, *Trogonoptera* and *Troides* in Appendix II.

All comments received by September 18, 1978 were to have been considered by the Service in making any reply or objection to these proposals. Objections were to have been received by the Secretariat before November 18, 1978. During the period October 1 to November 11, 1978, the Service could not consider or take any action with regard to these proposals due to a lapse in its authorization for endangered species programs. In light of the limited time available to the Service no replies or objections were submitted to the Secretariat.

The Secretariat has communicated the comments it had received from several Parties and has informed the Parties that no objections were made with regard to the birdwing butterfly and musk deer proposals. This being so, the amendments relevant to these taxa as set forth above will enter into force on February 16, 1979 with respect to all Parties unless a Party enters a reservation on or before that date. The Service requests public comments as to whether a reservation should be entered by the United States with regard to these amendments. A Party which enters a reservation will be treated as a State not a Party to the Convention with respect to trade in the species concerned. Under current practice, this would mean that trade between the United States and other Parties would require documentation similar to that which would be required had no reservation been entered.

Objections were received by the Secretariat to the proposals to include Grevy's zebra and Hartmann's mountain zebra in Appendix I. These proposals have been submitted to the Parties for a postal vote. Adoption must be by a two-thirds majority. Ballots must be received by the Secretariat by February 3, 1979. If ballots are not cast by at least one-half of the Parties, these proposals will be referred to the Second Meeting of the Conference of the Parties to be held in San Jose, Costa Rica, March 19-30, 1979. The Service has received several comments with regard to these proposals and has considered them in determining how it shall vote. Following is a summary and analysis of the comments received as to each species subject to the postal vote, and a statement showing how and why the Service intends to vote.

INCLUSION OF HARTMANN'S MOUNTAIN ZEBRA IN APPENDIX I

The United States Endangered Species Scientific Authority ("ESSA"), the staff of the New York Zoological Society and the Riverbanks Zoological Park of Columbia, South Carolina support this proposal. Riverbanks cites

population levels of 7,000 individuals. Safari Club International, which opposes the proposal, states that an additional 4,200 individuals are in protected areas of Namibia, and that listing on Appendix I would effectively end trophy hunting. Trophy hunting currently provides cattle ranchers with an additional source of income. Without this source of income, asserts Safari Club, the ranchers would destroy the Hartmann's mountain zebra which competes with their cattle for food. Safari Club International as well as the conservation authorities in Namibia would support a proposal to include the species in Appendix II.

The Service supports this proposal and will so cast its ballot. The Hartmann's mountain zebra has been severely depleted from its historical levels. An Appendix I listing would provide particularly strict regulation in order not to endanger their survival. It would prohibit importations of specimens to be used primarily for commercial purposes. It would allow importations of trophies of this species where the ESSA advised that such importations would provide "countervailing benefits" to the species concerned.

INCLUSION OF GREVY'S ZEBRA IN APPENDIX I

ESSA, the staff of the New York Zoological Society and the Riverbanks Zoological Park support this proposal. Information obtained by the New York Zoological Society from a survey by the Kenya Rangeland Ecological Monitoring Unit indicates that there are 13,718 individuals in Kenya as of this year. This contradicts recently published estimates of 1,500 individuals. In spite of this increased population estimate, the Kenyan authorities fear that export of items from illegally taken specimens represents a real threat to the species. Safari Club International opposes the proposal because of the increased number of individuals found and because it believes Kenya trade controls are sufficient.

The Service supports the addition of Grevy's zebra to Appendix I and will so cast its ballot. Although recent surveys have found larger populations than were originally estimated, management control of these populations is apparently difficult and rather different from those for Hartmann's mountain zebra discussed above. Much of the population occurs in areas which are neither privately owned nor susceptible to effective policing. As a result there has apparently been substantial poaching and illegal trade. The Service believes that stronger international controls are essential to prevent uncontrolled exploitation.

The Service will publish a FEDERAL REGISTER notice announcing the re-

sults of the postal voting or of any action taken at the Second Meeting of the Conference of the Parties should there be an insufficient number of ballots cast. If the proposals are approved, that notice will also request comments with regard to whether a reservation should be entered.

Dated: January 23, 1979.

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

[FR Doc. 79-2901 Filed 1-26-79; 8:45 am]

[4310-84-M]

Bureau of Land Management

OUTER CONTINENTAL SHELF, MID-ATLANTIC

Outer Continental Shelf Leasing Systems, Sale No. 49

Section 8(a)(8) (43 U.S.C. 1337(a)) of the Outer Continental Shelf Lands Act, as amended, requires that, at least 30 days before any lease sale, a notice be submitted to the Congress and published in the FEDERAL REGISTER:

(A) Identifying the bidding systems to be used and the reasons for such use; and

(B) Designating the tracts to be offered under each bidding system and the reasons for such designation.

This notice is published pursuant to these requirements.

BIDDING SYSTEMS TO BE USED

In OCS Lease Sale No. 49, a system employing a cash bonus bid with a constant royalty fixed at 16% percent will be used on 53 tracts. This system is authorized by Sec. 8(a)(1)(A) of the OCS Lands Act, as amended. A system employing a cash bonus bid with a royalty established according to a semi-logarithmic sliding scale will be used on 58 tracts. This system is authorized by Sec. 8(a)(1)(C) of the OCS Lands Act, as amended. The use of the sliding scale royalty system was first introduced in OCS Lease Sale No. 43 and used again in OCS Lease Sales No. 45, No. 65 and No. 51, as part of the commitment by the Department of the Interior and the Department of Energy to develop and test new bidding systems.

The sliding scale is designed to establish higher royalty rates for larger reservoirs with higher production rates. In such cases, the expected bonus would be reduced, which may improve competition for leases. This would also tend to reduce the likelihood of production losses that could result if royalty rates are set by other means, such as royalty bidding at levels so high that production is made uneconomic. These production losses are dependent upon the different ex-

ploration, development and production costs for the specific area. Because the assumed costs were different in the Sale No. 49 area than other areas, the formula provided for this sale is slightly different from that utilized in recent sales.

The sliding scale used in Sales No. 43 and No. 45 was linear in form. Although this form is easy to depict it has three disadvantages which may affect the socially optimal level of production. At certain levels of production, a linear royalty causes abrupt jumps in the royalty rate charged on increments in output leading producers to make socially non-optimal production decisions in order to minimize these royalty impacts on revenues. Marginal royalty rates also can reach very high levels even though average rates are low. In addition, because production costs are non-linear it can be shown that the royalty rate schedule should more closely conform to the functional form of these costs in order to minimize production losses.

The fixed sliding scale formula operates in the following way: when the quarterly value of production, adjusted for inflation, is less than \$15.929026 million, a royalty of 16.66667 percent in amount or value of production saved, removed or sold will be due on the unadjusted value or amount of production. When the adjusted quarterly value of production is equal to or greater than \$15.929026 million, but less than or equal to \$3423.822697 million, the royalty percent due on the unadjusted value is given by the formula

$$R_i = b(\ln(V_i/S))$$

Where:

R_i = the percent royalty that is due and payable on the unadjusted amount or value of all production saved, removed or sold in quarter i

$b = 9.0$

V_i = the value of production in quarter i , adjusted for inflation, in millions of dollars

$S = 2.5$

When the adjusted quarterly value of production is greater than \$3423.822697 million, a royalty of 65.00000 percent in amount or value of production saved, removed or sold will be due on the unadjusted quarterly value of production. Thus, in no instance will the quarterly royalty due exceed 65.00000 percent in amount or value of quarterly production saved, removed or sold.

When the adjusted quarterly value of production is greater than \$3423.822697 million, a royalty of 65.00000 percent in amount or value of production saved, removed or sold will be due on the unadjusted quarterly value of production. Thus, in no instance will the quarterly royalty due exceed 65.00000 percent in amount or value of quarterly production saved, removed or sold.

The form of the sliding scale royalty schedule is illustrated in Figure 1. Note that the effective quarterly royalty rate depends upon the inflation adjusted quarterly value of production. However, this rate is applied to the unadjusted quarterly value of production to determine the royalty payments due.

[4310-84-C]

Figure 1
Form of the Sliding Royalty Schedule

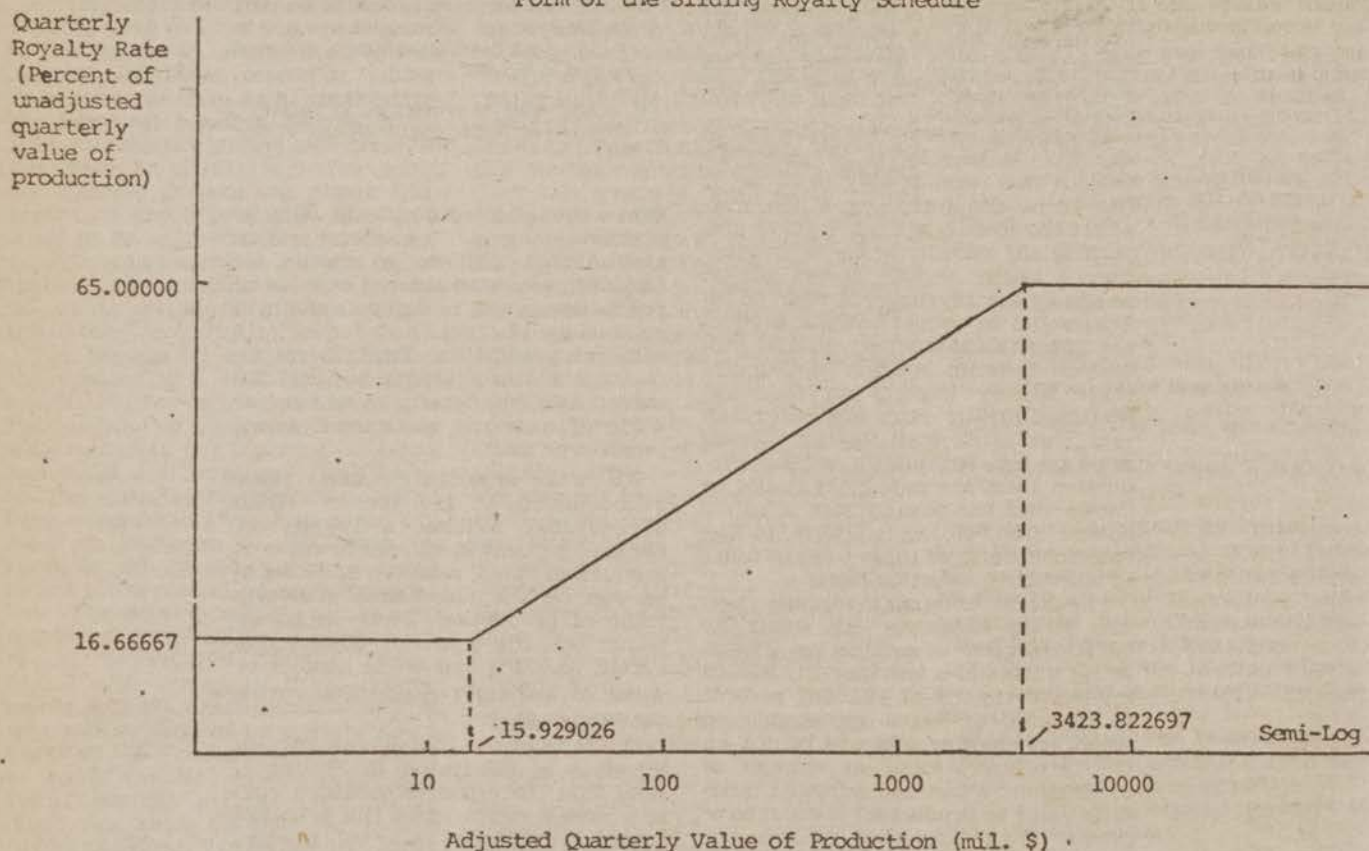


TABLE 1. HYPOTHETICAL QUARTERLY ROYALTY CALCULATIONS

(1) Actual Value of Quarterly Production (Millions of Dollars)	(2) GNP Fixed Weighted Price Index	(3) Inflation Factor ^a	(4) Adjusted Value of Quarterly Production ^b (V _j , Millions of \$)	(5) Percent Royalty Rate (R _j)	(6) Royalty Payment ^c (Millions of Dollars)
10.000000	200.0	4/3	7.500000	16.66667	1.666667
30.000000	200.0	4/3	22.500000	19.77502	5.932506
90.000000	200.0	4/3	67.500000	29.66253	26.696277
270.000000	200.0	4/3	202.500000	39.55004	106.785108
810.000000	200.0	4/3	607.500000	49.43755	400.444155
10.000000	250.0	5/3	6.000000	16.66667	1.666667
30.000000	250.0	5/3	18.000000	17.76673	5.330019
90.000000	250.0	5/3	54.000000	27.65424	24.888816
270.000000	250.0	5/3	162.000000	37.54175	101.362725
810.000000	250.0	5/3	486.000000	47.42926	384.177006

a Column (2) divided by 150.0 (assumed value of GNP fixed weighted price index at time leases are issued).

b Column (1) divided by Inflation Factor.

c Column (1) times Column (5).

[4310-84-M]

TRACTS TO BE OFFERED FOR BONUS WITH A
FIXED SLIDING SCALE ROYALTY

49-1, 49-2, 49-3, 49-4, 49-5, 49-6, 49-7, 49-8, 49-9, 49-10, 49-11, 49-13, 49-15, 49-16, 49-17, 49-18, 49-38, 49-39, 49-43, 49-46, 49-84, 49-85, 49-86, 49-87, 49-88, 49-89, 49-90, 49-91, 49-92, 49-93, 49-94, 49-95, 49-96, 49-97, 49-98, 49-99, 49-101, 49-102, 49-104, 49-105, 49-106, 49-107, 49-108, 49-109, 49-110, 49-111, 49-112, 49-113, 49-114, 49-115, 49-116, 49-118, 49-119, 49-120, 49-123, 49-124, 49-125, and 49-126.

TRACTS TO BE OFFERED FOR BONUS
BIDDING WITH A FIXED CONSTANT
ROYALTY

Bids on the remaining tracts to be offered at this sale must be on a cash bonus with a fixed royalty of 16% percent.

The selection of tracts to be offered under the sliding scale royalty system was made for the following reasons:

1. A sufficient number of tracts was needed to provide data for valid statistical analysis while limiting the risk of losses caused by unforeseen problems which could arise in the use of any new bidding system. A sample size of approximately 52 percent or 58 tracts was determined to be appropriate.

2. The range and distribution of the characteristics of sliding scale royalty tracts were to match, as closely as possible, the range and distribution of the characteristics of the tracts being offered in the sale. Such characteristics include estimated resources, water depth, structure depth, favorable vs. unfavorable location of tracts on structures, and the distribution of tracts across trends.

ARNOLD E. PETTY,
Acting Associate Director,
Bureau of Land Management.

Approved: January 23, 1979.

CECIL D. ANDRUS,
Secretary of the Interior.

[FR Doc. 79-2708 Filed 1-23-79; 11:00 am]

[4310-84-M]

MID-ATLANTIC OUTER CONTINENTAL SHELF
OIL AND GAS LEASE SALE NO. 49

Bidding and Sale Information

1. *Authority.* This notice is published pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331-1343), as amended, and the regulations issued thereunder (43 CFR Part 3300).

2. *Filing of Bids.* Sealed bids will be received by the Manager, New York Outer Continental Shelf (OCS) Office, Bureau of Land Management, 26 Federal Plaza, Suite 32-120, New York, New York 10007. Bids may be delivered, either by mail or in person, to the above address until 4:30 p.m., e.s.t., February 27, 1979; or by personal de-

livery to Felt Forum, 8th Avenue and 33rd Streets, New York, New York 10001, between the hours of 8:30 a.m., e.s.t., and 9:30 a.m., e.s.t., February 28, 1979. Bids received by the Manager later than the times and dates specified above will be returned unopened to the bidders. Bids may not be modified or withdrawn unless written modification or withdrawal is received by the Manager prior to 9:30 a.m., e.s.t., February 28, 1979. All bids must be submitted and will be considered in accordance with applicable laws and regulations, including 43 CFR Part 3300. The list of restricted joint bidders which applies to this sale was published in 43 FR 49856, October 25, 1978.

3. *Method of Bidding.* A separate bid in a sealed envelope, labeled "Sealed bid for Oil and Gas Lease (insert number of tract), not to be opened until 10 a.m., e.s.t., February 28, 1979," must be submitted for each tract. A suggested form appears in paragraph 17 of this notice. Bidders are advised that tract numbers are assigned solely for administrative purposes and are not the same as block numbers found on official protraction diagrams. All bids received shall be deemed submitted for a numbered tract. Bidders must submit with each bid one-fifth of the cash bonus in cash or by cashier's check, bank draft, certified check, or money order payable to the order of the Bureau of Land Management. No bid for less than a full tract as described in paragraph 13 will be considered. Bidders submitting joint bids must state on the bid form the proportionate interest of each participating bidder, in percent to a maximum of five decimal places, as well as submit a sworn statement that the bidder is qualified under 43 CFR Subpart 3302. The suggested form for this statement to be used in joint bids appears in paragraph 18. Other documents may be required of bidders under 43 CFR 3302.4. Bidders are warned against violation of 18 U.S.C. 1860, prohibiting unlawful combination or intimidation of bidders.

4. *Bonus Bidding With a Fixed Sliding Scale Royalty.* Bids on tracts 49-1, 49-2, 49-3, 49-4, 49-5, 49-6, 49-7, 49-8, 49-9, 49-10, 49-11, 49-13, 49-15, 49-16, 49-17, 49-18, 49-38, 49-39, 49-43, 49-46, 49-84, 49-85, 49-86, 49-87, 49-88, 49-89, 49-90, 49-91, 49-92, 49-93, 49-94, 49-95, 49-96, 49-97, 49-98, 49-99, 49-101, 49-102, 49-104, 49-105, 49-106, 49-107, 49-108, 49-109, 49-110, 49-111, 49-112, 49-113, 49-114, 49-115, 49-116, 49-118, 49-119, 49-120, 49-123, 49-124, 49-125, and 49-126, must be submitted on a cash bonus bid basis with the percent royalty due in amount or value of production saved, removed or sold fixed according to the sliding scale formula de-

scribed below. This formula fixes the percent royalty at a level determined by the value of lease production during each calendar quarter. For purposes of determining the percent royalty due on production during a quarter, the value of production during the quarter will be adjusted for inflation as described below. The determination of the value of the production on which royalty is due will be made pursuant to 30 CFR 250.64 and Sec. 6(b) of the lease form.

The fixed sliding scale formula operates in the following way: when the quarterly value of production, adjusted for inflation, is less than \$15.92026 million, a royalty of 16.66667 percent in amount or value of production saved, removed or sold will be due on the unadjusted value or amount of production. When the adjusted quarterly value of production is equal to or greater than \$15.92026 million, but less than or equal to \$3423.822697 million, the royalty percent due on the unadjusted value or amount of production is given by

$$R_j = b(\ln(V_j/S))$$

Where:

R_j = the percent royalty that is due and payable on the unadjusted amount or value of all production saved, removed or sold in quarter j

$b = 9.0$

$\ln$ = natural logarithm

V_j = the value of production in quarter j , adjusted for inflation, in millions of dollars

$S = 2.5$

When the adjusted quarterly value of production is greater than \$3423.822697 million, a royalty of 65.00000 percent in amount or value of production saved, removed or sold will be due on the unadjusted quarterly value of production. Thus, in no instance will the quarterly royalty due exceed 65.00000 percent in amount or value of quarterly production saved, removed or sold.

In determining the quarterly percent royalty due, R_j , the calculation will be rounded to five decimal places (for example, 18.59859 percent). This calculation will incorporate the adjusted quarterly value of production, V_j , in millions of dollars, rounded to the sixth digit, i.e., to the nearest dollar (for example, 19.743026 millions of dollars).

The form of the sliding scale royalty schedule is illustrated in Figure 1. Note that the effective quarterly royalty rate depends upon the inflation adjusted quarterly value of production. However, this rate is applied to the unadjusted quarterly value of production to determine the royalty payments due.

[4310-84-C]

Figure 1
Form of the Sliding Royalty Schedule

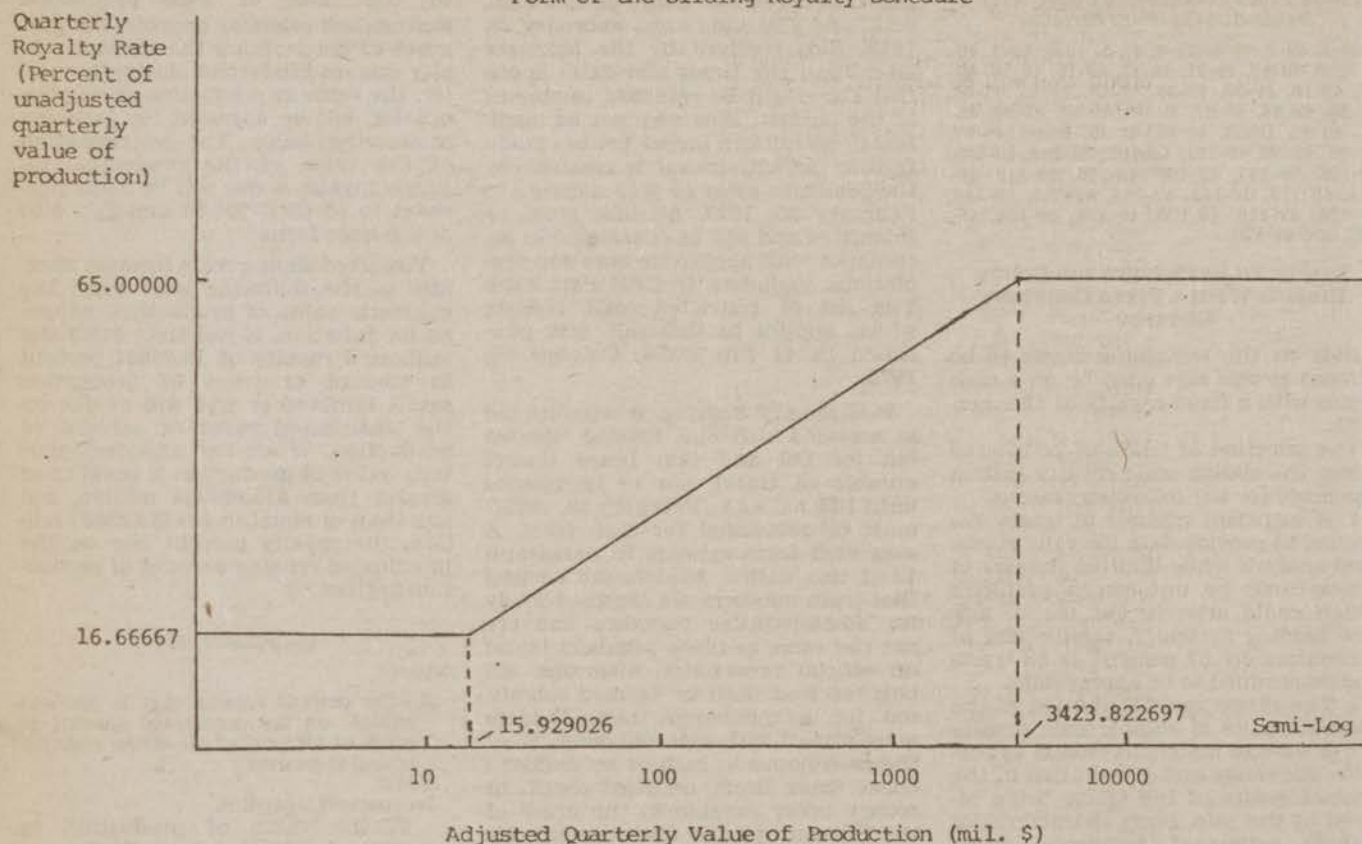


TABLE 1. HYPOTHETICAL QUARTERLY ROYALTY CALCULATIONS

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10.000000	200.0	4/3	7.500000	16.66667	1.666667
30.000000	200.0	4/3	22.500000	19.77502	5.932506
90.000000	200.0	4/3	67.500000	29.66253	26.696277
270.000000	200.0	4/3	202.500000	39.55004	106.785108
810.000000	200.0	4/3	607.500000	49.43755	400.444155
10.000000	250.0	5/3	6.000000	16.66667	1.666667
30.000000	250.0	5/3	18.000000	17.76673	5.330019
90.000000	250.0	5/3	54.000000	27.65424	24.888816
270.000000	250.0	5/3	162.000000	37.54175	101.362725
810.000000	250.0	5/3	486.000000	47.42926	384.177006

a Column (2) divided by 150.0 (assumed value of GNP fixed weighted price index at time leases are issued).

b Column (1) divided by Inflation Factor.

c Column (1) times Column (5).

[4310-84-M]

In adjusting the quarterly value of production for use in calculating the percent royalty due on production during the quarter, the actual value of production will be adjusted to account for the effects of inflation by dividing the actual value of production by the following inflation adjustment factor. The inflation adjustment factor used will be the ratio of the GNP fixed weighted price index for the calendar quarter preceding the quarter of production to the value of that index for the quarter preceding the issuance of the lease. The GNP fixed weighted price index is published monthly in the Survey of Current Business by the Bureau of Economic Analysis, U.S. Department of Commerce. The percent royalty will be due and payable on the actual amount or value of production saved, removed, or sold as determined pursuant to 30 CFR 250.64 and Sec. 6 (b) of the lease form. The timing of procedures for inflation adjustments and determinations of the royalty due will be specified at a later date. Table 1 provides hypothetical examples of quarterly royalty calculations using the sliding scale formula just described under two different values for the quarterly price index.

Leases awarded on the basis of a cash bonus bid with fixed sliding scale royalty will provide for a yearly rental or minimum royalty payment of \$8 per hectare or fraction thereof.

Bidders for these tracts should recognize that the Department of Energy is authorized, under Section 302 (b) and (c) of the Department of Energy Organization Act, to establish production rates for all Federal oil and gas leases.

5. Bonus Bidding With a Fixed Constant Royalty. Bids on the remaining tracts to be offered at this sale must be on a cash bonus basis with a fixed royalty of 16% percent. Leases which may be issued will provide for a yearly rental payment or minimum royalty payment of \$8 per hectare or fraction thereof. A suggested cash bonus bid form is shown in paragraph 17.

6. Equal Opportunity. Each bidder must have submitted by 9:30 a.m., e.s.t., February 28, 1979, the certification required by 41 CFR 60-1.7(b) and Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, on the Compliance Report Certification Form, Form 1140-8 (November 1973), and the Affirmative Action Representation Form, Form 1140-7 (December 1971).

7. Bid Opening. Bids will be opened on February 28, 1979, beginning at 10 a.m., e.s.t. at the address stated in paragraph 2. The opening of the bids is for the sole purpose of publicly announcing and recording bids received

and no bids will be accepted or rejected at that time. If the Department is prohibited for any reason from opening any bid before midnight, February 28, 1979, that bid will be returned unopened to the bidder, as soon thereafter as possible.

8. Deposit of Payment. Any cash, cashier's checks, certified checks, bank drafts, or money orders submitted with a bid may be deposited in a suspense account in the Treasury during the period the bids are being considered. Such a deposit does not constitute and shall not be construed as acceptance of any bid on behalf of the United States.

9. Withdrawal of Tracts. The United States reserves the right to withdraw any tract from this sale prior to issuance of a written acceptance of a bid for that tract.

10. Acceptance or Rejection of Bids. The United States reserves the right to reject any and all bids for any tract. In any case, no bid for any tract will be accepted and no lease for any tract will be awarded to any bidder unless:

(a) The bidder has complied with all requirements of this notice and applicable regulations;

(b) The bid is from the highest responsible, qualified bidder; and

(c) The amount of the bid has been determined to be adequate by the Secretary of the Interior.

No bid will be considered for acceptance unless it offers a cash bonus in the amount of \$62 or more per hectare or fraction thereof.

11. Successful Bidders. Each person who has submitted a bid accepted by the Secretary of the Interior will be required to execute copies of the lease specified below, pay the balance of the cash bonus bid together with the first year's annual rental and satisfy the bonding requirements of 43 CFR 3304.1 within the time provided in 43 CFR 3302.5.

12. Protraction Diagram. Tracks offered for lease may be located on the following protraction diagrams which are available from the Manager, New York Outer Continental Shelf Office at the address stated in paragraph 2, at \$2 each.

(a) Outer Continental Shelf Official Protraction Diagram No. NJ 18-3.

(b) Outer Continental Shelf Official Protraction Diagram No. NJ 18-5 Salisbury.

(c) Outer Continental Shelf Official Protraction Diagram No. NJ 18-6.

(d) Outer Continental Shelf Official Protraction Diagram No. NJ 18-8 Chincoteague.

13. Tract Descriptions. The tracts offered for bid are as follows:

NOTE.—There are gaps in the numbers of the tracts listed. Some of the blocks identified in the final environmental statement are not included in this notice.

[4310-84-C]

OCS OFFICIAL PROTRACTION DIAGRAM NO. NJ 18-3
(Approved October 31, 1974)

<u>Tract</u>	<u>Block</u>	<u>Description</u>	<u>Hectares</u>
49-1	163	All	2304
49-2	164	All	2304
49-3	206	All	2304
49-4	207	All	2304
49-5	208	All	2304
49-6	247	All	2304
49-7	248	All	2304
49-8	250	All	2304
49-9	251	All	2304
49-10	252	All	2304
49-11	289	All	2304
49-12	330	All	2304
49-13	333	All	2304
49-14	374	All	2304
49-15	376	All	2304
49-16	377	All	2304
49-17	378	All	2304
49-18	420	All	2304
49-19	639	All	2304
49-20	721	All	2304
49-21	722	All	2304
49-22	724	All	2304
49-23	726	All	2304
49-24	732	All	2304
49-25	765	All	2304
49-26	766	All	2304
49-27	767	All	2304
49-28	770	All	2304
49-29	773	All	2304
49-30	774	All	2304
49-33	809	All	2304
49-34	810	All	2304
49-35	811	All	2304
49-38	854	All	2304
49-39	856	All	2304
49-43	898	All	2304
49-46	943	All	2304
49-47	946	All	2304
49-51	989	All	2304

OCS OFFICIAL PROTRACTION DIAGRAM NO. NJ 18-5 SALISBURY
(Approved October 31, 1974)

<u>Tract</u>	<u>Block</u>	<u>Description</u>	<u>Hectares</u>
49-55	1009	All	2304

OCS OFFICIAL PROTRACTION DIAGRAM NO. NJ 18-6
(Approved October 31, 1974)

<u>Tract</u>	<u>Block</u>	<u>Description</u>	<u>Hectares</u>
49-56	20	All	2304
49-57	21	All	2304
49-58	63	All	2304
49-59	64	All	2304
49-61	98	All	2304
49-62	102	All	2304
49-63	103	All	2304
49-64	107	All	2304
49-66	140	All	2304
49-67	141	All	2304
49-68	146	All	2304
49-69	147	All	2304
49-70	149	All	2304
49-71	150	All	2304
49-72	151	All	2304
49-73	183	All	2304
49-74	186	All	2304
49-75	188	All	2304
49-76	191	All	2304
49-77	192	All	2304
49-78	193	All	2304
49-79	227	All	2304
49-80	233	All	2304
49-81	234	All	2304
49-82	270	All	2304
49-83	278	All	2304
49-84	402	All	2304
49-85	403	All	2304
49-86	404	All	2304
49-87	405	All	2304
49-88	449	All	2304
49-89	450	All	2304
49-90	451	All	2304

OCS OFFICIAL PROTRACTION DIAGRAM NO. NJ 18-6 (Cont'd.)
(Approved October 31, 1974)

<u>Tract</u>	<u>Block</u>	<u>Description</u>	<u>Hectares</u>
49-91	491	All	2304
49-92	493	All	2304
49-93	494	All	2304
49-94	495	All	2304
49-95	534	All	2304
49-96	535	All	2304
49-97	537	All	2304
49-98	538	All	2304
49-99	539	All	2304
49-101	581	All	2304
49-102	582	All	2304
49-104	623	All	2304
49-105	626	All	2304
49-106	665	All	2304
49-107	666	All	2304
49-108	667	All	2304
49-109	668	All	2304
49-110	709	All	2304
49-111	710	All	2304
49-112	711	All	2304
49-113	751	All	2304
49-114	752	All	2304
49-115	753	All	2304
49-116	754	All	2304
49-118	795	All	2304
49-119	796	All	2304
49-120	797	All	2304
49-123	837	All	2304
49-124	838	All	2304
49-125	839	All	2304
49-126	840	All	2304
49-132	969	All	2304

OCS OFFICIAL PROTRACTION DIAGRAM NO. NJ 18-8 CHINCOTFAGUE
(Approved December 2, 1976)

<u>Tract</u>	<u>Block</u>	<u>Description</u>	<u>Hectares</u>
49-133	40	All	2304
49-134	41	All	2304
49-135	84	All	2304
49-136	85	All	2304

[4310-84-M]

14. *Lease Terms and Stipulations.* All leases issued as a result of this sale will be for an initial term of 5 years. Leases issued will be on Form 3300-1 (September 1978), available from the Manager, New York Outer Continental Shelf Office, at the address stated in paragraph 2. Section 6 of the lease form will be amended for tracts offered on a cash bonus basis with a fixed sliding scale royalty, listed in Paragraph 4, as follows:

Sec. 6 *Royalty on Production.* (a) To pay the lessor a royalty of that percent in amount or value of production saved, removed or sold from the leased area as determined by the sliding scale royalty formula as follows. When the quarterly value of production, adjusted for inflation, is less than \$15,929,026 million, a royalty of 16.66667 percent in amount or value of production saved, removed or sold will be due on the unadjusted value or amount of production. When the adjusted quarterly value of production is equal to or greater than \$15,929,026 million, but less than or equal to \$3423.822697 million, the royalty percent due on the unadjusted value or amount of production is given by

$$R_j = b[\ln(V_j/S)]$$

Where:

R_j = the percent royalty that is due and payable on the unadjusted amount or value of all production saved, removed or sold in quarter j

$b = 9.0$

$\ln$ = natural logarithm

V_j = the value of production in quarter j , adjusted for inflation, in millions of dollars

$S = 2.5$

When the adjusted quarterly value of production is greater than \$3423.822697 million, a royalty of 65.00000 percent in amount or value of production saved, removed or sold will be due on the unadjusted quarterly value of production. Thus, in no instance will the quarterly royalty due exceed 65.00000 percent in amount or value of quarterly production saved, removed or sold.

In determining the quarterly percent royalty due, R_j , the calculation will be rounded to five decimal places (for example, 18.59859 percent). This calculation will incorporate the adjusted quarterly value of production, V_j , in millions of dollars, rounded to the sixth digit, i.e., to the nearest dollar (for example, 19.743026 millions of dollars) * * *

Except as otherwise noted, the following stipulations will be included in each lease resulting from this sale. In the following stipulations the term Supervisor refers to the Atlantic Area Oil and Gas Supervisor for Operations of the Geological Survey and the term Manager refers to the Manager of the New York OCS Office of the Bureau of Land Management.

STIPULATION No. 1

If the Supervisor having reason to believe that a site, structure or object of historical or archeological significance hereinafter referred to as "cultural resource", may exist

in the lease area, gives the lessee written notice that the lessor is invoking the provisions of this stipulation, the lessee shall upon receipt of such notice comply with the following requirements:

Prior to any drilling activity or the construction or placement of any structure for exploration or development on the lease, including but not limited to, well drilling and pipeline and platform placement, hereinafter in this stipulation referred to as "operation," the lessee shall conduct remote sensing surveys to determine the potential existence of any cultural resource that may be affected by such operations. All data produced by such remote sensing surveys as well as other pertinent natural and cultural environmental data shall be examined by a qualified marine survey archeologist to determine if indications are present suggesting the existence of a cultural resource that may be adversely affected by any lease operation. A report of this survey and assessment prepared by the marine survey archeologist shall be submitted by the lessee to the Supervisor and to the Manager for review.

If such cultural resource indicators are present the lessee shall: (1) locate the site of such operation so as not to adversely affect the identified location; or (2) establish, to the satisfaction of the supervisor, on the basis of further archeological investigation conducted by a qualified marine survey archeologist or underwater archeologist using such survey equipment and techniques as deemed necessary by the Supervisor, either that such operation will not adversely affect the location identified or that the potential cultural resource suggested by the occurrence of the indicators does not exist.

A report of this investigation prepared by the marine survey archeologist or underwater archeologist shall be submitted to the Supervisor and Manager for their review. Should the Supervisor determine that the existence of a cultural resource which may be adversely affected by such operation is sufficiently established to warrant protection, the lessee shall take no action that may result in an adverse effect on such cultural resource until the Supervisor has given directions as to its preservation.

The lessee agrees that if any site, structure, or object of historical or archeological significance should be discovered during the conduct of any operations of the leased area, he shall report immediately such findings to the Supervisor, and make every reasonable effort to preserve and protect the cultural resource from damage until the Supervisor has given directions as to its preservation.

STIPULATION No. 2

If biological populations or habitats which may require additional protection are identified by the Supervisor in the leasing area, the Supervisor will require the lessee to conduct environmental surveys or studies, as approved by the Supervisor, to determine the extent and composition of biological populations or habitats, and the effects of proposed or existing operations on the populations or habitats which might require additional protective measures. The Supervisor shall provide written notice to the lessee of his decision to require such surveys. The nature and extent of any surveys or studies will be determined by the Supervisor on a case-by-case basis.

Based on any surveys or studies which the Supervisor may require of the lessee, the

Supervisor may require the lessee to: (1) relocate the site of operations so as not to affect adversely the significant biological populations or habitats deserving protection; or (2) modify operations in such a way as not to affect adversely the significant biological populations or habitats deserving protection; or (3) establish to the satisfaction of the Supervisor that such operations will not adversely affect the significant biological populations or habitats, deserving protection.

Operations, including siting, must be conducted to insure the protection and continued viability of significant biological populations or habitats in a manner consistent with the other purposes of the Outer Continental Shelf Lands Act, as amended.

The lessee shall submit all data obtained in the course of such surveys to the Supervisor, with the locational information for drilling or other activity. The lessee may take no action that might result in any effect on the biological populations or habitats until the Supervisor provides written directions to the lessee, with regard to permissible actions.

In the event that important biological populations or habitats are identified subsequent to commencement of operations, the lessee shall make every reasonable effort to preserve and protect all biological populations and habitats within the lease area, until the Supervisor provides written instructions to the lessee with regard to the biological populations or habitats identified.

STIPULATION No. 3

Pipelines will be required, (1) if pipeline rights-of-way can be determined and obtained, (2) if laying such pipelines is technically feasible and environmentally preferable, and (3) if, in the option of the lessor, pipelines can be laid without net social loss, taking into account any incremental costs of pipelines over alternative methods of transportation and any incremental benefits in the form of increased environmental protection or reduced multiple use conflicts. The lessor specifically reserves the right to require that any pipeline used for transporting production to shore be placed in certain designated management areas. In selecting the means of transportation, consideration will be given to any recommendation of the intergovernmental planning program for assessment and management of transportation of Outer Continental Shelf oil and gas with the participation of Federal, State, and local government and industry. Where feasible and environmentally preferable, all pipelines, including both flow lines and gathering lines for oil and gas, shall be buried to a depth suitable for adequate protection from water currents, sand waves, storm scouring, fisheries trawling gear, and other factors as determined on a case-by-case basis.

Following the completion of pipeline installation, no crude oil production will be transported by surface vessel from offshore production sites, except in the case of emergency. Determinations as to emergency conditions and appropriate responses to these conditions will be made by the Supervisor. Where the three criteria set forth in the first sentence of this stipulation are not met and surface transportation must be employed, all vessels used for carrying hydrocarbons to shore from the leased area will conform with all standards established for such vessels pursuant to the Ports and Waterways Safety Act of 1972, as amended (42 U.S.C. 391a).

STIPULATION No. 4

Drilling cuttings and drilling muds shall be disposed of by shunting the material through a downpipe to a depth of 20-50 feet below the ocean surface or by transporting these materials to pre-selected disposal sites approved by the Supervisor, and the Environmental Protection Agency. Based on the composition of produced formation waters and the site-specific environmental conditions, the Supervisor may require reinjection of such formation waters.

STIPULATION No. 5

(Leases for the following tracts will include this stipulation, which will apply only to operations within the designated portion of such tracts: 49-22, NE $\frac{1}{4}$ SE $\frac{1}{4}$; 49-28, SE $\frac{1}{4}$; and 49-29, SE $\frac{1}{4}$ NW $\frac{1}{4}$.)

Before operations may proceed on the designated portion of this lease block lessee must demonstrate to the Supervisor's satisfaction that a particular hazardous accumulation of shallow gas does not exist, or that drilling plans can be designed to assure safe operations in the area.

STIPULATION No. 6

(Leases for the following tracts will include this stipulation, which will apply only to operations within the designated portions of such tracts: 49-29, S $\frac{1}{2}$ SE $\frac{1}{4}$; 49-30, S $\frac{1}{2}$, NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$; 49-51, S $\frac{1}{2}$, NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$; 49-56, SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$; 49-58, E $\frac{1}{2}$; 49-64, S $\frac{1}{2}$, NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$; 49-70, S $\frac{1}{2}$, S $\frac{1}{2}$ NE $\frac{1}{4}$; 49-71, S $\frac{1}{2}$, NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$; 49-76, S $\frac{1}{2}$, S $\frac{1}{2}$ NE $\frac{1}{4}$; 49-80, S $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$; 49-81, S $\frac{1}{2}$, NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$; 49-88, SE $\frac{1}{4}$ SW $\frac{1}{4}$; 49-92, W $\frac{1}{2}$; 49-94, E $\frac{1}{2}$ SE $\frac{1}{4}$; 49-96, SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$; 49-97, W $\frac{1}{2}$; 49-98, SE $\frac{1}{4}$ SE $\frac{1}{4}$; 49-99, S $\frac{1}{2}$, NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$; 49-101, S $\frac{1}{2}$, NW $\frac{1}{4}$; 49-102, S $\frac{1}{2}$, NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$; 49-104, E $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$; 49-107, SE $\frac{1}{4}$ SE $\frac{1}{4}$; 49-108, S $\frac{1}{2}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$; 49-111, E $\frac{1}{2}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$; 49-113, W $\frac{1}{2}$; 49-115, E $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$; 49-118, W $\frac{1}{2}$; 49-119, S $\frac{1}{2}$ SE $\frac{1}{4}$; 49-120, S $\frac{1}{2}$, NE $\frac{1}{4}$; 49-124, E $\frac{1}{2}$; 49-125, S $\frac{1}{2}$, NW $\frac{1}{4}$; 49-126, S $\frac{1}{2}$, NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$; 49-132, E $\frac{1}{2}$ SE $\frac{1}{4}$; 49-135, SE $\frac{1}{4}$ SE $\frac{1}{4}$; and 49-136, S $\frac{1}{2}$, NE $\frac{1}{4}$.)

Exploratory drilling operations, emplacement of structures (platforms) or seafloor wellheads for production or storage of oil or gas, and the emplacement of pipelines will not be allowed within the designated portion of this lease block unless or until the lessee has demonstrated to the Supervisor's satisfaction that mass movement of sediments is unlikely or that exploratory drilling operations, structures (platforms), casing, wellheads and pipelines can be safely designed to protect the environment in case such mass movement occurs at the proposed location. If exploratory drilling operations are allowed, site specific surveys shall be conducted to determine the potential for slumping and mass movement of sediments. If emplacement of structures (platforms) or seafloor wellheads for production or storage of oil or gas are allowed all slump blocks or mass movements of sediments in the lease block must be mapped. Down-hole pressure-actuated control devices must be located below the base of the slump blocks located in the area in order to protect the environment in case such mass movement occurs at the proposed location. This may necessitate all exploration for and development of oil and gas be performed from locations outside of the area of unstable sediments, either within or outside of this lease block.

STIPULATION No. 7

(To be included only in leases resulting from this sale for tracts 49-24, 49-47, 49-57, 49-59, 49-72, 49-77, 49-78, 49-83, 49-105, 49-109, 49-112, and 49-116.)

Exploratory drilling operations, emplacement of structures (platforms) or seafloor wellheads for production or storage of oil or gas, and the emplacement of pipelines will not be allowed within this lease block unless or until the lessee has demonstrated to the Supervisor's satisfaction that mass movement of sediments is unlikely or that exploratory drilling operations, structures (platforms), casing, wellheads and pipelines can be safely designed to protect the environment in case such mass movement occurs at the proposed location. If exploratory drilling operations are allowed, site specific surveys shall be conducted to determine the potential for slumping and mass movement of sediments. If emplacement of structures (platforms) or seafloor wellheads for production or storage of oil or gas are allowed all slump blocks or mass movements of sediments in the lease block must be mapped. Down-hole pressure-actuated control devices must be located below the base of the slump blocks located in the area in order to protect the environment in case such mass movement occurs at the proposed location. This may necessitate all exploration for and development of oil or gas be performed from locations off this lease block and outside of the area of unstable sediments.

STIPULATION No. 8

(To be included only in lease resulting from this sale for tracts 49-1, 49-2, 49-3, 49-4, 49-5, 49-6, 49-7, 49-8, 49-9, 49-10, 49-20, 49-21, 49-22, 49-25, 49-26, 49-27, 49-33, 49-34, 49-35, 49-38, 49-39, 49-43, 49-46, 49-47, 49-51, 49-55, 49-56, 49-57, 49-58, 49-59, 49-61, 49-62, 49-63, 49-64, 49-66, 49-67, 49-68, 49-69, 49-70, 49-71, 49-72, 49-73, 49-74, 49-75, 49-76, 49-77, 49-78, 49-79, 49-80, 49-81, 49-82, 49-83, 49-84, 49-85, 49-86, 49-87, 49-88, 49-89, 49-90, 49-91, 49-92, 49-93, 49-94, 49-96, 49-97, 49-98, 49-99, 49-101, 49-102, 49-105, 49-123, 49-124, 49-132, 49-133, 49-134, 49-135, and 49-136)

(a) Whether or not compensation for such damage or injury might be due under a theory of strict liability or otherwise, the lessee assumes all risks of damage or injury to persons or property, which occurs in, on, or above the Outer Continental Shelf, to any person or persons who are agents, employees, or invitees of the lessee, its agents, independent contractors or subcontractors doing business with the lessee in connection with any activities being performed by or on behalf of the lessee in, on, or above the Outer Continental Shelf, if such injury or damage to such person or property occurs by reason of the activities of any agency of the U.S. Government, its contractors or subcontractors, or any of their officers, agents, or employees being conducted as a part of, or in connection with, the programs and activities of the Commanding Officer, Fleet Area Control and Surveillance Facility, Virginia Capes OPAREA, Naval Air Station, Oceana, Virginia. The lessee assumes this risk whether such injury or damage is caused in whole or in part by any act or omission, regardless of negligence or fault, of the United States, its contractors or subcontractors, or any of their officers, agents, or employees.

Notwithstanding any limitation of the lessee's liability in Sec. 14 of the lease, the lessee assumes this risk whether such injury or damage is caused in whole or in part by any act or omission, regardless of negligence or fault, of the United States, its contractors or subcontractors, or any of their officers, agents, or employees. The lessee further agrees to indemnify and save harmless the United States against and to defend at its own expense the United States against all claims for loss, damage, or injury sustained by the lessee, and to indemnify and save harmless the United States against, and to defend at its own expense the United States against, all claims for loss, damage, or injury sustained by the agents, employees, or invitees of the lessee, its agents, or any independent contractors or subcontractors doing business with the lessee in connection with the programs and activities of the aforementioned military installations, whether the same be caused in whole or in part by the negligence or fault of the United States, its contractors, or subcontractors, or any of their officers, agents, or employees and whether such claims might be sustained under a theory of strict or absolute liability or otherwise.

(b) The lessee, when operating or causing to be operated on its behalf boat or aircraft traffic into the individual designated warning areas, shall enter into an agreement with the Commanding Officer, Fleet Area Control and Surveillance Facility, Virginia Capes OPAREA, Naval Air Station, Oceana, Virginia, utilizing an individual designated warning area prior to commencing such traffic. Such agreement will provide for positive control of boats and aircraft operating into the warning areas at all times.

STIPULATION No. 9

(To be included only in leases resulting from this sale for tracts 49-55, 49-56, 49-57, 49-58, 49-59, 49-61, 49-62, 49-63, 49-64, 49-66, 49-67, 49-68, 49-69, 49-70, 49-71, 49-72, 49-73, 49-74, 49-75, 49-76, 49-77, 49-78, 49-79, 49-80, 49-81, 49-82, 49-83, 49-84, 49-85, 49-86, 49-87, 49-88, 49-89, 49-90, 49-91, 49-92, 49-93, 49-94, 49-95, 49-96, 49-97, 49-98, 49-99, 49-101, 49-102, 49-104, 49-105, 49-106, 49-107, 49-108, 49-109, 49-110, 49-111, 49-112, 49-113, 49-114, 49-115, 49-116, 49-118, 49-119, 49-120, 49-123, 49-124, 49-125, 49-126, 49-132, 49-133, 49-134, 49-135, and 49-136.)

(a) Whether or not compensation for such damage or injury might be due under a theory of strict or absolute liability or otherwise, the lessee assumes all risk of damage or injury to persons or property, which occurs in, on, or above the Outer Continental Shelf, to any person or persons or to any property of any person or persons who are agents, employees or invitees of the lessee, its agents, independent contractors or subcontractors doing business with the lessee in connection with any activities being performed by or on behalf of the lessee in, on, or above the Outer Continental Shelf, if such injury or damage to such person or property occurs by reason of the activities of any agency of the U.S. Government, its contractors or subcontractors, or any of their officers, agents, or employees being conducted as a part of, or in connection with, the programs and activities of the National Aeronautics and Space Administration (NASA), Wallops Flight Center. The lessee assumes this risk whether such injury or damage is caused in whole or in part by

any act or omission, regardless of negligence or fault, of the United States, its contractors or subcontractors, or any of their officers, agents, or employees.

Notwithstanding any limitation of the lessee's liability in Sec. 14 of the lease, the lessee assumes this risk whether such injury or damage is caused in whole or in part by any act or omission, regardless of negligence or fault, of the United States, its contractors, or subcontractors, or any of their officers, agents or employees. The lessee further agrees to indemnify and save harmless the United States against and to defend at its own expense the United States against all claims for loss, damage, or injury sustained by the lessee, and to indemnify and save harmless the United States against, and to defend at its own expense the United States against, all claims for loss, damage, or injury sustained by the agents, employees, or invitees of the lessee, its agents, or any independent contractors, or subcontractors doing business with the lessee in connection with the programs and activities of the NASA, Wallops Flight Center whether the same be caused in whole or in part by the negligence or fault of the United States, its contractors, or subcontractors or any of their officers, agents, or employees and whether such claims might be sustained under a theory of strict or absolute liability or otherwise.

(b) The lessee, when operating or causing to be operated on its behalf, boat, ship, or aircraft traffic into the leased area or surrounding area of the lease, including any part of the Outer Continental Shelf between the 35th and 39th parallels, shall enter into an agreement with the Director, Wallops Flight Center prior to commencing such traffic. Such agreement shall provide for positive control of boats, ships, and aircraft operating in the above designated areas and will provide for the avoidance of interference with the programs and activities of the NASA Wallops Flight Center.

(c) Upon recommendation by the Director, Wallops Flight Center when the activities of the NASA Wallops Flight Center may endanger personnel or property, the lessee agrees, upon receipt of the notice from the Supervisor, to evacuate all personnel from all structures on the lease and to shut-in and secure all wells and other equipment, including pipelines on the lease, within forty-eight (48) hours or within such longer period as may be specified by the Supervisor. The Supervisor shall not require evacuation of personnel and shutting-in and securing of equipment for a period of time greater than seventy-two (72) hours; however, such period of time may be extended by subsequent notice from the Supervisor. Equipment and structures may remain in place on the lease during such time as the evacuation remains in effect.

(d) The lessee agrees to control his own electromagnetic emissions and those of his agents, employees, invitees, independent contractors or subcontractors emanating from the leased area or surrounding area of the lease, including any part of the Outer Continental Shelf between the 35th and 39th parallels, in accordance with the requirements specified by the Director, Wallops Flight Center, to the degree necessary to prevent damage to, or unacceptable interference with, the programs and activities of the NASA, Wallops Flight Center.

Necessary monitoring, control and coordination with the lessee, his agents, employ-

ees, invitees, independent contractors or subcontractors, will be effected by the Director, Wallops Flight Center; provided, however, that control of such electromagnetic communication shall in no instance prohibit all manner of electromagnetic communications during any period of time between a lessee, its agents, employees, invitees, independent contractors or subcontractors and onshore facilities.

STIPULATION No. 10

(To be included in any leases resulting from this sale for the sliding scale royalty tracts listed in paragraph 4 of this notice.)

(a) The royalty rate on production saved, removed or sold from this lease is subject to consideration for reduction under the same authority that applies to all other oil and gas leases on the Outer Continental Shelf (30 CFR 250.12(e)). The Director, Geological Survey, may grant a reduction for only one year at a time. Reduction of royalty rates will not be approved unless production has been underway for one year or more.

(b) Although the royalty rate specified in Sec. 6(a) of this lease or as subsequently modified in accordance with applicable regulations and stipulations is applicable to all production under this lease, not more than 16% percent of the production saved, removed or sold from the lease area may be taken as royalty in amount, except as provided in Sec. 15(d) of this lease; the royalty on any portion of the production saved, removed or sold from the lease in excess of 16% percent may only be taken in value of the production saved, removed or sold from the lease area.

15. Information to Lessees. On September 18, 1978, the OCS Lands Act Amendments of 1978 were enacted. Some sections of current regulations applicable to OCS leasing operations are inconsistent with this new legislation, and the legislation requires the issuance of some new regulations. The inconsistencies will be corrected by rulemakings and the new regulations will be issued as soon as possible. Nevertheless, bidders are notified that provisions of the OCS Lands Act Amendments shall apply to all leases offered at this lease sale and shall supersede all inconsistent provisions in current regulations applicable to OCS leasing operations.

Some of the tracts offered for lease may fall in areas which may be included in fairways, precautionary zones, or traffic separation schemes. Corps of Engineers permits are required for construction of any artificial islands, installations and other devices permanently or temporarily attached to the seabed located on the Outer Continental Shelf in accordance with the Outer Continental Shelf Lands Act, as amended.

Bidders are advised that the Departments of the Interior and Transportation have entered into a Memorandum of Understanding dated May 6, 1976, concerning the design, installation, operation and maintenance of offshore pipelines. Bidders should consult both

Departments for regulations applicable to offshore pipelines.

Bidders are also advised that in accordance with Sec. 16 of each lease offered at this sale the lessor may require a lessee to operate under a unit, pooling or drilling agreement and that the lessor will give particular consideration to requiring unitization in instances where one or more reservoirs underlie two or more leases with either a different royalty rate or a royalty rate based on a sliding scale.

In the enforcement of Stipulation 2, the Supervisor will receive recommendations from a committee composed of designated representatives of the Bureau of Land Management, U.S. Fish and Wildlife Service, U.S. Geological Survey, the National Marine Fisheries Service, the Environmental Protection Agency, and representatives of the affected States. It is intended that this committee will remain in existence throughout the operating life of the field. The Supervisor will consult with the committee in identifying areas of resources of biological importance on the conduct of the biological surveys by lessees, and on the appropriate course of action after the surveys have been conducted.

The committee has completed a preliminary review of the sale area and has determined that it will recommend to the Supervisor that no preexploration surveys be required on any of the tracts offered, with the possible exception of those noted below. The committee may recommend that surveys be required prior to development.

Exception The BLM is currently funding a study of the canyon areas in the Mid and North Atlantic regions. This Canyon Assessment Study shall involve an analysis of historical data and a field surveys of ten of the seventeen canyon blocks. The analysis of historical data, available in April, 1979, may provide information on the faunal communities in Tracts 49-92, 49-96, 49-97, 49-101, 49-104, 49-113, 49-118, 49-124, 49-125, and 49-126. Preliminary interpretations of the field surveys, conducted in Tracts 49-113, 49-118, 49-124, 49-125, and 49-126, shall be available in July, 1979. Seven other blocks, although not included in the Canyon Assessment Study, may also be evaluated at that time because of their bathymetric characteristics. These tracts are 49-88, 49-108, 49-109, 49-111, 49-116, 49-120, and 49-132. Based on the analysis of the historical and field data, the committee may recommend to the Supervisor that preexploration surveys be required on any or all of the above mentioned tracts.

In applying safety, environmental, and conservation laws and regulations, the Supervisor, in accordance with

Sec. 21(b) of the OSC Lands Act, as amended, will require the use of the best available and safest technologies which are determined to be economically feasible. To the extent practicable, the Supervisor will consult with the relevant Federal agencies and the affected State(s) in the execution of these responsibilities.

16. *OCS Orders.* Operations on all leases resulting from this sale will be conducted in accordance with the provisions of all Mid-Atlantic Orders, as of their effective date, and any other applicable OCS Order as it becomes effective.

17. *Suggested Bid Form.* It is suggested that bidders submit their bids to Manager, New York Outer Continental Shelf Office, in the following form:

OIL AND GAS BID

The following bid is submitted for an oil and gas lease on the tract of the Outer Continental Shelf specified below:

Tract No.

Total Amount Bid

Amount per Hectare

Amount of Cash Bonus Submitted with Bid

Proportionate Interest of Company(s)
Submitting Bid

Company

Percent Interest

Address

N.Y. Misc. No.

Signature (Please type signer's name under signature)

18. *Required Joint Bidders Statement.* In the case of joint bids, each joint bidder is required to execute a joint bidder's statement before a notary public and submit it with his bid. A suggested form for this statement is shown below.

JOINT BIDDER'S STATEMENT

I hereby certify that (entity submitting bid) is eligible under 43 CFR 3302 to bid jointly with the other parties submitting this bid.

Signature (Please type signer's name under signature)

Sworn to and subscribed before me this
day of _____ 19____

NOTARY PUBLIC

State of _____
County of _____

Dated: January 23, 1979.

ARNOLD E. PETTY,
Acting Associate Director,
Bureau of Land Management.

Approved:

CECIL D. ANDRUS,
Secretary of the Interior.

[FR Doc. 79-2707 Filed 1-23-79; 11:00 am]

[4310-84-M]

[Serial No. AR-032505]

ARIZONA

Order Providing for Opening of Public Lands

1. Pursuant to the Act of March 1, 1907 (34 Stat. 1052; 43 U.S.C. 682) entitled "an Act to authorize the sale of public lands for cemetery purposes", a patent was issued on the following described lands:

GILA AND SALT RIVER MERIDIAN, ARIZONA

T. 7 S., R. 27 E.,
Sec. 21, SE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$,
NW $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$.

The area described aggregates 30 acres in Graham County, Arizona.

2. The lands have not been used by the patentee for the purposes allowed by the granting Act and have been reconveyed to the United States.

3. The lands are located approximately 9 miles east of Safford, Arizona. Topography varies from gentle rolling to level desert land. Elevation is approximately 3100 feet above sea level.

4. Subject to valid existing rights, the provisions of existing withdrawals, and the requirements of applicable law, the subject lands are hereby opened to operation of the public land laws, including the mining laws (Ch. 2, Title 30 U.S.C.). The lands have been and remain open to filing under the mineral leasing laws. All valid applications received at or prior to 10:00 a.m., on March 1, 1979, shall be considered as simultaneously filed at that time. Those received thereafter shall be considered in the order of filing.

5. Inquiries concerning the lands should be addressed to the Chief, Branch of Lands and Minerals Operations, Bureau of Land Management, 2400 Valley Bank Center, Phoenix, Arizona 85073.

Dated: January 18, 1979.

MARIO L. LOPEZ,
Chief, Branch of
Lands and Minerals Operations.

[FR Doc. 79-2905 Filed 1-26-79; 8:45 am]

[4310-84-M]

[LA 0153533]

CALIFORNIA

Termination of Proposed Withdrawal and Reservation of Land

JANUARY 17, 1979.

Notice of National Park Service, U.S. Department of the Interior, application LA 0153533 for withdrawal and reservation of lands from the mining laws for the Death Valley National Monument Area was published as FR Doc. 59-7557 on pages 7337 and 7338 of the issue of September 11, 1959, and amended by FR Doc. 63-10914 on pages 11083 and 11084 of the issue of September 16, 1963, and FR Docs. 62-7607 and 62-7611 on pages 7659 and 7660 of the issue of August 2, 1962. The applicant has cancelled its application.

SAN BERNARDINO MERIDIAN

T. 18 N., R. 5 E.,
Sec. 2, E $\frac{1}{4}$ NW $\frac{1}{4}$ and E $\frac{1}{4}$ W $\frac{1}{4}$ NW $\frac{1}{4}$.
T. 19 N., R. 5 E.,
Sec. 35, SW $\frac{1}{4}$.
T. 21 N., R. 4 E., unsurveyed,
Sec. 11, SW $\frac{1}{4}$;
Sec. 14, W $\frac{1}{4}$.
T. 23 N., R. 1 E., unsurveyed,
Sec. 3, NW $\frac{1}{4}$.
T. 23 N., R. 2 E., unsurveyed,
Secs. 11 and 12;
Sec. 13, N $\frac{1}{2}$;
Sec. 14, N $\frac{1}{2}$.
T. 24 N., R. 1 E., unsurveyed,
Sec. 4, SW $\frac{1}{4}$;
Sec. 21, E $\frac{1}{4}$ NE $\frac{1}{4}$.
T. 24 N., R. 2 E., unsurveyed,
Sec. 9, All;
Sec. 14, E $\frac{1}{4}$.
T. 25 N., R. 2 E., unsurveyed,
Sec. 13, NE $\frac{1}{4}$;
Sec. 21, N $\frac{1}{2}$ N $\frac{1}{2}$.
T. 26 N., R. 1 E.,
Sec. 13, All;
Sec. 14, N $\frac{1}{2}$;
Sec. 24, N $\frac{1}{2}$;
Sec. 36, All.
T. 26 N., R. 2 E.,
Sec. 1, SW $\frac{1}{4}$;
Secs. 2, 3, and 4;
Sec. 5, Lots 1 and 2 of NE $\frac{1}{4}$, Lots 1 and 2
of NW $\frac{1}{4}$; N $\frac{1}{2}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$;
Sec. 6, Lots 1 and 2 of NE $\frac{1}{4}$ and E $\frac{1}{4}$ of Lot
2 of NW $\frac{1}{4}$;
Sec. 9, E $\frac{1}{4}$, E $\frac{1}{4}$ NW $\frac{1}{4}$, and NW $\frac{1}{4}$ NW $\frac{1}{4}$;
Secs. 10 and 11;
Sec. 12, W $\frac{1}{4}$;
Sec. 13, W $\frac{1}{4}$;
Sec. 14, All;
Sec. 15, NE $\frac{1}{4}$;
Sec. 19, All;
Secs. 23 and 24;

Sec. 30, E½;
 Sec. 31, All.
 T. 27 N., R. 1 E.,
 Secs. 1, 2, and 3;
 Sec. 4, Lots 28, 29, 30, 31, and 32, N½, and
 W½SE¼;
 Sec. 9, Lots 8, 9, 10, 11, 12, 13, and 14, and
 E½E½;
 Secs. 10 through 15, inclusive;
 Sec. 21, S½, NW¼, and S½NE¼;
 Secs. 22 through 24, inclusive;
 Sec. 25, N½, NE¼SW¼, and SE¼;
 Sec. 26, N½N½ and SE¼NE¼;
 Secs. 27 and 28;
 Sec. 35, N½.
 T. 27 N., R. 2 E.,
 Sec. 6, Lot 1 of NW¼, W½ Lot 2 of NW¼,
 Lot 2 of SW¼, E½SW¼, W½SE¼, and
 SE¼SE¼;
 Sec. 7, All;
 Sec. 17, SE¼NW¼, W½NW¼, SW¼, and
 SW¼SE¼;
 Secs. 18, 19, and 20;
 Sec. 21, SW¼NW¼ and SW¼;
 Sec. 27, SW¼;
 Secs. 28, 29, 30, 31, 32, and 33;
 Sec. 34, W½ and S½SE¼;
 Sec. 35, S½SW¼.
 T. 28 N., R. 1 E.,
 Secs. 33, 34, and 35.

MOUNT DIABLO MERIDIAN

T. 11 S., R. 42 E.,
 Sec. 13, SW¼;
 Sec. 14, E½SE¼;
 Sec. 24, W½;
 Sec. 26, S½SE¼;
 Sec. 35, N½NE¼.
 T. 13 S., R. 46 E.,
 Sec. 35, NE¼;
 Sec. 36, NW¼.
 T. 14 S., R. 40 E., unsurveyed,
 Sec. 25, E½;
 Sec. 36, E½.
 T. 14 S., R. 41 E., unsurveyed,
 Secs. 30 and 31;
 Sec. 32, W½SW¼.
 T. 14 S., R. 45 E.,
 Sec. 18, NW¼.
 T. 15 S., R. 40 E., unsurveyed,
 Sec. 1, NE¼.
 T. 15 S., R. 41 E., unsurveyed,
 Sec. 5, W½NW¼;
 Sec. 6, All.
 T. 15 S., R. 46 E.,
 Sec. 31, S½;
 T. 16 S., R. 46 E.,
 Sec. 5, All;
 Sec. 6, N½.
 T. 16 S., R. 44 E.,
 Sec. 13, NE¼.
 T. 16½ S., R. 44 E.,
 Sec. 31, E½SE¼;
 Sec. 32, W½SW¼.
 T. 17 S., R. 44 E., unsurveyed,
 Sec. 22, SE¼;
 Sec. 27, NE¼.
 T. 16 S., R. 45 E.,
 Sec. 18, Lots 1 and 2.
 T. 18 S., R. 45 E., unsurveyed,
 Sec. 24, NE¼.
 T. 19 S., R. 44 E., unsurveyed,
 Sec. 22, SE¼;
 Sec. 23, S½;
 Sec. 28, NW¼.
 T. 19 S., R. 45 E.,
 Sec. 26, S½;
 Sec. 35, All.
 T. 20 S., R. 45 E.,
 Sec. 2, All;
 Sec. 3, SE¼;
 Sec. 10, W½ and NE¼;

Sec. 11, N½N½;
 Sec. 15, E½NW¼, W½NE¼, and SE¼;
 Sec. 22, E½ and SW¼;
 Sec. 27, N½.
 T. 21 S., R. 46 E.,
 Sec. 20, N½ and N½S½.

The lands total 62,304 acres, more or less.

The lands remain withdrawn from the public land laws and the mining laws for Death Valley National Monument by Act of Congress of September 28, 1976 (90 Stat. 1342; 16 U.S.C. 1901).

JOAN B. RUSSELL,
*Acting Chief, Lands Section,
 Branch of Lands and Minerals
 Operations.*

[FR Doc. 79-2873 Filed 1-26-79; 8:45 am]

[4310-70-M]

NATIONAL PARK SERVICE

GOLDEN GATE NATIONAL RECREATION AREA
ADVISORY COMMISSION

Meeting

Notice is hereby given in accordance with the Federal Advisory Committee Act that a meeting of the Golden Gate National Recreation Areas Advisory Commission will be held on February 24, 1979 at 9:30 a.m. (PST) at Tamalpais High School Student Center, Miller Avenue and Camino Alto, Mill Valley, CA.

The Advisory Commission was established by Pub. L. 92-589 to provide for the free exchange of ideas between the National Park Service and the public and to facilitate the solicitation of advice or other counsel from members of the public on problems pertinent to the National Park Service system in Marin and San Francisco counties.

Members of the Commission are as follows:

Mr. Frank Boerger, Chairman
 Ms. Amy Meyer, Secretary
 Mr. Ernest Ayala
 Mr. Richard Bartke
 Mr. Fred Blumberg
 Ms. Daphne Greene
 Mr. Peter Haas, Sr.
 Mr. John Jacobs
 Ms. Gimmy Park Li
 Mr. Joseph Mendoza
 Mr. John Mitchell
 Mr. Merritt Robinson
 Mr. Jack Spring
 Dr. Edgar Wayburn
 Mr. Joseph Williams

The major agenda items will be a vote upon the Marin County GGNRA pet policy guidelines, a Northeast Waterfront Committee report, a Fort Mason Committee report, a procedures committee report, and an update on the Sir Francis Drake ceremony.

This meeting is open to the public. Any member of the public may file with the Commission a written state-

ment concerning the matters to be discussed.

Persons wishing to receive further information on this meeting or who wish to submit written statements may contact Lynn H. Thompson, General Superintendent, Golden Gate National Recreation Area, Fort Mason, San Francisco, CA 94123, telephone 415-556-2920.

Minutes of the meeting will be available for the public inspection by March 24, 1979 in the Office of the General Superintendent, Golden Gate National Recreation Area, Fort Mason, San Francisco, CA.

Dated: January 19, 1979.

LYNN H. THOMPSON,
*General Superintendent, Golden
 Gate National Recreation
 Area.*

[FR Doc. 79-2866 Filed 1-26-79; 8:45 am]

[4310-70-M]

PICTURED ROCKS NATIONAL LAKESHORE
ADVISORY COMMISSION

Meeting

Notice is hereby given in accordance with Public Law 92-463 that a meeting of the Pictured Rocks National Lakeshore Advisory Commission will be held February 24, 1979, at 10 a.m. (EDT), at the Munising Community Center, Munising, Michigan.

The Commission was established by Public Law 89-668 to meet and consult with the Secretary of the Interior on general policies and specific matters related to the development of the Pictured Rocks National Lakeshore.

The members of the Commission are:

Dr. John Tanton (Chairman)
 Mr. Leo Gariepy
 Mr. Glenn C. Gregg
 Mr. David C. West
 Mr. James Becker

Matters to be addressed at the meeting will include a discussion of the Park Buffer Zone and General Development priorities. A brief report on planning progress will also be offered.

The meeting will be open to the public. Any member of the public may file with the Commission prior to the meeting a written statement concerning the matters to be discussed. Persons wishing further information concerning the meeting, or who wish to submit written statements, may contact Donald F. Gillespie, Superintendent, Pictured Rocks National Lakeshore, P.O. Box 40, Munising, Michigan 49862, telephone 906-387-2607.

Minutes of the meeting will be available for public inspection two weeks after the meeting at Pictured Rocks National Lakeshore headquarters at Sand Point, four miles east of Munising, Michigan.

Dated January 16, 1979.

RANDALL R. POPE,
Acting Regional Director,
Midwest Region.

[FR Doc. 79-2865 Filed 1-26-79; 8:45 am]

[7020-02-M]

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-58]

CERTAIN FABRICATED STEEL PLATE FROM JAPAN

Commission Action on the Presiding Officer's Recommendation

Background. The United States International Trade Commission instituted investigation No. 337-TA-58 on Certain Fabricated Steel Plate From Japan on September 11, 1978. The investigation was based upon the allegations contained in a complaint filed on behalf of the Steel Plate Fabricators Association (Complainant) under section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337). Notice of the institution of the complaint was published in the FEDERAL REGISTER on September 15, 1978 (43 FR 41299). Named as respondents in that notice were four Japanese corporations, Ishikawajima-Harima Heavy Industries, Kobe Steel Co., C. Itoh & Co., and Japan Steel Works.

On November 6, 1978, Complainant filed a motion for termination of the section 337 investigation and a request for the institution of an investigation under section 332 of the Tariff Act of 1930 (19 U.S.C. 1332). In its motion, Complainant stated continuation of the investigation would be wasteful of the resources of itself and the Commission staff. Complainant also contended that more productive results would be obtained from a nonadjudicative Commission investigation under section 332.

On December 8, 1978, the presiding officer issued his recommended determination. The presiding officer determined and recommended that there is no evidence of violation of section 337 owing to alleged collusive bidding and individual and concerted actions implementing predatory pricing schemes facilitated by alleged sales at unusually low or below cost prices. This recommended determination was rendered under Commission rule 210.53(a) (19 CFR 210.53(a)). In addition, the presiding officer recommended that Complainant's motion to terminate be granted. Finally, the presiding officer determines that Complainant's request for an investigation under Section 332 was not properly before him.

Commission determination and order. Having considered Complainant's motion to terminate this investi-

gation and request for a Section 332 investigation, the subsequent submissions of the parties and the recommended determination of the presiding officer, and the entire administrative record, the Commission determines that there is no violation of section 337 of the Tariff Act of 1930, as amended, by reason of the importation into the United States and the sale of steel plate that is the subject of this investigation, and that an investigation under section 332 of the Tariff Act of 1930 is not warranted.

Therefore, the Commission grants Complainant's motion to terminate and denies Complainant's request for an investigation under section 332.¹

Complainant has failed to establish on the record that a past or present violation of section 337 existed or exists. Therefore, the respondents are entitled to a determination of no past or present violation of the statute in the importation into the United States or in the sale of fabricated steel.

Complainant joined to its motion for termination of the present investigation a "request for institution of Investigation under 19 U.S.C. 1332". In support of this request, Complainant stated:

Far more productive results (than a continuation of the 337 investigation) would obtain from a non-adjudicative Commission investigation and report to the President and to Congress as to the products identified in the Complaint. Such an investigation and report, undertaken pursuant to 19 U.S.C. sec. 1332, would serve the dual purposes of alerting appropriate governmental officials of the severe problems the domestic steel plate fabricating industry faces from unfair foreign competitive practices, and of accumulating data essential to future investigations under Section 337.

The presiding officer correctly found that he lacked authority to institute a 332 proceeding and that such authority was exclusively within the province of the Commission in the absence of delegation of power. In short, Complainant's request was addressed to the wrong party. However, in this case we believe that the request should be treated as properly before the Commission, since there would be no benefit to the parties or to the Commission by requiring Complainant to refile the request.

Complainant's request for a section 332 investigation is denied at this time for the following reasons. First, Complainant has failed to describe the scope of the proposed investigation.

¹Commissioner Alberger notes that respondent Ishikawajima-Harima Heavy Industries (IHI) made a cross motion for termination on the basis of default by the complainant. The presiding officer recommended denial of the motion. Since the Commission is granting the present motion it is unnecessary to address respondent's request for default. The investigation being terminated, all pending motions are moot.

Second, Complainant has failed to come forward with any factual support for its allegations of unfair trade practices. Third the Commission is by this order terminating an investigation concerning the same subject matter. Finally, there has been no showing that a section 332 investigation would be of benefit to Complainant or in the public interest.

Issued: January 24, 1979.

By order of the Commission.

KENNETH R. MASON,
Secretary.

[FR Doc. 79-2991 Filed 1-26-79; 8:45 am]

[6820-49-M]

NATIONAL COMMISSION ON THE INTERNATIONAL YEAR OF THE CHILD, 1979

MEETING

In accordance with Section 10(a) of the Federal Advisory Committee Act (5 USC Appendix I), announcement is made of the following National Commission meetings schedule to assemble on February 8 and 9, 1979.

NATIONAL COMMISSION ON THE INTERNATIONAL YEAR OF THE CHILD

February 8, 1979—10:00 A.M. to 12:00 Noon;
1:00 P.M. to 5:00 P.M.

February 9, 1979—9:00 A.M. to 12:00 Noon;
1:00 P.M. to 3:30 P.M.

New Executive Office Building (Room
2010), 726 Jackson Place, N.W., Wash-
ington, D.C. 20506.

OPEN MEETING

Contact: Barbara P. Pomeroy, Executive Di-
rector, National Commission on the In-
ternational Year of the Child, Room 505, 600
E Street, N.W., Washington, D.C. 20471.

Purpose: The National Commission serves as the focal point for the observance of all International Year of the Child activities in the country, and for all United States cooperation on International Year of the Child observances with other countries. It will provide a forum for examining the fundamental needs of children; it will create a better understanding of the needs of children; both in the United States and abroad; it will encourage and/or coordinate Federal, State, and local programs to meet these needs; and it will write a report to the President on its activities and findings, including recommendations of future actions relating to the well-being of children.

The Commission will assess and identify programs which could be endorsed or replicated nationally; receive and disseminate information, ideas, and proposals for improving the well-being of the nation's children; encourage local citizen support for meeting the basic human needs of children; such as health, nutrition, legal rights, education and physical development; and foster the creation of new programs and the improvement of existing programs directed at permanently improving the status of children.

Agenda: The Commissioners will address the aforementioned issues, especially in re-

lation to the following: (a) media, (b) public awareness, (c) participation of children in program development, (d) children around the world, and (e) the development of special projects.

Attendance by the public will be limited to space available.

BENEDICT J. LATTERI,
*Administrative Officer, National
Commission on the Interna-
tional Year of the Child.*

JANUARY 23, 1979.

[FR Doc. 79-2912 Filed 1-26-79; 8:45 am]

[7537-01-M]

NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES

National Endowment for the Arts

MEDIA ARTS PANEL (AFI/ARCHIVAL)

Meeting

Pursuant to Section 10(a)(2) of the Federal Advisory Committee Act (Public Law 92-463), as amended, notice is hereby given that a meeting of the Media Arts Panel (AFI/Archival) to the National Council on the Arts will be held February 13, 1979, from 9:00 a.m. to 5:30 p.m., in Room 1426, Columbia Office Complex, 2401 E Street NW., Washington, D.C.

This meeting is for the purpose of Panel review, discussion, evaluation, and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including discussion of information given in confidence to the agency by grant applicants. In accordance with the determination of the Chairman published in the FEDERAL REGISTER of March 17, 1977, these sessions will be closed to the public pursuant to subsection (c)(4), (6) and 9(B) of section 552 of Title 5, United States Code.

Further information with reference to this meeting can be obtained from Mr. John H. Clark, Advisory Committee Management Officer, National Endowment for the Arts, Washington, D.C. 20506, or call (202) 634-6070.

JOHN H. CLARK,
*Director, Office of Council and
Panel Operations, National
Endowment for the Arts.*

JANUARY 19, 1979.

[FR Doc. 79-2874 Filed 1-26-79; 8:45 am]

[7590-01-M]

NUCLEAR REGULATORY COMMISSION

[Docket Nos. 50-348A 50-364A]

ALABAMA POWER CO. (JOSEPH M. FARLEY
NUCLEAR PLANT UNITS 1 AND 2)

Order Regarding Argument

JANUARY 23, 1979.

The Board will hear argument on the exceptions filed by all parties in this antitrust case at 9:30 a.m. on Wednesday, February 28, 1979, in the Commission's Public Hearing Room, 5th floor, 4350 East-West Highway, Bethesda, Maryland.

Counsel for the Alabama Power Company will be heard first and is allotted one hour to open; counsel for the other parties will have ninety minutes for their arguments, that time to be divided equally among them unless some other arrangement is agreed to; counsel for Alabama Power will then have one-half hour for its closing argument.

Parties on the same side are encouraged to consolidate their arguments so that common issues are argued by one counsel only; duplicative arguments are obviously an inefficient use of the time available. Moreover, any attempt to touch upon every subject covered in the briefs would be neither helpful nor appropriate. Rather, it would be more useful for counsel to attempt to justify their main points by responding to the arguments most forcefully developed in their opponents' briefs.

Each party shall, by letter to the Board Secretary, promptly acknowledge receipt of this notice and advise us of the name, address and telephone number of counsel who will argue on its behalf.

It is so ordered.

For the Appeal Board.

MARGARET E. DU FLO,
Secretary to the Appeal Board.

[FR Doc. 79-2877 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket No. 50-293]

BOSTON EDISON CO.

Issuance of Amendment to Facility Operating
License

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 36 to Facility Operating License No. DPR-35, issued to Boston Edison Company (the licensee), which revised the license and Technical Specifications for operation of the Pilgrim Nuclear Power Station Unit No. 1 (the facility) located near Plymouth, Massachusetts. The amend-

ment is effective as of its date of issuance.

This amendment changes the license and Technical Specifications relating to the receipt, possession, and use of byproduct, source and special nuclear material.

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 or negative declaration and environmental impact appraisal need not be prepared in connection with issuance of the amendment.

For further details with respect to this action, see (1) the application for amendment dated November 12, 1976, as supplemented October 16 and November 2, 1978, (2) Amendment No. 36 to License No. DPR-35, 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 Plymouth Public Library on North Street in Plymouth, Massachusetts 02360. A single 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, Md., this 17th day of January 1979.

For the Nuclear Regulatory Commission.

THOMAS A. IPPOLITO,
*Chief, Operating Reactors
Branch No. 3, Division of Op-
erating Reactors.*

[FR Doc. 79-2878 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket No. 50-325]

CAROLINA POWER & LIGHT CO.

Issuance of Amendment to Facility Operating
License

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 18 to Facility Operating License No. DPR-71, issued to Carolina Power & Light Company (the

licensee) for operation of the Brunswick Steam Electric Plant, Unit No. 1 (the facility), located in Brunswick County, North Carolina. The amendment is effective as of its date of issuance.

The amendment adds a Special Test Exception to allow lowering the reactor vessel water level for extended maintenance during the current refueling outage.

The application for 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 the amendment was not required since the amendment does not involve a significant hazards consideration.

The Commission has determined that the issuance of the amendment will not result in any significant environmental impact and that pursuant to 10 CFR 51.5(d)(4) an environmental impact statement or negative declaration and environmental impact appraisal need not be prepared in connection with issuance of the amendment.

For further details with respect to this action, see (1) the application for amendment dated January 18, 1978, (2) Amendment No. 18 to License No. DPR-71, and (3) the Commission's related Safety Evaluation. These items are available for public inspection at the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C. 20555, and at the Southport-Brunswick County Library, 109 West Moore Street, Southport, North Carolina 28461. 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, Md., this 19th day of January 1979.

For the Nuclear Regulatory Commission.

THOMAS A. IPPOLITO,
Chief, Operating Reactors
Branch No. 3, Division of Operating Reactors.

[FR Doc. 79-2879 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket Nos. 50-454, 50-455, 50-456, 50-457]

COMMONWEALTH EDISON CO.

Establishment of Atomic Safety and Licensing Board To Preside in Proceeding

Pursuant to delegation by the Commission dated December 29, 1972, pub-

lished in the FEDERAL REGISTER (37 FR 28710) and §§ 2.105, 2.700, 2.702, 2.714, 2.714a, 2.717 and 2.721 of the Commission's regulations, all as amended, an Atomic Safety and Licensing Board is being established in the following proceeding to rule on petitions for leave to intervene and/or requests for hearing and to preside over the proceeding in the event that a hearing is ordered.

COMMONWEALTH EDISON Co. (Byron Station, Units 1 and 2; and Braidwood Station, Units 1 and 2) Construction Permit Nos. CPPR-130, CPPR-131, CPPR-132, and CPPR-133

This action is in reference to a notice published by the Commission on December 15, 1978, in the FEDERAL REGISTER (43 FR 58659-60) entitled "Receipt of Application for Facility Operating Licenses; Notice of Consideration of Issuance of Facility Operating Licenses; Notice of Availability of Environmental Reports; and Notice of Opportunity for Hearing".

The Chairman of this Board and his address is as follows:

Edward Luton, Esq., Atomic Safety and Licensing Board Panel, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555.

The other members of the Board and their addresses are as follows:

Dr. A. Dixon Callihan, Union Carbide Corporation, P.O. Box Y, Oak Ridge, Tennessee 37830.

Dr. Franklin C. Dalber, College of Marine Studies, University of Delaware, Newark, Delaware 19711.

Dated at Bethesda, Md., this 23rd day of January 1979.

ROBERT M. LAZO,
Acting Chairman, Atomic Safety
and Licensing Board Panel.

[FR Doc. 79-2880 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket No. 50-255]

CONSUMERS POWER CO.

Proposed Issuance of Amendment to Provisional Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has received from the Consumers Power Company (the licensee) a request dated January 3, 1979, for any commission review and approval required to replace the steam generators at the Palisades Plant (the facility) located in Covert Township, Van Buren County, Michigan. Such replacement will entail the issuance of an amendment to Provisional Operating License No. DPR-20.

Accordingly, notice is hereby given that the Commission has under consideration an amendment to this license which would authorize the licensee to remove the steam generators now in use in the facility, to replace

such steam generators with new steam generators and to return the facility to operation using the new steam generators.

The Commission will not issue the amendment: (1) Until the completion of a Safety Evaluation on the licensee's request by its Office of Nuclear Reactor Regulation and the completion of any environmental review which may be required by the Commission's regulations in 10 CFR Part 51; and (2) unless favorable findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's rules and regulations have been made.

By February 28, 1979, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written petition for leave to intervene. Requests for a hearing and petitions for leave to intervene shall be filed in accordance with the Commission's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board, designated by the Commission or by the Chairman of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition and the Secretary or the designated Atomic Safety and Licensing Board will issue a notice of hearing or an appropriate order.

As required by 10 CFR 2.714, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) The nature of the petitioner's right under the Act to be made a party to the proceeding; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspect(s) of the subject matter of the proceeding as to which petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or who has been admitted as a party may amend his petition, but such an amended petition must satisfy the specificity requirements described above.

Not later than fifteen (15) days prior to the first prehearing conference scheduled in the proceeding, the peti-

tioner shall file a supplement to the petition to intervene which must include a list of the contentions which are sought to be litigated in the matter, and the bases for each contention set forth with reasonable specificity. A petitioner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party. Contentions shall be limited to the matters within the scope of the amendment under consideration. A petition that sets forth contentions relating only to matters outside the scope of the amendment under consideration will be denied. Persons whose petitions are denied for such reason, and persons whose contentions are denied as outside the scope of the amendment under consideration, may file requests with respect to such matters with the Director of the Office of Nuclear Reactor Regulation in accordance with 10 CFR 2.206.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

A request for a hearing or a petition for leave to intervene shall be filed with the Secretary of the Commission, United States Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Docketing and Service Section, or may be delivered to the Commission's Public Document Room, 1717 H Street, NW., Washington, D.C. by the above date. Where petitions are filed during the last ten (10) days of the notice period, it is requested that the petitioner or representative for the petitioner promptly so inform the Commission by a toll-free telephone call to Western Union at (800) 325-6000 (in Missouri (800) 342-6700). The Western Union operator should be given Datagram Identification Number 3737 and the following message addressed to Dennis L. Ziemann: (petitioner's name and telephone number); (date petition was mailed); (plant name); and (publication date and page number of this FEDERAL REGISTER notice). A copy of the petition should also be sent to the Executive Legal Director, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, and to M. I. Miller, Esquire, Isham, Lincoln & Beale, Suite 4200, One First National Plaza, Chicago, Illinois 60670, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer, or

the Atomic Safety and Licensing Board designated to rule on the petition and/or request, that the petitioner has made a substantial showing of good cause for the granting of a late petition and/or request. That determination will be based upon a balancing of the factors specified in 10 CFR 2.714(a) (i)-(v) and 2.714(d).

As part of its authority to regulate the conduct of the hearing, if one is held, the presiding Atomic Safety and Licensing Board may, in accordance with 10 CFR Part 2, Appendix A, upon request of a party or on its own initiative, consider a particular issue or issues, encompassed within the amendment under consideration, separately from and prior to other issues; and may issue a separate initial decision thereupon, if deemed appropriate, which shall be dispositive of such issue(s) in the absence of appeal or Commission or Appeal Board review, before hearing on and consideration of the remaining issues in the proceeding.

For further details pertinent to these matters, see the licensee's letter dated January 3, 1979, and the enclosed Steam Generator Repair Report, in addition to other material that may be submitted by the licensee in support of this action, all of which are or will be available for public inspection at the NRC's Public Document Room, 1717 H Street, NW., Washington, D.C., and at the Kalamazoo Public Library, 315 South Rose Street, Kalamazoo, Michigan 49006.

Dated at Bethesda, Md., this 19th day of January, 1979.

For the Nuclear Regulatory Commission.

DENNIS L. ZIEMANN,
Chief, Operating Reactors
Branch No. 2, Division of Operating Reactors.

[FR Doc. 79-2876 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket No. 50-3221]

LONG ISLAND LIGHTING CO.

Relocation of Local Public Document Room

Notice is hereby given that the Nuclear Regulatory Commission has relocated the Local Public Document Room (LPDR) for Long Island Lighting Company's Shoreham Nuclear Power Station being built in Suffolk County, Long Island, New York.

The Shoreham LPDR document collection has been on file at the Comsewogue Public Library in Port Jefferson since 1971; but, due to a space problem, they can no longer continue to serve as a local public document room and asked that the material be moved.

Members of the public may now inspect documents and correspondence relating to the proposed Shoreham Station at the Shoreham-Wading River Public Library, Route 25A, Shoreham, New York 11786. The Library's hours of operation are as follows: Monday and Wednesday from 1:00 pm to 9:00 pm; Tuesday, Thursday and Friday from 10:00 am to 9:00 pm; and Saturday from 10:00 am to 5:00 pm.

Documents and correspondence relating to the Shoreham Station are also available for inspection and copying at the Nuclear Regulatory Commission's Public Document Room, 1717 H Street, NW., Washington, DC 20555.

Dated at Bethesda, Md., this 23d day of January, 1979.

For the Nuclear Regulatory Commission.

STEVEN A. VARGA,
Chief, Light Water Reactors
Branch No. 4, Division of Project Management.

[FR Doc. 79-2881 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket Nos. 50-245 and 50-336]

NORTHEAST NUCLEAR ENERGY CO., CONNECTICUT LIGHT AND POWER CO., HARTFORD ELECTRIC LIGHT CO., AND WESTERN MASSACHUSETTS ELECTRIC CO.

Issuance of Amendments to Operating Licenses

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 57 to Provisional Operating License No. DPR-21 and Amendment No. 47 to Facility Operating License No. DPR-65 to Northeast Nuclear Energy Company, The Connecticut Light and Power Company, The Hartford Electric Light Company, and Western Massachusetts Electric Company, which revised the Technical Specifications for operation of the Millstone Nuclear Power Station, Unit Nos. 1 and 2, located in the Town of Waterford, Connecticut. The amendments are effective as of their date of issuance.

These amendments modify the Environmental Technical Specifications to allow test and improvements to the design of the fish barrier in the discharge canal and to reflect changes necessitated by a reorganization of the Nuclear Engineering and Operations Departments.

The applications for the amendments comply 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 amendments. Prior public notice of these amendments was not required since the amendments do not involve a significant hazards consideration.

The Commission has determined that the issuance of these amendments will not result in any significant environmental impact and that pursuant to 10 CFR 51.5(d)(4) an environmental impact statement or negative declaration and environmental impact appraisal need not be prepared in connection with issuance of these amendments.

For further details with respect to this action, see (1) the applications for amendments dated March 21, 1978 and August 15, 1978, (2) Amendment Nos. 57 and 47 to License Nos. DPR-21 and DPR-65, respectively, and (3) the Commission's related evaluation as contained in the letter transmitting these amendments. 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 Waterford Public Library, Rope Ferry Road, Route 156, Waterford, Connecticut. 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, Md., this 12th day of January, 1979.

For the Nuclear Regulatory Commission.

THOMAS V. WAMBACH,
Acting Chief, Operating Reactors Branch No. 2, Division of Operating Reactors.

[FR Doc. 79-2882 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket No. 50-3441]

**PORTLAND GENERAL ELECTRIC CO., ET AL.
(TROJAN NUCLEAR PLANT)**

**Assignment 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 assigned the following panel members to serve as the Atomic Safety and Licensing Appeal Board for this control building proceeding.

Alan S. Rosenthal, Chairman
Dr. John H. Buck
Dr. W. Reed Johnson

Dated: January 18, 1979.

MARGARET E. DU FLO,
*Secretary to the
Appeal Board.*

[FR Doc. 79-2883 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket Nos. STN 50-556, STN 50-557]

PUBLIC SERVICE CO. OF OKLAHOMA, ASSOCIATED ELECTRIC COOPERATIVE, INC. AND WESTERN FARMERS ELECTRIC COOPERATIVE, INC. (BLACK FOX STATION, UNITS 1 AND 2)

Order Rescheduling Oral Argument

JANUARY 19, 1979.

At intervenors' request, the argument previously calendared for January 31, 1979 has been rescheduled for 10:00 a.m., Tuesday, March 27, 1979, in Courtroom Number 3, United States Courthouse, 333 West 4th Street, Tulsa, Oklahoma.

The time allotted for presentation of argument and notice of matters which the Board particularly wishes addressed will be announced subsequently. No later than March 5, 1979, each party shall inform the Board Secretary of the name, address and telephone number of counsel who will present oral argument on its behalf.

It is so ordered.

For the Appeal Board.

MARGARET E. DU FLO,
*Secretary to the
Appeal Board.*

[FR Doc. 79-2884 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket Nos. STN 50-556, STN 50-557]

PUBLIC SERVICE CO. OF OKLAHOMA, ASSOCIATED ELECTRIC COOPERATIVE, INC. AND WESTERN FARMERS ELECTRIC COOPERATIVE (BLACK FOX STATION, UNITS 1 AND 2)

Order Resuming Evidentiary Hearing on Health and Safety Issues

Please Take Notice and It Is Hereby Ordered that the evidentiary hearing on health and safety issues will resume at 9:30 AM on February 19, 1979 and, on weekdays and Saturdays, will continue through March 3, 1979. The location of the hearing is as follows:

Courtroom No. 3
United States Courthouse
333 West 4th Street
Tulsa, Oklahoma

While members of the public are invited to attend the public sessions of this evidentiary hearing, certain sessions will be conducted *in camera* pursuant to the Board's Protective Order issued January 5, 1979.

It is so ordered.

For the Atomic Safety and Licensing Board.

Dated at Bethesda, Md., this 19th day of January 1979.

SHELDON J. WOLFE, Esquire,
Chairman.

[FR Doc. 79-2885 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket No. 50-2441]

ROCHESTER GAS AND ELECTRIC CORP.

**Issuance of Amendment to Provisional
Operating License**

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 22 to Provisional Operating License No. DPR-18, issued to Rochester Gas and Electric Corporation (the licensee), which revised the Technical Specifications for operation of the R. E. Ginna Plant (the facility) located in Wayne County, New York. The amendment is effective as of its date of issuance.

The amendment consists of changes to the Technical Specifications relating to the offsite and onsite management organization.

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 or negative declaration and 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 dated October 11, 1978 (transmitted by letter dated October 16, 1978), and (2) Amendment No. 22 to License No. DPR-18, including the Commission's related transmittal letter. 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 Rochester Public Library, 115 South Avenue, Rochester, New York 14627. A copy of item (2) 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, Md., this 17th day of January 1979.

For the Nuclear Regulatory Commission.

DENNIS L. ZIEMANN,
Chief, Operating Reactors
Branch No. 2, Division of Operating Reactors.

[FR Doc. 79-2886 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket No. 50-259]

TENNESSEE VALLEY AUTHORITY

Issuance of Amendment to Facility Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 47 to Facility Operating License No. DPR-33 issued to Tennessee Valley Authority (the licensee), which revised the Technical Specifications for operation of the Browns Ferry Nuclear Plant, Unit No. 1 (the facility) located in Limestone County, Alabama. The amendment is effective as of the date of issuance.

This amendment permits operation of Browns Ferry Unit No. 1 in Cycle No. 3 following the second refueling outage.

The application for this 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, or negative declaration and 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 dated September 8, 1978, as supplemented by letters dated October 5, 1978, November 30, 1978, December 5, 1978, December 14, 1978, January 8, 1979 and January 9, 1979, (2) Amendment No. 47 to License No. DPR-33, 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, NW.,

Washington, D.C., and at the Athens Public Library, South and Forrest, Athens, Alabama 35611. 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, Md., this 17th day of January 1979.

THOMAS A. IPPOLITO,
Chief, Operating Reactors
Branch No. 3, Division of Operating Reactors.

[FR Doc. 79-2887 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket No. 50-271]

VERMONT YANKEE NUCLEAR POWER CORP.

Issuance of Amendment to Facility Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 49 to Facility Operating License No. DPR-28, issued to Vermont Yankee Nuclear Power Corporation which revised Technical Specifications for operation of the Vermont Yankee Nuclear Power Station (the facility) located near Vernon, Vermont. The amendment is effective as of its date of issuance.

The amendment revises the Technical Specifications relating to the standby gas treatment systems.

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 the amendment will not result in any significant environmental impact and that pursuant to 10 CFR 51.5(d)(4) an environmental impact statement or negative declaration and environmental impact appraisal need not be prepared in connection with issuance of the amendment.

For further details with respect to this action, see (1) the application for amendment dated June 8, 1976, as supplemented May 11, 1978, (2) Amendment No. 49 to License No. DPR-28, 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., Washing-

ton, D.C. and at the Brooks Memorial Library, 224 Main Street, Brattleboro, Vermont.

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, Md., this 19th day of January 1979.

For the Nuclear Regulatory Commission.

THOMAS A. IPPOLITO,
Chief, Operating Reactors
Branch No. 3, Division of Operating Reactors.

[FR Doc. 79-2888 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket Nos. 50-280, 50-281]

VIRGINIA ELECTRIC AND POWER CO.

Issuance of Amendments to Facility Operating Licenses and Negative Declaration

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment Nos. 47 and 46 to Facility Operating License Nos. DPR-32 and DPR-37, issued to Virginia Electric and Power Company for operation of the Surry Power Station Unit Nos. 1 and 2 (the facilities) located in Surry County, Virginia. These amendments are effective as of the date of issuance.

The amendments approve the steam generator repair program for the Surry Power Station, Units 1 and 2 and provide license conditions related to the repair and post-repair operations.

The amendments comply 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 amendments. Notice of Proposed Issuance of Amendments to Facility Operating Licenses in connection with this action was published in the FEDERAL REGISTER on October 27, 1977 (42 FR 56652). No request for hearing was filed in response to that notice.

The Commission has prepared an environmental impact appraisal for the license amendments and has concluded that an environmental impact statement for this particular action is not warranted because the action will not significantly affect the quality of the human environment.

For further details with respect to this action, see (1) Amendment Nos. 47 and 46 to DPR-32 and DPR-37, (2) the Commission's related Safety Evalua-

tion dated December 15, 1978 and (3) the Commission's Environmental Impact Appraisal. 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 Swem Library, College of William and Mary, Williamsburg, Virginia. A copy of items (1), (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, Md., this 20th day of January 1979.

For the Nuclear Regulatory Commission.

A. SCHWENCER,
Chief, Operating Reactors
Branch No. 1, Division of Operating Reactors.

[FR Doc. 79-2889 Filed 1-26-79; 8:45 am]

[7590-01-M]

[Docket No. 50-305]

WISCONSIN PUBLIC SERVICE CORP., WISCONSIN POWER AND LIGHT CO. AND MADISON GAS AND ELECTRIC CO.

Issuance of Amendment to Facility Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 25 to Facility Operating License No. DPR-43 issued to Wisconsin Public Service Corporation, Wisconsin Power and Light Company, and Madison Gas and Electric Company (the licensee) which revised Technical Specifications for operation of the Kewaunee Nuclear power plant located in Kewaunee, Wisconsin. The amendment is effective as of the date of issuance.

The amendment corrects the definition of rated power, updates the listing of safety-related shock suppressors, corrects several errors in the listing of fire detectors, corrects the minimum auto start pressure for fire pumps, and deletes a definition relevant to Cycle 1 only.

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 envi-

ronmental impact and that pursuant to 10 CFR 51.5(d)(4) an environmental impact statement or negative declaration and 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 dated November 10, 1978, (2) Amendment No. 25 to Facility Operating License No. DPR-43, 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. 20555, and at the Kewaunee Public Library, 314 Milwaukee Street, Kewaunee, Wisconsin 54216. 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, Md., this 19th day of January, 1979.

For the Nuclear Regulatory Commission.

A. SCHWENCER,
Chief, Operating Reactors
Branch No. 1, Division of Operating Reactors.

[FR Doc. 79-2890 Filed 1-26-79; 8:45 am]

[7590-01-M]

PETITIONS FOR RULEMAKING

Issuance of Quarterly Report

The Nuclear Regulatory Commission has issued the December 31, 1978, quarterly report on petitions for rulemaking. This report is issued in accordance with 10 CFR 2.802 and is a quarterly summary of petitions for rulemaking that are pending final action.

A copy of this report, designated NRC Petitions for Rulemaking Pending Final Action as of December 31, 1978, is available for inspection and copying at the Commission's Public Document Room 1717 H Street, N.W., Washington, D.C.

Requests for single copies of this report, or request to be placed on an automatic distribution list for single copies of future reports, should be made in writing to the Division of Rules and Records, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, D.C., 20555.

Dated at Bethesda, Md., this 18th day of January 1979.

For the Nuclear Regulatory Commission.

JOSEPH M. FELTON,
Director, Division of Rules and Records, Office of Administration.

[FR Doc. 79-2891 Filed 1-26-79; 8:45 am]

[8010-01-M]

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. 20893; 70-5741]

SOUTHWESTERN ELECTRIC POWER CO. AND PUBLIC SERVICE CO. OF OKLAHOMA

Proposed Rail Car Maintenance Facility Agreement Between Subsidiaries

JANUARY 19, 1979.

Notice is hereby given that Southwestern Electric Power Company ("SWEPCO"), P.O. Box 21106, Shreveport, Louisiana 71156, and Public Service Company of Oklahoma ("PSO"), P.O. Box 201, Tulsa, Oklahoma 74102, both electric utility subsidiaries of Central and South West Corporation ("CSW"), a registered holding company, have filed post-effective amendments to an application-declaration previously filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act") designating Sections 6(a), 7, 9(a) and 10 of the Act and Rule 50 promulgated thereunder as applicable to the following proposed transaction. All interested persons are referred to the application-declaration, as amended, which is summarized below, for a complete statement of the proposed transaction.

By orders dated April 6, 1976 and August 9, 1976 (HCAR Nos. 19468 and 19643) issued in this proceeding, SWEPCO was authorized to acquire, finance, construct and operate a unit train repair shop ("Repair Shop") near Alliance, Nebraska. The Repair Shop is to be used for the maintenance and repair of railroad cars for the transportation of coal to SWEPCO's generating plants. The previous order of August 9, 1976 stated that no rail transportation services utilizing the subject cars shall be provided by SWEPCO for any associated company in the CSW system except pursuant to a further order of this Commission.

PSO has under construction two 450 Mw coal-fired generating units at its Northeastern Station near Oologah, Oklahoma. The coal for these units will come from a Wyoming mine, a distance of about 1,100 miles from the Northeastern Station. To make transportation over such distance feasible PSO will use unit trains. The details respecting the purchase and the financing arrangements for the unit trains will be the subject of a separate filing with the Commission. PSO's trains will run over the same Burlington Northern tracks through Alliance, Nebraska as SWEPCO's unit trains. The Repair Shop can be expanded to handle all of PSO's maintenance

needs through the addition of labor force and equipment without the need to construct additional plant space.

SWEPCO and PSO ("the Companies") have now filed post-effective amendments proposing that they enter into a Rail Car Maintenance Facility Agreement ("Facility Agreement") which provides for PSO's participation in the cost and the use of the Repair Shop. The Companies propose a formula for the sharing of lease payments, all other costs capitalized according to generally accepted accounting principles, and general operation and maintenance costs. The Companies propose that the above itemized costs be shared between them on a "Cost Ratio", a proportion equal to the ratio that each Company's direct labor costs for its rail cars actually repaired or inspected at the Facility bears to the total direct labor costs for all rail cars owned by the Companies repaired or inspected at the Facility. The "Cost Ratio" will be determined of the last day of each calendar month commencing with the month of the first delivery of PSO rail cars. Each Company will pay the actual direct costs of inspection and maintenance of its own rail cars, including parts, maintenance, labor and other expenses capable of direct assignment to a specific rail car. All costs to PSO will be determined in accordance with Rule 91.

In the event that leasehold improvements are made in the future, the Companies agree that they will share the costs of such improvements on such terms and conditions as are agreed to by the Companies at the time of such improvements and as are approved by further application to the Commission. In reaching such agreement the Companies have indicated that full consideration will be given to which Company's increased number of rail cars necessitated the improvement.

Pursuant to the Facility Agreement, PSO has been granted an irrevocable option to elect to take legal title to a certain portion of the Repair Shop at such time as SWEPCO acquires legal title to the Repair Shop. PSO's option will allow it to take title to a portion in a percentage equal to the proportion that leasehold and capital payments made by PSO bears to the total leasehold and capital payments related to the Repair Shop made by both PSO and SWEPCO.

PSO intends to include the full amount of its lease and capital payments in determining its fuel costs for purposes of the fuel cost adjustment clauses in its rates, subject to applicable regulatory authority approval. SWEPCO will treat PSO's payments in the nature of sublease payments and they will be credited to its fuel

costs for purposes of its fuel cost adjustment clause.

SWEPCO, pursuant to the Facility Agreement, will retain all the tax benefits of its equitable ownership of the repair shop and PSO will receive as a credit to the payments required by the Facility Agreement a share of such tax benefits based on a weighted average cost ratio for each fiscal year.

It is stated that no state commission, and no federal commission other than this Commission has jurisdiction over the proposed transaction. Fees and expenses to be incurred in connection with the proposed transaction are estimated at \$6,000, including legal fees of \$5,000.

Notice is further given that any interested person may, not later than February 12, 1979, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said application-declaration, as further amended by said post-effective amendments, which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D. C. 20549. A copy of such request should be served personally or by mail upon the applicants-declarants at the above-stated address, and proof of service (by affidavit or, in case of attorney at law, by certificate) should be filed with the request. At any time after said date, the application-declaration, as amended by said post-effective amendments, or as it may be further amended, may be granted and permitted to become effective as provided in Rule 23 of the General Rules and Regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. Persons who request a hearing or advice as to whether a hearing is ordered will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Corporate Regulation, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc. 79-2906 Filed 1-26-79; 8:45 am]

[8010-01-M]

[Release No. 6017; 18-30]

THE THOMPSON, HINE AND FLORY

Filing of Application Pursuant to Section 3(a)(2) of the Securities Act of 1933 for an Order Exempting From the Provisions of Section 5 of the Act Interests or Participations in the Thompson, Hine and Flory Profit-Sharing Plan

Notice is hereby given that Thompson, Hine and Flory (hereinafter referred to as the "Applicant" or the "Firm"), National City Bank building, Cleveland, Ohio 44114 a law firm organized as a partnership under the laws of the State of Ohio, on January 11, 1979, filed an application for exemption from the registration requirements of the Securities Act of 1933 (the "Act") for participations or interests issued in connection with the Thompson, Hine and Flory Profit-Sharing Retirement Plan (the "Plan"). All interested persons are referred to that document, which is on file with the Commission, for the facts and representations contained therein, which are summarized below.

The Plan covers the Firm's partners and lawyer and non-lawyer employees, of whom 42 partners, 24 lawyers, and 46 non-lawyer employees were participating on November 30, 1978. All employees of the Firm are eligible to participate in the Plan if they participated in the Plan prior to December 1, 1976, or have completed three years of service with the Firm and are at least 25 years of age.

Applicant states that the Plan is of the type commonly referred to as a "Keogh" plan, which covers persons (in this case, Applicant's partners) who are employees within the meaning of Section 401(c)(1) of the Internal Revenue Code of 1954, as amended (the "Code"), and therefore, is excepted from the exemption provided by Section 3(a)(2) of the Act for interests or participations in employee benefit plans of corporate employers. Section 3(a)(2) of the Act provides, however, that the Commission may exempt from the provisions of Section 5 of the Act, any interest or participation issued in connection with a pension or profit-sharing plan which covers employees, some or all of whom are employees within the meaning of Section 401(c)(1) of the Code, if and to the extent that the Commission determines this to be necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

DESCRIPTION AND ADMINISTRATION OF THE PLAN

Applicant states that the Plan was originally adopted in 1969 and was amended and restated in its entirety, effective as of December 1, 1976, in order to comply with the Employee Retirement Income Security Act of 1974 ("ERISA"). The Internal Revenue Service has issued a ruling to the effect that the Plan, as so amended and restated continues to be a qualified plan under Section 401 (a) of the Code. The Plan is an "employee pension benefit plan" subject to the fiduciary standards and to the full reporting and disclosure requirements of ERISA.

Applicant makes annual contributions to the Plan on behalf of all participants in amounts equal to specified percentages of their compensation. In addition, each participant may make voluntary contributions of not more than 10% of such participant's aggregate compensation for all years during which the person has been a participant, subject to certain limitations. Since November, 1976, participants may elect to direct voluntary contributions to either an Income Fund which principally invests in government securities and corporate bonds, or a General Fund, which principally invests in common stocks and bonds.

Applicant states that the Society National Bank of Cleveland is trustee (the "Trustee") for the Plan under an Amended Trust Agreement (the "Trust Agreement"). Under the Trust Agreement, the Trustee is solely responsible for the investment of amounts contributed to the Plan, except where the Firm has appointed an investment manager. Currently, the Income Fund is managed by the Trustee, while the General Fund is managed by Alexander, Van Cleef & Wood, a division of Alliance Capital Management Corporation and a registered investment adviser.

Applicant represents that none of the assets of the Plan have or will be invested in any collective or commingled fund containing assets other than assets of the Plan.

The Plan is administered by the Firm's Retirement Committee, which presently consists of three partners of the Firm. The Retirement Committee has general authority to control the operation of the Plan and to supervise its administration. It also has authority to employ investment counsel, accountants and other experts to assist in the administration of the Plan.

Applicant states that were the Firm a corporation, rather than a partnership, interests or participations issued in connection with the Plan would be exempt from registration under Section 3(a)(2) of the Act, because no person who would be an "employee"

within the meaning of Section 401(c)(1) of the Code would participate in the Plan. Applicant submits that the mere fact that were the Firm conducts its business as a partnership rather than as a corporation should not result in a requirement that interests in the Plan be registered under the Act.

Applicant states that the Firm's partners not permitted to participate in the Plan, the interests or participations issued in connection with the Plan would be exempt under Section 3(a)(2) since no other persons covered by the Plan would be "employees" within the meaning of Section 401(c)(1) of the Code. Applicant submits that there is no valid basis for a contrary result merely because the Plan also covers partners in the Firm.

Applicant further submits that the characteristics of the Plan are essentially typical of those maintained by many single corporate employers and the legislative history of the relevant language in Section 3(a)(2) of the Act does not suggest intent on the part of Congress that interests issued in connection with single-employer Keogh plans necessarily should be registered under the Act. Rather, Congress excluded interests issued in connection with Keogh plans from the Section 3(a)(2) exemption primarily out of concern over interests or participations in commingled or collective Keogh funds which might be marketed by sponsoring financial institutions to self-employed persons unsophisticated in the securities field. The Plan is not a master or prototype plan and Plan assets are not invested in or commingled with assets of any other plans or collective funds, and the Plan, like similar plans of large corporations, has been specifically tailored to meet the Firm's own particular requirements.

Applicant represents that it has not distributed and does not intend to distribute any type of promotional material relating to the Plan (other than such material as Applicant is required under ERISA to distribute to participants). In addition, Applicant makes available to Plan participants on request the latest interim financial statements of the Plan.

Applicant states that it is engaged in furnishing legal services of a type which necessarily involves sophisticated and complex financial matters and, accordingly, is able to represent adequately its interests and the interests of its employees who are participants in the Plan.

Applicant concludes that for the foregoing reasons, granting the requested exemption would be appropriate in the public interest, consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person may, not later than February 13, 1979, at 5:30 P.M., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request, and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail upon applicant at the address stated above. Proof of such service (by affidavit or, in the case of an attorney at law, by certificate) shall be filed contemporaneously with the request. An order disposing of the matter will be issued as of course following February 13, 1979, unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered, will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc. 79-2907 Filed 1-26-79; 8:45 am]

[8025-01-M]

SMALL BUSINESS ADMINISTRATION

[License No. 02/02-0073]

COMMUNICATIONS FUND, INC.

Filing of an Application for a Transfer of Control of a Licensed Small Business Investment Company

Notice is hereby given that an application has been filed with the Small Business Administration (SBA) pursuant to Section 107.701 of the Regulations governing small business investment companies (13 CFR 107.701) (1979), to transfer control of Communications Fund, Inc. (CF), 1271 Avenue of the Americas, New York, New York 10020, a Federal Licensee under the Small Business Investment Act of 1958, as amended (the Act).

Communications Fund, Inc., was licensed by SBA on July 27, 1961. Its present paid in capital and paid-in surplus is \$171,250.

The proposed transfer of control and ownership is subject to and contingent upon approval by SBA.

The outstanding stock of CF is owned 100 percent by the Communications Corporation of America (CCA).

Mr Walliser is CF's current President, Treasurer and General Manager. The change in ownership and control would result from the sale of CCA's outstanding stock presently owned 87 percent by Blair Walliser to Jordan S. Cohen and three other investors.

After the transfer of control the officers, directors and shareholders of CCA will be as follows:

Name and Title

Jordan S. Cohen, 307 Lester Court, West Hempstead, New York 11552, President, Director, 59%.

David P. Catsman, 1110 Brickell Avenue, Miami, Florida 33131, Counsel, Director, 16.1%.

Leonard D. Pearlman, 969 Park Avenue, New York, New York 10017, Vice President, Director, 19.6%.

Charles Kaufman, CPA, 3671 Hudson Manor Terrace, Riverdale, New York 10463, Comptroller, Director, 5.3%.

Jack Farber, 5708 Bamboo Circle, Tamarac, Florida 33319, Director.

These individuals will serve in similar capacities as officers and directors of CF under Jordan Cohen who will be its General Manager.

Matters involved in the SBA consideration of the application include the general business reputation and character of the proposed owners and management, including adequate profitability and financial soundness, in accordance with the Act and SBA Rules and Regulations promulgated thereunder.

Any person may on or before February 13, 1979 submit to the SBA written comments on the proposed SBIC to the Deputy Associate Administrator for Investment, 1441 "L" Street, N.W., Washington, D.C. 20416.

A copy of this Notice shall be published in a newspaper of general circulation in New York, New York.

(Catalog of Federal Domestic Assistance Program No. 59.011, Small Business Investment Companies).

Dated: January 22, 1979.

PETER F. McNEISH,
Deputy Associate Administrator
for Investment.

[FR Doc. 79-2859 Filed 1-26-79; 8:45 am]

[8025-01-M]

[License No. 01/01-0295]

MANSFIELD CAPITAL CORP.

Issuance of License To Operate as a Small
Business Investment Company

On December 27, 1978, a Notice was published in the FEDERAL REGISTER (43 FR 60363) stating that Mansfield Capital Corporation, Mountain Road, Stowe, Vermont 05672, had filed an

application with the Small Business Administration, pursuant to §107.102 of the Regulations governing small business investment companies (13 CFR 107.102 (1978)) for a License to operate as a small business investment company.

Interested persons were given until the close of business on January 11, 1979, to submit written comments on the Application to the SBA.

Notice is hereby given that no comments were received and, having considered the Application and all other pertinent information, the SBA approved the issuance of License No. 01/01-0295, to Mansfield Capital Corporation on January 22, 1979, pursuant to Section 301(c) of the Small Business Investment Act of 1958, as amended.

(Catalogue of Federal Domestic Assistance Program No. 59.011 Small Business Investment Companies)

Dated: January 22, 1979.

PETER F. McNEISH,
Deputy Associate Administrator
for Investment.

[FR Doc. 79-2962 Filed 1-26-79; 8:45 am]

[4710-10-M]

DEPARTMENT OF STATE

[Public Notice CM-8/153]

ADVISORY COMMITTEE ON THE LAW OF THE SEA

Partially Closed Meeting

In accordance with Section 10(d) of the Federal Advisory Committee Act (Pub. L. 92-463) as amended by Pub. L. 94-409 Section 5(c), notice is hereby given that the Advisory Committee on the Law of the Sea will meet in closed sessions on Thursday, March 8 and in both open and closed sessions on Friday, March 9, 1979. The open session of the meeting will convene Friday at 2:30 p.m. in the Dean Acheson Auditorium, U.S. Department of State, 21st and C Streets, N.W., Washington, D.C.

The purpose of the closed meeting is to discuss specific conference issues and formal planning and policy preparations for the U.S. Delegation to the Eighth Session of the Third United Nations Conference on the Law of the Sea to be held in Geneva beginning March 19, 1979. During these closed sessions, documents classified under the provisions of Executive Order 12065 will be discussed.

These documents relate to the issues which the United States will be negotiating at the Conference. The documents are exempt under 5 U.S.C. 552b (c) (1), and are required to be withheld from disclosure in the public interest.

The issues cover such subjects as freedom of navigation on the high

seas and in international straits, national security interests, the nature of a deep seabeds mining regime and proposed deep seabed mining legislation, the breadth of the continental margin, the juridical status of the economic zone, fisheries, vessel source pollution, scientific research, dispute settlement, and other related topics involving U.S. national security matters. Premature disclosure of the contents of these documents could adversely affect our foreign relations interests and jeopardize the chances of obtaining a timely and satisfactory Law of the Sea Treaty.

The open session of the Advisory Committee meeting will discuss all principal agenda issues to be considered during the Third United Nations Conference on the Law of the Sea, including those issues stated above, but will not examine the classified items discussed during the closed session.

The Advisory Committee on the Law of the Sea represents a broad cross-section of industries, professions, academic disciplines and other public groups. As such, it will comprehensively review the proposals which will come before the Conference.

At the open session, beginning at 2:30 p.m., March 9, the general public attending may participate in the discussion subject to instructions of the Chairman.

As entrance to the State Department is controlled, members of the public who wish to attend the open session should contact Mr. Thomas Okada by March 2 and provide their name and affiliation to facilitate their attendance. Mr. Okada's telephone number is (area code 202) 632-8232.

Dated: January 10, 1979.

ALAN BERLIND,
Director, Office of the Law of the
Sea Negotiations.

[FR Doc. 79-2875 Filed 1-26-79; 8:45 am]

[4910-14-M]

DEPARTMENT OF TRANSPORTATION

Coast Guard

[CGD 79-015]

PORT ACCESS ROUTES

Relationship to OCS and Gas Leases

The Coast Guard is undertaking a study of the potential vessel traffic density and the need for safe access routes for vessels in the North Atlantic Ocean. The results of this study could cause restrictions on the manner in which specific areas leased after the date of this Notice may be explored and developed for natural resources. Any action taken as a result of the study would be consistent with subsections 4(c)(1) and 4(c)(2) of the Ports and Waterways Safety Act

(PWSA), (Pub. L. 95-474, 92 Stat. 1473).

The area to be studied extends from the coast of the United States to the 1800 meter curve (approximately 1000 fathoms) or the limit of Canadian jurisdiction on the Outer Continental Shelf, from 35° N. Latitude to 43° N. Latitude. This study is being conducted under the standards contained in sub-section 4(c)(3)(A) of the PWSA. As a result of this study it is anticipated that suitable ships' routing measures, such as shipping safety fairways and/or traffic separation schemes, may be proposed in a future FEDERAL REGISTER. Implementing regulations of any routing measures will be in accordance with the PWSA and the Administrative Procedures Act. In accordance with the PWSA, the Coast Guard will consult with the Secretaries of State, Interior, Commerce, and the Army, and the Governors of the affected States, concerning this matter.

This study continues the process initiated by the U.S. Army Corps of Engineers (COE) for provisional access routes in the study area because the responsibility for establishing access routes is now vested in the Secretary of Transportation (delegated to the Coast Guard) by the amended PWSA. All comments received by the COE in response to prior Notices will be considered by the Coast Guard in any conclusions reached by the study. Specifically, the Coast Guard has received from the COE all comments as a result of the following Notices:

a. "Notice of Proposal to Establish Shipping Safety Fairways in the North Atlantic" dated February 22, 1978. This Notice contained the proposal for a comprehensive system of shipping safety fairways that had been submitted by the Council of American Master Mariners (CMM). (Copies may be obtained from the North Atlantic Division, Corps of Engineers, 90 Church Street, New York, NY 10007.)

b. "Port Access Routes in the North Atlantic Ocean" dated June 30, 1978. This Notice contained the Coast Guard's proposal for providing safe access routes to New York Harbor and Delaware Bay. (43 FR 28523); and

c. "Provisional Access Routes (PARs) in the North Atlantic Ocean" dated November 21, 1978. This gave notice of a public hearing on the subject, which was held in New York, NY on December 13, 1978. (43 FR 54269)

The Coast Guard is interested in receiving additional views from interested parties who have information that might pertain to the safe routing of ships as affected by other reasonable uses of the area. Written comments should include the docket number (CGD 79-015), the name and address of the person submitting the com-

ments, and the reason for the comment.

Further information can be obtained from and comments should be submitted to:

LT William Chubb, c/o Commander (mps), Third Coast Guard District, Bldg. 108, Governors Island, New York, New York 10004, (212) 668-7179 or LCDR John Bannan, c/o Commandant (G-WLE-4/73), U.S. Coast Guard, 400 Seventh Street, S.W., Washington, D.C. 20590, (202) 426-4958.

This is the initial study to be conducted by the Coast Guard under sub-section 4(c) of the PWSA. The Coast Guard intends to publish a schedule of studies, which will consider all areas of the U.S. coasts, within the next three months.

F. P. SCHUBERT,
Captain, U.S. Coast Guard,
Acting Chief, Office of Marine
Environment and Systems.

JANUARY 24, 1979.

[FR Doc. 79-2963 Filed 1-26-79; 8:45 am]

[4910-13-M]

Federal Aviation Administration

RADIO TECHNICAL COMMISSION FOR AERONAUTICS (RTCA)

SPECIAL COMMITTEE 132—AIRBORNE AUDIO SYSTEMS AND EQUIPMENT

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 RTCA Special Committee 132 on Airborne Audio Systems and Equipment to be held February 21 through 23, 1979, in Conference Room 7B, DOT/Federal Aviation Administration Building, 800 Independence Avenue, S.W., Washington, D.C., commencing at 9:30 a.m.

The Agenda for this meeting is as follows: (1) Chairman's Introductory Remarks; (2) Approval of Minutes of Sixth Meeting held August 1 through 3, 1978; (3) Review of Proposed Changes to Draft Final Report; and (4) Other Business.

Attendance is open to the interested public but limited to space available. With the approval of the Chairman, members of the public may present oral statements at the meeting. Persons wishing to present oral statements or obtain information should contact the RTCA Secretariat, 1717 H Street, N.W., Washington, D.C. 20006; (202) 296-0484. Any member of the public may present a written statement to the committee at any time.

Issued in Washington, D.C., on January 18, 1979.

KARL F. BIERACH,
Designated Officer.

[FR Doc. 79-2919 Filed 1-26-79; 8:45 am]

[4910-13-M]

DEVELOPMENT OF ACTIVE BEACON COLLISION AVOIDANCE SYSTEM (BCAS) TECHNICAL STATUS

Meeting

AGENCY: Federal Aviation Administration (FAA) DOT.

ACTION: Notice of Meeting.

SUMMARY: This notice announces an informal public meeting sponsored by the FAA on the technical status of development of the Active BCAS, including the characteristics of equipment hardware and software.

DATE: Meeting to be held February 21, 1979.

FOR FURTHER INFORMATION CONTACT:

Mr. R. L. Bowers or Mr. William Hyland, Aircraft Separation Assurance Branch, ARD-250, Communications Division, Systems Research and Development Service, Federal Aviation Administration, 2100 Second Street, S.W., Washington, D.C. Telephone Numbers—Mr. William Hyland (202) 426-0986. Mr. R. L. Bowers (202) 426-9382.

SUPPLEMENTARY INFORMATION:

This meeting concerns the development of Active Beacon Collision Avoidance System (BCAS). Notice is given that on February 21, 1979, an informal public meeting will be held in Room A-166 of Lincoln Laboratory, 244 Wood Street, Hanscom Field, Lexington, Mass. 02173. The purpose of this one-day meeting is to provide information on the technical status of development of Active BCAS, including the characteristics of equipment hardware and software. The briefing will review the Active BCAS performance requirements implied by the recently published Draft National Standard. The principal elements of the system being developed at Lincoln Laboratory and results of earlier feasibility tests will be described. The approach to the major hardware components will be reviewed and descriptions of the software will be presented including estimates of the processing capacity required for the principal software functions.

Interested persons are requested to contact the FAA, Mr. William Hyland at (202) 426-0986 or Mr. Richard Bowers at (202) 426-9382, for further information concerning the meeting, and to preregister, as space will be limited.

Preregistration should be completed by February 14, 1979. Authority: Section 313(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a)).

Issued in Washington, D.C., on January 22, 1979.

DAVID J. SHEFTEL,
*Director, Systems Research
and Development Service, ARD-1.*
[FR Doc. 79-2920 Filed 1-26-79; 8:45 am]

[4910-59-M]

**National Highway Traffic Safety
Administration**

AUTOMOTIVE FUEL ECONOMY PROGRAM

Report to Congress

JANUARY 23, 1979.

The attached document "Automotive Fuel Economy Program, Third Annual Report to Congress" has been prepared pursuant to Section 502(a)(2) of the Motor Vehicle Information and Cost Savings Act (Pub. L. 92-513), as amended by the Energy Policy and Conservation Act (Pub. L. 94-163), which requires in pertinent part that "each year, beginning in 1977, the Secretary shall transmit to each House of Congress, and publish in the FEDERAL REGISTER a review of average fuel economy standards under this part."

JOAN CLAYBROOK,
Administrator.

AUTOMOTIVE FUEL ECONOMY PROGRAM



THIRD ANNUAL REPORT TO THE CONGRESS

JANUARY 1979

**U.S. DEPARTMENT OF TRANSPORTATION
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION
WASHINGTON, D.C. 20590**

[4910-59-M]

PREFACE

This Third Annual Report to the Congress is a comprehensive analysis of the Automotive Fuel Economy Program, established in December 1975 by the Energy Policy and Conservation Act (Pub. L. 94-163), and implemented by the applicable sections of Title V: "Improving Automotive Efficiency" of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001 et seq.) as amended. Section 502(a) of the act requires the submission of a report and publication in the FEDERAL REGISTER by January 15 of each year, as well as the inclusion of a comprehensive analysis of the fuel economy program in the report to be transmitted not later than January 15, 1979.

By Title V, the Secretary of Transportation was required to implement a program for improving the fuel economy of new automobiles in the U.S. market and to administratively establish passenger car fuel economy standards for 1981 through 1984, and light truck fuel economy standards beginning with the 1979 model year. Fuel economy standards have currently been promulgated for passenger cars for the 1981-84 model years and for light trucks for the 1979-81 model years.

As directed by the Act, this report includes an analysis of the ability of motor vehicle manufacturers to meet the average fuel economy standard for model year 1985, as well as an evaluation of the program's impact on the conservation of fuel, the nation's dependence on foreign petroleum sources, the consumer, the automotive industry and the national and regional economies.

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EXECUTIVE SUMMARY

This is the Third Annual Report to Congress on the progress and achievements of the Automotive Fuel Economy Program. The Energy Policy and Conservation Act, December 22, 1975, the first major "energy crisis" legislation enacted after the oil embargo of 1973-74 required that the automobile industry almost double the fleet-average fuel economy of passenger cars over the 1975 to 1985 decade, raising fleet-average fuel economy from slightly less than 14 miles per gallon (mpg) for 1974 model year to 27.5 mpg by the 1985 model year. The Secretary of Transportation was required to administratively establish, at the maximum feasible level, passenger car fuel economy standards for 1981 through 1984, and light truck fuel economy

standards beginning with the 1979 model year.

At this point, fuel economy standards have been promulgated for passenger cars for the 1981-84 model years and for light trucks for the 1979-81 model years. Current passenger automobile standards increase to 27.5 mpg in 1985; standards for two-wheel-drive light trucks reach 18.0 mpg, and those for four-wheel-drive light trucks reach 15.5 mpg in 1981.

These standards will result in the conservation of 220 billion gallons of gasoline for vehicles produced from MY 1978 through MY 1990 relative to the fuel economy levels in effect prior to the establishment of these standards. Using these standards, total annual passenger automobile and light truck gasoline consumption would have reached 131 billion gallons in 1990, compared with the 97 billion gallons now expected in the same year. With motor vehicles now accounting for almost one-half of the petroleum consumed in the U.S., these savings will reduce anticipated passenger car and light truck petroleum consumption by about 26 percent in the 1990's. While placing a dollar value on these savings understates their real value to the Nation, it does place the accomplishments of the program in perspective. Conservatively valuing gasoline at 65 cents per gallon, the total present value of the fuel saved through 1990 in 1978 dollars (discounted at 10%) is \$60 billion.

During 1977 the U.S. imported foreign oil at the rate of 8.7 million barrels each day. This amounted to a cost of \$45 billion. In comparison, the total trade deficit was \$26.5 billion. The high cost associated with foreign oil, as well as the uncertainty of its source of supply (for example, the recent experience in Iran), make reduced dependency upon imports a National goal. If the average fuel economy of the existing fleet were now at the levels specified for 1985 for cars and 1981 for light trucks, foreign oil imports would have dropped by 26% down to 6.4 million barrels per day, with a \$12 billion reduction in our annual trade deficit.

To achieve these fuel savings, the auto industry will have to accelerate the pace at which they introduce new technology into production vehicles, accompanied by a concomitant increase in their capital spending relative to historical rates and levels. This acceleration will be significant. Our current analysis projects that from 1978 to 1984, the period of peak capital investment, aggregate investment will rise by \$11.5 billion to \$36.0 billion from a trend spending level of \$24.5 billion.

Currently, auto manufacturers, even when introducing what they charac-

¹ 42 gallons=1 barrel.

terize as a completely new car, do not replace all components. While car models undergo major change on a five-year cycle, the life of an engine or transmission design, for example, can be twenty years. Under the fuel economy program, manufacturers cannot achieve the mpg levels specified merely by restyling an existing car body and placing it on an existing powertrain. Rather, compliance with the standards requires that the whole vehicle body and structure be downsized, the powertrain be redesigned, and weight be eliminated throughout the vehicle.

Our current assessment confirms that the fuel economy levels specified in the statute can be achieved by all domestic manufacturers without a significant change in the mix of their fleet and without a reliance on diesel engines. Further it appears that most foreign manufacturers can meet the standards without any diesels, but that a few of the limited-line manufacturers will have to rely on diesels to meet the standards.

The National Highway Traffic Safety Administration (NHTSA), which administers the Fuel Economy program, recently requested further comments on these and other findings as part of the final preparation for this report to Congress. Several responses from the industry now question the economic practicability of meeting the standards currently set. The continuing refinement of information with respect to technological development in a dynamic and changing economy is not unexpected. The statute required that the standards for MY 1981 through 1984 passenger car fuel economy be established at the maximum feasible level and be issued by July 1, 1977, to provide the industry with plenty of time to implement them in an orderly fashion. At that time, the manufacturers publicly committed themselves to meet those standards. The Department of Transportation (DOT) will continue to assess the situation using the best and most recent information in order to determine whether significant changes in earlier findings have occurred and whether rulemaking to modify these standards would be justified and in the public interest.

Based upon data developed in the course of our rulemaking proceedings, as well as more recent (August-October 1978) information supplied by the manufacturers in response to NHTSA questionnaires, DOT believes that the average purchaser of a 1985 model year car will realize a net reduction in operating expenses over the life of that car on the order of \$500 when compared to a 1977 model.

Our assessment shows that both the consumer and the national economy

are better off as a result of this fuel economy program. To achieve these benefits the standards are having a significant impact on the industry. The Congress, in establishing the program, devised a unique measurement instrument, fleetwide average fuel economy, to permit diversity in the market while still assuring steady improvement in fuel conservation. Thus, through proper balancing of the mix of vehicles (having below- and above-standard fuel economies) produced and sold, a manufacturer can satisfy a broad range of consumer demand with his annual fleet and still meet the applicable fuel economy standard.

In meeting these standards, manufacturers are required to accelerate their spending levels to keep pace with the accelerated changeover cycle that the standards require. It is important to differentiate between the measurement device of average fuel economy and the specific standards set by Congress and by Department rulemaking action. Both the degree of energy saving to be attained and the challenge to the industry are the result of the latter.

The Department has concluded that the measurement device of average fuel economy is appropriate for the automobile industry. It balances the need to save fuel with the goal of insuring consumers a range of choices, and it has developed a regulatory scheme which is flexible and yet fosters the improvements sought by Congress. Our current assessment indicates that the statutory 27.5 mpg level for MY 1985 is both technologically feasible and economically practicable for each automobile manufacturer. This is not to say that the difficulty each manufacturer faces in meeting the standards is equal. Rather the relative effort that each manufacturer will have to make will depend upon its financial strength, technical capability and the nature of its product line.

The domestic automobile manufacturing industry is one of the most highly concentrated industries in the U.S. For decades, it has been growing more concentrated, with the larger manufacturers realizing larger profits. Our analysis demonstrated anew that any program requiring a large financial commitment from the manufacturers imposes a heavier burden on smaller manufacturers than on larger ones. These burdens are not dissimilar from the normal business demands routinely faced by smaller manufacturers; such burdens, in fact, have been major factors leading to the high level of concentration in the industry. In addition to the smaller domestic manufacturers, the foreign limited line manufacturers who produce larger cars face unique types of problems. These manufacturers generally

have average fuel economy that exceeds the early standards but they have targeted their production at a specific market segment and, unlike a full-line manufacturer, cannot offset lower fuel economy on one line of vehicles with higher fuel economy on other lines.

For both classes of manufacturers, but particularly for the smaller domestic producers, serious problems could develop in the event of a serious economic downturn since the manufacturers are faced with what they believe to be a nondeferable investment schedule. Thus, on November 22, 1978, the Department issued a notice seeking comments on whether it should seek revisions in the basic statute as a result of these issues. The Department also continued its own assessment of the factors involved to see if reasonable modifications to the program could be devised.

Responses to the notice confirmed some of the Department's findings, but revealed no workable approach to modifying the statute, short of increasing the size limit under which companies are eligible for exemption from the standards (for whom alternative standards are developed). The statute now permits exemptions for manufacturers with worldwide production below 10,000 vehicles per year. A number of commenters recommended that this level be raised to manufacturers with sales in the U.S. market of less than 100,000 vehicles. However, there are significant elements of unfairness in the development of company-specific standards for large worldwide manufacturers making this an unattractive alternative.

The Department examined other options involving slippage of implementation schedules, or lowering of standards applied to smaller manufacturers, but could not develop any modifications that, in its view, successfully eliminated or even mitigated problems faced by these procedures without entailing either a significant loss in energy conservation, competitive disadvantages, equity problems, or massive administrative difficulties.

The statute does provide, however, sufficient latitude to modify regulations if the economy were to falter and auto sales were to decline dramatically. The Secretary has the authority under the law to revise regulations if it is determined that the standards that were "economically practicable" in a healthy economy prove to be "impracticable" in a recession.

The Department now recommends only that the system of credits and penalties under the Act be modified. The Act now imposes a substantial penalty on manufacturers who fall below the specified standards, although it does not prohibit the sale of

cars in such a situation. Further, if the Federal Trade Commission (FTC) determines that imposition of a penalty would result in a substantial lessening of competition, the Secretary then has the authority to waive or reduce the penalty. In any case, the statute permits credits to be earned by exceeding a particular year's standard, which then be carried forward (or backward) for one year and applied against possible penalties in those years. DOT recommends that credits be allowed to be carried forward (or backward) for three years to enable manufacturers to benefit from their early conservation efforts and better balance future planning.

In commenting on the notice, both Ford and GM asserted that the selection of maximum feasible fuel economy passenger car standards for 1981 through 1984 was imposing a very large cost penalty on them and, ultimately, on the consumer. Both manufacturers argue that reaching 27.5 mpg in 1985 in 1.5 mpg annual increments from the 20 mpg-1980 level is far more cost-effective than the path selected through the rulemaking process (which would increase fuel economy by 2 mpg in each of the years 1981, 1982 and 1983).

The Department is prepared to reexamine the regulations when substantial new information indicates that the basis for its findings are significantly changed. Both manufacturers have been requested to specify what factors have changed since the July 1977 regulation establishing the 1981-84 passenger car standards that would justify amending them.

It is important to note that while costs to the industry might be revised upwards in the face of more recent data, the cost of oil is also increasing. As recently as December 18, 1978, OPEC announced another 15% increase in the price of oil. Thus, under the current schedule of standards, consumers and the national economy are both in a better position to deal with this price increase than they would have been with a lower standard. Moreover, as the price of oil increases in the future, long after industry investments have been made, the benefits of this program will increase still further. It may be readily concluded that the benefits of the fuel economy program to the Nation are significantly greater than its costs.

I. INTRODUCTION

In December 1975, the Congress enacted the Energy Policy and Conservation Act (Pub. L. 94-163). It established the automotive fuel economy regulatory program by adding Title V—"Improving Automotive Efficiency" (The Act) to the Motor Vehicle Information and Cost Savings Act and required that the Secretary of Transportation report annually, not later than January 15 of each year beginning in 1977, on the progress made under that program. It also established the fuel economy labeling, and mileage guide programs, and the Federal fleet purchase program of fuel efficient vehicles.

This is the Third Annual Report. As required, it contains a comprehensive analysis of the program and specifically assesses the ability of motor vehicle manufacturers to meet the average fuel economy standard of 27.5 mpg for

model year (MY) 1985 passenger automobiles set by the Congress. Included in the analysis is an examination of the manufacturers' capability to comply with each of the present fuel economy standards, as well as an evaluation of the program's impacts on: conservation of fuel; the nation's dependence on foreign petroleum sources; the consumer; the automotive industry; and, the national economy. This report also examines the structure of the program and makes recommendations for modifications. It reports on the fuel economy labeling program and the Federal fleet purchasing program. In addition, as required by section 305 of the Department of Energy Act of 1978—Civilian Applications (Pub. L. 95-238), it evaluates the utilization of advanced automotive technology.

Several key events in the recent history of automotive fuel economy are listed below:

- | | |
|------|--|
| | DOT starts R&D program on automotive fuel economy |
| | Oil embargo, "energy crises" starts |
| 1973 | GM starts plans for downsized standard car |
| | Average fuel economy of model year 1974 cars is 14 mpg |
| | DOT - EPA report to Congress on Fuel Economy |
| 1974 | Auto manufacturers voluntarily agree to improve fuel economy by 40% by MY 1980 |
| 1975 | Congress established automotive fuel economy regulatory program |
| 1976 | Report of Federal Task Force on Motor Vehicle Goals Beyond 1980 |
| | Average fuel economy of 1977 model car is 17.6 mpg |
| 1977 | DOT issues passenger automobile standards for model years 1981-84 |
| | DOT issues light truck standards for model years 1980-81 |
| 1978 | Average fuel economy of 1979 model cars is 19.7 mpg |

II. BACKGROUND

A. OVERALL ENERGY DEMAND AND SUPPLY

Reducing energy consumption is a national priority because of the limited availability of petroleum. The Department of Energy¹ projects increased U.S. demand for petroleum products and increased U.S. dependence on foreign petroleum supplies.

Domestic demand for refined petroleum products (Table II-1) experienced a 2.3 percent average annual growth rate between 1972-1978. This 1972-1978 average rate was much lower than historical growth rate trends because of the 1973-1974 oil embargo. The sharp increases in energy prices after the embargo, coupled with the 1974-1975 recession, constrained the total increase in petroleum demand to 15 percent from 1972 to 1978; during that same period, however, the portion of U.S. petroleum supplied by imports increased to 42 percent.

TABLE II-1. Total U.S. Refined Petroleum Products Domestic Demand

Year	Thousand Barrels/Day
1972.....	-16,367
1973.....	-17,308
1974.....	-16,653
1975.....	-16,322
1976.....	-17,461
1977.....	-18,418
1978 (Jan-Sept).....	-18,814

Source: "Monthly Energy Review," U.S. Department of Energy, Energy Information Administration, November 1978, p. 16.

Table II-2 illustrates this growing importance of, and dependence upon, imports. Through the sixties, petroleum imports were stable at about 20 percent of total consumption. As noted above, by the late 1970's, the share of domestic demand supplied by imports had approximately doubled.

TABLE II-2.—Percent of U.S. Domestic Demand for Crude and Refined Petroleum Supplied directly by OPEC Countries and All Importers

Year	Total Imports	OPEC countries
1960.....	19	13
1961.....	19	13
1962.....	20	12
1963.....	20	12
1964.....	20	12
1965.....	21	13
1966.....	21	12
1967.....	20	10

¹U.S. Department of Energy, Energy Information Administration.

Year	Total imports	OPEC countries
1968.....	21	10
1969.....	22	9
1970.....	22	9
1971.....	25	11
1972.....	29	13
1973.....	36	17
1974.....	36	20
1975.....	37	22
1976.....	42	29
1977.....	47	33
1978 (Jan-Aug).....	42	35

Sources: (1) "Annual Report to Congress—Volume III, 1977, Statistics and Trends of Energy Supply, Demand, and Prices," U.S. Department of Energy, Energy Information Administration, May 1978, pp. 23 and 27; (2) "Monthly Energy Review," U.S. Department of Energy, November 1978, pp. 16-19.

Domestic petroleum production is not likely to keep pace with increased demand, even if the slower-than-historical growth rates continue. The Energy Information Administration, Department of Energy, predicts that domestic production will grow at a rate of only 3.1% annually between 1976 and 1979, with production shifting to frontier sites (implying greater costs) such as offshore areas. These sites are expected to provide 30% of domestically-produced oil by 1990.

Oil imports currently cost the U.S. about \$45 billion a year. This import bill is a major factor in the U.S. balance-of-trade deficit, which in turn has led, in significant part, to a decline in international confidence in the dollar. A further consequence of this deficit is added inflation, with both imported and domestically produced goods rising in price. Since forecasts predict that the United States will continue to be the major importer of petroleum, the ability and willingness of petroleum suppliers to continue to expand production in response to increasing world demand is particularly critical for the U.S. Although recent public reports indicate that Mexico could become a major new source of supply for meeting world petroleum demand, it is not yet clear when Mexican petroleum will be available in sufficient volume to significantly affect the world market. Moreover, substitution of petroleum imports from Mexico for petroleum imports from OPEC countries will only reduce the U.S. balance-of-trade deficit if Mexican oil is priced below the world level.

B. TRANSPORTATION ENERGY DEMAND AND SUPPLY

Federal policies to influence energy use in transportation are critical since

the transportation sector, in the aggregate, is the major consumer of petroleum-based fuels. Transportation accounts for 55% of the total U.S. consumption of petroleum (Table II-3). Of this amount, 72% is gasoline.

TABLE II-3.—Petroleum Consumption by Sector, 1976

Sector	Petroleum consumption (000's barrels/day)	% of total consumption
Transportation.....	9,571	54.8
(Passenger Cars & Trucks).....	(7,963)	(45.6)
(Other Transportation).....	(1,608)	(9.2)
Industrial.....	3,210	18.4
Residential-Commercial.....	2,992	17.1
Electric Utilities.....	1,510	8.7
Miscellaneous.....	178	1.0
Totals.....	17,461	100.0

Source: "Annual Report to Congress: Statistics and Trends of Energy Supply, Demand, and Prices," Volume III, 1977, U.S. Department of Energy, Energy Information Administration, May, 1978, p. 35.

Passenger cars and trucks consume approximately 83 percent of the energy used in transportation (Table II-4). They are virtually totally dependent on petroleum-based fuels. The significance of automobiles, as energy consumers, is further indicated by the fact that automobiles are responsible for about 91% of domestic passenger travel.

TABLE II-4.—Petroleum Consumption by Transportation Mode

Mode	Percent*
Passenger Cars.....	57.0
Trucks.....	26.2
Air Transport.....	7.9
Water Transport.....	5.0
Railroads.....	2.8
Buses.....	0.7
Transit.....	0.3
Motorcycles.....	0.3

*Does not total 100% due to rounding.

Source: National Transportation Statistics, Transportation Systems Center, U.S. DOT, September 1978.

Gasoline consumption fluctuated similarly to total petroleum consumption in response to the 1973-74 oil embargo. During 1976-78, consumption exceeded the 1973 levels and continued to grow, although at a slightly slower rate than the pre-embargo rate. According to the Energy Information Administration, average motor gasoline use was 7.4 million barrels per day during the first 9 months of 1978, 3%

more than the average for the same period in 1977.

III. PROGRAM DESCRIPTION AND ACHIEVEMENTS

A. REQUIREMENTS AND RESPONSIBILITIES

The Act establishes a conservation program for passenger automobiles and light trucks. It specifies that average fuel economy standards must be set at the maximum feasible levels. These levels are determined while considering the following criteria: (1) Technological feasibility; (2) economic practicability; (3) the effect of other Federal standards on fuel economy; and, (4) the need of the Nation to conserve energy. A "feasible technology" must be sufficiently developed to be usable in mass production in time to comply with the standards. Although "economic practicability" is not explicitly defined, the criteria applied required that mandated automobile fuel economy improvements be achievable without threatening the financial survival of the industry. The third criterion required consideration of the possible adverse effects of safety and emissions standards on fuel economy, while the last criterion has been discussed previously.

Within the Department, the National Highway Traffic Safety Administration (NHTSA) has been delegated the responsibility for administering the fuel economy program. The Act also assigned responsibilities to the Federal Energy Administration (now in the Department of Energy), the Environmental Protection Agency, the Federal Trade Commission, and the General Services Administration. The responsibilities of these other agencies include:

The Department of Energy (DOE)

- Working with EPA on the fuel economy labelling requirements.
- Assessing the energy outlook.
- Publishing and distributing the mileage guides.

The Environmental Protection Agency (EPA)

- Establishing rules for the fuel economy labelling program.
- Developing fuel economy testing and calculation procedures.
- Preparing the gas mileage guides.
- Vehicle testing for standards compliance, labelling and the gas mileage guide.

The Federal Trade Commission (FTC)

- Assessing the effects on competition that would result from the pay-

ment of civil penalties for noncompliance with standards.

- Regulating the use of EPA fuel economy values in advertising.

The General Services Administration (GSA)

- Purchasing fuel efficient passenger automobiles and light trucks for use by Federal agencies.

The Act requires that fuel economy standards be established for new four-wheeled motor vehicles sold in the U.S. up to 6,000 pounds gross vehicle weight rating (GVWR). Standards may also be set for vehicles up to 10,000 pounds GVWR. These vehicles, together, are categories as passenger automobiles and light trucks (pick-ups, vans and utility vehicles). In standard setting, both passenger cars and light trucks are treated separately; standards pertain to the average fuel economy performance of a manufacturer's annual model year production fleet of vehicles by category: Passenger cars or light trucks or to categories of light trucks (e.g., two-wheel- or four-wheel-drive light trucks). Standards for categories of passenger cars are not permitted except for manufacturers producing fewer than 10,000 units worldwide.

The Act specifies fleet-average fuel economy standards for passenger automobiles at 18 miles per gallon (mpg) in MY 1978, 19 mpg in MY 1979, 20 mpg in MY 1980, and 27.5 mpg in MY 1985, and thereafter. The Secretary of Transportation, in accordance with his statutory responsibility, set standards for MY's 1981-1984 in June 1977 at the following levels: 22 mpg in MY 1981, 24 mpg in MY 1982, 26 mpg in MY 1983, and 27 mpg in MY 1984.

If the Secretary of Transportation decreases the standard for MY 1985 (and thereafter) below 26.0 mpg, or raises it above 27.5 mpg, either House of Congress may disapprove the action within 60 calendar days of its submission to Congress.

B. ASSUMPTIONS

In selecting the fuel economy levels for the 1981-84 AFE standards the NHTSA made the following assumptions regarding the automobile industry and automobile performance: (1) A rapid, but not an unreasonable, rate of introduction of technology; (2) a 10-percent reduction in vehicle accelera-

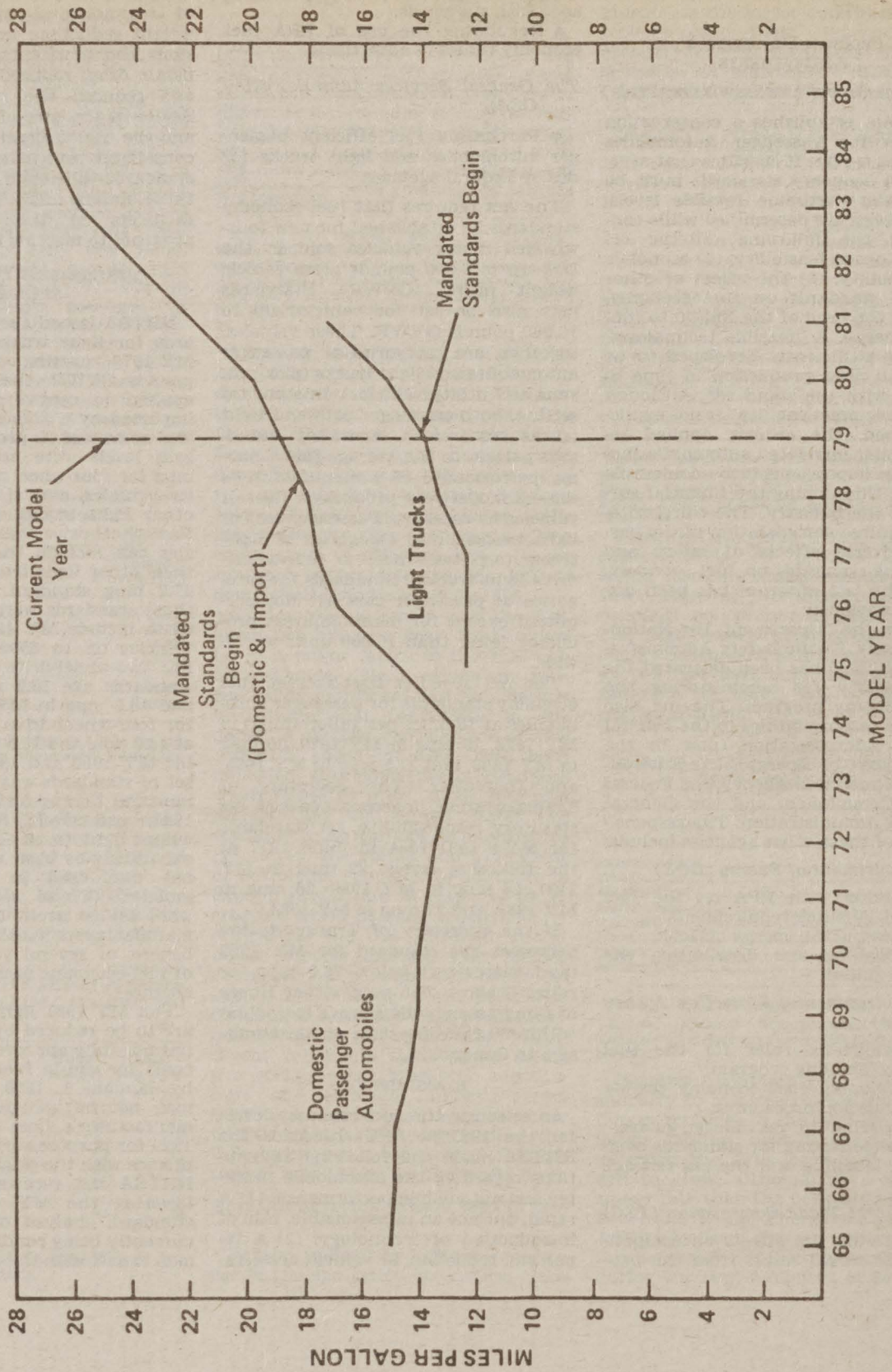
tion; and, (3) the use of a wide range of technological options including: weight reduction; improved transmissions and lubricants; reduced aerodynamic drag; reduced accessory losses; and reduced tire rolling resistance. Shifts in the mix of automobile sizes and the use of diesel engines were not considered necessary to meet the standards—although either or both of these options might be used by manufacturers in their individual approaches to meeting the standards.

C. ESTABLISHED FUEL ECONOMY STANDARDS

NHTSA issued fuel economy standards for light trucks beginning with MY 1979, covering vehicles up to 6,000 pounds GVWR; these standards also applied to captive imports (vehicles imported by a domestic producer and sold as part of its product line). Standards levels were established at 15.8 mpg for four-wheel-drive, general-utility vehicles, and at 17.2 mpg for all other light trucks. Manufacturers of four-wheel-drive, general-utility vehicles can include these vehicles with their other light trucks and meet the 17.2 mpg standard. In March 1978, these standards were further expanded to include MY 1980 and MY 1981 vehicles up to 8500 pounds GVWR. For two-wheel-drive light trucks, the standards are 16.0 mpg in MY 1980 and 18.0 mpg in MY 1981. Standards for four-wheel-drive vehicles were set at 14.0 mpg and 15.5 mpg, respectively, for MY 1980 and 1981. An additional set of standards was established at 14 mpg and 15 mpg for MY 1980 and MY 1981, respectively, for manufacturers whose light truck fleets are powered exclusively by basic engines which are not also used in passenger automobiles. (These separate standards were set to avoid undue burden on manufacturers which had not had the benefit of several years development of fuel-economic passenger automobile engines).

The MY 1981 light truck standards are to be reduced by 0.5 mpg if EPA has not fully approved improved lubricants for use in fuel economy testing by January 1, 1980. Captive imports may not be included in a domestic manufacturer's fleet after model year 1979 for purposes of determining compliance with the established standards. NHTSA has received a petition for lowering the MY 1981 light truck standard; analysis of this petition is currently being conducted, with a decision expected in the early part of 1979.

Figure III-1
New Vehicle Fleet Average Fuel Economy



[4910-59-C]

[4910-59-M]

Until 1974, the fuel economy of new domestic passenger automobiles had steadily declined for a number of years, but the trend was reversed beginning in MY 1975 (see Figure III-1). The trend of fuel economy values for light trucks is also upward, and that trend is expected to continue. Later sections of this report will show that it is technically feasible for most automobile manufacturers to meet the passenger automobile average fuel economy standard of 27.5 mpg in MY 1985 and simultaneously comply with established safety and emissions regulations. The domestic manufacturers can meet the 1985 standard without the use of diesel engines by employing existing techniques to reduce weight (redesign, material substitution, and new models), improving engines and transmissions, and applying other available technology. (The special situation of low volume manufacturers will be discussed later in the text.)

D. CONSERVATION IMPACTS

The program has not been in effect for a sufficiently long time to permit measurement of real vehicle fuel savings, as distinguished from other factors affecting fuel consumption. However, program effectiveness with respect to potential fuel conservation can be estimated by making the reasonable assumption that the larger domestic manufacturers comply with, but do not exceed, the standards. The level of energy savings can only be determined by comparing energy con-

sumption associated with the standards higher fleet-average miles per gallon (mpg) to the estimated (or assumed) level of fleet-average mpg in the absence of those standards. This latter level, the baseline for measuring fuel savings, is equivocal. The manufacturers might have continued to produce vehicles of the same fuel economy level existing in 1975, (when the statute was passed), or as that existing in 1978 (1979 for light trucks) when the standards first became effective. However, the manufacturers faced with compelling market forces then developing might have increased fleet-average fuel economy on their own initiative, although in all probability, to some lower level than those mandated under the program. Savings could also be computed using the manufacturers' 1974 voluntary goal of a 40% improvement for passenger automobiles by 1980. Any one of the above has merit. However, the actual magnitudes of yearly fleet-average fuel economy levels which would have been attained through the effects of market forces, or by the voluntary program, will never be known. For this report, fuel savings are evaluated with reference to a MY 1977 base, the year before the mandatory standards became effective and the latest year for which full data are available.

By any measure, the fuel economy program has contributed, and will continue to contribute, major benefits to the Nation by reducing fuel consumption. Projecting fuel savings estimates through MY 1990, cumulative passenger automobile fuel savings, beginning with MY 1978, will approximate 145

billion gallons, with an estimated concomitant cost savings of \$39 billion (discounted ³ present value at 65 cents per gallon)—assuming that the established MY 1985 fuel economy standard remains unchanged through 1990. Similarly, if the fuel economy standards for light trucks remain at the MY 1981 standard, the fuel savings from MY 1978 through 1990 will approximate 75 billion gallons of fuel, yielding an estimated savings of \$21 billion. Between MY's 1978 and 1990, the automobile and light truck fleets will use about 15% less fuel than they would have if the MY 1977 fuel economy levels remained unchanged.

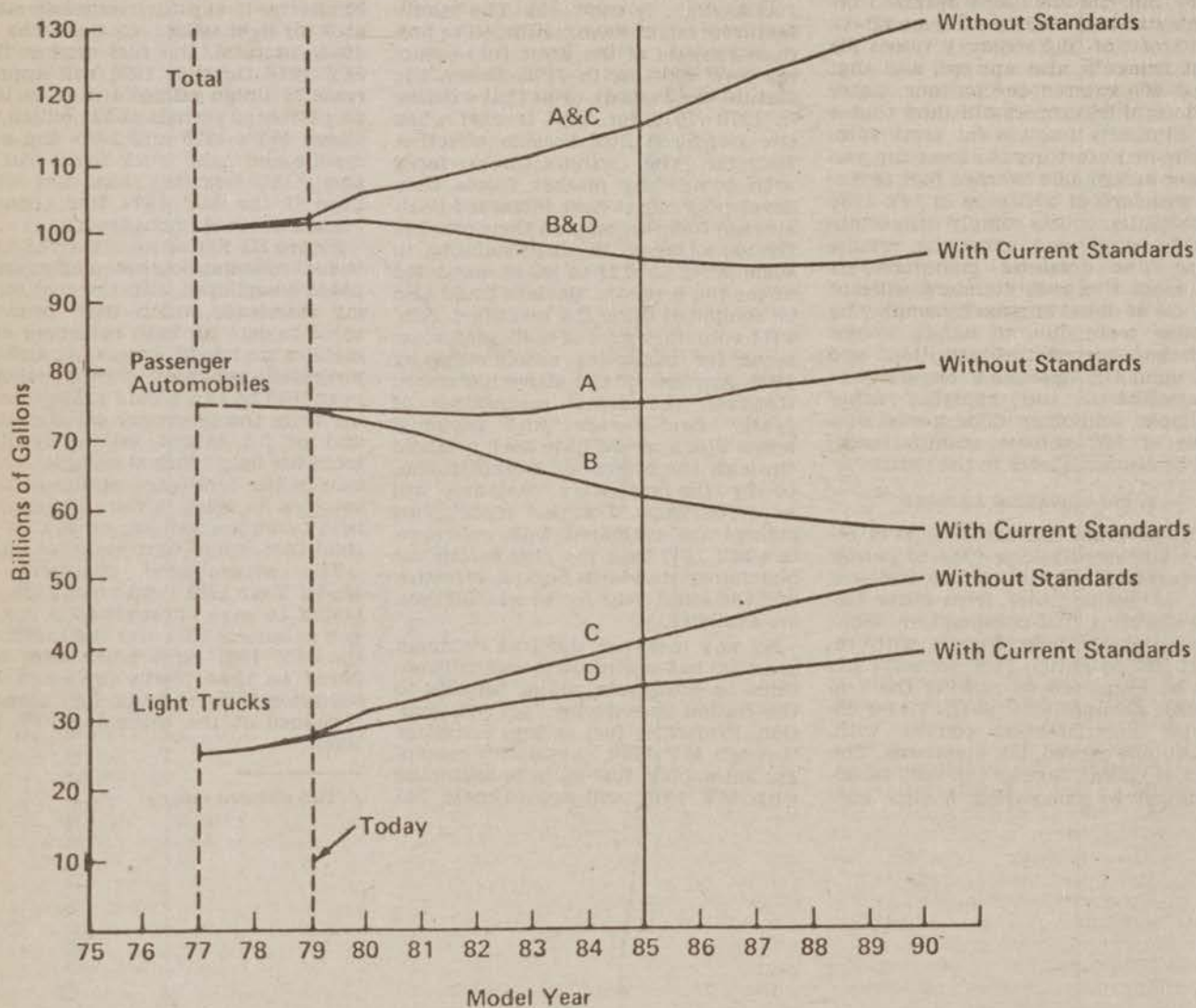
Figure III-2 illustrates the reduction in fuel consumption based upon anticipated compliance with the fuel economy standards which have been enacted to date for both passenger automobiles and light trucks. It shows a projected reduction during calendar year 1985 of 13.5 billion gallons resulting from the passenger car standards, and of 3.5 billion gallons resulting from the light truck standards. Reduction in the fuel consumption of these vehicles, in 1985, is thus projected to be 17.0 billion gallons, or 15% of the total that would have been consumed.

The promulgated standards for Model Year 1981 light trucks are estimated to save approximately 5.8 billion gallons of fuel over the lifetime of the MY 1981 light truck fleet compared to that fleet's projected consumption if light truck fuel economy remained at the estimated MY 1979 level.

³10% discount rate.

[4910-59-C]

Figure III-2
Projected Annual Fuel Consumption



[4910-59-M]

These estimates of potential fuel savings are based on the fuel economy values which EPA assesses for each manufacturer. Recently, there has been considerable controversy over EPA's fuel economy measurements because of the difference between its measurements and the actual miles per gallon experienced by cars on the road. Preliminary studies show that the EPA-measured value is consistently higher than the actual on-the-road fuel economy. DOE studies have pointed out a further complication; that the discount from the EPA test results varies with the fuel economy value itself—so that cars with high mpg test results have more of a discount than cars with low mpg test results. Although these limitations exist, the EPA assessments comprise the most complete and reliable data on U.S. automobiles. In this report, baseline values as well as projected values of fuel economy are based on EPA assessments; thus, the differences between them are real.

During the 1970's, light truck sales have increased almost three times as rapidly as passenger automobile sales. Since light truck fuel economy is much below that of cars, the total amount of fuel consumed by light trucks has significantly increased in a short time span.

Since 1975, the U.S. Department of Energy and its predecessor agencies have been actively encouraging petroleum conservation in all sectors. The Department of Transportation has assumed major responsibility for transportation sector programs such as carpooling, the 55 mph national speed limit, the voluntary program for trucks and buses, and transportation and highway efficiency improvements. These programs, in the aggregate, have the potential for saving as much as 16.4 billion gallons of fuel annually (depending upon the percent of compliance); this saving is in addition to the savings resulting directly from fuel economy standards.

E. OPTIONS FOR STANDARDS MODIFICATION

The Secretary is also authorized to prescribe rules reducing 1978, 1979, or 1980 average passenger automobile fuel economy requirements for a manufacturer which demonstrates that more stringent Federal automobile standards in other areas are likely to produce a reduction in fuel economy despite the use of a "reasonably selected technology" (i.e., one which minimizes Federal standards fuel economy losses). Relevant Federal standards include: (1) Emissions standards under the Clean Air Act, (2) motor vehicle safety standards under the National

Traffic and Motor Vehicle Safety Act of 1966, (3) noise emissions standards under the Noise Control Act of 1972, and (4) property loss reduction standards under the Motor Vehicle Information and Cost Savings Act.

The Act provides that post-1980 average fuel economy standards may be increased by the Secretary as long as the amended standard is promulgated at least 18 months before the beginning of the model year to which the amendment applies. Any person who may be adversely affected by rules authorized by the Act for defining terms, setting average fuel economy standards, determination of average fuel economy, and automobile labeling may, at any time prior to 60 days after such rule is prescribed, petition for a judicial review. Judicial review pursuant to a civil penalty assessment may be obtained by filing a notice of appeal within 30 days after the date of assessment determination.

Section 502(c) of the Act provides that low volume manufacturers (those manufacturing less than 10,000 passenger automobiles world-wide in the affected year, and the second model year preceding the affected year) can petition for reduction from average fuel economy standards. A rule establishing the format and content requirements for petition was issued in July 1977. A low volume manufacturer must have submitted a petition for exemption at least 12 months before the beginning of model year 1979, and must submit subsequent petitions as least 24 months before the beginning of model year 1980 and thereafter. If an exemption is granted, NHTSA establishes an alternative maximum feasible average fuel economy standard applicable to that manufacturer. The petition must contain financial data, sales figures and projections, product mix and engineering data, and fuel economy projections by fleet and by model type.

The Agency's proposed decisions are published in the FEDERAL REGISTER to invite comments. Exemptions are granted only if NHTSA determines that the standard otherwise applicable is more stringent than the maximum feasible average fuel economy attainable by the low volume manufacturer.

Six low volume manufacturers petitioned for exemption from the 1978 standards. One was found to be ineligible because it is controlled by a larger manufacturer; four were granted exemptions and a proposed decision has been published relative to the sixth.

F. FUEL ECONOMY MEASUREMENT

The EPA is responsible for testing vehicles and calculating a manufacturer's fleet average fuel economy values. The fuel economy values for most vehicles are determined on the basis of

tests performed on vehicles submitted by the auto industry to EPA to demonstrate compliance with emission standards. Some few vehicles are tested only for fuel economy purposes under precisely controlled conditions by professional drivers in a laboratory on a dynamometer. To represent the usage pattern of the average vehicle, 55 percent of the final fuel economy value is produced from a "city test" simulating a 7.5 mile, stop-and-go trip at an average speed of 20 mpg and involving both cold and hot starts. The remaining 45 percent is produced from a "highway test" simulating a 10 mile, non-stop trip at an average speed of about 50 mph.

EPA selects a representative sample of each manufacturer's fleet (passenger automobiles or specific classes of light trucks) and uses the fuel economy values to calculate a corporate, production-weighted average fuel economy. Testing is done largely before the start of the model year so that the manufacturers' models may be certified as meeting emission standards. An expected manufacturer's average fuel economy may be estimated from production plans. The actual average fuel economy, however, can be computed only after the end of the model year when actual production and sales data are available.

G. COMPLIANCE/NON-COMPLIANCE CONSIDERATIONS

The use of an average standard allows the manufacturer to balance off his sales of larger, below-standard models with compensating sales of smaller, above-standard models. Manufacturers failing to comply with applicable average fuel economy standards are liable for civil penalties. For each one-tenth mpg shortfall in the average, the Secretary of Transportation is authorized to assess a charge of \$5 per vehicle manufactured. The penalty burden may be lightened by the Secretary to prevent manufacturer bankruptcy, preserve competition in the automobile industry (given a finding by the Federal Trade Commission), or allow for the effects on a manufacturer resulting from extraordinary circumstances (acts of God, fires, strikes). Manufacturers exceeding applicable AFE standards receive credits which may only be applied to any civil penalty imposed in the preceding model year, or in the succeeding model year. A credit is applicable only within the same category of vehicle for which the credit was earned.

The National Energy Conservation Policy Act, Public Law 95-619, amends the Act and gives the Secretary authority to raise the amount of civil penalty to \$10 for each one-tenth of a mile, using rulemaking procedures. To do so, the Secretary must conduct

hearings in order to determine the magnitude of energy conservation, impacts on competition, and impacts on imports of raising the penalty.

H. RESEARCH AND DEVELOPMENT

During the past 5 years, DOT has developed the capability to conduct comprehensive assessments of the ability of manufacturers to improve the fuel economy of their products and to assess the impacts of those improvements on the industry, the consumer, and on the National economy. These assessments can be made in such areas as technology, engineering, manufacturing cost, economic, and marketing consequences.

The objectives of this research and development (R&D) program are to develop, maintain, and update the data bases and the analytical tools necessary for rulemaking and policy formulation activities in the area of automotive energy conservation. In FY 1978, approximately \$6.0 million was spent on private sector R&D contracts.

The R&D program is divided into six areas:

(1) *Assessment of Automotive Technology*, which deals with the identification and evaluation of production and projected hardware available to manufacturers for achieving fuel economy improvements. This includes both passenger automobiles and light trucks with less than 10,000 pounds GVWR (individually and in fleets) and encompasses weight and acceleration reduction, engine and drive train improvements, use of alternative engines and transmissions, improved lubricants, reduced accessory losses, and reduced aerodynamic drag and rolling resistance.

(2) *Effects of Federal Standards on Fuel Economy*, which deals primarily with possible fuel economy effects resulting from emission, noise, safety, and damageability standards (either in effect or under consideration). It also deals with the effects of other Federal standards (occupational safety, health, and environmental) on manufacturing plants and production capabilities.

(3) *Industrial Analysis*, which addresses the evaluation of manufacturability and costs of technological improvements, both individually and in combinations; the assessment of manufacturers' capabilities and leadtimes in implementing fuel economy improvements; and, capital requirements and the feasibility of obtaining capital.

(4) *Economic Analyses and Impact Evaluation*, which focuses on the identification and evaluation of impacts of fuel economy standards (and other related conservation actions) on automobile prices, automobile demand, and employment, and on the cost of ownership and operation of

automobiles. It also deals with domestic competition, imports, and aggregated economic effects on the automotive sector of the economy, on the national economy, on petroleum and other national resources, on air quality, and on highway safety. Important considerations in these analyses are fuel availability and price.

(5) *Market Analyses and Impact Evaluation*, which examines the mutual interactions between automobile products offered by the manufacturers and their acceptance in the marketplace within the context of fuel economy standards, Government policies, and fuel prices. The impacts of these products on consumer choice and vehicle usage patterns are important in assessing the impacts of the program and are, therefore, under continuing investigation.

(6) *Implementation of Innovation in the Motor Vehicle Industry*, which deals with the assessment of the responses from the motor vehicle industry to Federal initiatives and regulations in safety, fuel economy and emissions, and the assessment of policy alternatives to stimulate innovation in the industry to produce "socially responsible" motor vehicles.

The research and development program has produced comprehensive data bases and methodologies in all technical areas. In Automotive Technology the contract work which produced the data bases for spark ignition and diesel engines has demonstrated, on the basis of preliminary results, that a 3000 lb. automobile can achieve 33 mpg fuel economy at emission levels below the statutory 1981 standards of .41/3.4/1.0 for HC, CO and NO_x, respectively. The establishment of this data base has also resulted in the turbo-diesel Volkswagen Rabbit with 60 mpg, and 40 mph frontal crash protection. In the Industrial Analysis area, a comprehensive data base of the plants facilities, tooling, employment, production capacity, and conversion costs for the automotive manufacturers and suppliers has been developed to support analyses of urban impacts, and financial impacts on manufacturers. A corresponding data base has been developed which encompasses manufacturability, costs, and lead times for components and vehicles. In the Market Analysis area, consumer discussion groups are being conducted to probe consumer attitudes and preferences in energy conservation and fuel efficient vehicles.

The results of the Automotive Fuel Economy Research Contract program have been presented at the Automotive Fuel Economy Research and Analysis Program Contractor's Coordination Meetings held in April and December 1978. These contract results, together with material obtained from

manufacturers and other sources, are documented in source documents which represent the state of knowledge on the various specific subjects. Source documents are not rule-specific and cover a time period which extends beyond the period covered by current rulemaking activities. Source documents prepared or initiated in FY 1978, are as follows:

- "Impact of Federal Regulations on the Financial Structure of the Motor Vehicle Industry."
- "Future Potential of the Spark Ignition Engine."
- "Material, Labor, and Capital Requirements for Implementation of Federal Motor Vehicle Regulations."
- "Future Potential of the Diesel Engine."
- "Motor Vehicle Weight Reduction."

The state of our knowledge on diesel particulate emissions and their potential health effects was reported in a workshop on that subject, held in April 1978.

I. PUBLIC INFORMATION PROGRAM

The Act requires several public information activities. Automobiles manufactured more than 90 days after FY 1976 must bear labels indicating vehicle fuel economy, estimated annual fuel costs, and the fuel economy range of comparable automobiles. The EPA is responsible for prescribing the form, content, and display requirements for these labels.

The EPA must also prepare annually a booklet (*The Gas Mileage Guide*) providing information on fuel economy of automobiles manufactured in a given model year, including estimated annual fuel costs associated with automobile operation. The Department of Energy must publish and distribute the booklets, which automobile dealers are required to make available without charge to their customers.

NHTSA is responsible for the enforcement of the *Gas Mileage Guide* regulations which provide that failure to comply with consumer information requirements may result in a civil penalty of not more than \$10,000 for each violation. To date, NHTSA has investigated 368 new dealerships across the country. Of these 368 dealerships, 46 percent were not in compliance with the regulations. These cases are being adjudicated. Dealership compliance is likely to improve rapidly as more dealers become aware of the active enforcement program.

*The first edition is published with the gas mileage available in September of each year, the beginning of the model year for domestic manufacturers. A second is published in February with more complete data on vehicles certified later for both foreign and domestic manufacturers.

J. FEDERAL PURCHASING PROGRAM

Section 510 of Title V requires that all passenger automobiles acquired by all executive agencies, in each fiscal year between 1977 and 1985, achieve a fleet average fuel economy of not less than 18 mpg, or the average fuel economy standard applicable to the individual automobile manufacturers, whichever is greater. This section defines acquisitions as those vehicles purchased or leased for a period of 60 continuous days or more. Specifically excluded from this program were passenger automobiles designed to perform combat related missions, law enforcement work, and emergency rescue work. In July 1977, these requirements were extended to include light trucks, effective in FY 1978. As mandated by Executive Order, the fleet average fuel economy for all passenger automobiles federally acquired must exceed the statutory fuel economy standard by 2 mpg in FY 1978, 3 mpg in FY 1979, and 4 mpg in FY 1980-85. No automobile may be acquired if the mpg rating is below the standard for that particular year. The applicable fleet average fuel economy objectives, by fiscal year, are as follows:

TABLE III-1. Fleet Average Fuel Economy Objectives

Fiscal year	Average fuel economy standard (mpg)	GSA fleet average fuel economy objectives
1978.....	18.0	20.0
1979.....	19.0	22.0
1980.....	20.0	24.0
1981.....	22.0	26.0
1982.....	24.0	28.0
1983.....	26.0	30.0
1984.....	27.0	31.0
1985.....	27.5	31.5

During the FY 1977, Federal executive agencies acquired 18,670 passenger automobiles. The fleet average fuel economy was 19.3 mpg, resulting in a gasoline savings of approximately 11.12 million gallons (or 265,000 barrels) of gasoline over the expected useful life of the vehicles. Through August 31, 1978, agencies had acquired 13,594 vehicles attaining a fleet average fuel economy of 21 mpg. This will result in a gasoline saving of 14.4 million gallons (or 343,000 barrels) of gasoline over the 60,000 miles expected life of the vehicle. The gasoline savings for both years are based upon the premise that, in the absence of this program, Federal Agencies would have continued to acquire a combination of 8 cylinder midsize and standard sedans and station wagons which are less fuel efficient. Additional savings are expected in FY 1979 as the fleet average fuel economy objective increases to 22 mpg, the fuel economy standard rises to 19 mpg, and the program is extended to include light trucks of 6,000

pounds GVWR. There will be an even greater savings in subsequent years as the CSA program is extended to include light trucks up to 8,500 pounds GVWR and the differential between the GSA passenger automobile fleet average fuel economy and the fuel economy standard rises to a maximum of 4 mpg.

K. REPORTING REQUIREMENTS

The Act requires manufacturers to submit reports semiannually to DOT containing: (1) Information on manufacturers' abilities to comply with applicable fuel economy standards; (2) a plan describing steps taken by the manufacturer to comply with the standards; and, (3) such additional information as may be required by the Secretary.

Two reports required by the Act have previously been submitted by the Secretary of Transportation to the Congress:

(1) *Effective of Miles-Per-Gallon Meters as a Means to Conserve Gasoline in Automobiles*, July 1976, and (2) *Advisability of Regulating Electric Vehicles for Energy Conservation*, August 1976.

IV. TECHNICAL OUTLOOK

A. FROM 1979 THRU 1985

Introduction

This section discusses the technical capability of motor vehicle manufacturers to comply with the present fuel economy standards, those set by the Act, and those established by the Secretary of Transportation.

When the Department of Transportation issued passenger car standards for Model Years 1981 through 1984, supporting documentation for those standards included the Rulemaking Support Paper dated July 1977, and the Final Impact Assessment dated June 30, 1977. Subsequently, at hearings conducted by the Subcommittee on Science, Technology, and Space of the Senate Committee on Commerce, Science and Transportation, executives of each of the four major U.S. passenger car manufacturers stated that they would meet the imposed standards—and would monitor and adjust production schedules, if necessary, to insure compliance.

The Department of Transportation/NHTSA does not purport to be able to predict the exact path that each manufacturer will adopt for complying with the standards. Rather, NHTSA has projected product plans for each manufacturer, assuming implementation rates of fuel economy improvements which are technologically feasible for the appropriate vehicles. In these plans, each automobile configuration is separately projected into the

future. Engine, transmission, related component and assembly capacities are then coordinated with manufacturing plans. The values used for the technological improvements to fuel economy are based on manufacturers' responses to questionnaires and on estimates developed by the NHTSA technical staff on the basis of engineering fundamentals and information in the open literature.

The Rulemaking Support Paper for the 1981-1984 passenger car standards presented detailed evidence in support of the conclusion that technology would be available for achieving the required standards. The analysis was specific for each of the domestic manufacturers and did not include the additional fuel economy improvements that could be achieved either by shifts in the mix of models toward cars with smaller interior volume or by the application of diesel engines. Nor did the analysis include other potential technologies for improving fuel economy, such as turbocharging and engines in which some of the cylinders can be deactivated (dual-displacement engines). These technologies provided an even larger safety margin in case some of the ongoing developments are not fully successful.

In the last 18 months, since the passenger car standards were issued, the NHTSA has updated its information base and its methodology for estimating technologically feasible fuel economy for each manufacturer. It has used test data on later model cars, additional information received in response to information requests from the automobile manufacturers and suppliers, additional research results, and information from the trade press. The earlier conclusion that the average fuel economy standards of 27.5 miles per gallon for each of the domestic passenger automobile manufacturers is technologically feasible for model year MY 1985 has been confirmed by the latest analyses. Each manufacturer has a wide range of technical options which can be combined in various proportions to meet the fuel economy standard.

Because manufacturers have been less concerned with fuel economy for light trucks, less information has been available. The first efforts to develop data comparable to that available for passenger cars occurred with the initial rulemaking for MY 1979 and continued with the rulemaking for MY's 1980-81. More data is being developed in the course of rulemaking for light trucks for MY's 1982-1984. A proposal is expected this Spring.

An important factor complicating light truck fuel economy projections is the difference in car/light truck usage. While the car is designed to transport passengers, the light truck is

primarily designed to carry heavy and/or bulk cargo. The light truck is also designed to carry loads on unprepared surfaces (e.g., those encountered at construction sites, recreational areas, etc.). Many owners may use their trucks to maximum capability only rarely, if at all. Consumers who might want somewhat "less truck" in terms of hauling capability do not now have a suitable alternative available in today's market. The small imports do not provide the cab space desired by many people, nor are their truck beds sized to accommodate standard building materials used in this country. In addition, the current foreign exchange rates are rapidly placing these trucks at a considerable price disadvantage when compared with the lightest domestic trucks. There is a size gap between the smallest domestically produced light trucks and the largest imported light trucks. As "intermediate"

size pickups and vans are introduced, light truck fleet fuel economy can be expected to increase.

Seven categories of technological improvement have been identified which could lead to increased fuel economy in the mid-eighties for both passenger automobiles and light trucks (see Table IV-1). The major ones are weight reduction, and engine and transmission improvements. The following paragraphs discuss each category in more detail.

Weight Reduction

The NHTSA estimates that the average inertia weight of new passenger automobiles can be reduced from about 3,900 lbs. in MY 1977 to about 3,000 lbs. in 1985. This reduction by itself could increase fuel economy by about 23% (assuming that acceleration performance is held constant).

[4910-59-C]

TABLE IV-1

Representative Fuel Economy Improvement
Techniques for Passenger Cars and Light Trucks
In the Mid-Eighties

<u>Technology</u>	<u>Typical Improvement in Fuel Economy from 1978 (1)</u>
1. Weight Reduction (downsizing, materials substitution, and/or alternate configurations for body or powertrain)	10% reduction in weight increases fuel economy by 8% at constant acceleration performance.
2. Engine Improvement	
Improved Spark Ignition Engine Efficiency	
a. Optimized control	1-3%
b. Engine quality	0-20% (2)
Alternate Engines	
a. Diesel	25%
b. PROCO	20%
Turbocharging	car-specific depending on replacement of current engine by a smaller turbocharged engine. Typically 5-10% improvement in fuel economy
3. Transmission Improvement	
Improved Automatic Transmission related to current 3-speed	
a. Locked-up torque converter	3-6%
b. Wide range 3-speed	2%
c. Wide range 4-speed	5%
d. Improved efficiency	1-2%
e. Improved engine/transmission matching	1-2%
f. 4-speed with locked-up torque converter	8-11%
Overdrive Manual Transmission	5%
4. Improved Lubricants	
a. Crankcase	
1. lower viscosity	1%
2. friction modified	1%
b. Rear axle lower viscosity	1%
	3% total
5. Reduced Parasitic Losses	1-4%
6. Reduced Tire Rolling Losses	5%
7. Improved Aerodynamics	
a. Complete Body redesign	5%
b. Add-on devices	3%

(1) These values are not necessarily additive

(2) As compared to an average 1978 engine.

[4910-59-M]

There are a number of ways to accomplish such a weight reduction including:

- Substituting new vehicles with smaller external dimensions, while maintaining interior space, into the same market class (downsizing);
- Redesigning current smaller exterior dimension vehicles and providing them with a nameplate of a vehicle with a larger size market image (also called downsizing);
- Substituting lighter weight materials (materials substitution);
- Introducing smaller, lighter weight engines, and other components;
- Applying front wheel drive in a new design;
- Using modified space arrangements (minivans replacing station wagons);
- Using various combinations of these approaches.

Downsizing has been the main weight reduction technique applied since MY 1977. General Motors, Ford, and Chrysler have introduced new vehicles that are smaller in external dimensions and lighter than the automobiles they replaced, while retaining or increasing interior roominess. The manufacturers used all-new designs and facelifts in the process. The first round of downsizing will probably be completed by the early eighties. Some additional downsizing will probably take place later, but most of the major car lines will have been subjected to this process by the early 1980's. (Mix shift, a mechanism for reducing the average weight which is different from downsizing, includes a reduction in utility—downsizing does not.)

In addition to "downsizing" the vehicle, redesign of many of the components to achieve further weight savings is possible. As an example, it is estimated that about 75 lbs. could be saved from an average vehicle by using lighter engine and accessory components.

Material substitution means that aluminum, plastic, and HSLA (High Strength, Low Alloy) steel are substituted for carbon steel, the main component of current automobiles and light trucks. All of these lighter weight materials are expected to be used to a greater extent in the mid-eighties than they are today. The mix of substitute materials will depend on the development of production techniques and the relative economic advantage of the different materials. The use of aluminum and plastic materials may be limited by supplier/industry production capabilities. There does not appear to be a limitation on the availability of HSLA steel in the mid-eighties. This subject is discussed further in Section V.

Reduction in the size and weight of the engine can be accomplished, while maintaining the needed power, by applying turbocharging. The weight of a turbocharged engine of a given power level will be in the range of 100 to 250 pounds lighter than that of a conventional engine.

The use of front wheel drive is also expected to provide substantial savings in weight when compared to conventional rear-wheel-drive automobiles. Several models now use front-wheel drive, and General Motors has announced plans to use this technology throughout its products by the mid-eighties.

Still another way to reduce vehicle weight is to use an alternate vehicle configuration, such as a van type space arrangement as a replacement for station wagons. It appears possible to reduce vehicle weight by 500 to 700 pounds with the van type arrangement.

Engine Improvements

The possible fuel economy improvement to be realized through engine improvements depends on the engine type. Three types were considered: spark ignition (SI), compression ignition (diesel), and continuous combustion (gas turbine, Stirling, steam).

The spark ignition engine is expected to be the dominant engine in the mid-eighties, accounting for about 90% of the new vehicle fleet. On the average, the fuel economy of spark ignition engines will be little changed from 1978 to the mid-eighties due to the scheduled tightening of emission standards. NHTSA considered four factors in arriving at this conclusion. They are:

- The diversity of the baseline (1978) engines;
- The changes in emission standards between now and the mid-eighties;
- The fuel economy improvement potential attainable by changing control strategies;
- The fuel economy improvement potential achievable through engine design-variable changes.

Diesel engines are already being used in some car and light truck models. Manufacturers' plans indicate that about 10% of the new passenger car fleet may be diesel, with fuel economy improvements of at least 25% at the same performance level. The extent of diesel engine application is brought into question by concern over the possible health effects of diesel particulate emissions. This issue is discussed later in more detail.

Currently, two types of stratified-charge engines are either under development or in production: the open-chamber and divided-chamber types. Current indications are that the divided-chamber engine (such as the Honda

CVCC) has little or no advantage in efficiency over a conventional homogeneous charge SI engine at the 1981 emissions level, particularly in the large engine/vehicle combinations.

The open-chamber stratified charge engine (such as the Ford PROCO) is approximately 20% more fuel efficient than a comparable homogeneous charge SI engine. The open-chamber stratified charge concept should work very well in rotary engines as well, due to the gas dynamics that occur in this design. Several manufacturers are experimenting with this concept, and one or more production engines may appear in the eighties.

The open-chamber stratified charge engine could work in trucks, but it is likely that it will be allocated to passenger cars in the early 1980's where it can be developed under less severe operating conditions. Light truck usage may follow with these engines introduced in the low-load-range portion of the light truck market (as has been the case with the Oldsmobile light duty automotive diesel).

Continuous combustion engines (e.g., Stirling, gas turbine) are not expected to be in production before 1990 at the earliest. Several development programs now underway are expected to provide fuller understanding of the fuel economy such engines could achieve in production.

Transmission Improvements

The fuel economy of passenger automobiles and light trucks can be increased by the use of advanced transmissions.

One significant cause of energy loss in automatic transmissions is the loss inherent in torque converter slippage. A lock-up clutch on the torque converter eliminates this slippage and increases fuel economy between 3 to 6 percent. Chrysler has introduced such a feature on some three-speed automatic transmissions in model year 1978, and other manufacturers are expected to follow. By the mid-eighties, it is expected that most automatic transmissions will incorporate either lock-up clutches or other means of mechanically by-passing the torque converter to avoid losses.

Further gains in fuel economy are possible by adding an overdrive, either in the form of a wide range three-speed (a change from the conventional ratios) or a fourth gear. With an overdrive transmission, a 2 to 5 percent fuel economy improvement is possible which is additive to that obtained from the torque converter lock-up.

Improved Lubricants

Recently, a number of new lubricants featuring reduced-viscosity and/or friction-modifying additives have been introduced. At present the friction-modified oils are not approved by

the EPA for use in fuel economy certification testing. The EPA, however, does allow their use in EPA durability vehicles, and it is assumed that by the early eighties these oils will have been approved for use in fuel economy testing and that the total fleet will be using them. The 1981 light truck fuel economy standard has a one-half mile per gallon contingency; i.e., the standard is reduced by one-half mile per gallon if the EPA does not approve the use of these oils. It is projected that a 3% improvement is possible with the use of both low-viscosity and friction-modified oils in the engine crankcase and driveline.

Reduced Engine Accessory Power Requirements

Reducing the loads placed on the engine by accessories will have a positive effect on fuel economy. The engine accessories include the oil pump, water pump, fan, air pump, and alternator, and, for the bulk of automobiles sold in this country, air conditioning and power steering pump. All of these accessories, because they require engine power to operate, have an adverse influence on fuel economy. An increase in fuel economy of up to 2% is possible with improved individual accessory components. Improvements of 2-4% are possible through the use of improved accessory drives (which would reduce the engine power needed to drive the accessories at higher engine speeds). The improvement with accessory drives is not generally additive to the improvements from individual accessory components.

Reduced Tire Rolling Losses

By the early eighties, the NHTSA projects that tire rolling resistance can be reduced by 35% over today's radial tire, resulting in a 5% improvement in the fuel economy of passenger automobiles. The improvements for light trucks may not be so large. The 35% rolling resistance reduction will be achieved by combinations of technical design and operational improvements in the following four areas: (1) Type of rubber base stock and additives used in rubber compounds, (2) cord and belt material, (3) increased inflation pressure, and (4) use of an oversized tire operated in an under-loaded condition.

Reduced Aerodynamic Drag

The NHTSA estimates that fuel economy can be improved by 5% through the early 1980's when new body designs are introduced, or by 3% through the use of aerodynamic addition devices. Presently, at highway speeds approximately half the amount of energy being consumed by the engine is used to overcome aerodynamic drag. It is estimated that it may

ultimately be possible to reduce the aerodynamic drag of passenger automobiles by 20 to 50% by careful body design.

Advanced Vehicle Designs

Through its Research Safety Vehicle (RSV) Program, the Department has shown that a "socially responsible" automobile can be a near-term reality by demonstrating that the production of vehicles with high fuel economy, excellent safety characteristics, and low emissions is not only feasible, but practical. Under the Program, one contractor has modified an existing four-door, five-passenger car in such a way that its fuel economy is predicted to be more than 28 mpg, its emissions can meet the currently more-stringent California emission standards, and its structure can sustain zero damage in a 7 mph frontal crash (current standard is 5 mph) and provide occupant protection at 40-45 mph (as compared to 30 mph for the existing standard). These improvements can be made at minimum cost, using existing production techniques, and with high probability of consumer acceptance.

The RSV Program has also demonstrated even more innovative concepts in design and technology. A prototype 2,250 pound two-door, four-passenger vehicle with a mid/rear transverse spark ignition engine has been developed which not only surpasses the most stringent emission and safety requirements, but also is projected to attain a fuel economy of nearly 35 mpg and sustain no permanent damage in a 10 mph frontal crash. The vehicle utilizes new materials and pro-

duction processes, including the use of lightweight, foam-filled metal sides and front.

This structure provides increased energy absorption (and occupant protection) while reducing weight to improve fuel economy. The industry has shown interest in this structural concept, and one manufacturer is establishing, in contract with the government's contractor, to attempt prototype applications while another is closely following the evaluation of the concept.

Average Fuel Economy Projections

Projections of fuel economy for the 1980 through 1985 passenger car fleets are presented in Table IV-2. Similar assessments were conducted in the course of rulemaking to establish the 1981 through 1984 passenger car standards. On balance, the conclusions reached during the 1981-84 rulemaking (and published in the Rulemaking Support Paper dated July 1977) are similar to those resulting from the most recent assessments. These analyses indicate that all domestic manufacturers can exceed the scheduled standards for each year through 1985.

The specific fuel economy levels shown for each domestic manufacturer do differ from earlier estimates, but not to any significant degree. For the most part, these differences are attributable to the use of more recent EPA certification data than that used during the rulemaking. In this case, 1978 model year information was used because it is the most complete data base available (the 1979 data base for passenger cars is not yet complete).

TABLE IV-2.—Domestic Manufacturer Automobile Average Fuel Economy Projections
(Miles per Gallon)

Manufacturer	Model year					
	1980	1981	1982	1983	1984	1985
AFE Standard.....	20.0	22.0	24.0	26.0	27.0	27.5
American Motors.....	21.5	23.6	24.6	26.8	28.7	29.5
Chrysler.....	21.8	24.3	25.9	26.8	28.9	30.1
Ford.....	21.7	24.7	25.3	27.6	29.1	29.7
General Motors.....	22.5	23.7	25.3	26.4	28.6	29.6

It should be noted that manufacturers' plans are always being revised, and within the last month, some manufacturers have indicated substantial changes. These changes obviously are not reflected in Table IV-2 and are now being evaluated by the Department.

The case where the manufacturers could use no diesel engines was also considered. This case affects only

Chrysler and General Motors. The Chrysler fuel economy values shown in Table IV-2 would be reduced by 0.1 mpg in 1984 and 1985 if diesel engine use should not be permitted. For General Motors, model years 1984 and 1985 average fuel economy estimates are 28.0 and 28.7 mpg, respectively, without diesel engines (instead of those values shown in Table IV-2). If Ford's PROCO program is not included, Ford fuel economy estimates would

be reduced to 27.3 mpg, 28.2 mpg and 28.4 mpg for model years 1983 through 1985, respectively.

The NHTSA estimates that all of the foreign manufacturers (not including low volume manufacturers) can meet the mandated standard of 27.5 mpg in 1985, although Mercedes-Benz, BMW, Volvo, and Peugeot would apparently fall below 27.5 mpg without diesel engines in their fleets. These four manufacturers historically have produced a limited line of vehicles for market segments that until recently were not covered by the domestic manufacturers. These foreign manufacturers believe a change in vehicle size or characteristics will adversely affect the marketability of their products. Their approaches to increasing fuel economy appear to rely more on technology that does not include weight reduction through downsizing. Further, it appears that if Mercedes does not take sufficient steps to reduce the weight of their vehicles, they must increase their diesel market share to more than 60% if they are to meet the 1985 standard. The analysis shows that none of the four manufacturers can meet the standard without diesel engines unless they reduce their vehicle weights substantially.

Diesel Engines

The future of the diesel engine as a powerplant in light duty vehicles is highly uncertain due to increasingly stringent, federally-mandated emission standards and an unknown ultimate degree of acceptance by consumers in the marketplace. Emission control technology for diesel engines and the concomitant tradeoffs with fuel economy is in its infancy, and it is difficult to make projections of future performance with a high degree of confidence. Nonetheless, it seems quite apparent from the limited data available that the fuel savings potential of the diesel is considerable.

When compared to average 1978 spark ignition (SI) engines, after adjusting for equivalent performance, currently-produced diesel-powered passenger cars and light trucks show fuel economy advantages ranging anywhere from 22 to 52 percent. Currently-produced diesels for these light duty vehicles are all naturally-aspirated, indirect-injection engines, with the sole exception of the turbo-charged Mercedes 300 SD. Advanced technologies, such as turbo-charging and direct fuel injection, offer near-term potential to further increase fuel economy at least an additional 15 to 20% above that of the currently-produced diesels. Further out in time, various technologies hold promise for even greater fuel economy improvements while simultaneously reducing emissions and improving performance.

Some of these technologies include: turbo-compounding, variable compression ratio, water emulsions, alternative fuels, and advanced fuel injection systems (higher pressures and/or electronic control of timing and volume).

As in the case of the spark ignition engine, a number of vehicle characteristics affect the diesel-powered vehicle's fuel economy. The diesel's sensitivities to these vehicle characteristics are different from those of the SI engine because of differences in their part-load performance characteristics. In general, the diesel-powered vehicle will achieve a larger increase in fuel economy than an SI-powered vehicle for similar reductions in aerodynamic drag and tire rolling losses.

Two major issues that may preclude a significant increase in diesel penetration are the unknown health effects associated with diesel exhaust particulates and the potential requirement to meet stringent NO_x emission levels while simultaneously lowering particulate emissions.

EPA and DOE have ongoing research programs investigating the potential health effects associated with diesel exhaust. The outcome of this research will, of course, bear heavily on determining the stringency of future emission standards and the viability of the diesel as a future alternative powerplant. This research is designed to provide at least preliminary answers by the fall of 1979, prior to the point in time when the manufacturers must make large capital expenditures on tooling in order to meet the fuel economy standards. EPA has made it quite clear, however, that automobile manufacturers are completely responsible for insuring that the use of diesel engines does not constitute an unreasonable risk to human health.

Recently, EPA has proposed particulate standards of 0.6 g/mile in 1981 and 0.2 g/mile in 1983. The relative ability of diesel passenger cars to simultaneously meet the proposed particulate levels and the 1981 gaseous emission standards of 0.41 HC/3.4 CO/1.0 NO_x g/mile with a given control technology is dependent on vehicle and engine size. Current DOT-funded research on diesel emissions indicates that the combination of the 1981 gaseous emission standards with a 0.2 to 0.3 g/mile restriction of particulate emissions can only be considered highly likely in a vehicle with an inertia weight of 2500 lbs. or less, utilizing injection retardation and turbocharging. Vehicles between 2500 and 3500 lbs. can achieve an emission standard of 0.41/3.4/1.5 in combination with particulate levels of about 0.3 g/mile. Naturally-aspirated engines in this same weight class would yield about 0.5 g/mile particulate levels. The lower NO_x level and proposed 1983 particu-

late standard of 0.2 g/mile can possibly be achieved in this weight class with technologies which may include modifications to current diesel fuel and the use of oxidation catalysts, in addition to injection retardation and turbocharging. Since these technologies have not been developed and tested, their potentials are yet to be demonstrated. Finally, DOT has seen no data where vehicles exceeding 3500 lbs. inertia weight, using currently available technology, are meeting the 1981 gaseous emission standards in combination with a 0.2 g/mile particulate level, and it is not clear that engines for these vehicles can be designed using currently demonstrated technology. Particulate traps will be required in addition to all of the above technology. As of today, traps have not demonstrated effectiveness for longer periods than 5000 miles and, thus are not currently practical for production vehicles. This discussion is intended to provide perspective on this issue based on data on hand today and not to prejudge the outcome of EPA's regulatory proceeding.

EPA Test Procedures

The Act requires that the EPA establish the fuel economy testing and calculation procedures for determining fleet average fuel economy values for a manufacturer. The procedure is required by law to yield results comparable to those obtained under the procedures for model year 1975. The EPA is required to develop and provide mileage information to the public in a *Gas Mileage Guide* and on labels for vehicles. The Act requires measurement of fuel economy in conjunction with emissions to the maximum extent possible, although it does not expressly require that fuel economy testing for developing mileage guide and standards compliance information be conducted at the same time. However, to date, practical considerations have dictated that it be done in this manner.

Two significant issues have arisen out of the above constraints. First, EPA has issued a number of "guidelines" for manufacturers to follow in emissions certification and fuel economy testing. EPA contends that the guidelines have been necessary to close loopholes in the test procedure and render "more accurate" test results. The DOT has agreed with EPA's efforts along these lines in principle. The manufacturers, on the other hand, contend that EPA has continually revised its procedures since 1975, to the extent that the present fuel economy test procedures no longer yield results comparable to those obtained under the 1975 test procedures, as required in the Act. DOT has insufficient information at this time to judge the validity of either argument,

although it is recognized that the effects may be sizeable. It is imperative that this issue be carefully studied in 1979; the steps to accomplish this are presently being undertaken.

The second issue concerns the ability of the EPA test procedure to accurately predict "real-world" fuel economy. Ever since EPA began publishing mileage information beginning with 1973 model year cars, there has been a growing public awareness of a discrepancy between the test ratings and real-world performance. Moreover, an examination of the data over time reveals a trend indicating the discrepancy may be growing rather than diminishing. These findings are of concern from several viewpoints. From the consumer's viewpoint, the purchaser of a vehicle is receiving less fuel economy than expected. From the national viewpoint, less energy is being conserved than expected. The sources of the discrepancies are many and varies, e.g., driving habits, ambient temperature, road load, engine accessory loading, and production vs. certification vehicle considerations. More work is required to quantify the effects of the various discrepancies and adjust the test procedure and/or mileage guide accordingly. The apparent conflict between the desirability of achieving more representative fuel economy figures and the statutory requirement that the test procedure for compliance remain equivalent to 1975 is an issue that DOT will address in the coming year with EPA and DOE.

B. TOWARD THE 1990'S²

Although it is premature to attempt to quantify average fuel economy standards for the late 1980's and 1990's, it is possible and necessary to confront some of the basic issues. These include the need for further improvements in fuel economy, the rate of such improvements, the availability of technology, economic practicability, and the Government role.

As the Secretary of Transportation pointed out in his speech before the Detroit Economic Club in December 1978, the existing fuel economy standards, as challenging as they may be for some to meet, will not suffice for the future. By the early 1990's the effect of the present fuel economy standards largely will have been realized and energy demand will spurt again under the continuing demand for mobility. Unless cooperative and constructive

efforts are initiated now, sufficient supplies of affordable fuel will not be available. Beyond 1985, even a one mile-per-gallon improvement in fuel economy per year for new cars probably will not be sufficient to offset increases in total demand for motor fuel. Thus, it is necessary to focus on the things that must be done to make major increases in average fuel economy (e.g., to again double the fleet fuel economy average to something like 50 miles per gallon, or its equivalent, before the new century). Advances now being made in automotive fuel economy are the result of technology developments which occurred over the past twenty years or so. The NHTSA estimates that most of the currently known technologies for improving fuel economy will have been utilized by 1990. By that time, the possibilities for further fuel economy improvements using existing commercial technologies will come close to being exhausted, although incremental improvements will still be possible. But, if the next generation of cars and light trucks is to meet the conditions of the 1990's it is necessary to begin now to develop advanced automotive technologies so that they will be ready for commercialization. Two primary avenues exist for further increases in fuel economy: (1) The use of lighter weight vehicles; and (2) the application of engines with lower specific fuel consumption than current engines (e.g., improved diesels, stratified charge, and Stirling engines).

Concerning lighter weight vehicles, by 1990 downsizing will have gone as far as possible, and only massive shifts in the mix of cars sold will allow a reduction in average vehicle weight. Consumers would have to accept smaller cars, or cars with lower acceleration capability, to achieve fuel economy increases without new technologies or materials application. However, lighter vehicles can be expected to result from the widespread use of composite materials such as fiber-reinforced plastics, and the further application of monocoque type design. Together, these techniques could reduce the average weight of passenger automobiles by about 500-700 pounds below that expected by the mid-eighties. The weight reduction anticipated for light trucks is about two hundred pounds. Unfortunately, to achieve these weight savings, new production practices would need to be developed by the auto industry. Although the practices in themselves would be different from those used today, they

could be introduced into fleet manufacture in the industry's normal evolutionary manner.

Concerning engines with lower specific fuel consumption, one engine type which could provide improved fuel economy in the nineties is an advanced version of the diesel engine (although turbocharged spark ignition engines of new designs also offer significant improvements over today's spark ignition engines). Widespread application of such diesel engines could increase fuel economy by 40-50 percent over current spark ignition engines. The part-load fuel economy of the diesel shows significant improvement over that of the spark ignition engine. The widespread application of diesel engines, however, awaits the resolution of questions concerning the health effects of diesel exhaust emissions and appropriate control technology, as previously discussed.

If it were possible to develop the light weight designs, and the health effects of controlled diesel engine exhausts were found to be acceptable, fuel economy values in the range of 50 mpg for the passenger automobile fleet and 30 mpg for the light truck fleet would be technologically achievable.

An insight into the fuel consumption implications of higher average fuel economy levels can be gained by looking at Figures IV-1A and IV-1B which show an estimated range of fuel consumption and cumulative fuel saving for the passenger automobile fleet between the years 1985 and 2005. The curves show the projections for possible future fleet average standards of 27.5 mpg, as well as higher levels. Figure IV-1B projects a cumulative saving of between 4 and 6 billion barrels by the year 2005 with higher fuel economy levels than the 27.5 mpg standard maintained indefinitely.

The cost of the required change in the industry to achieve these fuel economy projections is difficult to estimate without considerably more analysis than has been completed to date. It is important, however, to realize that the technology needed, while understood, is not yet available for production. The research and development needed to bring this technology into being must still be done. It is also important that the Federal Government take action now and in the early 1980's to insure that the Nation will have available the technological ability to achieve future improvements in fuel economy.

²The speech of the Secretary of Transportation before the Detroit Economic Club in December 1978 served to focus public attention on this subject.

Potential Fuel Consumption and Fuel Savings for Future Passenger Automobiles

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NOTICES

Figure IV-1A

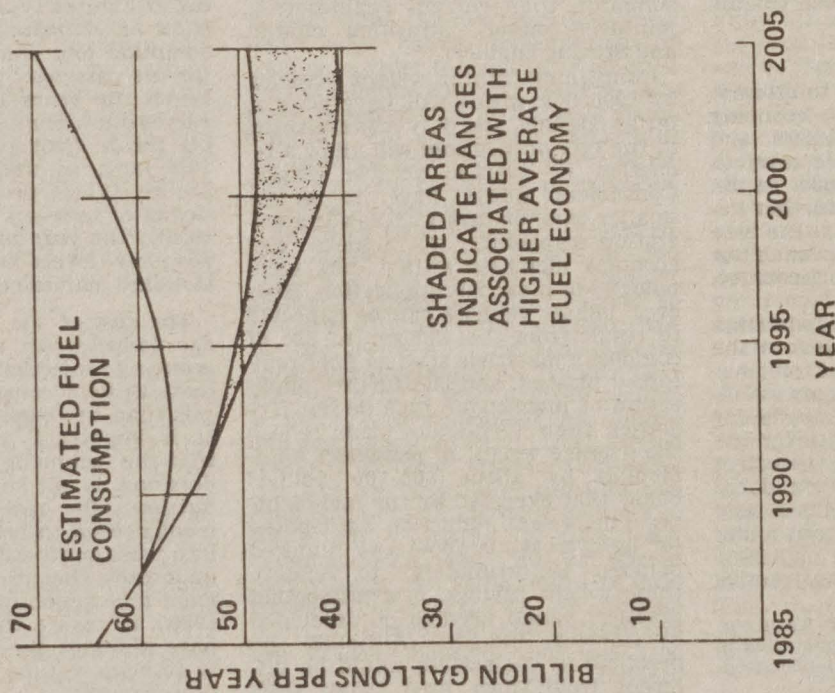
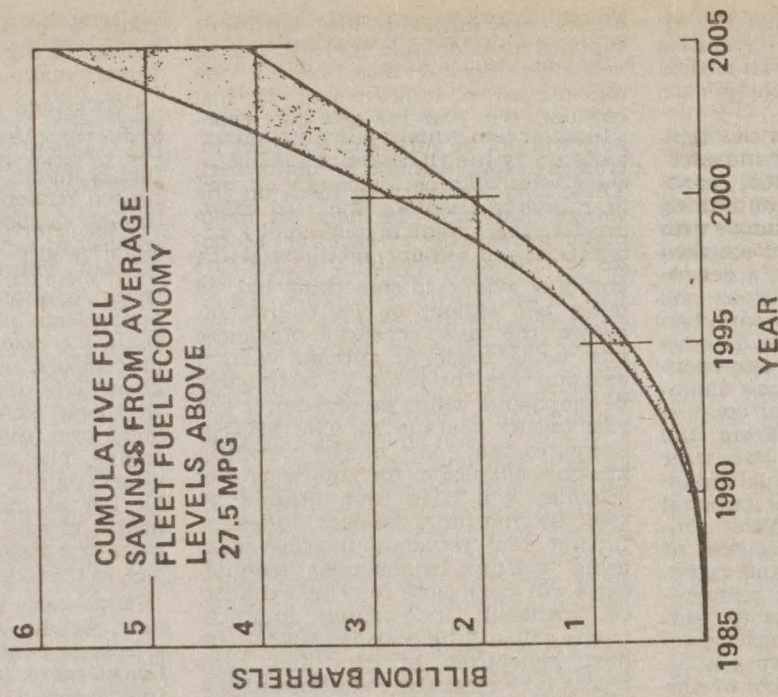


Figure IV-1B



[4910-59-M]

The Department has taken a definitive step forward by suggesting a conference of leaders in the auto industry and within government agencies that support and regulate that industry. The industry has been invited to join with the Government in a coordinated program dedicated to developing the advance automotive technology that will allow major advances in fuel economy and safety.

It is necessary that the auto industry and the government jointly focus on long range goals as well as short term objectives, since the long range program may well exceed the commercial capabilities of the industry alone. The Federal Government can and must play a key role in fostering and, to the extent possible, assisting is such a development program. Substantial sums of tax dollars are already being invested in automotive-related research and development.

Federally-supported research and development programs should be the catalyst for a concerted, cooperative government-industry effort toward the goal of greatly increased fuel economy that serves national, industrial, and consumer interests. The committed involvement of industry and the private sector is required to overcome the common technical problems that stand in the way of that goal.

Considerable effort has already been applied to the development of the automobile of the 1990's. An assortment of experimental safety vehicles, with improved crash protection and fuel economy, have been built and tested under the direction of the Department of Transportation. The industry has carried out, and is presently conducting with the support of the Department of Energy, a variety of alternative engine programs—the Stirling,⁶ the turbine, the electric and hybrids. There are other more exciting prospects—advances that depend on significant developments in materials, heat transfer technologies and energy storage systems.

C. UTILIZATION OF ADVANCED AUTOMOTIVE TECHNOLOGY

With the passage of the Department of Energy Act of 1978—Civilian Applications on February 25, 1978, the Congress placed a specific requirement on the Secretary of Transportation to report annually on "the extent to which the automobile industry utilizes advanced automotive technology

⁶Ford Motor Company recently announced cancellation of its participation in the DOE Stirling Program because it needed all its resources to meet fuel economy and emission standards, not because of any serious doubts about the potential of the engine itself.

which is or could be made available to it," including "recommendations which may encourage the utilization" of such technology. Due to the close relation between this requirement and the purpose of this report, the report required by the DOE Act of 1978 is included here. Three topics are covered in highlight fashion: the evaluation process, the extent of technology application, and recommendations. Refer also to the preceding parts of Section IV.

NHTSA's ongoing evaluation of the extent to which the automobile industry utilizes advanced technology was continued during 1978. In June, questionnaires were sent to the major domestic and selected foreign manufacturers of passenger automobiles seeking, among other things, information on the technological improvements the manufacturers foresee through the mid-eighties and intend to use. The light truck manufacturers were presented with a similar request in July 1978. A symposium on Technology, Government and the Automotive Future, jointly sponsored by the Department and Harvard University, was held in October 1978. In December, the Secretary called for a Government-Industry meeting to explore what can be done to foster the development and utilization of advanced technology by the U.S. automotive industry.

A number of new technologies have been introduced, or are planned for introduction in the near future. These include:

- **Diesel Engines**—These engines are increasingly being used in automobiles sold in the United States. General Motors now offers two diesel engines, and it appears to be ready to introduce additional diesel engines. Other manufacturers already offering diesel-powered cars include Mercedes-Benz, Peugeot, and Volkswagen. A number of other manufacturers are actively working on diesel engines for cars. Work performed under contract to DOT by Chrysler, Volkswagen and Fiat is aimed at developing a data base on diesel engine technology. Manufacturers, however, are completely responsible for diesel engines emission control treatment.

- **Turbo-charged Spark Ignition Engines**—General Motors, Ford, Saab, and Porsche are now offering turbo-charged engines in at least one of their lines of automobiles. Volkswagen has developed, under contract to DOT, test data showing that a turbocharged spark ignition engine in a 3000 lb. inertia weight vehicle can achieve 33 mpg EPA composite fuel economy, while meeting 1981 emission standards.

- **Stratified Charge Engines**—Ford has been developing a direct-injection stratified charge engine, called

PROCO, for a number of years. It appears this engine will be in production in the early 1980's.

- **Other engines**—The Department of Energy is sponsoring development of gas turbine and Stirling engines and has a major program to develop and demonstrate electric and hybrid vehicles.

- **Electronic Controls**—Most of the manufacturers will be introducing electronic engine and emissions controls (spark advance, air/fuel mixture, and exhaust gas recirculation).

- **Improved Transmissions**—The four-speed automatic transmission with lock-up clutch will be introduced in model year 1980 or 1981. Widespread application of this technology is expected.

- **Downsizing**—This was the major technique starting in 1977 in which the external dimensions of some automobile models were reduced without reducing the internal dimensions in order to make large reductions in weight.

- **Material Substitution**—Since 1975, the application of high-strength low-alloy steel, plastics and aluminum has increased in passenger automobiles and light trucks. Ford Motor Company has announced its intention to introduce a graphite fiber reinforced component in the 1980 Mustang.

- **Front Wheel Drive**—General Motors has publicly stated that the major part of its product line will utilize front-wheel drive in the mid-eighties. New front-wheel drive vehicles will be introduced in MY 1979 by General Motors. Currently, the Chrysler Omni/Horizon is a front-wheel drive automobile.

- **Computer-Aided Design**—This is a technology not obvious to the consumer; however, the application of advanced design techniques has allowed the more rapid introduction of downsized vehicles and different materials. It permits better structural design for both crashworthiness and durability while reducing weight.

The Department is still studying what can be done to encourage the utilization of advanced technology in the automobile industry. It appears that the rate of introduction will be influenced by financial considerations. At this time, it is premature to present recommendations pending the outcome of the discussions between the Federal Government and the manufacturers recently proposed by the Secretary.

V

ECONOMIC IMPACTS

Having reviewed in Section IV the various factors involved in the technological feasibility of achieving the statutory standard of 27.5 mpg by 1985, and why that achievement should not

be a problem, attention is now directed to a review of associated economic impacts. The technological improvements to reach the 1985 standards (as well as those of intermediate years) will require significant increases in the capital spending patterns of the industry, will probably result in an increase in real prices of vehicles, and will continue to have major impacts on the auto industry. The fuel savings described earlier generate real benefits for the consumer (in excess of the estimated increases in vehicle prices), and serve as a significant aid to the Nation's economic health. The impacts of the program on the consumer, the auto industry, and the national economy are discussed below.

A. IMPACT ON CONSUMERS

There are several basic areas in which the fuel economy standards may affect consumers. First, there is a decreased amount of gasoline consumed resulting in a reduction in lifetime operating cost. Second, there is an increase in the initial vehicle cost. Finally, there are possible changes in acceleration characteristics and vehicle appearance.

In order to determine the present value of the cost of gasoline saved resulting from the increasing vehicle miles per gallon, three basic assumptions were made:

(1) Vehicle lifetime and miles travelled are approximately 10 years and 100,000 miles for passenger cars and 14 years and 134,000 miles for light trucks. Both types of vehicles are driven a greater number of miles per year when they are new than when they are old.

(2) The discount rate used to obtain the present value of monetary savings was 10%, and,

(3) The price of gasoline was taken to be 65 cents per gallon.

Tables V-1 and V-2 show: (1) The amount of fuel saved over the lifetime of passenger cars and light trucks, respectively; (2) the incremental present value of the fuel savings over the average previous model year vehicle; and, (3) the cumulative effect relative to a model year 1977 vehicle. Note that the average MY 1981 light truck will be saving 2,181 gallons of gasoline in comparison to the MY 1978 light truck, which is more than the average MY 1985 passenger car will be saving in comparison to a MY 1977 passenger car—2,045 gallons of gasoline. This occurs for two reasons. First, a light truck is estimated to travel 134,000

miles over its lifetime in comparison to 100,000 miles for passenger cars. Second, the 1978 light truck has a low base fuel economy level and, thus, a greater potential to save fuel. Hence, an increase of only 3.8 mpg results in a 28% increase in fuel economy. Note, however, that over their respective lifetimes, the average MY 1981 light truck will use about 40% more fuel

than an average MY 1978 passenger car. Similarly we note that a 1 mpg improvement in the 1979 passenger automobile over its 18 mpg predecessor saves 292 gallons while a 1 mpg improvement in the 1984 model over its 26 mpg predecessor saves only 142 gallons. As the base gets higher, we have to redouble our efforts to continue saving.

TABLE V-1.—Fuel Savings for New Passenger Automobile Purchasers

(Lifetime (100,000 miles) fuel savings per passenger automobile as a result of increasing fuel economy standards over previous model year's level)

Model year:	Standard (MPG)	Gallons saved		Present value of fuel savings per car ¹	
		Incremental ²	Cumulative ²	Incremental ²	Cumulative ²
1978	18.0	126	126	\$56	\$56
1979	19.0	292	418	131	187
1980	20.0	263	681	118	305
1981	22.0	455	1136	203	508
1982	24.0	379	1515	169	677
1983	26.0	321	1836	143	820
1984	27.0	142	1978	64	884
1985	27.5	67	2045	30	914

¹Savings based upon fuel price of 65 cents per gallon, discounted 10 percent annually back to the purchase year.

²"Incremental" indicates savings over the previous year's model; "Cumulative" indicates savings over the 1977 base year model, which averaged 17.6 miles per gallon.

TABLE V-2.—Fuel Savings for New Light Truck Purchasers

(Lifetime (134,000 miles) fuel savings per truck as a result of increasing fuel economy standards over previous model year's level)

Model year:	Fuel economy ² (MPG)	Gallons saved		Present value of fuel savings per truck ¹	
		Incremental	Cumulative	Incremental	Cumulative
1979	14.0	355	355	\$137	\$137
1980	15.6	982	1337	378	515
1981	17.3	844	2181	325	840

¹Savings based upon fuel price of 65 cents per gallon, discounted 10 percent annually back to the purchase year.

²Fuel economy based on projected sales mix of 4-wheel drive and 2-wheel drive vehicles.

³Model Year 1979 compared to estimated MY 1978 average light truck fuel economy of 13.5 miles per gallon.

Passenger automobiles and light trucks are expected to increase slightly in price as a result of fuel economy regulations. DOT estimates of North American^{*} capital spending by General Motors, Ford, and Chrysler (based primarily on manufacturers' plans) indicate significant increases over historical spending levels. It is estimated that these additional capital expenditures and related product engineering costs, and costs of introducing a new product, if allocated over all vehicles, will result in an approximate \$400 increase in the total cost of MY 1985 passenger cars and light trucks.⁹ This

estimate does not include the effects of variable manufacturing costs which may either increase (due to use of technologies such as turbochargers and 4-speed automatic transmissions) or decrease (due to material cost savings from weight reduction by downsizing). On balance, it is expected that variable manufacturing costs will increase slightly. However, any price increase resulting from manufacturing costs due to fuel economy regulations alone should be more than offset by the lifetime fuel savings of \$914 for an average MY 1985 passenger car, and \$840 for a MY 1981 light truck.

changes for light trucks after MY 1981 even though fuel economy standards for these years have not been promulgated at this time.

⁹The price used is somewhat low by 1979 pump prices. The effect is to understate the savings slightly and make the computation conservative.

^{*}U.S. domestic and Canadian.

⁹The Department has assumed model

To date there have been few problems concerning consumer acceptance of lighter automobiles. General Motors' downsized large cars were an instant success when introduced in MY 1977. GM's downsized mid-size cars sold slowly at first, but sales recovered completely later in the model year. Ford's lightweight Fairmont/Zephyr line achieved record sales for a new model in its first year. Chrysler's Omni/Horizon line of small cars has also done extremely well since its introduction; an indication of its success is the much higher than average rate of foreign car trade-ins by purchasers of this model.

The issue of consumer acceptance of lower acceleration capabilities is still unresolved (particularly, since acceleration capabilities have been promoted by the industry for so many years). This second major fuel-saving approach involves the reduction in the power (and, therefore, size and weight) of the engine relative to the weight of the entire vehicle. Not only does the overall weight decrease save fuel, but the engine cruises somewhat closer to full throttle which is more efficient for most spark ignition engines. The apparent consumer drawbacks would be the loss of acceleration at lower speed, a lack of reserve power at high speed and a decrease in maximum speed up a grade. All of these would be expected to generate consumer resistance. In practice, however, little such resistance has thus far been detected. Earlier reductions in power-to-weight ratio occurred about the time of the introduction of the catalytic converter (which allowed retuning of the engine for better response), and the imposition of the national 55 mpg speed limit (which allowed gearing for better low speed performance and reduced the need for high speed reserve or hill climbing). As a result, any perceptible degradation in performance has not reached the point where manufacturers would expect customer resistance. The response to still smaller engines is not known, and close attention (through market surveys and other means) will be directed to this area.

An issue which has been raised recently by automobile manufacturers relative to consumer impacts is their claim that the current fuel economy standards would result in price increases much higher than the cost savings realized by the buyers of these fuel efficient vehicles. In short, in their view, the currently established standards would not be cost-beneficial for the consumer. There are, in fact, two questions involved: (1) How correct is the NHTSA analysis of consumer costs and benefits? and (2) what bearing does such an analysis have on setting fuel economy standards? Rela-

tive to the first question, the operating cost portion of the analysis is straightforward and conservative since recent OPEC actions will make gasoline more expensive than the value used in this analysis. The present value computation technique is well known. Moreover, the estimate of cost-based changes in price used the best and most recent information available to DOT. The Department will continue to examine new information as it becomes available and will refine the consumer cost-benefit analysis accordingly. At present that analysis still indicates that the standards are very cost-beneficial.

Relative to the second question, the statute does not make the cost-effectiveness of the standards an explicit basis for rulemaking. Rather, the Secretary is directed to consider technological feasibility, economic practicability, the effect of other Federal standards on fuel economy, and the need of the Nation to conserve energy. While it is obviously desirable for any Federal rulemaking to produce a net consumer benefit, the relationship between individual monetary savings and national benefits resulting from energy conservation is not clearly defined. Since the Act explicitly cites the latter, it might be interpreted that the intent of Congress was to achieve energy conservation even at the cost of some consumer self-sacrifice. Of course, the Department will make every effort possible under the law to minimize consumer costs. The present standards provide a very significant benefit for consumers.

B. IMPACT ON AUTOMOTIVE MANUFACTURERS

Operational Effects

To understand the fundamental effect that the fuel economy program has had, and will continue to have, on the automotive manufacturing industry, it is useful to consider how the industry operates and how various technological changes to meet the fuel economy standards compare to historical patterns of change within the industry.

Traditionally, the domestic auto industry (while introducing new models every year) has never redesigned all cars each year. Full-line manufacturers have generally made significant changes to the body or frame in each line every 3 to 6 years, and minor changes during intervening years. Thus, over a several-year period, full-line manufacturers have revised the configuration of their entire product lines. However, the manufacturing life of certain components is frequently much longer. Some basic engines have been in production for over 20 years, and it is common for the manufacturer to retain axles, transmissions, and

other major vehicle components unchanged while making major overall vehicle revisions.

In response to the fuel economy program, the manufacturers have altered this cycle. Since the program's goals will be largely met by changing the sizes and structures of vehicles, by reducing weights, and by making major changes to engines and drivetrains, the industry is and will be accelerating its changeover cycle and increasing the scope of those changes.

There is no doubt that such a mandated program of change may place burdens on the industry and entail some risks. The next section analyzes the costs and risks, but it is useful here to consider the benefits to the manufacturers from the program.

To begin with, the vehicles will need to be redesigned from the ground up. Rather than patching a new body style on an old drivetrain, the cars can be engineered as a coherent unit to incorporate the best technology for fuel economy, occupant protection, damage protection and emissions control. Manufacturers can build in, rather than add on, features to improve the quality and durability of their product.

In this period of change, there will be an opportunity to modernize and upgrade plants and facilities now approaching obsolescence. The newest and most efficient machinery and processes can be incorporated into the planning for a significant improvement in productivity.

Not all of the changes to the automobiles involve an increase in cost. For example, one benefit of downsizing is a reduction in the amount of materials needed to produce an automobile. Based on the average 1977 cost of materials (excluding overhead, amortization, etc.), the cost reduction attributable to a 700 pound downsizing is conservatively estimated to be \$210 per vehicle.¹⁰ These are the variable costs that the industry would have incurred without downsizing.

The industry will also be in a more competitive position with respect to foreign vehicles, both in the United States and abroad. At home, with increased competition in the small car market—long the domain of Japanese and European imports—the import share of vehicle sales should decline. Conversely, with the production of more standardized parts, as well as more fuel-efficient vehicles (so necessary in Europe where the price of gasoline is 3 to 4 times that in this country), the industry is expected to compete more actively and effectively overseas. The development of a "world

¹⁰Final Impact Assessment of the Automotive Fuel Economy Standards for Model Years 1981-84 Passenger Cars, June 30, 1977, DOT/NHTSA, Washington, D.C., P. I-6, (\$0.30/lb. x 700 lbs.)

car" is on the horizon and although Chrysler has recently sold its European subsidiaries (Chrysler still has partial ownership of Peugeot), the other companies are planning to expand their overseas activities.

Ford has long been the domestic leader in sales overseas; moreover, its foreign operations are very profitable. General Motors, to compete more effectively overseas with Ford and foreign manufacturers, has doubled the assets of its overseas division and anticipates becoming the world's major producer of small cars.¹¹ American Motors, based on negotiations with Renault, also expects increased access to overseas markets, using Renault's dealer network for AMC's very profitable Jeeps and possibly its passenger cars.

It is only reasonable to ask, however, why extensive redesign of the product and modernization of the plant could not take place under normal circumstances if they were so badly needed. What is special about the fuel economy program which facilitates those changes? Redesign, retooling and rebuilding, of course, does not come free and those costs will be reflected in the price of the cars for sale. In normal times, any manufacturer attempting such an ambitious program unilaterally would not only face the investment and innovation risks, but also the risk that competitors could seriously underprice it, in the short term particularly. While the changeover would offer great long-term benefits, the manufacturer who attempted it alone could be at a severe short-term disadvantage. GM might have the resources to go it alone, but as the industry sales leader, may lack the incentive. Ford, Chrysler and AMC probably could not risk it.

The mandated fuel economy program forces all the manufacturers to make the changeover together. The competitive risk is not that one manufacturer will hang back and underprice the rest, but rather that one will do a better job in changeover than the others. All new cars will cost more, but, as was shown earlier, the cost will be more than offset by savings on fuel. Furthermore, because of the present situation of the dollar in international markets, domestic manufacturers are relatively free from foreign price competition. It will mean work, and there are risks, but there is not likely to be a better opportunity for the U.S. automobile industry to revitalize.

No group within the industry is more excited by the challenges associated with these efforts than the auto-

motive engineer. Engineers and others in the industry are inspired by the program's goals and have publicly stated their enthusiasm for the opportunity to use their skills to the fullest extent.¹² This kind of reaction itself often sparks innovations which might not otherwise have a favorable environment in which to flower.

Capital Requirements

One of the most common measures used to determine the effect of the program on manufacturers is the increased level of capital investment (special tools and property, plant, and equipment) associated with making fuel economy improvements. Section IV discussed a variety of capital and non-capital intensive technologies available to improve fuel economy. Many of these technological options require capital investments for their implementation (e.g., downsizing, new engine lines or transmission facilities). The magnitudes of annual capital expenditures will depend on the technologies chosen and the rate of which they are introduced.

Different companies will choose different technologies and strategies to achieve compliance. For example, some may elect to buy components from suppliers, reducing their capital investment requirements but increasing their variable manufacturing costs. This strategy increases consumer cost or lowers the manufacturer's margin of profit but reduces the financial risk and allows greater flexibility. The capital investment is demanded of the

¹¹Mr. Stuart Frey, Chief Vehicle Engineer, Car Engineering Group, Ford Motor Company: "Let me say that the task ahead is the kind the engineer relishes because it puts a premium on ingenuity and creativity. I believe I speak for all of my colleagues in the industry when I say I'm delighted to be part of the action." (1)

Mr. Philip Caldwell, President of the Ford Motor Company: "I think a lot about the problem but the important point is we will be able to do something we never had the opportunity to do before through these changes. If you can get two for one—that is, if you meet required Federal changes and make the company more efficient, this makes the business fun."

I think our people sense this. Our younger people are really going to have a ball. Sure there are challenges and things to be concerned about. But how many people have to the opportunity to have a clean sheet of paper?" (2)

E. A. Cafiero, President, Chrysler Corporation: "Our \$7.5 billion, five-year program to completely renew Chrysler's entire product line gives us an unparalleled opportunity to make a quantum leap in the productivity, quality, and competitive positions." (3)

(1) "Engineering Trends," speech delivered at University of Michigan, August 9-11, 1978.

(2) *Automotive News*, October 2, 1978, pp. 3 and 42.

(3) Annual Stockholders Meeting, May 2, 1978.

suppliers along with some of the risk. If the overall costs of the components are higher and are reflected in the vehicle price, the manufacturer may risk consumer resistance. As an alternative strategy, a company could invest heavily in high technology production processes to reduce manufacturing cost with the concomitant risk that the product would be successful and remain in production long enough to pay off the investment. In the design area, fuel economy standards might be met by substituting a smaller engine if one were available in production. Both investment and manufacturing cost changes could thus be small, but the loss of acceleration capability could risk consumer resistance. Any of the multitude of available strategies has certain associated costs and risks. Companies will choose among them on the basis of their market position, current product line, capability of raising capital and past experience.

The costs discussed below are based on DOT analyses using manufacturer and supplier information as the basis of the estimates. Under the previous historical pattern, North American capital spending for the 1978-84 period, the time during which capital investments for model years 1979-85 would be made, would have been approximately \$24.5 billion, in 1978 dollars. Based upon analyses of the cost of anticipated changes, it is estimated that the auto industry will need to invest approximately \$36.0 billion during the same time period—an increase of \$11.5 billion or 47 percent. It is useful to place these costs in perspective. The seven years, 1978-84, will also witness North American automobile industry revenues projected at \$590 billion. This, additional investment is less than 2 percent of total revenues. These estimates do not necessarily imply that all future capital investments are necessary for complying with the fuel economy standards. Rather, these estimates reflect certain combinations of technologies which the automobile manufacturers have indicated they are likely to use in order to improve their fleet average fuel economy.

The increase in investment discussed here in but one measure of possible costs of the program. These figures should not be interpreted as meaning the cost of meeting all government regulations is \$36.0 billion, or that the cost of fuel economy standards equivalent to the \$11.5 billion increase in investment. To separate the costs of a redesigned car into regulatory and non-regulatory costs is a difficult, if not an impossible, task. Some costs are brought about by market pressures, others by competitive decisions. The numbers discussed in this section only reflect an analysis of historical auto

¹²GM President, Elliot Estes, Harbridge House, Inc., Corporate Strategies of the Automotive Manufacturers, Vol. II, Strategic Histories, pp. 112 and 114, Boston, Mass., November 1978.

history investment patterns which indicates that, to meet fuel economy requirements while maintaining traditional manufacturing and marketing practices (such as offering a full range of styling options within each market class), a significant acceleration in industry investment level is likely.

As noted previously, these capital investment requirements are affected by the rate at which the options are introduced, as well as the nature of the options themselves. In this connection, the manufacturers have raised the issue that by increasing the fuel economy standards by 2 mpg per year in 1981 to 1983, instead of using a linear increase of 1.5 mpg per year to attain the 1985 standards of 27.5 mpg, an unduly burdensome task has been placed on the manufacturers that will not result in commensurate reductions in fuel consumption or consumer expenditures. For example:

● Chrysler estimates that the standards, as established, "will increase the automobile industry's capital requirements beginning in 1979 by \$2.5 to \$3.0 billion"¹³ as compared to equal 1.5 mpg increments.

● Ford stated that the difference in fuel savings in 1985 between the current standards and straightline standards is only slight. By straightlining, the risks of introducing major new and costly technology risks of consumer rejection could be substantially reduced. At the same time, investment costs could be spread out more efficiently—those mitigating the inflationary impact.¹⁴

Recent industry positions on this question are summarized in Appendix A as responses to NHTSA's request for public comments (Docket FE 78-02). This continuing dialogue between the industry and the Department is a vital part of the rulemaking process. The NHTSA is continually reevaluating the capabilities of the manufacturers in light of domestic and world conditions, both for the purpose of setting new rules and of modifying rules already set as may be appropriate. It is not in the best interests of the Nation or the industry for the Department to vacillate on rules which must form the bases of long range corporate planning. The Act contains adequate provisions for making changes to the current standards if the facts warrant.

During the next 5 years the number of new or resized engine and transmission lines planned to be put in operation is over 3 times the historical average of 3 new or modified lines per year. This planned change is the out-

come of industry plans as it gears to reduce production of large engines in favor of small engines. Similarly, changes will be made in the transmission lines as manufacturers switch production from three-speed rear-wheel-drive automatic transmissions to four-speed rear-wheel-drive automatic transmissions, and to front-wheel drive transmissions.

However, the important impact of the fuel economy program on the industry relates directly to the fact that the industry must have the resources directly to generate an "extra" \$11.5 billion in capital. This ability to make increased investments while maintaining financial health is the criterion which was of prime importance in determining whether the standards are "economically practicable." The Department largely views this criterion to mean that the investment requirements are within the industry's capability but not so stringent as to threaten economic hardship for the industry as a whole.

Congress recognized that different firms in the industry have different financial capabilities. The legislative history includes a discussion of the relatively small number of firms in the industry but at the same time stated that the standards "... should not be keyed to the single manufacturer which might have the most difficulty achieving a given level of average fuel economy."¹⁵ If the standards were to be set at the level to present no risk to the least capable manufacturer, the fuel economy attainable by the program could be greatly diminished. Thus, the "need to conserve energy" was to be balanced with the various abilities of the separate companies.

Based on industry information, Table V-3 provides the average estimated annual increases in capital investment required for each of the three largest domestic automobile manufacturers¹⁶ between 1978 and 1984 compared with historical investment trends. While the investment requirements for the industry as a whole are useful in placing broad issues in perspective, the process of examining the financial impacts on individual manufacturers uncovers one of the most important economic issues related to the fuel economy regulatory program. The values in Table V-3 show that the capital investments anticipated by the industry are not distributed uniformly among the manufacturers.

¹³ Conference Report on Energy Policy and Conservation Act, Report Number 94-516, December 8, 1975, pp. 154-155.

¹⁶ Data for American Motors Corp. are not included as AMC is presently unable to supply sufficient cost information to the Department because of its ongoing negotiations with Renault.

¹³ Inflation and Automobile Regulation," Chrysler Corp., May 22, 1978.

¹⁴ "State of the U.S. Automotive Industry," Ford Motor Company, p. 26, June 13, 1978.

North American Capital Investments Per Calendar Year: 1978-84*
(Billions of 1978 Dollars)

Year	General Motors			Ford			Chrysler			Total		
	Trend	Projected	Increase	Trend	Projected	Increase	Trend	Projected	Increase	Trend	Projected	Increase
1978	2.3	3.2	0.9	0.8	1.3	0.5	0.4	0.4	—	3.5	4.9	1.4
1979	2.3	3.3	1.0	0.8	1.7	0.9	0.4	0.5	0.1	3.5	5.5	2.0
1980	2.3	3.9	1.6	0.8	1.6	0.8	0.4	0.9	0.5	3.5	6.4	2.9
1981	2.3	3.5	1.2	0.8	1.3	0.5	0.4	0.5	0.1	3.5	5.3	1.8
1982	2.3	3.5	1.2	0.8	1.4	0.6	0.4	0.5	0.1	3.5	5.4	1.9
1983	2.3	3.5	1.2	0.8	0.9	0.1	0.4	0.4	—	3.5	4.8	1.3
1984	2.3	2.5	0.2	0.8	0.8	—	0.4	0.4	—	3.5	3.7	0.2
Totals	16.1	23.4	7.3	5.6	9.0	3.4	2.8	3.6	0.8	24.5	36.0	11.5

*The investments are best estimates for North American automobile and light truck production for the domestic "big three" manufacturers.

[4910-59-M]

Prior to discussing the significance of the additional investments, a brief introduction to the companies' financial sources is necessary. Auto manufacturers generally depend on internal cash flows to meet capital expenditure investment—traditionally, manufacturers have not incurred significant amounts of long-term debt. Sales revenues are the prime determinant of the magnitude of cash flows. Retained earnings from the profit on sales provide one source of capital. Depreciation and amortization of property and equipment must supply most of the remainder, or the company must look for outside sources of capital. While GM and Ford have fairly easy access to outside capital, Chrysler is currently in a less favorable position with respect to the capital market.¹⁷ Table V-4 shows the magnitude of seven-year cumulative projections of cash in-flow for the individual manufacturers for North American operations as estimated by the Department through the use of publicly available information and assuming normal sales conditions. Normal sales are based on the historical annual growth of motor vehicle sales for the industry of approximately 2 percent. These estimates indicate that the cumulative cash in-flow produced by General Motors' car and light truck operation may be nearly three times the cash in-flow generated by Ford, and almost twelve times that of Chrysler. This is disproportionate, as GM has twice the sales of Ford and 5 times those of Chrysler. Similarly, Ford, with roughly 2-3 times Chrysler's sales, generates almost 4 times the amount of cash flowing into the company.

¹⁷Historically, the auto industry has had an aversion to borrow even though their credit rating would have made borrowing easy. For example, Dun & Bradstreet, Nov. 1978 lists the credit rating of GM, Ford, and Chrysler as high, high, and good, respectively.

The significance of these figures is that the unit sales of companies are not a good indicator of relative financial ability. Rather, the large companies generate significantly more cash flow per vehicle sold than do the smaller ones.

TABLE V-4.—Calendar Year 1978-1984
Cumulative Projections of North American
Fund Sources Planned Spending—Normal
Sales

[Billions of 1978 dollars]

Manufacturer	Chrysler	Ford	General Motors
Earnings after Taxes.....	0.25	5.13	18.33
Depreciation and Amortization.....	2.99	7.67	19.16
Total Cash in-flow..	3.25	12.80	37.49

Having estimated the magnitude of the revenue available during the 1978-84 period, a comparison of cash outflows is necessary. In addition to the capital investments to be made as shown in Table V-3, funds must also be used for dividend payments and other purposes (e.g., debt requirement). These are shown in Tables V-5, V-6, and V-7.

These projections are based on DOT's best judgment of conditions and business practices within the industry and among the individual firms, consistent with the maintenance of continued financial viability. For example, in each of the cases below, stock dividends are assumed to remain constant and positive in each year. This is primarily because auto stocks are generally considered to have less than average growth potential due to the mature nature of the industry. Thus, to attract investment funds from this source, firms must be prepared to offer relatively stable dividend payments. The magnitude of the dividends are based on historical levels for each company, and are assumed constant in the absence of other projections.

Table V-5
General Motors North American
Sources and Uses of Funds
Planned Spending — Normal Sales
(Billions of 1978 Dollars)

Calendar Year	1978	1979	1980	1981	1982	1983	1984
<u>Fund Sources</u>							
Cash In-Flow	4.98	5.14	5.13	5.36	5.47	5.54	5.87
<u>Fund Uses</u>							
Cash Out-Flow	5.34	5.55	6.10	5.70	5.68	5.67	4.67
• Dividends	1.96	1.96	1.96	1.96	1.96	1.96	1.96
• Planned Capital Spending	3.20	3.30	3.90	3.50	3.50	3.50	2.50
• Other Payments*	0.18	0.29	0.24	0.24	0.22	0.21	0.21
<u>Net Cash-Flow</u>							
Cash Surplus (Deficit)	(0.36)	(0.41)	(0.97)	(0.34)	(0.21)	(0.13)	1.20

*Other uses of funds include required payments on debt incurred prior to 1978 and payments due on other credit arrangements. Surplus or deficit is recorded after payment of these additional uses of funds.

Table V-6
Ford North American
Sources and Uses of Funds
Planned Spending — Normal Sales
(Billions of 1978 Dollars)

Calendar Year	1978	1979	1980	1981	1982	1983	1984
<u>Fund Sources</u>							
Cash In-Flow	1.62	1.62	1.77	1.87	1.87	2.01	2.04
<u>Fund Uses</u>							
Cash Out-Flow	<u>1.73</u>	<u>2.41</u>	<u>2.18</u>	<u>1.80</u>	<u>1.89</u>	<u>1.31</u>	<u>1.27</u>
• Dividends	0.36	0.36	0.36	0.36	0.36	0.36	0.36
• Planned Capital Spending	1.29	1.74	1.55	1.33	1.40	0.85	0.80
• Other Payments*	0.08	0.31	0.27	0.11	0.13	0.10	0.11
<u>Net Cash-Flow</u>							
Cash Surplus (Deficit)	(0.11)	(0.79)	(0.41)	0.07	(0.02)	0.70	0.77

*Other uses of funds include required payments on debt incurred prior to 1978 and payments due on other credit arrangements. Surplus or deficit is recorded after payment of these additional uses of funds.

Table V-7
Chrysler North American
Sources and Uses of Funds
Planned Spending — Normal Sales
(Billions of 1978 Dollars)

Calendar Year	1978	1979	1980	1981	1982	1983	1984
<u>Fund Sources</u>							
Cash In-Flow	0.44	0.46	0.48	0.48	0.48	0.45	0.46
<u>Fund Uses</u>							
Cash Out-Flow	0.66	1.02	1.07	0.66	0.70	0.55	0.61
• Dividends	0.08	0.08	0.08	0.08	0.08	0.08	0.08
• Planned Capital Spending	0.40	0.55	0.87	0.46	0.48	0.40	0.40
• Other Payments*	0.18	0.39	0.12	0.12	0.14	0.07	0.13
<u>Net Cash-Flow</u>							
Cash Surplus (Deficit)	(0.22)	(0.56)	(0.59)	(0.18)	(0.22)	(0.10)	(0.15)

*Other uses of funds include required payments on debt incurred prior to 1978 and payments due on other credit arrangements. Surplus or deficit is recorded after payment of these additional uses of funds.

[4910-59-M]

In the case of planned capital spending, DOT estimates indicate that Chrysler may have a cumulative cash deficit of \$1.8 billion during the peak capital spending years of 1978-82 and \$2.0 billion for the seven-year period. Under this condition, Chrysler may be required to generate more than \$300 million per year from external funding sources.¹⁸ The Chrysler Corporation has experienced a significant decline in its market share since the beginning of the 1970's. This competition-induced decline has placed the firm in a relatively weak financial position and has lessened its ability to finance planned capital expenditure programs. In order to keep its capital investment requirements low, Chrysler is turning to domestic and foreign component suppliers which reduces its profit margin per vehicle. Chrysler's planned capital expenditures are intended to modernize their operations and product offerings to remain competitive, keep their full line of vehicle offerings, and comply with the fuel economy standards. These planned investments may be difficult to achieve in a serious economic downturn. However, as discussed earlier, there are other paths which Chrysler can choose to comply with the standards.

Recent actions such as the sale of foreign operations, the issuance of new stock, and a recent loan by several insurance companies have put Chrysler in a better position to meet its targeted spending levels than it was 6 months ago. Publicly, Chrysler executives have expressed confidence that they can achieve success now that their new "master plan" is in place.¹⁹

The estimate of Ford's cash deficit for capital spending is \$1.3 billion for 1978-82. General Motors' cash deficit is estimated at \$2.3 billion for the same period. (It should be noted that during this period Ford is projected to pay out dividends of \$1.8 billion, and General Motors is projected to pay out almost \$10.0 billion in dividends.) Both General Motors and Ford could generate cash flows of this magnitude through debt issues. Also, GM and Ford, with profitable overseas operations, could shift resources to make up any short-term deficits, although such a use of funds could affect overseas competitive positions in the long run.

American Motors' financial situation is not analyzed because of the current uncertainty of their negotiations with

Renault. They, however, also have expressed optimism over the future. AMC's chief executive states that AMC will remain profitable, even in a recession.

Effects on Competition

Before examining the impacts of the program on competition, it must first be stated that the domestic automobile industry is not homogeneous. General Motors produces about half of the new vehicles made in the U.S., and has revenues double those of the second largest company, Ford. Chrysler and AMC, on the other hand, combined have only half the revenues of Ford, or a quarter of those of GM. Neither the scale of operation nor the resources available among the domestic companies can be said to be uniform.

In addition, there has been a long-term trend toward concentration in the automobile industry. Nearly half a dozen firms ceased production between 1945 and 1965 (Studebaker, Packard, Willys, Hudson, Kaiser, etc.), long before Government regulations were first issued. Among the remaining four large firms, Chrysler's share of the car and light truck market has fallen from about 15.5 percent in 1970 to about 11.5 percent in 1977²⁰ and AMC's has been cut in half in the last 2 years from 4 percent in 1975 to less than 2 percent in 1977.

The central question that must be addressed is whether, in the face of the increasing concentration in the industry, the fuel economy program adds to these pressures. To the extent that a program requires large capital investment, it imposes a heavier burden on smaller manufacturers which do not have the same financial strength as GM or Ford. On a daily basis, smaller companies operate at a disadvantage with or without Government regulation because they exist in an industry that requires large capital investments.

The special difficulty of the mandated program is that it sets a time schedule for investments and, for the manufacturer which borrows to make the capital investments, sets a schedule of repayments. If things go well, the added costs are covered in the prices of the cars and over several years the revenues will pay off the debt. But the manufacturer has lost the opportunity to defer investments or payments if revenues falter. If sales slump for the industry as a whole, the provisions of the Act would allow the standards to be revised to reflect the change in economic practicability. If a

new design fails to sell as well as the competition, the manufacturer will be in trouble. A manufacturer who makes a major product mistake is in trouble any time, but the mandated schedule heightens the risk.

On the other hand, there are risks to small manufacturers in not having a mandated program. In view of the competitive pressures for fuel economy improvements, especially from the foreign manufacturers, some companies are going to make rapid fuel economy improvements anyway which some of the smaller manufacturers might defer and find themselves at a competitive disadvantage in the marketplace. The standards provide a large measure of stability for all manufacturers.

Foreign manufacturers are also affected by the program. If domestic manufacturers market more small cars, there will be more direct competition between the major foreign manufacturers and the domestic companies. Indeed, domestic manufacturers may make further inroads into the import's 15-20 percent of the market, in addition to those resulting from the recent dollar devaluations. They should also be in a stronger position to weather a future oil shortage when demand for smaller fuel-economical vehicles would increase greatly. Depending upon product offerings, this shift may benefit Chrysler and AMC. An example is Chrysler's successful introduction of the Omni/Horizon models.

The regulations may also have a competitive impact on limited-product-line manufacturers which do not build mini- or subcompact cars. For example, a number of foreign manufacturers have traditionally built cars which compared in size to American mid-size models. By comparison to American cars of their class, they were fuel-efficient and had relatively short wheelbases. For these limited-line manufacturers, the steps needed to meet an average fuel economy standard targeted at full-line manufacturers could mean significant changes in their marketing image unless they use diesel engines in large numbers. The degree of change that some limited-line manufacturers may be forced to make places a different burden on them than on their competitors, U.S. and foreign, because of the greater market risk involved.

In both instances, the case of smaller full-line manufacturers and the case of some limited-line manufacturers, the fact that they must meet an average fuel economy standard places them under pressures that could possibly lead to further concentration in the industry. DOT believes that further concentration in the industry is undesirable. First, there would be a reduction in choices available to consumers. Second, much of the innovation in

¹⁸ Contractual studies funded by NHTSA, e.g., by Harbridge House, Inc., and the Futures Group, also show that smaller manufacturers may have difficulty in financing their planned capital expenditures, although these studies did not assess whether the absence of fuel economy requirements would have altered that picture.

¹⁹ N.Y. Times, December 17, 1978.

²⁰ *Corporate Strategies of Automotive Manufacturers*, Vol. III, Harbridge House, Inc., July 1978 and *Final Impact Assessment of Light Truck and Van Fuel Economy Standards for FY's 1980-81*, NHTSA, March 15, 1978.

the industry which has originated from the smaller manufacturers would decline. It would certainly not benefit the Nation if future innovation is stifled because entry into the American market becomes harder.

If accelerated investment requirements tend to foster concentration, reductions in those requirements for the entire industry by reducing fuel economy standards would lessen some of those pressures. However, a lowest-common-denominator approach to fuel economy regulation, while possibly solving problems of smaller full-line manufacturers and a few limited-line producers, does so only at the cost of increasing petroleum consumption as it lowers the fuel economy improvement attained by the majority of manufacturers, and it was specifically proscribed in the Conference report on the Act. The Department has set the fuel economy requirements with all of the issues considered and balanced as carefully as possible.

The Act recognizes that at least one class of manufacturers (low volume manufacturers) would need relief from the requirements of the law. Thus, in order to encourage diversity, manufacturers of fewer than 10,000 passenger automobiles worldwide may be exempted from the established standards and must meet alternative standards tailored to their individual capabilities.

In addition, the Congress was aware of the financial differences among the domestic auto manufacturers and provided relief mechanisms for possible financial difficulties. The provision of civil penalties and credits acts as a safety-valve mechanism when a manufacturer, despite its efforts, cannot comply with the standard. The Secretary can modify the penalties to prevent bankruptcy or insolvency, when the violation is a result of an act of God, a strike, or a fire, or when the Federal Trade Commission has determined that the modification of such penalty is necessary to prevent a substantial lessening of competition.

Recognizing then, that although the statute can have the possible effect of increasing competition but might also increase pressure for concentration in the industry, with an accompanying reduction of competition and lessening of the incentive to innovate, the Department has examined alternatives to the current statutory scheme for small full-line manufacturers and limited-line manufacturers.

The Act was examined to determine what changes, if any, should be advanced to insure that the program did not result in any serious anti-competitive pressures.

DOT explored options where implementation schedules could slip, or lower standards would apply to small-

er manufacturers. DOT also analyzed the development of company-specific standards or class standards. However, no modification could be devised that could successfully eliminate or significantly mitigate the potential problems faced by smaller producers or limited-line manufacturers without creating equally serious equity or regulatory problems. The Department concluded that the problems faced by the various classes of manufacturers are largely inherent in the structure of the industry. The Department, therefore, recommends only that the system of credits and penalties under the Act be modified. The Act now imposes a substantial penalty on manufacturers who fall below the specified standards. It also permits credits to be earned by exceeding a particular year's standard, which can then be carried forward (or backward) for one year and applied against possible penalties in those years. The Department recommends that credits be allowed to be carried forward (or backward) for three years to enable manufacturers to benefit from their early conservation efforts and better balance future planning.

A number of manufacturers have raised the point that failure to meet the fuel economy standards involves a violation of the law, regardless of whether the short fall involves a penalty or involves the use of credits being carried forward or backward. The manufacturers have expressed strong reluctance to engage in any corporate planning that would involve violations. While the Department believes that the fuel economy standards are reasonable and feasible, it is also recognized that Congress intended to provide manufacturers with some degree of flexibility through the penalty provision. If the concept in the present law of penalties and violations does, in fact, inhibit the occasional use of the flexibility which Congress built into the statute, then, it is possible that consideration might be given to a proposal that would assess a tax or fee in lieu of the penalty. It is not clear, however, that such a change would result in the manufacturers modifying their behavior, in view of the size of the penalties, the stigma of not meeting the standards, and the competitive disadvantage in the marketplace.

DOT also analyzed the degree to which potential anti-competitive pressures would be increased if the economy were to suffer a downturn. Certainly in a severe economic downturn, companies with a weaker financial base will find their resources strained more severely. However, the statute does provide sufficient latitude in the standards' enforcement to preclude severe financial impacts on the industry in such an event. Thus, if a serious decline in auto sales occurs in conjunc-

tion with a severe economic downturn, the Department has the authority to revise the standards since regulations that were "economically practicable" in a healthy economy might not be so in a recession. Because of investment lead-time considerations, of course, the relief granted would necessarily have to be in the form of modified standards established for the period two-to-three years beyond the year (or years) in which the economic downturn/sales decline occurs. This would allow manufacturers to delay commitment of scarce resources to capital requirements for subsequent year models until the economy recovered.

There is no practical way to protect a manufacturer in advance from the results of product mistakes or poor management decisions. Neither does it appear desirable to take any blanket action that would lower the market incentive for excellence on the part of any producer of motor vehicles.

C. IMPACT ON MATERIAL AND COMPONENT SUPPLIERS

The domestic automobile manufacturers purchase a large amount of materials and components from outside suppliers. As these manufacturers implement changes to improve the fuel efficiency of their vehicles, material and component suppliers are being challenged to provide light weight, efficient components for the new designs of autos and trucks. There are new opportunities for many suppliers to increase their business with the major manufacturers.

The automobile manufacturing industry used approximately 100 pounds of aluminum in each of its MY 1977 automobiles. In MY 1985 the industry may require an increase of approximately 200 pounds per vehicle, which represents 1.4 to 2.0 million tons over the MY 1977 level.

The aluminum industry is defined to include both the aluminum ingot producers and the aluminum processors. About 1 million tons/year of aluminum are consumed by the domestic motor vehicle industry; this represents about 15 percent of the domestic aluminum ingot capacity of 6 million tons/year. The production of the 1985 passenger car and light truck fleet may consume about 2 million tons/year of aluminum if material substitution techniques are heavily emphasized. The projected rate of aluminum consumption by the motor vehicle industry will be two to five times the present rate.

Since the domestic motor vehicle manufacturers are beginning to increase their aluminum capacity, employment in aluminum foundries should substantially increase.

The reinforced plastics industry is an industry with growing capacity.

The amount of plastics consumed by the motor vehicle industry has been projected to grow from about 165 lbs. per motor vehicle in 1977 to about 350 lbs. per vehicle by 1985. The plastics industry will be called upon to supply up to an additional 2 million tons of plastic to the automotive industry. Mandated standards have provided the plastics industry with a unique opportunity to displace cold-rolled sheet carbon steel with reinforced plastics in some applications. The plastics industry has a major advantage in the competition with the mature steel industry, in that the plastics industry is used to applying a larger fraction of their technical resources to application engineering. Employment outlook in the plastics industry looks promising.

The steel industry, unlike the aluminum and plastic industries, does not face the need to expand capacity to meet the future demands of the automotive industry. Planned vehicle weight reduction programs through MY 1985 are likely to balance the increase in manufacturing volume, thus keeping the demand for steel by the automotive sector at a level near that of 1977.

The motor vehicle industry consumes about 40 percent of the hot-rolled, and about 50 percent of the cold-rolled sheet steel produced in the United States. Hot-rolled steel is primarily used for motor vehicle structural parts such as the frame and chassis, and the cold-rolled steel is used for hang-on parts such as fenders, hoods and side panels.

The impact of fuel economy standards on the steel industry will in part depend on the rate of replacement of carbon sheet steel panels, hoods, and fenders with reinforced plastics. If the 1985 motor vehicle remains predominantly steel, the primary impact of fuel economy standards will be a leveling of demand for steel by the auto industry. This leveling will occur despite increasing motor vehicle sales because the increase in manufacturing demand for steel historically associated with increasing sales will be counter-balanced by reduced steel usage per vehicle as downsizing continues. On the other hand, if sheet-aluminum-reinforced plastics are used extensively for hang-on parts, there will be a significant drop in the use of cold-rolled sheet steel, and employment gains would shift to the aluminum and plastics industries.

All the major components of a motor vehicle in cast iron are potential candidates for redesign in cast aluminum. The current domestic capacity for engineered cast iron casting is about 7 million tons. The motor vehicle industry currently uses more than 50 percent of this capacity. By 1985, it

is projected that the demand by the auto industry for engineering cast iron will be cut by half, from 4 million tons to 2 million tons. The reduction in cast iron demand will result both from cast aluminum substitution and the use of 4 and 6 cylinder engines rather than 8 cylinder engines.

As the demand for cast iron is cut back, the domestic motor vehicle manufacturers will bring work into their own central foundries rather than sending the work out to the smaller independent foundries which, in the past, have provided overflow capacity. The fall-off in demand for iron castings, combined with EPA clean air and water requirements, could result in a rapid consolidation of the domestic iron casting capacity. The major domestic motor vehicle manufacturers may even subcontract their unused capacity.

An essential factor in meeting mandated fuel economy is the capacity of the machine tool industry to design, build, and install the production facilities necessary to mass produce the required powertrains. It is estimated that between thirty and forty new engine and transmission lines will be required by the motor vehicle industry in the next six years in order to produce the necessary engines and transmissions.

An engine, transmission or component manufacturing process consists, in part, of a series of transfer lines that automate the metal cutting process. For example, an engine line includes one transfer line to automatically machine the block, and another transfer line to automatically machine the cylinder head. The total transfer line industry has an annual sales volume of about \$350 million; the motor vehicle industry utilizes about one-half the capacity of the transfer line industry.

The changeover of engines, transmissions and components to meet fuel economy standards are seen by the transfer line sector of the machine tool industry as an unprecedented demand with an uncertain future. The general machine tool industry consists of a large number of suppliers; they will have no difficulty in providing the necessary general machine tool capacity. This is not the case for the transfer line industry. The design, development, and installation of a transfer line requires specialized skills and floor space, which only a few companies have available. (A transfer line is, in general, operated and checked out at the supplier's plant before being installed on the final production site.)

For some of the less specialized metal cutting transfer lines, the motor vehicle manufacturers are going overseas; however the transfer lines for the most complex engine and trans-

mission components will likely continue to be custom built in the Detroit area.

The employment in the transfer line sector of the machine tool industry will increase moderately in the Detroit area. The employment increase may, however, prove to be transitory, and is primarily limited by the near term availability of trained machine tool designers.

D. IMPACT ON THE NATIONAL ECONOMY

Employment

Employment levels in the domestic automobile manufacturer and equipment supplier industries increased from 774,000 workers in 1975 to 890,600 workers in 1977. The growth rate of employment is projected to peak in 1978 and then stabilize at about 1 percent per year through 1985, yielding a total of just over one million employees in that year.

Industry employment in the future will be based on the following changes:

(1) As a result of retail price increases, sales might increase at a slower rate than would be projected in the absence of standards. However, this is not likely to result in a reduction in employment because of anticipated sales growth, but only a slowing of the rate of employment increase. The effect on domestic employment would be further reduced because of greater price increases on imported vehicles.

(2) Investment may increase employment in the capital equipment suppliers industry.

(3) The fuel savings and resulting increase in disposable income should increase overall U.S. employment slightly as the additional expenditures ripple through the economy.

(4) A potential failure to meet a standard by a manufacturer may result in reduced sales if the manufacturer decides to curtail production of the less fuel-efficient vehicles as a means of complying.

(5) Some domestic manufacturers may purchase components overseas, which would adversely affect the domestic employment. This, however, would be a short-term phenomenon.

(6) An increase in the export of domestically-produced vehicles, as is now planned, would increase domestic employment.

(7) The elimination of "captive imports" in fuel economy calculations and the incentive for foreign countries to domestically produce vehicles—such as is already being done by Volkswagen—will increase employment.

The overriding factor will be the continuing growth in motor vehicle sales volume. Increasing sales volumes in the automobile industry are in turn primarily dependent upon a healthy overall economic environment.

Gross national product

Fuel economy regulations are unlikely to have any measurable impact on Gross National Product (GNP). As we noted previously, the cost to each consumer for automobile will be somewhat less (depending upon the difference between the increased purchase price and decreased fuel costs of the new automobiles). This will result, mainly, in a re-allocation in consumers' budgets between transportation expenditures and other expenditures and possibly a slight stimulus to the economy. In addition there would be the positive effect on GNP resulting from a decrease in the consumption of foreign oil which would lessen the level of income leakages from the domestic economy.

The impact of investment on GNP may be either neutral or positive. In some cases, the investment undertaken by automobile manufacturers may simply displace investment that would have been undertaken by other sectors of the economy; while in other cases, there may be a net increase in overall investment.

Inflation

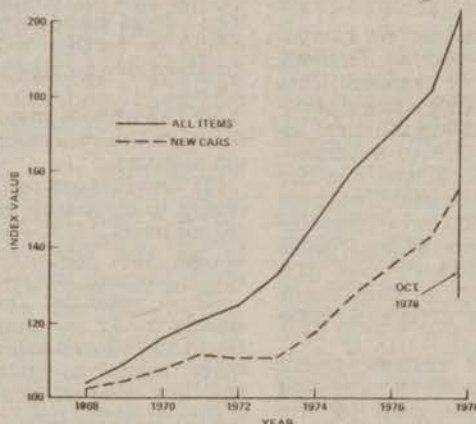
Traditionally, prices in the motor vehicle industry have not increased at as

rapid a rate as has the overall consumer price index (Figure V-1). Undoubtedly, the fuel-economy-related technology improvements embodied in new vehicles will result in some additions to the vehicle costs and retail prices of those vehicles.

It is important to recognize, however, that an upward influence on vehicle price is not the only effect of fuel economy improvements. Such improvements will also result in reduced ownership and operating costs to the consumer over the life of the vehicle. Such cost reductions will significantly exceed initial purchase price increases, thus more than compensating for the effects of the initial price increases.

The perceived impact on inflation in any one year of vehicle price changes and fuel economy improvement is complicated. Savings in operating cost are spread over the life of the car but weighted toward the early portion because of greater usage. On the other hand, many buyers finance automobile purchases and spread the cost over several years. For the purchaser who finances the car over three years, the fuel cost savings will roughly balance out the addition to financing payments from the fuel economy changes.

Figure V-1
Consumer Price Indexes / U.S. City Average / 1967 = 1000



The Nation's bill for imported oil is quite high and has contributed to domestic inflation, the balance of trade deficit, and a decline in the value of the dollar overseas. The fuel economy program would mitigate inflation rather than cause it by lowering the consumption of imported oil. It is estimated by NHTSA that more fuel efficient passenger cars and light trucks will decrease fuel consumption by 1.4 million barrels per day (MBD) in 1985, and 2.2 MBD by 1990. Such savings would permit a reduction in projected U.S. oil imports by 15 percent in 1985 and 20 percent ²¹ in 1990. At the crude

oil price of \$14.50 per imported barrel, the oil savings from improved fuel economy in the U.S. would permit reductions in import expenditures of \$7.2 billion in 1985 and \$11.8 billion by 1990. These dollar savings are of sufficient magnitude that they could by themselves serve to substantially reduce the U.S. balance of trade deficit, strengthen the dollar in the world market, and help mitigate domestic inflation.

VI. PROGRAM IMPROVEMENTS

The administration of the automotive fuel economy program over the

last three years has revealed to NHTSA two areas of the Act which could be improved. These are minor in the sense that few barrels of fuel are involved, but they are major to those automobile manufacturers who must deal with them. Accordingly, the following recommendations for changes to the Act, relating to (1) low volume manufacturers and (2) domestic production of foreign cars, are proposed.

A. LOW VOLUME AUTOMOBILE MANUFACTURERS

The statute provides automobile manufacturers producing less than 10,000 vehicles per year an opportunity for an exemption from established fuel economy standards, providing that an alternative fuel economy standard is established for them based upon maximum feasible average fuel economy criteria. By this provision, all manufacturers, even the very small ones, are even-handedly pressured to improve fuel economy. Experience in administering this section of the statute demonstrates:

1—The time consumed in the process of setting an alternative standard (especially the information gathering), by both the manufacturer and NHTSA, is not justified by the possible fuel economy gain. The process is particularly burdensome on small manufacturers because of the effort necessary to gather or develop required data and information to support their exemption petitions.

2—Small manufacturers have been less able to predict future fuel economy improvement than large manufacturers because their technical expertise is very limited and their dependence on suppliers makes them unable to control their access to advanced technology.

3—Low volume automobile manufacturers typically do not have the engineering or financial resources for changing current methods of operation.

Most petitions have been received by NHTSA from manufacturers which build a relatively small number (200-300 per year) of very expensive and very luxurious vehicles designed specifically for the wealthy. The largest petitioner, Checker, is unique in that it is an American manufacturer that produces 5,000 taxis per year.

Public opinion concerning exemptions varies from those who request exemption for all low volume manufacturers, "in the name of common sense," to those who would force the manufacturers of very expensive, very luxurious vehicles to comply with the existing standards and pass on the appropriate penalties to their wealthy customers.

No significant fuel savings can be obtained from the low volume manufac-

²¹ Based on oil imports data contained Annual Report to the Congress, Vol. II, 1977, Energy Information Administration.

U.S. Department of Energy, 1977, pp. 137-138.

turers. Alternate standards, set at the maximum feasible level, impose a heavy regulatory burden on small business, and use NHTSA's resources on tasks that conserve little fuel.

Based upon this conclusion, the most logical alternative appears to be to exempt these companies from the provisions of the statute. It is also important that any solution be fair to all manufacturers. However, all the options that were examined still resulted in an unreasonable administrative burden being imposed on these companies with no commensurate reduction in fuel consumed. Therefore, the Department recommends that automobile manufacturers producing fewer than 10,000 vehicles per year be exempt from both the fuel economy standards and the statute's semiannual reporting requirements.

RECOMMENDATION 1: Section 502(c) of the Motor Vehicle Information and Cost Savings Act be amended by the revision of its text to read:

"(c) The requirements for passenger automobiles of this section and Sections 502(a) and 505(a) do not apply to a manufacturer in any year in which it manufactured (whether or not in the United States) fewer than 10,000 passenger automobiles."

B. DOMESTIC PRODUCTION OF FOREIGN AUTOMOBILES

The statute allows domestic manufacturers to include "captive imports" with their domestic fleets for the purpose of calculating their corporate average fuel economies in model years 1978 and 1979. After model year 1979, the domestic fleet will be comprised of only the cars which have at least 75 percent of their content (or value added) produced in the United States and Canada. The captive imports will be considered a separate fleet for average fuel economy calculations. Both fleets of cars must comply with the standards.

Congressional intent of this provision was to discourage domestic manufacturers from importing large numbers of fuel efficient vehicles to the detriment of employment in the U.S. automobile manufacturing industry. However, the provision has unexpectedly created a situation which discriminates against foreign manufacturers who are establishing, or who want to establish, automobile production facilities in the U.S. (thus creating domestic employment opportunities).

Thus, while the provision originally was aimed at preventing "job exportation," it may reduce the potential for employment growth in the U.S. automobile manufacturing industry by acting as a disincentive for foreign corporations to produce automobiles in this country.

At least three foreign manufacturers have expressed an interest in U.S. pro-

duction of part of their fleets. One such manufacturer, Volkswagen, has suggested that the Act be amended to allow a manufacturer to average the fuel economies of its foreign and domestic fleets together if their combined average fuel economy would exceed that of the imported fleet alone.

The Volkswagen proposal would encourage foreign manufacturers who have decided to build cars in the U.S. to produce their most fuel efficient vehicles here. However, it would discourage foreign manufacturers from producing their more labor-intensive automobile in the U.S.A. If a manufacturer can meet the fuel economy standards by counting its foreign and domestic fleets together, there is no reason to favor domestic production of high fuel economy vehicles over the lower ones.

Another alternative would be to raise the value added requirement for domestic manufacturers to 90 percent. Although this would help somewhat, foreign manufacturers would still be discouraged from achieving the 100 percent domestic-added content which would maximize U.S. employment opportunities. It appears that any percentage value-added requirement creates a disincentive for foreign manufacturers to maximize domestic content.

Because of the apparent drawbacks of the previous proposals, the following recommendation is offered and is believed to be capable of maximizing employment and competitive benefits while not changing the percentage limit on the U.S./Canada value-added content.

It is recommended that the statute be amended to allow a manufacturer to average U.S. assembled automobiles with imports if U.S. production began after the Act was passed. This proposal would continue the existing statute's discouragement of job exportation by domestic manufacturers and eliminate its current disincentive to U.S. production by foreign manufacturers.

RECOMMENDATION 2: Section 503 (b) (1) of the Motor Vehicle Information and Cost Savings Act be amended by the addition, following the word "manufacturer" in the first sentence, of the phrase, "other than a manufacturer whose domestically manufactured production commenced after December 22, 1975."

APPENDIX A—SUMMARIES OF COMMENTS ON AUTOMOTIVE FUEL ECONOMY PROGRAM ISSUES AND CONCLUSIONS

A. INTRODUCTION

On January 27, 1978, the National Highway Traffic Safety Administration (NHTSA), Office of Automotive Fuel Economy, issued a request (Docket No. FE 78-02, Notice 1) for public comments on four tentative conclusions which it planned to in-

clude in this (January 1979) Annual Report to the Congress, as well as on four associated issues relating to competition, equity, technological innovation, and other matters. The request, published in *FEDERAL REGISTER* Vol. 43, No. 228, Monday, November 27, 1978, is reproduced in its entirety in Appendix B. It is recommended that the reader consult Appendix B for the complete presentation of each of the four since, because of their length, inclusion here would be distracting. The subsequent summaries of comments on these issues are keyed in a one-to-one correspondence, to the order in which the issues are cited in Appendix B.

The purpose of the request was to obtain as broad a range of pertinent viewpoints as possible to assist NHTSA in its rulemaking activities and in preparing this report. Responses to the request included submissions from motor vehicle manufacturers, private citizens, public and special interest groups, and Federal and state government agencies.

Summaries of the responses received are presented in Sections B and C which follow. No "ad hoc" analyses or evaluations of the responses (taken individually or collectively) are attempted in this Appendix since all of the factors and concerns raised in the responses are addressed, in their appropriate contexts, within the body of this report.

B. SUMMARIES OF RESPONSES TO NHTSA'S TENTATIVE CONCLUSIONS

The notice identified the four tentative conclusions formulating NHTSA Fuel Economy Program findings to date. A summary of comments received follows. The individual conclusions on which the various comments were focused are included here, as well as in Appendix B, for clarity and ease of reference.

1. "The technology is available that will enable manufacturers to achieve an average fuel economy of 27.5 mpg without reducing vehicle interior space or significantly affecting performance and without significantly changing the mix of size classes."

Nine commenters disagreed with this conclusion. Eight were manufacturers, each of whom stressed that their product would be changed significantly. The only non-manufacturer comment entailed a statement by the DAA¹ that, unless diesel engines were used extensively, passenger automobiles would get smaller and less safe.

Most manufacturers detailed their plans for significant changes in model mix, interior volume and performance. Rolls-Royce stated that the conclusion does hold true for it because it is a very small manufacturer without a large "mix" of vehicles. Chrysler said that its fleet will have reduced acceleration and reduced interior volume and that its sales mix will change to include a much higher percentage of the smallest vehicles. DBAG stated that its plans call for some change in comfort and convenience options normally offered in the U.S. Also, DBAG noted it would reduce acceleration on some gasoline models. BMW indicated its automobiles will change by introducing a diesel engine for one or more models, and sales of the heavier cars may be curtailed in the future. AM concludes that the high volume, full-line manufacturers will have to

¹Abbreviations are used for manufacturer interest groups and government agency names and titles to facilitate readability. A list identifying the abbreviations is included at the end of this appendix.

compromise vehicle interior space, reduce vehicle responsiveness and alter sales mix from that which existed in 1975-77 model years.

Ford indicated the conclusion is wishful thinking on NHTSA's part. The technology on which Ford's predictions are based are the PROCO and/or diesel engines. They indicated that neither engine is "available" at the present time because of various problems yet to be solved. Ford also said the second round of downsizing will decrease interior volume unless very expensive materials are used and indicated that smaller engines in its vehicles will cause reduced wheel acceleration.

GM stated that the rise of standards at the rate of two miles-per-gallon per year will cause all manufacturers to introduce unproven technology and that there will be compromises in vehicle acceleration and owner utility. GM stated that much of the available technology is "high risk," and may not be "commercially practicable in production hardware."

Renault indicated that their interior volume and sales mix will probably change.

2. "The significant changes in automotive design needed to achieve 27.5 mpg by 1985 will require increases in automotive industry investment above traditional levels, although such investments, for the industry as a whole are economically practicable and yield cost-effective improvements in fuel economy."

Commenters to this conclusion generally agreed that capital expenditures to meet fuel economy standards would be large, but disagreed that they were economically practicable or cost-effective.

Ford stated its costs were double those identified in previous analyses and that it will be pressed to the limit. In comparing the costs of compliance to the cost of alternate sources of gasoline such as from tar sands and shale, etc., Ford stated the standard of 27.5 mpg will not be cost-beneficial. GM asked for a more complete review of the capital expenditures and stated a reasonable interpretation of "economic practicability" requires more than a demonstration that fuel economy benefits exceed the cost of vehicle changes. Chrysler stated that although larger companies are better able to finance investments for fuel economy there is still a question whether it is economically practicable for any company to do so. Chrysler indicated it would revise its compliance timing in the event of a recession.

BL and R-R said that the cost is beyond the benefit derived from a 27.5 mpg level. Renault stated that although it agrees that compliance will be costly, it believes it will need new technical ideas and that overall, the standards will result in less service to the public. DBAG stated that it cannot develop a reasonable corporate strategy to comply with 27.5 mpg in 1985. Volvo believes that limited-line manufacturers are at a disadvantage to meet capital requirements for the quick introduction of new models, presumably to meet the FE standards and has cited its average of seven elapsed years between model changes.

DOE stated, "A manufacturer's inability to obtain the needed financing would probably result from some other structural problem such as the position of the company within the market or internal problems, rather than the standards."

3. "The economic and competitive effects of achieving that average fuel economy

level will vary from manufacturer to manufacturer."

General agreement on this point was given by eight commentors.

Chrysler agreed and cited conclusions from TSC and Harbridge House reports. AM indicated there would be a struggle to increase mixes of cars sold and that some companies could be hurt. Ford agreed but also stated that differential standards are not a desirable remedy. DOE stated that if AFE standards will tend to lessen competition, NHTSA should examine other alternatives than applying different standards to individual manufacturers. DOE suggested use of the Section 508 (b), remission of civil penalties, as a "relief valve."

4. "Beyond 1985, average fuel economy levels in excess of 27.5 mpg are technologically possible."

R-R disagrees and states that luxury and comfort would be reduced too far for its customers. Renault simply opposes higher standards. GM agrees but suggests that increases in FE beyond 1985 be made at a slow pace. Chrysler agrees but stated this is not a technical question but an economic one. Ford states the conclusion is misleading because the real question is not technical feasibility but instead is, "will nearly everyone be willing to drive a subcompact?"

C. SUMMARY OF RESPONSES TO ISSUES

In connection with NHTSA's interest in the effects of the average fuel economy concept and with the four tentative conclusions addressed in Section B, above, NHTSA invited comments on issues surrounding the following four topics:

- (1) The program's impact on small full-line manufacturers.
- (2) The program's impact on limited-line manufacturers.
- (3) The program's impact on very small manufacturers.
- (4) (The potential for) improving fuel economy after 1985.

In general, the issues surrounding these topics relate to competition, equity, technological innovation, capital investment, etc. It is recommended that the reader consult Appendix B for the complete presentation of each of these issues.

Summary of Comments on Issue 1—The Program's Impact on Small Full-Line Manufacturer's

Chrysler identified itself as a small full-line manufacturer and expressed the desire for an adjustment in fuel economy standards which would allow it to retain its "traditional market share." It compared its position with GM regarding the ability to raise capital and of the competitive disadvantage created by existing regulations.

Ford and GM objected to the NHTSA suggestion that small full-line manufacturers should get treatment different from other full-line manufacturers. Ford claimed differential standards would be inequitable, odious, and unfortunate. Ford further contended that differential standards would penalize efficient manufacturers and would introduce "political processes into an arena that ought to be governed by the logic of the marketplace" and concluded without any equivocation that it is against differential standards for small full-line manufacturers. GM also stated that DOT should not suggest new legislation which would "significantly alter our free market economy" and which would not be fair, equitable, or in

keeping with our traditional principles. GM also said this type of standard setting would penalize foresight, efficiency and success. The DOE and CAS were against the idea of separate standards. DOE opposed the application on the "lowest common denominator principle" in setting overall standards and suggested that companies who received civil penalties can seek relief in a remission hearing as provided in the statute. Similarly, CAS asked that the question be left for a remission hearing.

Summary of Comments on Issue 2—The Program's Impacts on Limited-Line Manufacturers

Eight commentors believed that either the Act or the regulations should be changed to assist limited-line manufacturers. Five of the seven are "limited-line" manufacturers, and made the following suggestions:

IH—The Notice cited only foreign manufacturers of passenger automobiles. The same consideration should be given to domestic light truck manufacturers.

AM—Change the Act or regulations for the same reasons of inequity that were found for small full-line manufacturers.

VOLVO—Report the problems of limited-line manufacturers to Congress and find a solution to the problem.

BMW—Change the Act to grant relief for those with a small percentage of U.S. total sales i.e. less than one-half percent.

DBAG—Amend the Act to give relief by first defining a limited-line manufacturer (LLM) and then by making a judgment of eligibility for relief based on whether a particular LLM had taken all reasonable steps to achieve the goals of the Act.

The DAA and AIADA recommended complete exemption for limited-line manufacturers, the AIADA requesting that low volume exemptions extend up to 100,000 U.S. sales annually rather than the 10,000 worldwide sales now in force.

Those opposed to assistance to limited-line manufacturers were Ford, GM, DOE and Chrysler. The same Ford and GM arguments against differential treatment for small full-line manufacturers apply to limited-line manufacturers. In addition, both manufacturers expressed negative effects a change would have on the U.S. international economic posture.

DOE stated limited-line manufacturers should not need or want lower standards for three reasons:

1. They must be competitive with others in Corporate Average Fuel Economy (CAFE).
2. They have good technology.
3. They can use diesels.

Chrysler stated that differential treatment of limited-line manufacturers by the Act is not in the best interest of the transportation industry, balance of trade, U.S. employment and the national economy.

Comments on the impact of the Act or impact of changes to the Act might have on limited-line manufacturers were widely varied. AIADA noted the very small amounts of fuel that may be saved through these manufacturers. Renault noted that manufacturers who were technologically ahead in meeting safety standards had a head-start in meeting fuel economy schedules. Volvo indicated the Act could operate "in restraint of trade." BMW claimed that 25 percent of its R&D budget now committed to fuel economy would increase to 40 percent by 1985. IHC asked for 1981 light

truck standards to be "extended" to 1985 to allow these firms sufficient lead time to implement technical changes. BL stated that the capital expenditures for higher fuel economy for foreign firms could only be amortized over its U. S. sales, not its entire fleet, thus placing foreign manufacturers at a competitive disadvantage.

As "captive imports" are gradually separated from domestic AFE computation, VW will be in a unique position of having to separate its high mpg Rabbit, made in Pennsylvania, from its heavier Audi's and Dashers. In order to eliminate competitive this disadvantage to VW (believed to be unforeseen by Congress) VW suggests that the statute be amended such that if a comparison of a manufacturer's AFE shows his domestic fleet having a higher mpg than his total fleet, then the AFE used for the enforcement of the standard would be the total fleet AFE. This would encourage foreign firms to build their high mpg cars in the U.S. and create U.S. jobs.

Summary of Comments on Issue 3—The Program's Impact on Very Small Manufacturers

Five comments were received on this issue. The DAA suggested a total exemption with reliance on diesels to achieve high fuel economy. Rolls-Royce stated that the present system is equitable enough but the administrative burden would be lessened by extending exemptions to 1985 instead of considering them on a yearly basis. Chrysler requested that exemptions not be allowed since, in a small way, they hurt domestic sales. Ford did not oppose exemptions for the very small manufacturers but vigorously opposed changing the eligibility criterion above 10,000 per year. The C.A.S. opposes exemptions for expensive luxury cars but approves exemptions for inexpensive cars. C.A.S. points out that by following its suggestions, NHTSA would save much time and effort since denying petitions does not entail the administrative burden of granting them. C.A.S. proposed NHTSA use remission of civil penalties as a method of assistance to those companies who might have financial difficulties in payment of a penalty.

Summary of Comments on Issue 4—Improving AFE After 1985 and into the 1990's

Ten commenters provided opinions on the fuel economy of automobiles beyond 1985. Two were other public agencies and each expressed their desire for higher standards in the future than the 27.5 mpg established for MY 1985 automobiles. These agencies are joined in this regard by two others commenters, the C.A.S. and Mr. Scarnecchia. DOE asked for quick settlement of the question about the permissible use of diesels in the future so that manufacturers could enjoy the longest lead time to increase mpg after 1985 as possible. DOE felt that a 5-10 mpg improvement by 1990 was possible with the use of diesels. The New York DOT generally supported higher standards after 1985 and specifically wished to include standards compliance on a state by state basis (fuel economy of total automobiles sold in each state should meet the established average standard). The New York DOT warned of offsetting effects of increased light truck purchases. C.A.S. expressed their support for higher standards but gave no time table for this action. Mr. Scarnecchia expected his engine (a gyro-reciprocating engine) would average 60-65 mpg in a 1800-2200

pound car for the 1980's and 90's and exceed present emissions standards.

The manufacturers who responded opposed higher standards or at least, warned about the high risk resulting from such standards with the commensurate low benefits which would result. Renault was against higher standards and cited restriction of consumer choice beyond the 27.5 mpg point. Ford and Chrysler stated the costs would be very high and public acceptance of such vehicles is unknown.

GM offered a plan which had the 1985 standards at 26.0 mpg and which increased them to 27.5 by 0.5 mpg per year. This slow pace was presented for NHTSA to study and analyze. GM also indicated that any faster pace to higher mpg would be a high risk to the industry's manufacturers. IH asked for sufficient time before 1985 to be able to introduce fuel economy improvements into the light truck fleet in order to gradually improve fuel economy, most of which would take place after 1985. BMW stated it was too early to project fuel economy in the 1990's.

Other Issues and Opinions

In addition to responses to the tentative conclusions reached by NHTSA and the issues identified, commenters took the opportunity to express additional opinions or concerns. Several of these expressions are summarized as follows:

(1) Mr. Rivkin cited findings that the great majority of air pollutants were naturally caused and not a result of automobile engines. He wished to rescind emission controls and thereby gain fuel economy.

(2) The DAA urged tax incentives for use of diesels and the purchase by GSA of a diesel passenger car fleet. This would, said DAA, allow the use of today's large cars, and any safety hazards from increased small car use would be reduced.

(3) Rolls-Royce, British Leyland, BMW and Mercedes-Benz included withdrawal from the U.S. market as a probable choice of action in the face of stiff mpg standards, especially if diesels are not allowed.

(4) Mercedes-Benz stated that a merger with a firm which made very high mpg cars, so as to mathematically reach a higher CAFE, was rejected as not being truly saving of fuel or within their corporate aims.

(5) DOE and the Center for Auto Safety made comments on the growing disparity between the EPA mpg figures and that attained by most drivers, and stated this issue should be fully explored.

(6) Many manufacturers showed special concern over customers reaction and preference, and cited the high risks attendant on this aspect of future change to performance and service. Among those commenters was BMW with a market survey report and also, generally, the comments of GM, Chrysler, Rolls-Royce, IH, AM, Ford and Renault.

(7) No Japanese manufacturers submitted comments.

APPENDIX B

DEPARTMENT OF TRANSPORTATION

NATIONAL HIGHWAY TRAFFIC SAFETY
ADMINISTRATION

[Docket No. FE 78-02; Notice 11]

AUTOMOTIVE FUEL ECONOMY
PROGRAM REPORT TO CONGRESS

Request for Public Comments

AGENCY: National Highway Traffic Safety Administration, Department of Transportation.

ACTION: Request for public comments.

SUMMARY: Title V of the Motor Vehicle Information and Cost Savings Act, as amended, requires this agency to submit a comprehensive report on its automotive fuel economy program to Congress by January 15, 1979. This notice invites public comment to assist the agency in preparing that report.

DATE: Comments must be received on or before December 8, 1978.

ADDRESS: Comments should refer to the docket number and must be submitted in writing to: Docket Section, National Highway Traffic Safety Administration, Room 5108, 400 Seventh Street, S.W., Washington, D.C. 20590.

FOR FURTHER INFORMATION CONTACT:

Mr. William Devereaux, Office of Automotive Fuel Economy, National Highway Traffic Safety Administration, 400 Seventh Street, S.W., Washington, D.C. 20590 (202-755-9384).

SUPPLEMENTARY INFORMATION: The Federal automotive fuel economy program was initiated by Congress in December 1975 with the passage of the Energy Policy and Conservation Act. The passage of this legislation was in response to the national concern with the depletable nature and uncertain availability of most of the energy upon which this country depends for its economic and social well-being. It also reflected the need to implement a national program for conserving energy. The adverse effects of the gasoline shortages of the winter of 1973-1974, the inflationary effect of rising fuel costs on almost all goods and services, and this country's increasing dependence upon foreign petroleum sources dramatized that need.

The significance of petroleum for this country was further demonstrated in 1975 by the fact that 46 percent of its annual energy needs were met by petroleum. Over half of the petroleum was used for transportation. Highway transportation accounted for 46 percent of all petroleum consumed. These figures are essentially the same today.

Title III of the Energy Policy and Conservation Act added a new Title V to the Motor Vehicle Information and Cost Savings Act (the Act), 15 U.S.C. 2001 *et seq.* The Act provides for the establishment of average fuel economy standards applicable to the manufacturers of passenger automobiles beginning with the 1978 model year and light trucks and vans beginning with the 1979 model year.

The average fuel economy standards do not require that individual vehicles achieve a particular level of fuel economy. Instead,

they require that the fleet or corporate average of a manufacturer achieve the levels in the standards. Thus, a manufacturer may produce vehicles with fuel economy less than that specified for a particular year as long as it produces a sufficient number with fuel economy above the standard so that the average of all of its vehicles for that year is equal to or greater than the standard. The rationale for Congress' specifying average standards instead of the minimum performance standards used in most regulatory programs was in part to give the manufacturers flexibility in devising their compliance strategies. Specification of average standards was also intended to enable the agency to affect model mix in setting fuel economy standards while avoiding any undue limitation of consumer choice as to vehicle capacity and performance.

Section 502 of the Act establishes passenger automobile standards of 18 mpg, 19 mpg, and 20 mpg for model years 1978-1980, respectively, and 27.5 mpg for model year 1985 and thereafter. The earlier standards were largely based on the 1974 study by the Department of Transportation and Environmental Protection Agency on the potential for improving automotive fuel economy. Pursuant to a Congressional directive to set maximum feasible standards for model years 1981-1984 that result in steady progress toward the 1985 standard, the Department set standards of 22 mpg, 24 mpg, 26 mpg, and 27 mpg for model years 1981-1984, respectively. Section 502 provides that in determining maximum feasible levels of fuel economy the agency is to consider technological feasibility, economic practicability, the effects of Federal vehicle emissions, safety, damageability and noise standards on fuel economy, and the national need to conserve energy. The agency is authorized to modify the standard of 27.5 mpg for model year 1985 and thereafter if it finds that the maximum feasible standard is higher or lower than that level. As to light trucks and vans, the agency has thus far set fuel economy standards for 1979-1981 vehicles in those categories.

Not later than January 15 of each year, the agency is required to provide Congress with a report reviewing the fuel economy standards. The annual report due January 15, 1979, is a special report in that it is required to include a comprehensive analysis of the entire fuel economy program. The 1979 report must assess the ability of the vehicle manufacturers to comply with the standard of 27.5 mpg for 1985 passenger automobiles. It must also transmit any proposals it has for legislative amendments to improve the fuel economy program.

The purpose of this notice is to invite public comment on the subject of the 1979 report to aid the agency in making recommendations to the Congress. The agency is vitally interested in improving its ability to achieve the goals of the automotive fuel economy program while minimizing the burdens and giving appropriate consideration to the possible economic and other implications of significant increases in automotive industry investment. The agency is examining such matters as the degree of success of the fuel economy program in conserving petroleum to date, the future contributions which the program can make to energy conservation, and the past and possible future impacts of the program on the automotive industry, the consumer, and the national economy.

The issues of primary interest to the agency are the fuel economy levels achievable in 1985 and thereafter and the economic consequences of applying a single average fuel economy standard to all manufacturers. The agency has determined that this application of average standards has the potential for affecting the various different size manufacturers in disparate and possibly unintended ways. These differing impacts could affect the rate and degree of future progress of the automotive fuel economy program and the costs of that progress.

The 1979 report will not set forth any final conclusions about the passenger automobile fuel economy standard levels for 1985. The agency could reach those conclusions only after making detailed analyses of the plans and capabilities of the manufacturers and making judgments about the complex technological, economic, and other issues in the context of a rulemaking proceeding. However, based upon the agency's analysis to date of the significant body of information provided over the past three years by the manufacturers and other members of the public and generated by the agency's own research, the agency is prepared to make the following four tentative conclusions.

1. The technology is available that will enable manufacturers to achieve an average fuel economy of 27.5 mpg by 1985 without reducing vehicle interior space or significantly affecting performance and without significantly changing the mix of size classes.

2. The significant changes in automotive design needed to achieve 27.5 mpg by 1985 will require increases in automotive industry investment above traditional levels, although such investments, for the industry as a whole are economically practicable and yield cost-effective improvements in fuel economy.

3. The economic and competitive effects of achieving that average fuel economy level will vary from manufacturer to manufacturer.

4. Beyond 1985, average fuel economy levels in excess of 27.5 mpg are technologically possible.

In connection with the agency's interest in the effects of the average fuel economy concept and with these tentative conclusions, the agency invites comments on the four issues below relating to competition, equity, technological innovation, and other matters.

I. THE PROGRAM'S IMPACT ON SMALL FUEL LINE MANUFACTURERS

The large full line manufacturers are better able than the small full line manufacturers to generate internally the capital necessary to comply with the 1985 standard. These small full line manufacturers are at a competitive disadvantage since they are more likely to need to raise capital externally in the high cost money market. The highly concentrated nature of the automotive industry in this country increases the significance of this situation. Are these problems and their effect on future fuel economy standards sufficiently significant that the Act should be modified to accommodate the small full line manufacturers by treating them differently from the full line ones? Is it more equitable to require these small full line manufacturers to meet the same standards as the full line manufacturers or to require them to make the same

degree of effort relative to their capacities as those full line manufacturers? If modification should be made, what type is most desirable? What impact would such modification have on the future benefits, costs, and other impacts of the fuel economy program?

II. THE PROGRAM'S IMPACT ON LIMITED LINE MANUFACTURERS

Although many foreign manufacturers produce small passenger automobiles that are very fuel efficient, there are some limited line foreign manufacturers that have traditionally built slightly larger, less fuel efficient passenger automobiles. These limited line manufacturers, which include Saab, Mercedes Benz, Volvo, Peugeot, and BMW, typically import relatively small numbers of these vehicles. While the agency is prepared to conclude tentatively that they can meet the 1985 standard of 27.5 mpg, some of the major changes that they must make for that purpose may not be deemed by those manufacturers to be either justifiable solely to enable their vehicles to be marketed in this country or consistent with the preferences of the segment of the market in this country to which they have traditionally attempted to appeal. At some point, not necessarily before or during 1985, the effect of the fuel economy standards could be to cause these manufacturers to withdraw from the United States market or to necessitate their changing their vehicle line significantly. In the interest of preventing further concentration of the automotive industry and of preserving the presence in this country of manufacturers which in some cases have contributed valuable research and innovations in safety and other areas, should the statute be modified to accommodate them by treating them differently from other manufacturers? Is it more equitable to require these limited line manufacturers to meet the same standards as the other manufacturers or to require them to make the same degree of effort relative to their capabilities as those other manufacturers? If modification should be made, what type is most desirable? What impact would such modification have on the future benefits, costs, and other impacts of the fuel economy program?

III. THE PROGRAM'S IMPACT ON VERY SMALL MANUFACTURERS

The Act permits low volume manufacturers (under 10,000 passenger automobiles produced annually worldwide) to apply for an exemption from the generally applicable fuel economy standards and meet lower, alternative standards. While setting alternative standards for exempted manufacturers instead of granting them complete exemptions seems equitable, it results in very small fuel savings due to the almost minuscule combined total production of the low volume manufacturers. Does equity require the continued setting of those standards given such small savings? Is the setting of alternative standards a sufficiently productive activity to warrant continued expenditure of Federal resources for that purpose and the imposition of significant administrative burdens on the low volume manufacturers? Conversely, some commenters in rulemaking proceedings to exempt certain low volume manufacturers have suggested that the agency use its discretionary authority to require those low volume manufacturers selling very expensive vehicles to

meet the generally applicable fuel economy standards. How should such low volume manufacturers be treated under the fuel economy program?

IV. IMPROVING FUEL ECONOMY AFTER 1985

Based upon the information available to NHTSA, the technology is already available to achieve the 1985 statutory standard of 27.5 mpg. It is also clear that there are no technological impediments to further significant fuel economy improvements in the years after 1985. What is not yet clear, however, is precisely what measures will be necessary to achieve these further gains, at that pace they can reasonably be implemented, what they will cost, and what their impact will be upon the vehicle manufacturers and suppliers. The agency is seeking public comment on these questions and, in their light, on the nature and timing of regulatory actions appropriate through the mid-1990's.

NHTSA also seeks public comment about what other governmental actions should be undertaken to ensure that new technology becomes available to permit continuing significant fuel economy improvements into the 1990's.

Interested persons are invited to submit comments on the issues raised by this notice. It is requested but not required that 10 copies be submitted.

All comments must be limited not to exceed 15 pages in length. Necessary attachments may be appended to these submissions without regard to the 15 page limit. This limitation is intended to encourage commenters to detail their primary arguments in a succinct and concise fashion.

If a commenter wishes to submit certain information under a claim of confidentiality, three copies of the complete submission, including purportedly confidential information should be submitted to the Chief Counsel, NHTSA, at the address given above, and seven copies from which the purportedly confidential information has been deleted should be submitted to the Docket Section. Any claim of confidentiality must be supported by a statement demonstrating that the information falls within 5 U.S.C. section 552(b)(4), and that disclosure of the information would result in significant competitive damage; specifying the period during which the information must be withheld to avoid that damage; and showing that earlier disclosure would result in that damage. In addition, the commenter or, in the case of a corporation, a responsible corporate official authorized to speak for the corporation must certify in writing that each item for which confidential treatment is requested is in fact confidential within the meaning of section 552(b)(4), and that a diligent search has been conducted by the commenter or its employees to assure that none of the specified items has previously been disclosed or otherwise become available to the public.

All comments received before the close of business on the comment closing date indicated above will be considered, and will be available for examination in the docket at the above address both before and after that date. To the extent possible, comment filed after the closing date will also be considered. However, the agency's ability to consider late comments will be severely limited by the deadline for submitting the 1979 report.

Issued on November 20, 1978.

MICHAEL M. FINKELSTEIN,
Associate Administrator
for Rulemaking.

[FR Doc. 78-33060 Filed 11-21-78; 8:45 am]

ACRONYMS AND ABBREVIATIONS

AFE Average Fuel Economy
AFES Average Fuel Economy Standards
AIA Automobile Importers of America, Inc.
AIADA American Imported Automobile Dealers Association Inc.
AMC American Motors Corporation
BL British Leyland Motors Inc.
BMW BMW (Bavarian Motor Works) of North American, Inc.
BTU British Thermal Unit
CAS Center for Auto Safety
CAFE Corporate Average Fuel Economy
CO Carbon Monoxide
CVCC Controlled Vortex Combustion Chamber
DAA Diesel Automobile Association
DBAG Daimler-Benz AG
DOE Department of Energy
DOT Department of Transportation
EPA Environmental Protection Agency
EPCA Energy Policy and Conservation Act (also "the Act")
FE Fuel Economy
g/mile grams per mile
GM General Motors Corporation
GNP Gross National Product
GVWR Gross Vehicle Weight Rating
HC Hydro-Carbons
HSLA High Strength, Low Alloy
IH International Harvester Company
MBD Million Barrels per Day
mpg miles-per-gallon
mph miles-per-hour
MY Model Year
NHTSA National Highway Traffic Safety Administration
NOX Oxides of Nitrogen
NPRM Notice of Proposed Rulemaking
NY DOT New York Department of Transportation
OAFES Office of Automotive Fuel Economy Standards
OPEC Organization of Petroleum Exporting Countries
PROCO Programmed Combustion
R&D Research and Development
R-R Rolls-Royce Motors LTD
RSV Research Safety Vehicles
SI Spark Ignition
TSC Transportation Systems Center of DOT
VW Volkswagen of America, Inc.

[FR Doc. 79-2900 Filed 1-26-79; 8:45 am]

[4810-35-M]

DEPARTMENT OF THE TREASURY

Fiscal Service

[Dept. Circ. 570, 1978, Rev., Supp. No. 9]

SURETY COMPANIES ACCEPTABLE ON FEDERAL BONDS: CHANGES IN STATES OF INCORPORATION

On December 31, 1978, Hudson Insurance Company, a New York corporation, and Skandia America Reinsurance Corporation, a New York corporation, changed their States of incor-

poration from New York to Delaware. The companies were last listed as an acceptable surety on Federal bonds at 43 FR 28697 and 43 FR 28702 respectively, June 30, 1978.

A certificate of authority as an acceptable surety on Federal bonds is hereby issued under Sections 6 to 13 of Title 6 of the United States Code, to Hudson Insurance Company and Skandia America Reinsurance Corporation incorporated in the State of Delaware. The new certificates replace the companies' former Treasury certificates, effective December 31, 1978. An underwriting limitation of \$817,000 and \$4,534,000 has been established for Hudson Insurance Company and Skandia America Reinsurance Corporation, respectively. The underwriting limitations are the same as were established as of July 1, 1978, under the certificates issued to the companies in their previous States of incorporation.

Federal bond-approving officers need take no action with respect to bonds accepted prior or subsequent to the changes in the companies' states of incorporation. They may, however, annotate their reference copies of Treasury Circular 570, 1978 Revision at pages 28697 and 28702 to reflect the changes.

Certificates of authority expire on June 30, each year, unless renewed prior to that date or sooner revoked. The certificates are subject to subsequent annual renewals as long as the companies remain qualified (31 CFR, Part 223). A list of qualified companies is published annually as of July 1, in Department Circular 570, with details as to underwriting limitations, areas in which licensed to transact surety business and other information. Copies of the circular, when issued, may be obtained from the Audit Staff, Bureau of Government Financial Operations, Department of the Treasury, Washington, D.C. 20226.

Dated: January 22, 1979.

D. A. PAGLIAI,
Commissioner, Bureau of
Government Financial Operations.
[FR Doc. 79-2860 Filed 1-26-79; 8:45 am]

[4810-40-M]

[Supplement to Dpt. Circular, Public Debt Series—No. 1-79]

Office of the Secretary

TREASURY NOTES OF SERIES P-1981

Interest Rate

JANUARY 24, 1979.

The Secretary announced on January 23, 1979, that the interest rate on the notes designated Series P-1981, described in Department Circular—Public Debt Series—No. 1-79, dated January 18, 1979, will be 9% percent.

Interest on the notes will be payable at the rate of 9% percent per annum.

SUPPLEMENTARY STATEMENT: The announcement set forth above does not meet the Department's criteria for significant regulations and, accordingly, may be published without compliance with the Departmental procedures applicable to such regulations.

PAUL H. TAYLOR,
Fiscal Assistant Secretary.

[FR Doc. 79-2903 Filed 1-26-79; 8:45 am]

[4810-25-M]

CLASS LIFE ASSET DEPRECIATION RANGE SYSTEM

Study of Assets Used To Manufacture Rubber Products and Finished Plastics Products

The Office of Industrial Economics (OIE), of the Office of the Secretary of the Treasury, has initiated a study of guideline depreciation periods and repair allowance percentages for assets used in the manufacture of rubber products and finished plastics products currently covered by asset guideline Titles 30.1, 30.11, 30.2, and 30.21 [Revenue Procedure 77-10, I.R.B. 1977-12 (3/21/77)], under the Class Life Asset Depreciation Range System (Secs. 167(m) and 263(e)), Internal Revenue Code of 1954.

All persons interested in this study may submit comments in writing to OIE. Persons who are interested in submitting relevant information are invited to attend a meeting in Washington, D.C., on February 8, 1979, at which information needs and procedures for obtaining and analyzing the requisite information will be discussed. Agenda for the meeting, exact time and place, and background material may be obtained by writing to OIE.

All communications concerning this study should be addressed to: Office of Industrial Economics, Project 30.1 and 30.2, P.O. Box 28018, Washington, D.C. 20005.

Dated: January 24, 1979.

Approved by:

KARL RUHE,
*Director, Office of
Industrial Economics.*

[FR Doc. 79-2911 Filed 1-26-79; 8:45 am]

[7035-01-M]

INTERSTATE COMMERCE COMMISSION

[Notice No. 16]

ASSIGNMENT OF HEARINGS

JANUARY 24, 1978.

Cases assigned for hearing, postponement, cancellation or oral argument appear below and will be published only once. This list contains prospective assignments only and does not include cases previously assigned hearing dates. The hearings will be on the issues as presently reflected in the Official Docket of the Commission. An attempt will be made to publish notices of cancellation of hearings as promptly as possible, but interested parties should take appropriate steps to insure that they are notified of cancellation or postponements of hearings in which they are interested. No amendments will be entertained after the date of this publication.

MC 143993 (Sub-4F), Black Hills Trucking, Inc., now assigned for continued hearing March 27, 1979 (4 days), at Casper, Wyoming and will be held at Ramada Inn 123 West E St., and will be continued on April 2, 1979 (2 weeks) at Denver, Colorado and will be held at Executive Plaza, 1405 Curtis St. I & S 8863, Switching and Minimum Carload Charges Houston, Texas now being assigned March 13, 1979, (9 days), at Houston, Texas, in a hearing room to be later designated.

MC 23618 (Sub-34F), McAllister Trucking Company, A Cor-DBA Matco, now assigned for hearing on March 13, 1979, (1 day), at Dallas, Texas, in a hearing room to be later designated.

MC 61403 (Sub-256F), The Mason and Dixon Tank Lines, Inc., now assigned for hearing on March 14, 1979, (3 days), at Dallas, Texas, in a hearing room to be later designated.

37064, OKC Corporation V. Missouri-Kansas Texas Railroad, Company, ETAL, now assigned for hearing on March 19, 1979, (2 days), at Dallas, Texas, in a hearing room to be later designated.

MC 42000 (Sub-6), Texas Interstate Motor Express, Inc., now assigned for hearing on March 21, 1979, (3 days), at Dallas, Texas, in a hearing room to be later designated.

MC 119619 (Sub-126F), Distributors, Service Co., now assigned continued hearing February 27, 1979, at the Offices of the Interstate Commerce Commission, Washington, D.C.

MC 9325 (Sub-75F), K Lines, Inc., now assigned March 14, 1979, at Portland, Oregon, is postponed to March

22, 1979, (2 days), at Portland, Oregon and continued to March 26, 1979, (3 days), at San Francisco, Calif., hearing rooms to be designated later.

H. G. HOMME, Jr.,
Secretary.

[FR Doc. 79-2966 Filed 1-26-79; 8:45 am]

[7035-01-M]

[Notice No. 12]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

JANUARY 18, 1979.

IMPORTANT NOTICE: The following are notices of filing of applications for temporary authority under Section 210a(a) of the Interstate Commerce Act provided for under the provisions of 49 CFR 1131.3. These rules provide that an original and six (6) copies of protests to an application may be filed with the field official named in the FEDERAL REGISTER publication no later than the 15th calendar day after the date the notice of the filing of the application is published in the FEDERAL REGISTER. One copy of the protest must be served on the applicant, or its authorized representative, if any, and the protestant must certify that such service has been made. The protest must identify the operating authority upon which it is predicated, specifying the "MC" docket and "Sub" number and quoting the particular portion of authority upon which it relies. Also, the protestant shall specify the service it can and will provide and the amount and type of equipment it will make available for use in connection with the service contemplated by the TA application. The weight accorded a protest shall be governed by the completeness and pertinence of the protestant's information.

Except as otherwise specifically noted, each applicant states that there will be no significant effect on the quality of the human environment resulting from approval of its application.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the ICC Field Office to which protests are to be transmitted.

NOTE.—All applications seek authority to operate as a common carrier over irregular routes except as otherwise noted.

MOTOR CARRIERS OF PROPERTY

MC 808 (Sub-54TA), filed October 25, 1978, and published in the FEDERAL REGISTER issue of December 5, 1978, and republished as corrected this issue. Applicant: ANCHOR MOTOR FREIGHT, INC. 21111 Chagrin Boulevard, P.O. Box 22005, Cleveland, OH

44122. Representative: J. A. Kundtz, 1100 National City Bank Building, Cleveland, OH 44114. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Motor vehicles*, from Linden, NJ to points in AZ, AR, CA, CO, ID, IA, KS, LA, MN, MS, MO, MT, NE, NV, NM, ND, OK, OR, SD, TX, UT, WA, WI, and WY, under a continuing contract or contracts with General Motors Corporation, for 180 days. SUPPORTING SHIPPER(S): General Motors Corporation, 20007 Van Dyke Avenue, Warren, WI 48090. SEND PROTESTS TO: Mary Wehner, ICC, 731 Federal Building, 1240 East Ninth Street, Cleveland, OH 44199. The purpose of this republication is to show NE in lieu of ME as previously published.

MC 25798 (Sub-351 TA), filed December 26, 1978. Applicant: CLAY HYDER TRUCKING LINES, INC., P.O. Box 1186, 502 E. Bridges Avenue, Auburndale, FL 33823. Representative: Tony G. Russell, P.O. Box 1186, Auburndale, FL 33823. *Meat, meat products, meat by-products, and articles distributed by meat packinghouses* as described in Sections A and C of Appendix I to the Report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766, (except hides and commodities in bulk), from the facilities of Iowa Beef Processors, Inc., at Dakota City, NE, and Sioux City, IA, to points in CA, for 180 days. There is no environmental impact involved in this application. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Iowa Beef Processors, Inc., P.O. Box 515, Dakota City, NE 68731. SEND PROTESTS TO: Donna M. Jones Transp. Asst., ICC, Monterey Building, Suite 101, 8412, N.W., 53rd Terrace, Miami, FL 33166.

MC 29934 (Sub-19TA), filed December 18, 1978. Applicant: LOBIONDO BROTHERS MOTOR EXPRESS, INC., P.O. Box 160, Bridgeton, NJ 08302. Representative: Martin Werner, P.O. Box 1409, 167 Fairfield Road, Fairfield, NJ 07006. *Merchandise as dealt in by wholesale, retail, chain grocery and food business houses*, from the plantsite and storage facilities of Ralston-Purina Company at Hampden Township, Cumberland County, PA to points in NY on and south of I-84, and points in NJ, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Ralston-Purina Company, Checkerboard Square, St. Louis, MO 63188. SEND PROTESTS TO: John P. Lynn, ICC, 428 East State Street, Room 204, Trenton, NJ 08608.

MC 50069 (Sub-538TA), filed December 18, 1978. Applicant: REFINERS TRANSPORT & TERMINAL CORPORATION, 445 Earlwood Avenue,

Oregon, OH 43616. Representative: William P. Fromm (Same as above). *Petroleum products, vehicle body sealers, sound deadening compounds and acoustical control items* in bulk, in tank vehicles, from Warren County, MS to points in the US except AK and HI, for 180 days. Restricted to shipments originating at the facilities of Quaker State Oil Refining Corp. located in Warren County, MS. SUPPORTING SHIPPER(S): Quaker State Oil Refining Corp., P.O. Box 989, Oil City, PA 16301. SEND PROTESTS TO: ICC, 313 Federal Office Building, 234 Summit Street, Toledo, OH 43604.

MC 83217 (Sub-77TA), filed December 15, 1978. Applicant: DAKOTA EXPRESS, INC., 550 East 5th Street South, South St. Paul, MN 55075. Representative: K. O. Petrick, 550 East 5th Street South, South St. Paul, MN 55075. *Meats, meat products, meat by-products and articles distributed by meat packinghouses*, as described in Sections A and C of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 290 and 766 (except commodities in bulk and hides), from the facilities of Iowa Beef Processors, Dakota City, NE and Sioux City, IA to points in MI, OH, PA, NY, CT, MA, RI, DE, MD, DC, NJ, NH, VT, ME, WV and VA. Restricted to traffic originating at the facilities of Iowa Beef Processors, Inc., Dakota City, NE and Sioux City, IA and destined to the points in the named states or in foreign commerce, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Iowa Beef Processors, Inc., Dakota City, NE 68731. SEND PROTESTS TO: Delores A. Poe, Trans. Asst., I.C.C., 414 Federal Bldg. & U.S. Courthouse, 110 South 4th Street, Minneapolis, MN 55401.

MC 106037 (Sub-5TA), filed November 21, 1978, and published in the FEDERAL REGISTER issue of January 10, 1978, and republished as corrected this issue. Applicant: ROADWAY TRANSPORT LIMITED, 25 Selfield Road, Rexdale, Ontario, Canada M9W 1E8. Representative: Robert G. Gawley, P.O. Box 184, Buffalo, NY 14221. *Trucks and buses and parts and accessories thereof*, moving at the same time with the vehicles of which they are a part and on which they are to be installed in initial and secondary movements in driveway and truckaway service, from ports of entry on the International Boundary line between United States and Canada located on the Detroit River to Willow run, MI, on traffic having a prior movement in foreign commerce, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): General Motors of Canada Limited, Oshawa, Ontario L1G 1K7. SEND

PROTESTS TO: ICC, 910 Federal Building, 111 West Huron Street, St. Buffalo, NY 14202. The purpose of this republication is to show the complete scope of the application as previously omitted.

MC 107541 (Sub-54TA), filed December 12, 1978. Applicant: WASHINGTON-OREGON LUMBER FREIGHTERS, INC., 12925 N.E. Rockwell Drive, Vancouver, WA 98665. Representative: Edward A. Francom (same as above). Authority sought to operate as a *common carrier*, by motor vehicle over regular routes, transporting: (1) *Roofing materials*, (2) *pipe, cement and asbestos combined or plastic pipe*, and (3) *plastic pipe*, (1) from Pittsburg, CA to points in Benton, Deschutes, Lane, Linn, Marion, Polk, Yamhill, Clackamas, Washington, and Multnomah Counties, OR; and Clark, Cowlitz, Whatcom, Skagit, Chelan, Snohomish, King, Pierce, Thurston, Grant, Lincoln, Spokane, Yakima, Benton, Franklin and Walla Walla Counties, WA, (2) from Stockton, CA to points in Deschutes, Crook, Jefferson, Lane, Benton, Linn, Marion, Polk, Clackamas, Yamhill, Washington, Multnomah, and Umatilla Counties, OR; and Clark, Cowlitz, Whatcom, Skagit, Chelan, Snohomish, King, Pierce, Thurston, Yakima, Benton, Franklin, Walla Walla, Grant, Lincoln and Spokane Counties, WA, and (3) from McNary, OR to points in Sacramento, San Joaquin, Contra Costa, Alameda, Santa Clara, San Mateo, San Francisco, San Bernardino, Los Angeles, Orange, and Riverside Counties, CA, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Johns-Manville Sales Corporation, 2600 Campus Drive, San Mateo CA 94403. SEND PROTESTS TO: R. V. DuBay, ICC, 114 Pioneer Courthouse, Portland, OR 97204.

MC 108341 (Sub-128TA), filed December 6, 1978. Applicant: MOSS TRUCKING COMPANY, INC., P.O. Box 26125, Charlotte, NC 28213. Representative: Francis J. Ortman, Wisconsin Avenue, Suite 605, Zinc, zinc alloy and zinc products from the facilities of Jersey Miniere Zinc Company, Montgomery County, TN, to points in AL, GA, SC, NC, VA, MD, DE, DC, NJ, PA, NY, MA, CT, and RI, for 180 days. SUPPORTING SHIPPER(S): King's Department Stores, Inc., 150 California Street, Newton, MA 02158. SEND PROTESTS TO: D. S. TERRELL PRINCE, 800 Brainerd Creek Rd—Rm CC516 Mart Office Building, Charlotte, NC 28205.

MC 109124 (Sub-57TA), filed December 27, 1978. Applicant: SENTLE TRUCKING CORPORATION, P.O. Box 7850, Toledo, OH 43619. Representative: H. David McKnight (same address as applicant). *Iron and steel*

articles, from the facilities of Jones & Laughlin Steel Corp., located at Cleveland, OH, to points in Illinois, Indiana, Michigan and PA, for 180 days. An underlying ETA seeks up to 90 days authority. SUPPORTING SHIPPER(S): Jones & Laughlin Steel Corp., Room 121, 1600 West Carson Street, Pittsburgh, PA 15263. SEND PROTESTS TO: ICC, Room 313 Federal Office Building, 234 Summit Street, Toledo, OH 43604.

MC 109584 (Sub-186TA), filed December 6, 1978. Applicant: ARIZONA PACIFIC TANK LINES, P.O. Box 7240, Denver, CO 80207. Representative: Rick Barker (same as above). *Inedible animal fats and vegetable oils*, in bulk, in tank vehicles, from Albuquerque and Clovis, NM to points in AZ and CA, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): Valley Rendering Company, Inc., P.O. Box 1444, Clovis, NM 88101. SEND PROTESTS TO: D/S Roger L. Buchanan, ICC, 721 19th Street, 492 U.S. Customs House, Denver, CO 80202.

MC 109818 (Sub-38TA), filed December 14, 1978. Applicant: WENGER TRUCK LINE, INC., P.O. Box 3427, Davenport, IA 52804. Representative: Larry D. Knox, 600 Hubbell Bldg., Des Moines, IA 50309. *Meat, meat products, meat by-products, and articles distributed by meat packing houses* (except hides and commodities in bulk), from the facilities of Geo A. Hormel & Co. at Fremont, NE to Denver, CO, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Geo A. Hormel & Co., P.O. Box 800, Austin, NM 55912. SEND PROTESTS TO: Herbert W. Allen, I.C.C., 518 Federal Bldg., Des Moines, IA 50309.

MC 111812 (Sub-605TA), filed December 27, 1978. Applicant: MIDWEST COAST TRANSPORT, INC., P.O. Box 1233, Sioux Falls, SD 57101. Representative: Lamoyne Brandsma, P.O. Box 1233, Sioux Falls, SD 57101. Part I—*Petroleum, petroleum products, vehicle body sealer and/or sound deadener compounds*, (except in bulk, in tank vehicles), and filters from points in Warren County, MS to points in CO, CT, DE, FL, GA, IA, IL, KS, ME, MD, MA, MN, MO, NC, NE, NH, ND, NJ, NY, SC, SD, VT and WI; and Part II—*Petroleum, petroleum products, vehicle body sealer and/or sound deadener compounds, filters, materials, supplies and equipment* as are used in the manufacture, sale and distribution of the commodities named in Part I above, (except in bulk, in tank vehicles) from points in IL, NY, OH and SC to points in Warren County, MS. Restricted in Parts I and II above to shipments originating at or

destined to the facilities of Quaker State Oil Refining Corporation located in Warren County, MS. For 180 days. Supporting shipper: Quaker State Oil Refining Corporation, P.O. Box 989, Oil City, PA 16301. Send protests to: Mr. James L. Hammond, District Supervisor, Bureau of Operations & Compliance, Interstate Commerce Commission, Room 455, Federal Building, Pierre, South Dakota 57501.

MC 112713 (Sub-234TA), filed December 26, 1978. Applicant: YELLOW FREIGHT SYSTEM, INC., P.O. Box 7270, 10990 Roe Avenue, Shawnee Mission, KS 66207. Representative: John M. Records (same address as applicant). *Chemicals*, in vehicles equipped with mechanical refrigeration, from Winchester, VA, to points in Arizona, California and CO, for 180 days. An underlying ETA seeks to 90 days authority. SUPPORTING SHIPPER(S): J. T. Baker Chemical Co., 3085 Shawnee Drive, Winchester, VA 22601. SEND PROTESTS TO: John V. Barry DS, ICC, 600 Federal Building, 911 Walnut Street, Kansas City, MO 64106.

MC 113434 (Sub-120TA), filed December 19, 1978. Applicant: GRABELL TRUCK LINE, INC., A-5253 144th Avenue, Holland, MI 49423. Representative: Ms. Wilhelmina Boersma, 1600 First Federal Building, Detroit, MI 48226. *Vinegar*, in bulk, in tank vehicles, from the facilities of Heinz U.S.A. at Holland, MI to the facilities of Heinz U.S.A. at Winchester, VA, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Heinz U.S.A. Division of H. J. Heinz Company, P.O. Box 57, Pittsburgh, PA 15230. SEND PROTESTS TO: C. R. Flemming, ICC, 225 Federal Building, Lansing, MI 48933.

MC 114273 (Sub-515TA), filed December 14, 1978. Applicant: CRST, Inc., P.O. Box 68, Cedar Rapids, IA 52406. Representative: Kenneth L. Core (same as applicant). *Drugs, medicines, cosmetics, plastic boxes, weed killing compounds, and animal or poultry feed supplements and materials and supplies used in the manufacture and production of, and rejected and/or damaged shipments of the commodities named above (except commodities in bulk)*, between the plant sites, warehouses, and storage facilities utilized by Eli Lilly and Company, located at or near Clinton, Indianapolis, and Lafayette, IN, Omaha, NE, on the one hand and on the other, points in IA, MN, ND and SD, VA, MD and NE, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Eli Lilly & Company, 1555 S. Kentucky Ave., Indianapolis, IN 46206. SEND PROTESTS TO:

Herbert W. Allen, I.C.C., 518 Federal Bldg., Des Moines, IA 50309.

MC 114301 (Sub-102TA), filed December 18, 1978. Applicant: DELAWARE EXPRESS CO., P.O. Box 97, Elkton, MD 21921. Representative: Maxwell A. Howell, 1511 K Street NW., Washington, D.C. 20005. *Dry plastic materials*, in bulk, between Greensboro, MD, on the one hand, and, on the other, Winchester, VA; Burlington, Trenton, Chesilhurst and Pitman, NJ; Frackville and Lebanon, PA, and Bethel, CT, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): J. L. Moorshead Co., Inc., P.O. Box 308, Sunset Avenue, Greensboro, MD 21639. SEND PROTESTS TO: William L. Hughes, ICC, 1025 Federal Building, Baltimore, MD 21201.

MC 115162 (Sub-443TA), filed December 27, 1978. Applicant: POOLE TRUCK LINE, INC., P.O. Drawer 500, Evergreen, AL 36401. Representative: Robert E. Tate (same address as applicant). *Asphalt roofing and related building materials*, (except commodities in bulk, in tank vehicles), from Mobile, AL, to Harris County, TX., for 180 days. An underlying ETA seeks up to 90 days authority. SUPPORTING SHIPPER(S): GAF Corporation, 1361 Alps Road, Wayne, NJ 07470. SEND PROTESTS TO: Mabel E. Holston Transp. Asst., ICC, Room 1616, 2121 Building, Birmingham, AL 35203.

MC 116254 (Sub-225TA), filed December 27, 1978. Applicant: CHEMHAULERS, INC., 118 East Mobile Plaza, Florence, AL 35630. Representative: Randy C. Luffman (same address as applicant). *Weed-killing chemicals, liquid*, (in bulk, in tank vehicles), from Lemoyne, AL, to Omaha, NE., for 180 days. An underlying ETA seeks up to 90 days authority. SUPPORTING SHIPPER(S): Stauffer Chemical Company, Westport, CT 06880. SEND PROTESTS TO: Mabel E. Holston Transp. Asst., ICC, Room 1616, 2121 Building, Birmingham, AL 35203.

MC 116254 (Sub-226TA), filed December 27, 1978. Applicant: CHEMHAULERS, INC., 118 East Mobile Plaza, Florence, AL 35630. Representative: Randy C. Luffman (same address as applicant). *Hexamethylene diamine* (in bulk, in tank vehicles), from the facilities of Monsanto Company, Decatur, AL, to Kankakee, IL, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Monsanto Company, 800 N. Lindbergh Blvd., St. Louis, MO 63166. SEND PROTESTS TO: Mabel E. Holston Transp. Asst., ICC, Room 1616, 2121 Building, Birmingham, AL 35203.

MC 116254 (Sub-227TA), filed December 27, 1978. Applicant: CHEMHAULERS, INC., 118 East Mobile Plaza, Florence, AL 35630. Representa-

tive: Randy C. Luffman, P.O. Box 339, Florence, AL 35630. *Titanium dioxide slurry* (in bulk, in tank vehicles), from the facilities of E. I. DuPont de Nemours & Company, at New Johnsonville, TN, to points in CA, and Jacksonville, FL, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): E. I. DuPont de Nemours & Company, 1007 Market Street, Wilmington, DE 19898. SEND PROTESTS TO: Mabel E. Holston Transp. Asst., ICC, Room 1616, 2121 Building, Birmingham, AL 35203.

MC 118318 (Sub-36TA), filed December 5, 1978. Applicant: IDA-CAL FREIGHT LINES INC., P.O. Box M, Nampa, ID 83651. Representative: Timothy R. Stivers, Registered Practitioner, P.O. Box 162, Boise, ID 83701. *Meats, meat products, and meat by-products and articles*, distributed by meat packinghouses, from Spokane County, WA to points in CA, NV, and ID, for 180 days. Applicant has filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): Hygrade Food Products Corp., Box 2567, Term Annex, Spokane, WA 99220. SEND PROTESTS TO: D/S Barney L. Hardin, ICC, 1471 Shoreline Drive, Suite 110, Boise, ID 83706.

MC 118535 (Sub-130TA), filed December 28, 1978. Applicant: TIONA TRUCK LINE, INC., 111 South Prospect, Butler, MO 64730. Representative: Tom Ventura, 111 South Prospect, Butler, MO 64730. *Dry alumina* (in bulk), from Benton and Bauxite, AR, to the Kansas City, KS-MO Commercial Zone, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Aluminum Company of America, 1501 Alcoa Building, Pittsburgh, PA 15219. SEND PROTESTS TO: John V. Barry DS, ICC, 600 Federal Building, 911 Walnut Street, Kansas City, MO 64106.

MC 118831 (Sub-171TA), filed December 14, 1978. Applicant: CENTRAL TRANSPORT, INCORPORATED, P.O. Box 7007, High Point, NC 27264. Representative: Ben H. Keller III, P.O. Box 7007, High Point, NC 27264. *Dimethyl Terephthalate, molten*, between Old Hickory, TN and Circleville, OH, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): E. I. DuPont de Nemours & Co., 1007 Market St., Wilmington, DE 19898. SEND PROTESTS TO: Archie W. Andrews, I.C.C., P.O. Box 26896, Raleigh, NC 27611.

MC 119741 (Sub-127TA), filed December 14, 1978. Applicant: GREEN FIELD TRANSPORT COMPANY, INC., P.O. Box 1235, Fort Dodge, IA 50501. Representative: D. L. Robson, P.O. Box 1235, Fort Dodge, IA 50501. *Aluminum scrap*, from the facilities of

Wilkinson Manufacturing Co., at Calhoun, NE, to Terre Haute, IN, for 90 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Wilkinson Manufacturing Co., Fort Calhoun, NE 68023. SEND PROTESTS TO: Herbert W. Allen, I.C.C., 518 Federal Bldg., Des Moines, IA 50309.

MC 119741 (Sub-130TA), filed December 19, 1978. Applicant: GREEN FIELD TRANSPORT COMPANY, INC., P.O. Box 1235, Fort Dodge, IA 50501. Representative: D. L. Robson, (same as above). *Meats, meat products, meat by-products, and articles distributed by meat packinghouses*, (except hides and commodities in bulk, in tank vehicles), as described in Sections A and C of Appendix I to the report in descriptions in Motor Carrier Certificates, 61 M.C.C. 209 and 766, from Omaha, NE to points in IA, MN, MO, and WI, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Palamera Beef Corporation, 25th and Z Streets, Omaha, NE 68127. SEND PROTESTS TO: Herbert W. Allen, ICC, 518 Federal Building, Des Moines, IA 50309.

MC 119789 (Sub-533TA), filed December 14, 1978. Applicant: CARAVAN REFRIGERATED CARGO, INC., P.O. Box 226188, Dallas, TX 75266. Representative: James K. Newbold, Jr., P.O. Box 226188, Dallas, TX 75266. *Frozen foods*, from Pecos, TX to points in the United States (except AK, HI, and TX), 180 days. SUPPORTING SHIPPER(S): Foster Frozen Foods, P.O. Box 1389, Pecos, TX 79772. SEND PROTESTS TO: Opal M. Jones, Trans. Asst., I.C.C., 1100 Commerce Street, Rm. 13C12, Dallas, TX 75242.

MC 125996 (Sub-62TA), filed November 7, 1978, and published in the FEDERAL REGISTER issue of December 22, 1978, and republished as corrected this issue. Applicant: ROAD RUNNER TRUCKING, INC., 2225 South 400 West, Salt Lake City, UT 84115. Representative: John P. Rhodes, P.O. Box 5000, Waterloo, IA 50704. *Meats, meat products, meat by-products and articles distributed by meat packing houses* (except hides and commodities in bulk), from the facilities of George A. Hormel & Co., at Austin and Minneapolis-St. Paul commercial zone, MN, and Fort Dodge and Ottumwa, IA, to points in AZ, CA, OR, UT, WA, and CO, for 180 days. SUPPORTING SHIPPER(S): George A. Hormel & Co., P.O. Box 800, Austin, MN 55912. SEND PROTESTS TO: L. D. Helfer, ICC, 5301 Federal Building, Salt Lake City, UT 84138. The purpose of this republication is to add California (CA) to the territorial description as previously omitted.

MC 127042 (Sub-236TA), filed December 14, 1978. Applicant: HAGEN, INC., 3232 Highway 75 North, P.O. Box 98, Leeds Station, Sioux City, IA 51108. Representative: Robert G. Tessar (same as above). *Foodstuffs*, except in bulk, from Kansas City, MO to points in IA, MN, NE, and WI, for 180 days. SUPPORTING SHIPPER(S): Thomas V. Lappin, Traffic Mgr., Commercial Distribution Center Inc., 16500 E. Truman Rd., Independence, MO 64051. SEND PROTESTS TO: Carroll Russell, I.C.C., Suite 620, 110 No. 14th St., Omaha, NE 68102.

MC 127478 (Sub-12TA), filed December 18, 1978. Applicant: WILLIAM M. HAYES, d.b.a. HAYES TRUCKING CO., P.O. Box 31, Winterville, GA 30683. Representative: Virgil H. Smith, Suite 12, 1587 Phoenix Boulevard, Atlanta, GA 30349. *Frozen foodstuffs*, from the facilities of Kitchens of Sara Lee at New Hampton, IA to points in FL, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Kitchens of Sara Lee, 500 Waukegan Road, Deerfield, IL 60015. SEND PROTESTS TO: Sara J. Davis, ICC, 1252 W. Peachtree Street, N.W., Room 300, Atlanta, GA 30309.

MC 133689 (Sub-248TA), filed December 27, 1978. Applicant: OVERLAND EXPRESS, INC., 719 First St., SW, New Brighton, MN 55112. Representative: Robert P. Sack, P.O. Box 6010, West St. Paul, MN 55118. *Dairy products* from Belle Plaine, MN to Flemington, NJ, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Valley Processors, Inc., 425 West Beaver Street, Belle Plaine, MN 56011. SEND PROTESTS TO: Delores A. Poe Transp. Asst., ICC, 414 Federal Building & U.S. Courthouse, 110 South 4th Street, Minneapolis, MN 55401.

MC 133937 (Sub-29TA), filed December 7, 1978. Applicant: CAROLINA CARTAGE CO., INC., 1638 E. Vesta Avenue, College Park, GA 30337. Representative: Leonard A. Jaskiewicz, 1730 M Street, NW, P.O. Box 1075, Washington, DC 20036. *Such commodities* as are dealt in by catalog and retail department stores, and materials, supplies, and equipment, including garments on hangers from points and places in NC, SC, GA, FL, AL, MS, KY, and TN to the facilities of J.L. Hudson Co. in MI, OH, and IN, for 180 days. SUPPORTING SHIPPER(S): J.L. Hudson Co., 14225 West Warren Avenue, Dearborn, MI 48126. SEND PROTESTS TO: T/A Sara K. Davis, ICC, 1252 W. Peachtree Street, NW, Room 300, Atlanta, GA 30309.

MC 135399 (Sub-15TA), filed December 18, 1978. Applicant: HASKINS TRUCKING, INC., P.O. Drawer 7729,

Longview, TX 75602. Representative: Paul D. Angenend, P.O. Box 2207, Austin, TX 78768. *Cleaning, scouring, washing, and buffing compounds, and such other commodities as are dealt in or distributed by manufacturer of the above commodities, from the facilities of Rochester Germicide Co., Inc., at or near Montgomery, IL to Memphis, TN; Atlanta, GA; New Orleans, LA; Dallas, TX; Tampa, FL; San Diego, Los Angeles, and San Francisco, CA; St. Paul, MN; Des Moines, IA; St. Louis, MO; and Indianapolis, IN, for 180 days.* SUPPORTING SHIPPER(S): Rochester Germicide Co., P.O. Box 1515, Rochester, NY 14603. SEND PROTESTS TO: Opal M. Jones, ICC 1100 Commerce Street, Room 13C12, Dallas, TX 75242.

MC 135874 (Sub-142TA), filed November 16, 1978, and published in the FEDERAL REGISTER issue of December 28, 1978, and republished as corrected this issue. Applicant: LTL PERISHABLES, INC., 550 East Fifth Street South, South St. Paul, MN 55075. Representative: K. O. Petrick (same as above). *Alcoholic beverages, supplies and equipment used in the sales of alcoholic beverages, from the facilities of Joseph E. Seagram & Sons, Inc., at Louisville, KY and Lawrenceburg, IN to Superior, WI, Sioux Falls and Rapid City, SD, Bismarck and Fargo, ND, Hibbing, Golden Valley, Long Prairie, Minneapolis and St. Paul, MN, for 180 days. Restricted to traffic originating at the facilities of Joseph E. Seagram & Sons at Louisville, KY and Lawrenceburg, KY and destined to the named points. An underlying ETA seeks 90 days authority.* SUPPORTING SHIPPER(S): Joseph E. Seagram & Sons, Inc., 800 Third Avenue, New York, NY 10022. SEND PROTESTS TO: Delores A. Poe, ICC, 414 Federal Building and U.S. Court House, 110 South 4th Street, Minneapolis, MN 55401. The purpose of this republication is to show St. Paul, MN in lieu of St. Paul, NM, as previously published.

MC 135874 (Sub-151TA), filed December 27, 1978. Applicant: LTL PERISHABLES, INC., 550 E. 5th Street So., South St. Paul, MN 55075. Representative: K. O. Petrick, 550 E 5th Street So., South St. Paul, MN 55075. *Alcoholic beverages (except commodities in bulk), from Chicago, and Pekin, IL; Allen Park, MI; Clermont, Frankfort, Louisville, Owensboro, Bardonia and Lawrenceburg, KY; Lawrenceburg, IN; Cincinnati, OH; Newark, and Hawthorne, NJ; Farmingdale, New York, and Hammondport, NY; and St. Louis, MO to Rapid City, SD. Restricted to traffic originating at the named origins and destined to Rapid City, SD, for 180 days. An underlying ETA seeks 90 days authority.*

SUPPORTING SHIPPER(S): Western Wholesale Liquor Co., P.O. Box 1356, Rapid City, SD 57709. SEND PROTESTS TO: Delores A. Poe, Transp. Asst., ICC, 414 Federal Building & U.S. Court House, 110 South 4th Street, Minneapolis, MN 55401.

MC 136605 (Sub-83TA), filed December 14, 1978. Applicant: DAVIS BROS., DIST., INC., P.O. Box 8058, 216 Trade Street, Missoula, MT 59807. Representative: Allen P. Felton (same as above). (1) *Baking, electric, setup and KD ovens, and (2) Parts, components, and accessories for the above, from the facilities of DISPATCH INDUSTRIES located at or near Minneapolis, MN to points in the United States in and west of ND, SD, NE, KS, OK, and TX except AK and HI, for 180 days.* SUPPORTING SHIPPER(S): Dispatch Industries, Inc., 619 S.E. 8th Street, Minneapolis, MN. SEND PROTESTS TO: Paul J. Labane, I.C.C., 2602 First Ave. North, Billings, MT 59101.

MC 138308 (Sub-59TA), filed December 14, 1978. Applicant: KLM, INC., Old Highway 49 South, P.O. Box 6098, Jackson, MS 39208. Representative: Donald B. Morrison, 1500 Deposit Guaranty Plaza, P.O. Box 22628, Jackson, MS 39205. *Canned and preserved foodstuffs, from the facilities of Heinz U.S.A., Division of H. J. Heinz Company at or near Pittsburgh, PA, to points in AR, OK, TX, restricted to traffic originating at the named facilities and destined to the named states, for 180 days.* SUPPORTING SHIPPER(S): Heinz U.S.A., Division of H. J. Heinz Company, P.O. Box 57, Pittsburgh, PA 15230. SEND PROTESTS TO: Alan C. Tarrant, I.C.C., Rm. 212, 145 East Amite Bldg., Jackson, MS 39201.

MC 138609 (Sub-32TA), filed December 14, 1978. Applicant: ROBERT L. ARNOLD, d.b.a. PLANTATION TRANSPORT CO., 1506 Gillionville, P.O. Box 1171, Albany, GA 31702. Representative: Robert L. Arnold (same as above). *Wooden pallets and boxes, from points in Randolph County, GA to all points in FL and AL, for 180 days. An underlying ETA seeks 90 days authority.* SUPPORTING SHIPPER(S): Burgin Lumber Company, Villa Nova Street, Cuthbert, GA 31740. SEND PROTESTS TO: G. H. Fauss, Jr., I.C.C., Box 35008, 400 West Bay St., Jacksonville, FL 32202.

MC 138875 (Sub-119TA), filed December 27, 1978. Applicant: SHOE-MAKER TRUCKING COMPANY, an Idaho corporation, 11900 Franklin Road, Boise, Idaho 83705. Representative: F. L. Sigloh (as above). *Gypsum wallboard, joint compound and materials and supplies used in the application thereof, from Sigurd, UT to points in OR and ID, for 180 days. An underlying ETA seeks 90 days authority.* Supporting Shipper(s): Scott A.

Keller, Transportation Analyst, Georgia-Pacific Corporation, 900 SW Fifth Ave., Portland, OR 97204. Send Protests to: Barney L. Hardin, District Supervisor, Interstate Commerce Commission, Room 110, 1471 Shoreline Drive, Boise, ID 83706.

MC 138875 (Sub-120TA), filed December 15, 1978. Applicant: SHOE-MAKER TRUCKING COMPANY, an Idaho corporation, 11900 Franklin Road, Boise, Idaho 83705. Representative: F. L. Sigloh (as above). (1) *Feed, feed ingredients & supplements; and (2) materials & supplies used in the manufacture and distribution of (1) above; (3) commodities, the transportation of which would be otherwise exempt from regulation, under Section 203(b)(6) IC Act, when transported in mixed loads (except in bulk, in tank vehicles), from Minneapolis and Owatonna, MN to Idaho Falls, Twin Falls, and Caldwell, ID.* Supporting Shipper(s): Jack Toeller, Director of Operations, Idaho-Best, Inc., P.O. Box 818, Caldwell, ID 83605. Send Protests to: Barney L. Hardin, I.C.C., Suite 110, 1471 Shoreline Dr., Boise, ID 83706.

MC 138882 (Sub-185TA), filed December 27, 1978. Applicant: WILEY SANDERS TRUCK LINES, INC., P.O. Box 707, Troy, AL 36081. Representative: George A. Olsen, P.O. Box 357, Gladstone, NJ 07934. *Foodstuffs, except frozen and commodities in bulk, (1) from the facilities of Vlasic Foods, Inc., located at Bridgeport, Imlay City and Memphis, MI to the facility of Vlasic Foods, Inc., located at Greenville, MS, and (2) From the facilities of Vlasic Foods, Inc., located at Greenville, MS to points in AL, AR, CO, FL, GA, KS, KY, LA, MO, NM, OK, TN, TX, IL and IN, for 180 days. An underlying ETA seeks up to 90 days authority.* SUPPORTING SHIPPER(S): Vlasic Foods, Inc., 33200 West 14 Mile Road, West Bloomfield, MI 48033. SEND PROTESTS TO: Mabel E. Holston, Transp. Asst., ICC, Room 1616, 2121 Building, Birmingham, AL 35203.

MC 138902 (Sub-10TA), filed December 20, 1978. Applicant: ERB TRANSPORTATION CO., INC., P.O. Box 65, Crozet, VA 22932. Representative: Harry C. Ames, Jr., 805 McLachlen Bank Building, 666 Eleventh Street, NW., Washington, D.C. 20001. *Frozen Foods (except in bulk, in tank vehicles), from points in Cumberland County, NJ to points in AR, GA, IL, IN, IA, KS, KY, MI, MO, OH, NC, SC, TN, VA, WV, and those in PA on and west of U.S. Highway 219 for 180 days. An underlying ETA seeking up to 90 days of operating authority.* Supporting shipper: Seabrook Foods, Inc., 5118 East Clinton Way, Fresno, CA 93727. Send protests to: Paul D. Collins, District Supervisor, 10-502 Federal Build-

ing, 400 North Eighth Street, Richmond, VA 23240.

MC 139923 (Sub-53TA), filed December 26, 1978. Applicant: MILLER TRUCKING CO., INC., P.O. Drawer D, Stroud, OK 74079. Representative: Daniel O. Hands, Attorney at Law, Suite 200, 205 West Touhy Avenue, Park Ridge, IL 60068. *Food and food products* (except commodities in bulk), from the facilities of Burnette Farms Packing Company located at or near Keeler, MI, to Fort Smith and Little Rock, AR and OK and TX, restricted to traffic originating at the named origin and destined to the named destinations, for 180 days. An underlying ETA has been filed for 90 days authority. Supporting shipper: Burnette Farms Packing Company, P.O. Box 128, Keeler, MI. Send protests to: Connie Stanley, Transportation Assistant, Room 240, Old Post Office and Court House Building, 215 Northwest Third, Oklahoma City, OK 73102.

MC 140118 (Sub-10TA), filed October 4, 1978, and published in the FEDERAL REGISTER issue of November 21, 1978, and republished as corrected this issue. Applicant: S. T. L. TRANSPORT, INC., P.O. Box 9776, 1000 Jefferson Road, Rochester, NY 14623. Representative: S. Michael Richards, Raymond A. Richards, P.O. Box 225, Webster, NY 14580. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Empty glass containers*, from Bridgeton, NJ, Clarion, PA; Huntington and Fairmont, WV; and Brockport, NY, to points in CT, MA, NY, and PA; and (2) *Plastic pails*, from Watertown, MA to points in NJ and NY, under a continuing contract or contracts with Empire State Bottle Co., of Syracuse, Inc., for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Empire State Bottle Co., of Syracuse, Inc., 4100 Milton Avenue, Syracuse, NY 13219. SEND PROTESTS TO: ICC, U.S. Courthouse and Federal Building, 100 S. Clinton Street, Room 1259, Syracuse, NY 13260. The purpose of this republication is to show correct address of representative as Webster, NY in lieu of Westter, NY, and also to show Brockport, NY in lieu of Blockport, NY in part (1) of the territorial description.

MC 140890 (Sub-2TA), filed December 14, 1978. Applicant: D D & D TRUCK LINES, INC., 270 U.S. Highway 90 East, Baldwin, FL 32234. Representative: Dan R. Schwartz, 1729 Gulf Life Tower, Jacksonville, FL 32207. *Machine flattened automobiles*, from points in GA to points in FL, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Mid-Georgia Auto Recycling, 2763 Coral Way, Macon, GA

31211. SEND PROTESTS TO: G. H. Fauss, Jr., I.C.C., Box 35008, 400 West Bay Street, Jacksonville, FL 32202

MC 142559 (Sub-78TA), filed December 14, 1978. Applicant: BROOKS TRANSPORTATION, INC., 3830 Kelley Avenue, Cleveland, OH 44114. Representative: John P. McMahon, 100 East Broad Street, Columbus, OH 43215. *Scales, power transmission machinery, motors, controls, elevators and escalators, industrial components, and materials, equipment and supplies as are used in the manufacture and distribution thereof* (except commodities in bulk, and except those commodities which because of size or weight require the use of special equipment), (1) Between Cleveland, OH and Lawrenceburg, KY, on the one hand, and on the other, Mishawaka, IN, Rogersville, TN, Greenville and Spartanburg, SC, and points in the States of WA, OR, CA, NV, NE, KS, TX, GA, NC, PA, NY, NJ, and MA, (2) From Mishawaka, IN to Greenville, SC, and (3) From Columbus, OH to points in GA, for 180 days. SUPPORTING SHIPPER(S): Reliance Electric Corporation, 220 Eastview Drive, Brooklyn Heights, OH 441431. SEND PROTESTS TO: Mary Wehner, I.C.C., 731 Federal Office Bldg., 1240 East Ninth St., Cleveland, OH 44199.

MC 142559 (Sub-79TA), filed December 26, 1978. Applicant: BROOKS TRANSPORTATION, INC., 3830 Kelley Avenue, Cleveland, Ohio 44114. Representative: John P. McMahon, George, Greek, King, McMahon & McConnaughey, 100 East Broad Street, Columbus, Ohio 43215 (614) 228-1541. *Automotive accessories and materials, equipment and supplies used in the manufacture and distribution thereof* (except commodities in bulk) between Boston and Chelsea, MA and the commercial zones thereof, on the one hand, and, on the other, points in the United States (except AK and HI), for 180 days. SUPPORTING SHIPPER(S): Mark Fore/Vatco Industries, Div., of Beatrice Foods Co., 109 Brookline Avenue, Boston, MA 02215. SEND PROTESTS TO: Mary Wehner DS, 731 Federal Office Building, 1240 East Ninth Street, Cleveland, OH 44199.

MC 143540 (Sub-9TA), filed November 17, 1978, and published in the FEDERAL REGISTER issue of January 8, 1979, and republished as corrected this issue. Applicant: MARINE TRANSPORT COMPANY, 2321 Burnette Blvd., P.O. Box 2142, Wilmington, NC 28402. Representative: Jean H. Lewis, 9525 Trojan Center, Richmond, VA 23229. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Bakery ingredients*, from the facilities

of Globe Products Company, Inc., at or near Clifton, NJ to points in AL, AR, LA, MS, NC, OK, TN and TX, under a continuing contract or contracts with Globe Products Company, Inc., for 180 days. SUPPORTING SHIPPER(S): Globe Products Company, Inc., P.O. Box 927, Clifton, NJ 07015. SEND PROTESTS TO: Archie W. Andrews, ICC, P.O. Box 26896, Raleigh, NC 27611. The purpose of this republication is to show complete scope of application as previously omitted.

MC 143815 (Sub-3TA), filed December 27, 1978. Applicant: R & D TRUCKING COMPANY, INC., Church Road, Lauderdale Industrial Park, Florence, AL 35630. Representative: Roland M. Lowell, 618 United American Bank Bldg., Nashville, TN 37219. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Hard surface floor covering materials, supplies and equipment*, used in the installation and maintenance thereof, (except commodities in bulk), when moving with the above, from the facilities of American Bilrite, Inc., in Mercer County, NJ, to points in Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and TN, under a continuing contract or contracts, with Amtico Flooring, Division American Bilrite, Inc., for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Amtico Flooring, Division American Bilrite, Inc., 575 Technology Square, Cambridge, MA 02139. SEND PROTESTS TO: Mabel E. Holston Transp. Asst., ICC, Room 1616, 2121 Building, Birmingham, AL 35203.

MC 144117 (Sub-23TA), filed December 18, 1978. Applicant: TLC LINES, INC., P.O. Box 1090, 1666 Fabick Drive, Fenton, MO 63026. Representative: Elaine M. Conway, 10 S. LaSalle Street, Suite 1600, Chicago, IL 60603. *Starch and chemicals and materials, equipment and supplies used in the manufacture and distribution of starch and chemicals*, except in bulk, from the facilities of National Starch and Chemical Company, located at or near Meredosia, IL; Indianapolis, IN; Bloomfield, Finderne and Plainfield, NJ, to points in AZ, CA, ID, NV, NM, OR, TX, UT and WA, restricted to the transportation of traffic originating at the above named origins and destined to the above named destinations, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): National Starch & Chemical Co., P.O. Box 6500, Bridgewater, NJ 08807. SEND PROTESTS TO: P. E. Binder, ICC, Room 1465, 210 N. 12th Street, St. Louis, MO 63101.

MC 144117 (Sub-24TA), filed December 18, 1978. Applicant: TLC LINES, INC., 1666 Fabick Drive, P.O. Box 1090, Fenton, MO 63026. Representative: Jack H. Blanshan, Suite 200, 205 W. Toughey Avenue, Park Ridge, IL 60068. *Photographic materials, equipment, chemicals and supplies*, from the facilities of Eastman Kodak Company, San Ramon, Hollywood and Whittier, CA and Dallas, TX and points in the commercial zones of the named destination cities, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Eastman Kodak Company, 2400 Mount Road Boulevard, Rochester, NY 14650. SEND PROTESTS TO: P. E. Binder, ICC, Room 1465, 210 N. 12th Street, St. Louis, MO 63101.

MC 144630 (Sub-4TA), filed December 7, 1978. Applicant: STOPS EXPRESS, INC., 2239 Malibu Court, Anderson, IN 46012. Representative: Donald W. Smith, Suite 945-9000 Keystone Crossing, Indianapolis, IN 46240. *Glassware, chinaware and plastic articles*, from Lancaster, OH, to points in CA, AZ, NV, WA, OR and UT, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): Anchor Hocking Corporation, 109 North Broad Street, Lancaster, OH 43130. SEND PROTESTS TO: D/S J. H. Gray, Bureau of Operations, ICC, 343 West Wayne Street, Suite 113, Fort Wayne, IN 46802.

MC 145441 (Sub-10TA), filed December 29, 1978. Applicant: A.C.B. TRUCKING, INC., P.O. Box 5130, North Little Rock, AR 72219. Representative: E. Lewis Coffey (Same address as applicant). *Foodstuffs*, (except in bulk), from Marysville, OH, to points in California, Oregon and TX, for 180 days. SUPPORTING SHIPPER(S): The Nestle Company, Inc., 100 Bloomingsdale Road, White Plains, NY 10605. SEND PROTESTS TO: William H. Land, Jr., DS, 3108 Federal Office Building, 700 West Capitol, Little Rock, AR 72201.

MC 145808 (Sub-1TA), filed December 7, 1978. Applicant: RED ARROW DELIVERY SERVICE CO., INC., Metropolitan Airport, Air Cargo Bldg., Nashville, TN 37217. Representative: Rudy Yessin, 314 Wilkinson Street, Frankfort, KY 40601. *General commodities*, except classes A and B explosives, household goods as defined by the Commission, commodities requiring special equipment, and those injurious or contaminating to other lading. In straight or mixed loads over irregular routes, between Metropolitan Airport, Nashville, Tennessee, on the one hand and Greater Cincinnati Airport, Erlanger, KY, John F. Kennedy International Airport, New York, NY,

McGhee Tyson Airport, Knoxville, TN, Lovell Field, Chattanooga, TN, O'Hare International Airport, Chicago, IL on the other, between Metropolitan Airport, Nashville, TN, Atlanta International Airport, Atlanta, GA, Memphis International Airport, Memphis, TN, Standiford Field, Louisville, KY, and points in Bedford, Benton, Cannon, Carroll, Cheatham, Coffee, Crockett, Cumberland, Davidson, Decatur, Dekalb, Dickson, Franklin, Gibson, Giles, Henderson, Henry, Hickman, Houston, Humphries, Jackson, Lawrence, Lewis, Lincoln, Macon, Madison, Marshall, Maury, Montgomery, Moore, Perry, Putnam, Robertson, Rutherford, Smith, Steward, Sumner, Trousdale, Warren, Wayne, Weakley, White, Williamson, Wilson County, TN; Allen, Barren, Butler, Calloway, Christian, Edmondson, Graves, Logan, Marshall, Simpson, Todd, Trigg, Warren County, KY; Jackson, Madison, Lauderdale, Limestone County, AL, and the city of Decatur, AL. RESTRICTION: Restricted to the transportation of shipments having a prior or subsequent movement by aircraft, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): There are approximately 89 statements of support attached to the application which may be examined at the Interstate Commerce Commission in Washington, DC, or copies thereof which may be examined at the filed office named below. SEND PROTESTS TO: D/S Joe J. Tate, Bureau of Operations, ICC, Suite A-422, U.S. Courthouse, 801 Broadway, Nashville, TN 37203.

MC 145849 (Sub-1TA), filed December 26, 1978. Applicant: CHARLES MONIN AND JOSEPH MONIN d/b/a MONIN TRUCKING, 300 W. John Rowan Blvd., Bardstown, KY 40004. Representative: Robert H. Kinker, 314 W. Main Street, P.O. Box 464, Frankfort, KY 40602. *Malt beverages and related advertising material and display racks*, from Evansville and Ft. Wayne, IN, Detroit, MI, Eden, NC, Cincinnati, OH, Memphis, TN and Milwaukee, WI and their commercial zones to Bardstown, KY and its commercial zone, and empty malt beverage containers on return, for 180 days. An underlying ETA seeking up to 90 days of operating authority. Supporting shippers: Hoffman Distributing Co., George N. Hoffman, President, Box 344 Beechwood Ave., Bardstown, KY 40004, and Bardstown Distributing Company, William J. Smith, Partner, 850 West Stephen Foster Ave., P.O. Box 499, Bardstown, KY 40004. Send protests to Linda Sypher, District Supervisor, Interstate Commerce Commission, 426 U.S. Post Office, 601 W. Broadway, Louisville, KY 40202.

MC 145873TA, filed December 12, 1978. Applicant: RAMSEY TRUCKING, INC., Hudson Drive, Chattanooga, TN 37405. Representative: H. Owen Maddux, 808 Maclellan Building, Chattanooga, TN 37402. *Coal*, in bulk, in dump vehicles, between points in TN, AL and GA, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): The Little Fawn Coal Corporation, P.O. Box 511, Trenton, GA 30752. SEND PROTESTS TO: Glenda Kuss, ICC, Suite A-422 U.S. Court House, 801 Broadway, Nashville, TN 37203.

MC 145886 (Sub-1TA), filed December 19, 1978. Applicant: NEWPORT TRUCK SERVICE, INC., 1846 4th Avenue, Newport, MN 55055. Representative: Stanley C. Olsen, Jr., 4601 Excelsior Boulevard, Minneapolis, MN 55416. *Meat, meat products, meat by-products and articles distributed by meat packinghouses*, from South St. Paul, MN to points in CA, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Armour Food Company, P.O. Box 239, South St. Paul, MN 55075. SEND PROTESTS TO: Delores A. Poe, ICC, 414 Federal Building and U.S. Court House, 110 South 4th Street, Minneapolis, MN 55401.

MC 145905TA, filed December 13, 1978. Applicant: Z. H. HURT, d.b.a. Z. H. HURT ENTERPRISES, P.O. Box 83, Bonita, CA 92002. Representative: William H. Shawn, Suite 501, 1730 M Street, NW, Washington, DC 20036. *General commodities* (except commodities of unusual value, household goods as defined by the Commission, commodities in bulk, and those requiring the use of special equipment), between points in the Los Angeles, CA commercial zone the San Diego, CA commercial zone, and points in Imperial County, CA, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Clipper Express Company, 3401 West Pershing Road, Chicago, IL 60632. Roberts Consolidated Industries, 600 North Baldwin Park Boulevard, City of Industry, CA 91749. Burlington Northern Air Freight, 2361 Air Lane Road, San Diego, CA 92101. SEND PROTESTS TO: Irene Carlos, ICC, Room 1321 Federal Building, 300 North Los Angeles St., Los Angeles, CA 90012.

MC 145910 (Sub-1TA), filed December 26, 1979. Applicant: LAURENCE A. MESSAM, d.b.a. RITTMAN PARCEL DELIVERY, P.O. Box 363, Rittman, Ohio 44270. Representative: John L. Alden, 1396 West Fifth Avenue, P.O. Box 12241, Columbus, Ohio 43212. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Plastic articles*, except commod-

ities in bulk, between the facilities of Imperial Plastics, Inc. at or near Rittman, OH, on the one hand, and on the other, Wilmington, DE, Des Moines, IA, Fort Wayne and Indianapolis, IN, Chicago, Decatur, and McHenry, IL, Louisville, KY, Clinton, MD, Everett, MA, Detroit, Marine City, Holly, Kalamazoo and Pottersville, MI, Minneapolis, MN, Clifton, NJ, Depew, NY, Pittsburgh, Zellenople, Punxsutawney, Indiana, New Kensington and Philadelphia, PA, Gallatin, Memphis and Nashville, TN, and Henderson, TX under a continuing contract or contracts with Imperial Plastics, Inc., for 180 days. An underlying ETA seeks 90 days authority. **SUPPORTING SHIPPER(S):** Imperial Plastics, Inc., P.O. Box 301, Rittman, OH 44270. **SEND PROTESTS TO:** Frank L. Calvary DS, ICC, 220 Federal Bldg., and U.S. Courthouse, 85 Marconi Blvd., Columbus, OH 43215.

By the Commission.

H. G. HOMME, Jr.,
Secretary.

[FR Doc. 79-2968 Filed 1-26-79; 8:45 am]

[7035-01-M]

[Notice No. 11]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

JANUARY 17, 1979.

IMPORTANT NOTICE:

The following are notices of filing of applications for temporary authority under Section 210(a) of the Interstate Commerce Act provided for under the provisions of 49 CFR 1131.3. These rules provide that an original and six (6) copies of protests to an application may be filed with the field official named in the FEDERAL REGISTER publication no later than the 15th calendar day after the date the notice of the filing of the application is published in the FEDERAL REGISTER. One copy of the protest must be served on the applicant, or its authorized representative, if any, and the protestant must certify that such service has been made. The protest must identify the operating authority upon which it is predicated, specifying the "MC" docket and "Sub" number and quoting the particular portion of authority upon which it relies. Also, the protestant shall specify the service it can and will provide and the amount and type of equipment it will make available for use in connection with the service contemplated by the TA application. The weight accorded a protest shall be governed by the completeness and pertinence of the protestant's information.

Except as otherwise specifically noted, each applicant states that there

will be no significant effect on the quality of the human environment resulting from approval of its application.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the ICC Field Office to which protests are to be transmitted.

NOTE: All applications seek authority to operate as a common carrier over irregular routes except as otherwise noted.

MOTOR CARRIERS OF PROPERTY

MC 6741 (Sub-9TA), filed December 7, 1978. Applicant: F. S. WILLEY CO., INC., d/b/a Willey's Express, 28 Center Street, Laconia, NH 03246. Representative: Frank M. Willey (Same as above). *General commodities*, except those of unusual value, dangerous explosives, household goods as defined by the Commission, commodities in bulk and those requiring special equipment, between all points in NH. Applicant proposes to interline with other carriers at Springfield, Marlboro, Brockton Southboro, Leominster, Framingham, Boston, Woburn, Burlington, No. Reading, Stoneham and Lowell, MA; Nashua, Manchester, Concord, Laconia, Littleton and Pencook, NH; and White River Junction, VT, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. **SUPPORTING SHIPPER(S):** There are approximately 23 statements of support attached to the application which may be examined at the Interstate Commerce Commission in Washington, DC, or copies thereof which may be examined at the field office named below. **SEND PROTESTS TO:** D/S Ross J. Seymour, Bureau of Operations, ICC, Rm 3, 6 Loudon Road, Concord, NH 03301.

MC 15735 (Sub-30TA), filed December 7, 1978. Applicant: ALLIED VAN LINES, INC., P.O. Box 4403, Chicago, IL 60680. Representative: Ronald C. Nesmith, Law Department (Same as above). *Subassemblies, parts, components, and supplies* used in the manufacture of computers and computer equipment, when moving in mixed loads with third proviso household goods as defined at 49 CFR 1056.1(a)(3), (1) between points in Essex, Hampden, Hampshire, Middlesex, and Worcester Counties, MA; Hillsborough and Rockingham Counties, NH; Chittenden County, VT; and Kennebec County, ME, on the one hand, and, on the other, points in Maricopa County, AZ; Boulder and El Paso Counties, CO; Orange, San Francisco, San Mateo, Santa Clara, Alameda and Los Angeles Counties, CA; and Bernalillo County, NM; (2) between Boulder County, CO; El Paso County,

CO; Maricopa County, AZ; Bernalillo County, NM; Orange County, CA; San Francisco County, CA; San Mateo County, CA; Santa Clara County, CA; Alameda County, CA; and Los Angeles County, CA, for 180 days. **SUPPORTING SHIPPER(S):** Digital Equipment Corp., 444 Whitney St., Northbor, MA 01532. **SEND PROTESTS TO:** T/A, Lois M. Stahl, ICC, 219 Dearborn St., Rm. 1386, Chicago, IL 60604.

MC 28956 (Sub-22TA), filed December 12, 1978. Applicant: MCKAY'S TRUCK LINE, INC. 908 North Pacific Highway, P.O. Box 634 Albany, OR 97321. Representative: Lawrence V. Smart, Jr., 419 N. W. 23rd Avenue, Portland, OR 97210. *Paper* (pulpboard), between the facilities of Willamette Industries, Inc., Western Kraft Paper Group, at or near Millersburg, OR and Wheeler, WA, for 180 days. An underlying ETA seeks 90 days authority. **SUPPORTING SHIPPER(S):** Willamette Industries, Inc., Western Kraft Paper Group, P.O. Box 339, Albany, OR 97321. **SEND PROTESTS TO:** A. E. Odoms, ICC, 114 Pioneer Courthouse, Portland, OR 97204.

MC 33641 (Sub-No. 137 TA), filed December 20, 1978. Applicant: IML FREIGHT, INC. P.O. Box 30277 Salt Lake City, UT 84119. Representative: Thomas A. Scott, P.O. Box 30277, Salt Lake City, UT 84119. *Foodstuffs* (except in bulk), other than frozen, from the facilities of Pillsbury Corp. at Terre Haute, IN, to the facilities of Pillsbury Corp. at Clearfield, UT, restricted to shipments originating at and destined to the above named facilities, for 180 days. An underlying ETA seeks 90 days authority. **SUPPORTING SHIPPER(S):** The Pillsbury Company, 608 Second Avenue South, Minneapolis, MN 55402 (Joyce S. Alton, Manager, Truck and Air Freight, Grocery Products Co.,). **SEND PROTESTS TO:** L. D. HELFER, I.C.C., 5301 Federal Bldg., Salt Lake City, UT 84138.

MC 43269 (Sub-70TA), filed December 11, 1978. Applicant: WELLS CARGO, INC. 1775 East 4th Street, Reno, NV 89512. Representative: David N. Inwood, P.O. Box 1511, Reno, NV 89505. *Diatomaceous earth* (diatomite) in bulk in dump vehicles, from points in NV to points in CO, for 180 days. An underlying ETA seeks 90 days authority. **SUPPORTING SHIPPER(S):** Eagle Picher Industries, Inc., P.O. Box 1869, Reno, NV 89505. **SEND PROTESTS TO:** ICC, 203 Federal Building, 705 N. Plaza Street, Carson City, NV 89701.

MC 52657 (Sub-746 TA), filed December 7, 1978. Applicant: ARCO AUTO CARRIERS, INC., 16 West 151 Shore Court, Burr Ridge, IL 60521. Representative: James Bouril (Same

as above). Trailers (except those designed to be drawn by passenger automobiles), from Randolph, OH to IL, IN, KY, TN and WV, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): East Mfg. Corp., P.O. Box 277, Randolph, OH 44265. SEND PROTESTS TO: Lois M. Stahl, Transportation Assistant, ICC, 219 South Dearborn Street, Room 1386, Chicago, IL 60604.

MC 63417 (Sub-185TA), filed December 7, 1978. Applicant: BLUE RIDGE TRANSFER CO., INC., P.O. Box 13447, Roanoke, VA 24034. Representative: William E. Bain (Same as above). Expanded Polyethylene products, from Biola, CA to points in AZ, AR, CO, KS, NV, NM, OK, TX, UT, for 180 days. SUPPORTING SHIPPER(S): Packaging Industries of CA, Gregory G. Palmieri, Plant Manager, 12719 H Street, Biola, CA 93606. SEND PROTEST TO: D/S Paul D. Collins, Bureau of Operations, Rm 10-502 Federal Building, 400 North 8th Street, Richmond, VA 23240.

MC 69281 (Sub-47TA), filed December 8, 1978. Applicant: DAVIDSON TRANSFER & STORAGE CO., 698 Fairmount Avenue, Towson, MD 21204. Representative: Henry J. Bouchat, P.O. Box 58, Baltimore, MD 21203. Paper, pulpboard, and paper pulpboard or woodpulp products, serving West Point, VA as an off-route point in connection with carrier's presently authorized regular route operations, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): Mark G. Drexler, The Chesapeake Corp. of VA, Box 311, West Point, VA 23181. SEND PROTEST TO: D/S W. L. Hughes, ICC, 1025 Federal Building, Baltimore, MD 21201.

MC 88161 (Sub-93TA), filed December 18, 1978. Applicant: INLAND TRANSPORTATION CO., INC., 6737 Corson Avenue South, P.O. Box 80128, Seattle, WA 98108. Representative: Stephen A. Cole, 6737 Corson Avenue South, Seattle, WA 98108. Gases Compressed, sulphur dioxide, in bulk, in tank vehicles, from port of entry on the U.S. Canada boundary line located near Northport, WA to Ladora, CO, for 180 days. SUPPORTING SHIPPER(S): Cominco American Incorporated, P.O. Box 3087, Spokane, WA 99220. SEND PROTESTS TO: T/A Shirley M. Holmes, Bureau of Operations, ICC, 858 Federal Building, Seattle, WA 98174.

MC 99969 (Sub-4TA), filed December 12, 1978. Applicant: HUNTLEY TRUCKING COMPANY, Route 1, New Plymouth, OH 45654. Representative: David A. Turano, 100 East

Broad Street, Columbus, OH 43215. Coal, in bulk, in dump vehicles, from Waterloo Township, Athens County, Starr Township, Hocking County, and Brown Township, Vinton County, OH to West Columbia, Mason County, WV, restricted to traffic having a subsequent movement by water, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Valley Coal Corporation, P.O. Box 148, Union Furnace, OH 43518. SEND PROTESTS TO: Frank L. Calvary, ICC, 220 Federal Building and U.S. Courthouse, 85 Marconi Boulevard, Columbus, OH 43215.

MC 100666 (Sub-417TA), filed December 11, 1978. Applicant: MELTON TRUCK LINES, INC., 1129 Grimmett Drive, P. O. Box 7666, Shreveport, LA 71107. Representative: Wilburn L. Williamson, 280 National Foundation Life Building, Oklahoma City, OK 73112. Prefabricated steel buildings, knocked down, and parts and accessories of prefabricated steel buildings, and iron and steel articles from the facilities of INRYCO, Inc., at Milwaukee, WI to points in AZ, CO, KS, MO, NC and SC, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): INRYCO, Inc., Box 393, Milwaukee, WI 53201. SEND PROTESTS TO: Connie A. Guillory, ICC, T-9038 U.S. Postal Service Building, 701 Loyola Avenue, New Orleans, LA 70113.

MC 103798 (Sub-23TA), filed December 8, 1978. Applicant: MARTEN TRANSPORT, LTD., Route 3, Mondovi, WI 54755. Representative: Robert S. Lee, 1000 First National Bank Building, Minneapolis, MN 55402. Cheese from Paynesville, MN to Clinton, MO, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): Associated Milk Producers, Inc., P.O. Box 455, New Ulm, MN 56073. SEND PROTEST TO: Delores A. Poe, Transportation Assistant, ICC, Bureau of Operations, 414 Federal Building & U.S. Courthouse, 110 South 4th Street, Minneapolis, MN 55401.

MC 105159 (Sub-37TA), filed October 17, 1978, and published in the FEDERAL REGISTER issue of December 11, 1978, and republished as corrected this issue. Applicant: KNUDSEN TRUCKING, INC., 1320 West Main Street, Red Wing, MN 55066. Representative: Robert S. Lee, 1000 First National Bank Building, Minneapolis, MN 55402. Feed and feed ingredients, grain, soybean and seed products and by-products, except commodities in bulk in tank vehicles, from plant and storage facilities of Archer Daniels Midland Company, Red Wing, MN to points in CO, KS, NE, MO, SD, ND, IA, WI, and IL, for 180 days. An un-

derlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Archer Daniels Midland Company, P. O. Box 1470, Decatur, IL 62625. SEND PROTESTS TO: Delores A. Poe, ICC, 414 Federal Building and U. S. Courthouse, 110 South 4th Street, Minneapolis, MN 55401. The purpose of this republication is to show Iowa (IA) in lieu of Louisiana (LA) as previously published.

MC 105774 (Sub-5TA), filed December 8, 1978. Applicant: C. E. Johnson, Jct. U.S. Hwy 281 and U.S. Hwy 24, Osbourne, Kansas 67473. Representative: Erle W. Francis, 700 Kansas Avenue—Suite 719, Topeka, Kansas 66603. (1) Iron and steel articles to be used in manufacture of agricultural machinery, and parts and materials to be used in manufacture of agricultural machinery, from Chicago and Quincy, IL, Kansas City, MO-KS, St. Louis, MO, Houston, TX, and Oklahoma City, OK, to the facilities of Kent Manufacturing, Inc., at or near Tipton, KS. (2) Agricultural machinery and parts, from the facilities of Kent Manufacturing, Inc., at or near Tipton, KS to all points in AL, AR, CO, CT, DE, GA, ID, IL, IN, IA, KY, LA, MD, MI, MN, MS, MO, MT, NE, NJ, NM, NY, NC, ND, OH, OK, OR, PA, SC, SD, TN, TX, UT, VA, WA, WV, WI and WY, for 180 days. Applicant states it does not intend to tack or interline. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): Kent Manufacturing, Inc., Tipton, KS 67485. SEND PROTESTS TO: D/S Thomas P. O'Hara, Bureau of Operations, ICC, 256 Federal Building & U.S. Courthouse, 444 S.E. Quincy, Topeka, KS 66683.

MC 10641 (Sub-56 TA), filed October 27, 1978. Applicant: JOHNSON MOTOR LINES, INC., P.O. Box 31577, Charlotte, NC 28231. Representative: Thomas G. Sloan, P.O. Box 31577, Charlotte, NC 28231. Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodities, (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk and those requiring special equipment), serving the facilities of Liquid Paper Corp., at or near Greenville, TX as an off-route point in connection with applicant's existing regular-route authority between Atlanta, GA & Ft. Worth, TX., restricted to traffic moving to, from, or through Atlanta, GA., for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Liquid Paper Corp., P.O. Box 5909, Dallas, TX 75222. SEND PROTESTS TO: Terrell Price DS, 800 Briar Creek

Road, Room CC516, Mart Office Building, Charlotte, NC 28205.

MC 107515 (Sub-1192 TA), filed December 7, 1978. Applicant: REFRIGERATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, GA 30050. Representative: Alan E. Serby & Richard M. Tettelbaum, Serby & Mitchell, P.C., Fifth Floor, Lenox Towers South, 3390 Peachtree Road, NE, Atlanta, GA 30326. *Malt beverages* (except in bulk), in vehicles equipped with mechanical refrigeration, from Winston-Salem, NC, to the facilities of City Beverage Co., Atlanta, GA. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): City Beverage Co., 565 Western Avenue, NW, Atlanta, GA 30314. SEND PROTESTS TO: Transportation Assistant Sara K. Davis, ICC, 1252 W. Peachtree Street, NW., Room 300, Atlanta, GA 30309.

MC 107515 (Sub-1197 TA), filed December 18, 1978. Applicant: REFRIGERATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, GA 30050. Representative: Alan E. Serby, 3390 Peachtree Road, 5th Floor, NE, Atlanta, GA 30326. *Frozen foods*, from the facilities of The Pillsbury Company at or near Minneapolis and St. Paul, MN to AZ, CA, ID, OR, UT, WA and CO, for a period of 180 days. An underlying ETA seeks 90 days authority. RESTRICTION: The authority set forth herein is restricted to the transportation of traffic originating at the above named origins and destined to the above named destinations. Supporting shipper: The Pillsbury Company, 608 Second Avenue, S., Minneapolis, MN 55402. SEND PROTESTS TO: Sara K. Davis, I.C.C., 1252 W. Peachtree St., N.W., Rm. 300, Atlanta, GA 30309.

MC 111231 (Sub-252TA), filed December 11, 1978. Applicant: JONES TRUCK LINES, INC., 610 East Emma Avenue, Springdale, AR 72764. Representative: Don A. Smith, P.O. Box 43, 510 North Greenwood, Fort Smith, AR 72902. *Petroleum, petroleum products, vehicle body sealer and/or sound deadener compounds* (except in bulk, in tank vehicles), and *filters*, from points in Warren County, MS to points in AR, IL, IN, KS, MI, MO, OH and TX, restricted to shipments originating at or destined to the facilities of Quaker State Oil Refining Corporation, located in Warren County, MS, for 180 days. SUPPORTING SHIPPER(S): Quaker State Oil Refining Corp., P.O. Box 989, Oil City, PA 16301. SEND PROTESTS TO: William H. Land, Jr., 3108 Federal Office Building, 700 West Capitol, Little Rock, AR 72201.

MC 117344 (Sub-280TA), filed December 11, 1978. Applicant: THE MAXWELL CO., 10380 Evendell Drive, Cincinnati, OH 45215. Repre-

sentative: John C. Spencer (same as above). *Paint*, in bulk, in tank vehicles, from Connersville, IN, to Ambridge, PA, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): H. H. Robertson Company, 14th Street, Ambridge, PA 15003. SEND PROTESTS TO: Paul J. Lowry, ICC, 5514-B Federal Building, 550 Main Street, Cincinnati, OH 45202.

MC 117786 (Sub-44TA), filed December 11, 1978. Applicant: RILEY WHIT-TLE, INC., P.O. Box 19038, Phoenix, AZ 85005. Representative: A. Michael Bernstein, 1441 E. Thomas Road, Phoenix, AZ 85014. *Paper*, from West Carrollton, OH to points in WA, OR, CA, AZ, NV, ID, MT, UT, WY, CO, NM, OK and TX, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): West Carrollton Parchment Company, P.O. Box 98, West Carrollton, OH 45449. SEND PROTESTS TO: Andrew V. Baylor, ICC, Room 2020 Federal Building, 230 N. First Avenue, Phoenix, AZ 85025.

MC 117786 (Sub-45TA), filed December 12, 1978. Applicant: RILEY WHIT-TLE, INC., P.O. Box 19038, Phoenix, AZ 85009. Representative: Thomas F. Kilroy, Suite 406, Executive Building, 6901 Old Keene Mill Road, Springfield, VA 22150. *Charcoal, charcoal briquettes, fireplace logs, charcoal lighter fluid, in cans or cartons, hickory chips* (not charred) for flavoring purposes, *vermiculite*, from Jacksonville, TX to points in AZ, CA, CO, NV, NM, UT, OK, OR, and WA, for 180 days. SUPPORTING SHIPPER(S): The Kingsford Company, P.O. Box 1033, 1700 Commonwealth Building, Louisville, KY 40201. SEND PROTESTS TO: Andrew V. Baylor, ICC, Room 2020 Federal Building, 230 N. First Avenue, Phoenix, AZ 85025.

MC 117820 (Sub-24TA), filed December 12, 1978. Applicant: AURELIA TRUCKING CO., 2121 Petit Street, Port Huron, MI 48060. Representative: Robert D. Schuler, 100 West Long Lake Road, Suite 102, Bloomfield Hills, MI 48013. (1) *Foodstuffs* (except in bulk), from the facilities of P. V. Foods, Inc., at or near Poplar, WI to points in AL, AR, CT, DE, DC, FL, GA, IL, IN, IA, KS, KY, LA, MA, ME, MD, MI, MO, MN, MS, NC, NE, NJ, NY, OH, OK, PA, RI, SC, TN, VA, VT and WV; and (2) *materials and supplies* used in the manufacture of foodstuffs, (except in bulk), from the destination states listed in (1) above to the facilities of P. V. Foods, Inc., at or near Poplar, WI, for 180 days. Restricted in (1) and (2) above to traffic originating at the named origins and destined to the named destinations. SUPPORTING SHIPPER(S): P. V. Foods, Inc., Suite 180, 2021 E. Henne-

pin, Minneapolis, MN 55413. SEND PROTESTS TO: Tim Quinn, ICC, 604 Federal Building and U.S. Courthouse, 231 West Lafayette Boulevard, Detroit, MI 48224.

MC 118142 (Sub-198TA), filed December 5, 1978. Applicant: M. BRUENGER & CO., INC., 6250 No. Boradway, Wichita, KS 67219. Representative: Lester C. Arvin, 814 Century Plaza Bldg., Wichita, KS 67202. *Meat, meat products, meat by-products, and articles* distributed by meat packing houses, as described in sections A and C of Appendix I to the Report and Descriptions in Motor Carrier's Certificates 61 M.C.C. 209 and 766 (except hides and commodities in bulk), from the facilities of York, NE to Fresno, Los Angeles, and Lodi, CA, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): York Packing Company, York, NE 68467. SEND PROTESTS TO: M. E. Taylor, District Supervisor, ICC, 101 Litwin Building, Wichita, KS 67202.

MC 118159 (Sub-304TA), filed December 11, 1978. Applicant: NATIONAL REFRIGERATED TRANSPORT, INC., P.O. Box 51366, Dawson Station, Tulsa, OK 74151. Representative: Warren L. Troupe, 2480 E. Commercial Boulevard, Fort Lauderdale, FL 33308. *Paper and paper products*, from the facilities of The Mead Corporation at or near Kingsport, TN to points in CT, ME, MA, NH, those points in NJ on and north of a line beginning at Camden, NJ and extending along NJ Hwy 70 to NJ Hwy 88, and then along NJ Hwy 88 to the Atlantic Ocean at Point Pleasant Beach, those points in NY on and east of a line beginning at Oswego, NY and extending along NY Hwy 57 to U.S. Hwy 11, then along U.S. Hwy 11 to the NY-PA State line, PA, RI, VT, and WV, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): The Mead Corporation, Courthouse Plaza N.E., Dayton, OH 45463. SEND PROTESTS TO: Connie Stanely, ICC, Room 240 Old U.S. Post Office, 215 Northwest Third, Oklahoma City, OK 73102.

MC 119726 (Sub-154TA), filed December 11, 1978. Applicant: N.A.B. TRUCKING CO., INC., 1644 W. Edgewood Avenue, Indianapolis, IN 46217. Representative: James L. Beattey, 130 E. Washington Stret, Suite 1000, Indianapolis, IN 46204. *Plastic containers and closures*, from the warehouse facilities of the Continental Glass, at or near Indianapolis, IN to Carbondale, IL, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Continental Glass Company, 8230 Allison Avenue, Indianapolis, IN 46268. SEND

PROTESTS TO: Beverly J. Williams, ICC, Federal Building and U.S. Courthouse, 46 East Ohio Street, Room 429, Indianapolis, IN 46204.

MC 119726 (Sub-155TA), filed December 11, 1978. Applicant: N.A.B. TRUCKING CO., INC., 1644 W. Edgewood Avenue, Indianapolis, IN 46217. Representative: James L. Beaty, 130 E. Washington Street, Suite 1000, Indianapolis, IN 46204. *Metal containers* from the plantsites and warehouses, of National Can Corporation at or near Marion and Archibald, OH to Pascagoula, MS, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): National Can Corporation, 8101 West Higgins Road, Chicago, IL 60631. SEND PROTESTS TO: Beverly J. Williams, ICC, Federal Building and U.S. Courthouse, 46 East Ohio Street, Room 429, Indianapolis, IN 46204.

MC 119798 (Sub-531TA), filed December 6, 1978. Applicant: SOUTHWEST SUPPLY, INC., 350 Roanoke Street, Bluefield, WV 24701. Representative: John M. Friedman, 2930 Putman Avenue, Hurricane, WV 25526. (1) *Ice cream and frozen desserts* and (2) *milk, dairy cultured products and ice cream and frozen desserts*, from (1) Philadelphia, PA and (2) Bluefield, WV, to (1) Bluefield, VA, Logan, Huntington and Parkersburg, WV, and (2) Parkersburg, WV, for 180 days. SUPPORTING SHIPPER(S): Fairmont Foods Company, P.O. Box 588 (2065 Virginia Avenue), Bluefield, VA. SEND PROTESTS TO: Secretary, ICC, 3108 Federal Bldg., 500 Quarrier Street, Charleston, WV 25301.

MC 123054 (Sub-23TA), filed December 7, 1978. Applicant: R & H CORPORATION, 295 Grand Avenue, Box 469, Clarion, PA 16214. Representative: Williams J. Lavelle, Attorney-at-Law, 2310 Grant Building, Pittsburgh, PA 15219. *Glass containers*, from Hartford and Dayville, Connecticut to Paducah, Kentucky and Detroit, Michigan, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): Glass Containers Corporation, 1301 South Keystone Avenue, Indianapolis, IN 46203. SEND PROTESTS TO: D/S John J. England, Bureau of Operations, ICC, 2111 Federal Building, 1000 Liberty Avenue, Pittsburgh, PA 15222.

MC 124117 (Sub-31TA), filed November 20, 1978. Applicant: EARL FREEMAN & MARIE FREEMAN, d/b/a MID-TENN EXPRESS, P.O. Box 101, Eagleville, TN 37060. Representative: Roland M. Lowell, 618 United American Bank Bldg., Nashville, TN 37219. *Malt beverages, related advertising materials, containers and pallets*, between Evansville, IN and its com-

mercial zone, on the one hand, and on the other, points in MS and NC, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): G. Heileman Brewing Company, Inc., 925 S. 3rd St., LaCrosse, WI 54601. SEND PROTESTS TO: Joe J. Tate, I.C.C., Suite A-422 U.S. Courthouse, 801 Broadway, Nashville, TN 37203.

MC 124159 (Sub-9TA), filed December 11, 1978. Applicant: DAGGETT TRUCK LINE, INC., Frazee, MN 56544. Representative: Gene P. Johnson, P.O. Box 2471, Fargo, ND 58108. *Prepared food products*, from the facilities of Barrel O'Fun located at or near Perham, MN, to points in MT and ND, for 180 days. SUPPORTING SHIPPER(S): Barrel O'Fun, Inc., Box L, Perham, MN 56573. SEND PROTESTS TO: Ronald R. Mau, ICC, Room 268 Federal Building and U.S. Post Office, 657 2nd Avenue North, Fargo, ND 58102.

MC 124949 (Sub-3TA), filed December 7, 1978. Applicant: HI-LINE TRUCKING, INC., P.O. Box 628, Sidney, MT 59270. Representative: Joe Gerbase, Anderson, Symmes, Brown, Gerbase, Cebull & Jones, 404 North 31st Street, Billings, MT 59101. *Pipe* used in or in connection with, the discovery, development, production, refining, manufacture, processing, storage, transmission, and distribution of natural gas and petroleum and their products and by-products, used in or in connection with, the construction, operation, repair, servicing, maintenance, and dismantling of pipelines, from Sidney and Glendive, MT to Divide, Burke, Renville, Bottineau, Williams, Mountrail, Ward, McKenzie, Mercer, Billings, Dinn, Oliver, Golden Valley, Stark, Morton, Burleigh, Slope, Hettinger, Grant, Bowman, Adams, McLean, McHenry, Sioux, and Emmons Counties, ND, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): Brownlie, Wallace, Armstrong & Bander Oil Co., Searing Route 15B, Sidney, MT 59270; Misco-United Supply, Inc., Misco Building, Wichita, KS 67202; N. L. Acme Tool, P.O. Box 1347, Glendive, MT 59330. SEND PROTESTS TO: D/S Paul J. LeBane, ICC, 2602 First Avenue North, Billings, MT 59101.

MC 133966 (Sub-55TA), filed October 24, 1978, and published in the FEDERAL REGISTER issue of January 4, 1978, as MC 133966 (Sub-56TA), and republished as corrected this issue. Applicant: NORTH EAST EXPRESS, INC., P.O. Box 127, Mountaintop, PA 18707. Representative: Joseph F. Hoary, 121 South Main Street, Taylor, PA 18517. (1) *Metal containers*, with or without lids, from Hanover Town-

ship, PA to Albert Lea, MN, Bowling Green, OH; Chicago, IL; Cincinnati and Columbus, OH; Detroit, MI; Kansas City, KS; Kansas City, MO; Louisville, KY; Milwaukee, WI; Newark, NJ, and New York, NY, and their commercial zones; and (2) *products* used in the manufacturing, distribution, and sales of metal containers, with or without lids, from Bryan, OH, Chicago, IL, and Elizabeth, NJ to Hanover Township, PA, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Bertels Can Company, Hanover Industrial Estates, Wilkes-Barre, PA 18703. SEND PROTESTS TO: Paul J. Kenworthy, ICC, 314 U.S. Post Office Building, Scranton, PA 18503. The purpose of this republication is to add Kansas City, MO as a destination point in part (1) of the territorial description.

MC 136077 (Sub-11TA), filed December 11, 1978. Applicant: REVERB CORP., 2216 Old Arch Road, Norristown, PA 19401. Representative: Sheri B. Friedman, 1600 Land Title Building, 100 S. Broad Street, Philadelphia, PA 19110. *Lime* in packages, bags and in bulk, from G. and W. H. Corson, Inc., in Plymouth Meeting, Montgomery County, PA to points in GA, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): G. & W. H. Corson, Inc., Plymouth Meeting, PA. SEND PROTESTS TO: T. M. Esposito, ICC, 600 Arch Street, Room 3238, Philadelphia, PA 19106.

MC 136315 (Sub-46TA), filed December 7, 1978. Applicant: OLEN BURRAGE TRUCKING, INC., Route 9, Box 22-A, Philadelphia, MS 39350. Representative: Fred W. Johnson, Jr., 1500 Deposit Guaranty Plaza, P.O. Box 22628, Jackson, MS 39205. *Glue extenders*, in containers, from Memphis, TN to the facilities of Georgia-Pacific Corporation at Louisville and Taylorsville, MS, for 180 days. SUPPORTING SHIPPER(S): Georgia-Pacific Corporation, P.O. Box 520, Crossett, AR 71635. SEND PROTESTS TO: Alan C. Tarrant, District Supervisor, ICC, Room 212, 145 East Amite Building, Jackson, MS 39201.

MC 139193 (Sub-90TA), filed November 9, 1978, and published in the FEDERAL REGISTER issue of December 29, 1978, and republished as corrected this issue. Applicant: ROBERTS & OAKE, INC., Blue Ridge Tower, Suite 820, 4240 Blue Ridge Boulevard, Kansas City, MO 64135. Representative: Jacob P. Billig, 2033 K Street, NW, Suite 300, Washington, DC 20006. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat by-products, and articles distributed by meat packinghouses*, as described in Sections A and C

of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except commodities in bulk, hides and skins), from Montgomery, AL to all points in the U.S. (except AK, AL and HI), restricted to a transportation service, performed under a continuing contract or contracts with John Morrell & Co., for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): John Morrell & Co., Chicago, IL. SEND PROTESTS TO: John V. Barry, ICC, Room 600, 911 Walnut, Kansas City, MO 64106. The purpose of this republication is to correctly describe the commodities sought to be transported thereby.

MC 139495 (Sub-401TA), filed December 12, 1978. Applicant: NATIONAL CARRIERS, INC., P.O. Box 1358, Liberal, KS 67901. Representative: James E. McCarty (same as above). Paper and paper products, from the facilities of Champion International Corporation at or near Cincinnati and Hamilton, OH, Bentonville and Little Rock, AR, Los Angeles, Sacramento, San Francisco, CA, Colorado Springs and Denver, CO, Clinton and Des Moines, IA, Kansas City, Topeka and Wichita, KS, Minneapolis and St. Paul, MN; Kansas City and St. Louis, MO, Lincoln and Omaha, NE; Oklahoma City and Tulsa, OK; Portland, OR; Salt Lake City, UT; Kent, Seattle and Tuwila, WA, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Champion International Corporation, Knightsbridge Drive, Hamilton, OH 45020. SEND PROTESTS TO: M. E. Taylor, ICC, 101 Litwin Building, Wichita, KS 67202.

MC 14189 (Sub-1TA), filed December 12, 1978. Applicant: HUNTER TRUCKING, INC., 805 32nd Avenue, Council Bluffs, IA 51501. Representative: Bradford E. Kistler, P.O. Box 82028, Lincoln, NE 68501. Lumber, from Evanston, WY, to points in IA, IL, IN, MI and OH. Applicant intends to interline at Evanston, WY, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): There are approximately four statements of support attached to the application which may be examined at the Interstate Commerce Commission in Washington, DC, or copies thereof which may be examined at the field office named below. SEND PROTESTS TO: Carroll Russell, ICC, Suite 620, Union Pacific Plaza, 110 North 14th Street, Omaha, NE 68102.

MC 141804 (Sub-157TA), filed December 6, 1978. Applicant: WESTERN EXPRESS, Div. of Interstate Rental, Inc., P.O. Box 3488, Ontario, CA 91761. Representative: Frederick J. Coffman, P.O. Box 3488, Ontario, CA 91761. Alcoholic beverages from De-

troit, MI to points in CA, for 180 days. SUPPORTING SHIPPER(S): Joseph E. Shagrams & Sons, Inc., 800 Third Avenue, New York, NY 10022. SEND PROTESTS TO: Irene Carlos, Transportation Assistant, ICC, Room 1321 Federal Building, 300 North Los Angeles Street, Los Angeles, CA 90012.

MC 142114 (Sub-4TA), filed November 29, 1978. Applicant: RETAIL EXPRESS, INC., 9 Stuart Road, Chelmsford, MA 01824. Representative: Francis J. Ortmann, 7101 Wisconsin Avenue, Suite 605, Washington, DC 20014. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Such commodities as are dealt in by retail department stores (except commodities in bulk and frozen foodstuffs), between the facilities of King's Department Stores, Inc., and Mammoth Mart, Inc., at points in CT, DE, IN, KY, ME, MD, MA, NH, NJ, NY, NC, OH, PA, RI, TN and VA, under a continuing contract(s) with King's Department Stores, Inc., for 180 days. SUPPORTING SHIPPER(S): King's Department Stores, Inc., 150 California Street, Newton, MA 02158. SEND PROTESTS TO: John B. Thomas, ICC, 150 Causeway Street, Boston, MA 02114.

MC 143471 (Sub-8TA), filed December 7, 1978. Applicant: DAKOTA PACIFIC TRANSPORT, INC., 301 Mt. Rushmore Road, Rapid City, SD 57701. Representative: J. Maurice Andren, 1734 Sheridan Lake Road, Rapid City, SD 57701. Gypsum wall-board from Albuquerque, NM to points and places in CO, NE, SD, and WY for 180 days under a continuing contract or contracts with Knecht Industries, Inc., including its wholly owned, unincorporated divisions of Building Material Distributors, Big K Cash & Carry, Mastercraft Factory, Homes by Knecht, Mastercraft Homes and Knecht Lumber Company. Applicant has filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): Dan Baker, TM, Knecht Industries, Inc., 301 Mt. Rushmore Road, Rapid City, SD 57701. SEND PROTESTS TO: James Hammond, District Supervisor, Interstate Commerce Commission, Room 455 Federal Building, Pierre, SD 57501.

MC 143659 (Sub-6TA), filed December 7, 1978. Applicant: VALLEY TRUCKING, INC., Box 55, Rural Route 2, Fargo, ND 58107. Representative: James B. Hovland, 414 City Building, P.O. Box 1680, Fargo, ND 58107. Meats, meat products, meat by-products and articles distributed by meat packinghouses, as described in Sections A and C of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766,

(except hides and commodities in bulk), from the facilities of Huron Dressed Beef at or near Huron, SD, to points in ND, NE, KS, MN, IA, MO, WI, IL, IN, MI and OH, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): Huron Dressed Beef, P.O. Box 924, Huron, SD 57350. SEND PROTESTS TO: Ronald R. Mau, District Supervisor, Bureau of Operations, ICC, Rm. 268 Federal Building and U.S. Post Office, 657 2nd Avenue North, Fargo, ND 58102.

MC 143775 (Sub-49TA), filed December 20, 1978. Applicant: PAUL YATES, INC., 6601 West Orangewood, Glendale, AZ 85302. Representative: Michael R. Burke, 6601 West Orangewood, Glendale, AZ 85302. Frozen Foods, from the facilities of Pet Incorporated, Frozen Foods Division at or near Benton Harbor, Frankfort, and Hart, MI and South Bend, IN, to points in AR, LA, OK, and TX, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Pet Incorporated, Frozen Foods Division, P.O. Box 392, St. Louis, MO 63166. SEND PROTESTS TO: Andrew V. Baylor, I.C.C., Rm. 2020 Federal Bldg., 230 N. First Ave., Phoenix, AZ 85025.

MC 144018 (Sub-3TA), filed December 8, 1978. Applicant: ROBERT L. DRINKARD TRUCKING, INC., P.O. Box 2951, Eugene, OR 97403. Representative: Philip G. Skofstad, P.O. Box 594, Gresham, OR 97030. Fibrous fuel pellets from Brownsville, OR to Tacoma, Orting, Spokane, Pullman and Fort Steilacoom, WA, and Kellogg and Boise, ID, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): Bio-Solar Research & Development Corp., 1500 Valley River Drive, Suite 220, Eugene, Oregon 97401. SEND PROTESTS TO: D/S A. E. Odoms, Bureau of Operations, ICC, 114 Pioneer Courthouse, Portland, Oregon 97204.

MC 144069 (Sub-4TA), filed December 11, 1978. Applicant: FREIGHTWAYS, INC., P.O. Box 5204, Charlotte, NC 28225. Representative: Ralph McDonald, P.O. Box 2246, Raleigh, NC 27602. Iron and steel articles, (1) between the facilities of Florida Steel Corporation at Charlotte and Raleigh, NC and Aiken, SC, on the one hand, and, on the other, points in AL, KY, GA, NC, SC, TN, VA, and WV; and (2) between the facilities of Republic Steel Corporation at or near Charlotte, NC, Bristol, TN, and Seneca, SC, on the one hand, and, on the other, points in AL, GA, KY, NC, SC, TN, VA, and WV, for 180 days. SUPPORTING SHIPPER(S): Florida Steel Corp., P.O. Box 31067,

Charlotte, NC 28231. Republic Steel Corp., P.O. Box 6778, Cleveland, OH 44101. SEND PROTESTS TO: Terrell Price, 800 Briar Creek Road, Room CC516, Mart Office Building, Charlotte, NC 28205.

MC 144184 (Sub-2TA), filed December 18, 1978. Applicant: R. T. PUGH MOTOR TRANSPORTATION, INC., 233 Whitley Avenue, Lancaster, Ohio 43130. Representative: James Duvall, 220 West Bridge Street, Dublin, Ohio 43107. *Glass cullet*, in bulk, in dump vehicles, from Marion, Ohio to the facilities of Anchor Hocking Corporation, at or near Winchester, Indiana, for 180 days. SUPPORTING SHIPPER(S): Anchor Hocking Corporation, 109 North Broad Street, Lancaster, OH 43130. SEND PROTESTS TO: D/S Frank L. Calvary, ICC, 220 Federal Building & U.S. Courthouse, 85 Marconi Boulevard, Columbus, OH 43215.

MC 144233 (Sub-2TA), filed December 11, 1978. Applicant: RAJEAN, INC., Highway 64 East, Russellville, AR 72801. Representative: Thomas B. Staley, 1550 Tower Building, Little Rock, AR 72201. *Zinc oxide, zinc dust, zinc slabs, and zinc dross* (except commodities in bulk in tank vehicles), from the facilities of St. Joe Zinc Company located in Josephstown, Potter Township, Beaver County, PA to points and places in TN, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): St. Joe Zinc Company, Two Oliver Plaza, Pittsburgh, PA 15222. SEND PROTESTS TO: William H. Land, Jr., 3108 Federal Office Building, 700 West Capitol, Little Rock, AR 72201.

MC 145022 (Sub-3TA), filed December 6, 1978. Applicant: MARSH BROTHERS TRUCKING SERVICE, INC., 1811 Howell Avenue, Dayton, OH 45407. Representative: Jerry B. Sellman, Muldoon, Pemberton & Ferris, 50 West Broad Street, Columbus, OH 43215. *Coal*, from points in Boyd, Breathitt, Carter, Clay, Elliott, Estill, Floyd, Greenup, Jackson, Knott, Johnson, Knox, Laurel, Lawrence, Lee, Leslie, Letcher, Madison, Magoffin, Martin, Menifee, Morgan, Owsley, Perry, Rockcastle, Rowan, Whitley, and Wolfe Counties, KY, to Montgomery County, OH, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): General Motors Corporation, Earl H. Omlor, Traffic Manager, P.O. Box 824, Dayton, OH 45401, Danis Coal Corporation, D. L. Quarternson, Vice President, 260 Northland Boulevard, Cincinnati, OH 45246. SEND PROTESTS TO: Paul J. Lowry, District Supervisor, Bureau of Operations, ICC, 5514-B Federal Building,

550 Main Street, Cincinnati, OH 45202.

MC 145072 (Sub-4TA), filed December 4, 1978. Applicant: M. S. CARRIERS, INC., 7372 Eastern Avenue, Germantown, TN 38138. Representative: A. Doyle Cloud, Jr., 2008 Clark Tower, 5100 Poplar Avenue, Memphis, TN 38137. *Soap products*, from Memphis, TN to points in IL, IN, OH, MI, NC, GA, AL, OK, and TX, for 180 days. SUPPORTING SHIPPER(S): Valley Products Co., P.O. Box 16745, Memphis, TN 38116. SEND PROTESTS TO: Floyd A. Johnson, District Supervisor, Interstate Commerce Commission, 100 North Main Street, 100 North Main Building, Suite 2006, Memphis, TN 38103.

MC 145102 (Sub-2TA), filed December 8, 1978. Applicant: FREY MILLER TRUCKING, INC., P.O. Box 188, Shullsburg, WI 53586. Representative: Paul M. Daniell, 1200 Gas Light Tower, 235 Peachtree Street, NE, Atlanta, GA 30303. *Meat, meat products, meat by-products and articles* distributed by meat packinghouses as described in Sections A & C Appendix I to the report in Descriptions in motor carrier Certificates 61, M.C.C. 209 and 766 (except hides and commodities in bulk) from the facilities utilized by John Morrell & Co. at Estherville, IA and St. Paul and Worthington, MN to points in CA, for 180 days. SUPPORTING SHIPPER(S): John Morrell & Co., at 208 S. LaSalle Street, Chicago, IL 60604. SEND PROTESTS TO: Gail Daugherty, Transportation Assistant, ICC, Bureau of Operations, U.S. Federal Building & Courthouse, 517 East Wisconsin Avenue, Rm 619, Milwaukee, Wisconsin 53202.

MC 145104 (Sub-1TA), filed November 27, 1978. Applicant: MIL-CO TRUCKING, INC., 319 S. Main Street, West Unity, Ohio 43570. Representative: James W. Muldoon, Muldoon, Pemberton & Ferris, 50 West Broad Street, Columbus, Ohio 43215. *Rock salt* in bulk, from the facilities of Material Service Co., Chicago, Illinois; Ireland and Lester Dock, St. Joseph, Michigan; and Truckway Service Inc. Dock, Toledo, Ohio; to the State of Indiana, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Domtar Industries, Inc., 9950 W. Lawrence Ave., Schiller Park, IL 60176. SEND PROTESTS TO: I.C.C., 313 Federal Office Bldg., 234 Summit St., Toledo, OH 43604.

MC 145383 (Sub-1TA), filed October 5, 1978, and published in the FEDERAL REGISTER issue of November 21, 1978, and republished as corrected this issue. Applicant: JAMES RENALDO AND GAY ROSE RENALDO, dba, KAI MOTOR FREIGHT, I-295 and Harmond Road, Gibbstown, NJ 08027. Representative: Robert B. Pepper, 168

Woodbridge Avenue, Highland Park, NJ 08904. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Cleaning, washing and polishing soaps and compounds, varnishes, rust preventatives, oils and greases* (except in bulk), and on return, *materials, equipment and supplies* used in the manufacture, sale and distribution thereof (except in bulk) from Avenel, NJ to points in AR, FL, GA, NC, SC, TN, and TX, under a continuing contract or contracts with Economics Laboratory, Inc., for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Economics Laboratory, Inc., 255 Blair Road, Avenel, NJ 07001. SEND PROTESTS TO: John P. Lynn, ICC, 428 East State Street, Room 204, Trenton, NJ 08608. The purpose of this republication is to show *soaps* in lieu of *scaps* in the commodity description, and also to add Texas (TX) to the territorial description as previously omitted.

MC 145684 (Sub-1TA), filed November 6, 1978, and published in the FEDERAL REGISTER issue of December 29, 1978, and republished as corrected this issue. Applicant: T. H. SOSSAMAN, P.O. Drawer 33, Hereford, TX 79045. Representative: Richard Hubbert, P.O. Box 10236, Lubbock, TX 79408. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Dry animal and poultry feeds, and equipment and supplies* used in the raising of livestock, in mixed loads with dry animal and poultry feeds, (except liquid commodities in bulk, in tank vehicles); and (2) *materials, equipment and supplies* used in the manufacture and distribution of dry animal and poultry feeds, (except liquid commodities in bulk, in tank vehicles), (1) from Hereford, TX to points in OK, NM, NE, KS, and CO; and (2) from points in OK, NM, NE, KS, and CO to Hereford, TX, under a continuing contract or contracts with Moorman Manufacturing Company, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Moorman Manufacturing Company, Hereford, TX. SEND PROTESTS TO: Haskell E. Ballard, ICC, Box F-13206 Federal Building, Amarillo, TX 79101. The purpose of this republication is to show protestants complete address.

MC 145836TA, filed December 6, 1978. Applicant: RALPH O. SOOTS, d/b/a Tryco Trucking Company, P.O. Box 8825, Charlotte, NC 28208. Representative: Ralph O. Soots, P.O. Box 8825, Charlotte, NC 28208. *Such commodities* as are dealt in by retail department stores and materials, supplies and equipment used by department stores between facilities of Belk Stores located in Charlotte, NC, John-

son City, TN, Knoxville, TN, Nashville, TN and Atlanta, GA, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): Belk Stores Services, Inc., 308 E. Fifth St., P.O. Box 31788, Charlotte, NC. SEND PROTESTS TO: D/S Terrell Price, 800 Briar Creek Road, Rm. CC516, Mart Office Building, Charlotte, NC 28205.

MC 145839TA, filed December 6, 1978. Applicant: ASSOCIATED TRUCKING, INC., 2500 Broadway—Dept. 13, Camden, NJ 08104. Representative: Robert B. Pepper, 168 Woodbridge Avenue, Highland Park, NJ 08904. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: *Leaf springs, iron and steel castings and/or forgings*, from Baltimore, MD and Camden, NJ to points in United States east of the Mississippi River, and points in TX, NE, OK, MO and LA, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. SUPPORTING SHIPPER(S): ATZ Industrial Co. Ltd., 2340 Lucerne Road, Suite 23, Montreal, Quebec H3R 2J8. SEND PROTESTS TO: T/S John P. Lynn, ICC, 428 East State Street, Room 204, Trenton, NJ 08608.

MC 145930TA, filed December 20, 1978. Applicant: WILLIAM E. MOROG, d/b/a JONICK & CO., 2815 E. Liberty, Vermillion, OH 44089. Representative: Michael M. Briley, Attorney at Law, 300 Madison Ave., 12th Fl., Toledo, OH 43603. *Lime and limestone products*, in bulk, from Carey, Delaware, Huron, Maple Grove and Spore, OH to Chicago, IL (and its commercial zone) and all points in the states of KY, MI, NY, PA and WV, for 180 days. SUPPORTING SHIPPER: Federal Lime and Stone Co., 20600 Chagrin Blvd., Cleveland, OH 44122. SEND PROTESTS TO: I.C.C., 313 Federal Office Bldg., 234 Summit St., Toledo, OH 43604.

MC 145942 (Sub-1TA), filed November 27, 1978. Applicant: WILLIAM E. HILL d/b/a BILL HILL TRUCKING, Route No. 18, East, Hamler, Ohio 43524. Representative: Michael Spurlock, 275 East State Street, Columbus, Ohio 43215. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: *Meat and bone meal (meat scraps) and blood meal*, (1) between Columbus, Wauseon and Massillon, OH, on the one hand, and, on the other, points in Lansing, Battle Creek, and Chelsea, MI, and Ft. Wayne, IN.; (2) between Mishawaka, IN, on the one hand, and, on the other, points in Lansing, Battle Creek, and Chelsea, MI, Delta and Gilboa, OH; (3) between Coldwater and Detroit, MI, on the one

hand, and, on the other, points in Delta and Gilboa, OH, and Ft. Wayne, IN. RESTRICTION: The authority sought herein is limited to a transportation service to be performed under a continuing contract with the Agri-Trading Corporation of Hutchinson, MN, for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): Agri-Trading Corporation, P.O. Box 457, Hutchinson, MN. SEND PROTESTS TO: I.C.C., 313 Federal Office Bldg., 234 Summit St., Toledo, OH 43604.

PASSENGER AUTHORITY

MC 109736 (Sub-44TA), filed December 12, 1978. Applicant: CAPITOL BUS COMPANY, 1061 South Cameron Street, Harrisburg, PA 17104. Representative: S. Berne Smith, 100 Pine Street, P.O. Box 1166, Harrisburg, PA 17108. *Passengers and their baggage, and express and newspapers*, in the same vehicle with passengers, (1) Between Harrisburg, PA and Baltimore-Washington International Airport, MD, serving the intermediate points of Manchester and Springettsbury Townships, York County, PA, in conjunction with traffic moving to or from the Baltimore-Washington International Airport only, and serving the junction of Interstate Hwy 83 and PA Hwy 114 and the junction of MD Hwy 46 and Baltimore-Washington Parkway for purposes of joinder only, from Harrisburg, PA, over Interstate Hwy 83, to junction Interstate Hwy 695, then over Interstate Hwy 695 to junction Baltimore-Washington Parkway, then over Baltimore-Washington Parkway to junction MD Hwy 46, then over MD Hwy 46 to Baltimore-Washington International Airport, and return over the same route, (2) Between the junction of Interstate Hwy 83 and PA Hwy 114 and the Capital City Airport, serving no intermediate points and serving the junction Hwy 114 and the Capital City Airport, serving no intermediate points and serving junction of Interstate Hwy 83 and PA Hwy 114 for purposes of joinder only, from the junction of Interstate Hwy 83 and PA Hwy 114, then over PA Hwy 114 to the Capital City Airport, and return over the same route, (3) Between the junction of Interstate Hwy 83 and Interstate Hwy 76 and the junction of Interstate Hwy 76 and U.S. Hwy 15, serving no intermediate points, from the junction of Interstate Hwy 83 and Interstate Hwy 76, then over Interstate Hwy 76 to junction U.S. Hwy 15, and return over the same route, (4) Between Harrisburg, PA, and the Harrisburg International Airport, serving the intermediate point of the junction of Interstate Hwy 283 and Interstate Hwy 76 (Interchange No. 19) for purposes of joinder only, from Harrisburg, PA, Interstate Hwy

83 to junction Interstate Hwy 283, then over Interstate Hwy 283 to junction PA Hwy 283, then over PA Hwy 283 to Airport Access Road (LR 1081 Spur A), then over Airport Access Road to the Harrisburg International Airport, and return over the same route, (5) Between the junction of Interstate Hwy 283 and Interstate Hwy 76 and the junction of Interstate Hwy 76 and Interstate Hwy 83, serving no intermediate points, from the junction of Interstate Hwy 283 and Interstate Hwy 76, then over Interstate Hwy 76 to junction Interstate Hwy 83, and return over the same route, for 180 days. An underlying ETA seeks 90 days authority. There are approximately (7) statement of support attached to this application which may be examined at the I.C.C., in Wash. D.C., or copies thereof which may be examined at the field office named below. SEND PROTESTS TO: Charles F. Myers, I.C.C., P.O. Box 869, Federal Square Station, Harrisburg, PA 17108.

PASSENGER AUTHORITY

MC 123481 (Sub-2TA), filed December 11, 1978. Applicant: BROWN LINES, INC., 22 First Street West, Kalispell, MT 59901. Representative: Charles A. Webb, Room 800, M Street NW., Washington, D.C. 20036. *Passengers and their baggage*, in the same vehicle with passengers, in special operations, in round-trip pleasure and sightseeing tours, beginning and ending at Kalispell, Libby and Troy, MT and extending to points in the United States (including AK but excluding HI), for 180 days. An underlying ETA seeks 90 days authority. SUPPORTING SHIPPER(S): There are approximately (6) statements of support attached to the application which may be examined at the Interstate Commerce Commission in Washington, DC, or copies thereof which may be examined at the field office named below. SEND PROTESTS TO: Paul J. Labane, ICC, 2602 First Avenue North, Billings, MT 59101.

By the Commission.

H. G. HOMME, Jr.,
Secretary.

[FR Doc. 79-2969 Filed 1-26-79; 8:45 am]

[7035-01-M]

[Notice No. 152]

MOTOR CARRIER BOARD TRANSFER PROCEEDINGS

The following publications include motor carrier, water carrier, broker, and freight forwarder transfer applications filed under Section 212(b), 206(a), 211, 312(b), and 410(g) of the Interstate Commerce Act.

Each application (except as otherwise specifically noted) contains a statement by applicants that there will be no significant effect on the

quality of the human environment resulting from approval of the application.

Protests against approval of the application, which may include request for oral hearing, must be filed with the Commission within 30-days after the date of this publication. Failure seasonably to file a protest will be construed as a waiver of opposition and participation in the proceeding. A protest must be served upon applicants' representatives(s), or applicants (if no such representative is named), and the protestant must certify that such service has been made.

Unless otherwise specified, the signed original and six copies of the protest shall be filed with the Commission. All protests must specify with particularity the factual basis, and the section of the Act, or the applicable rule governing the proposed transfer which protestant believes would preclude approval of the application. If the protest contains a request for oral hearing, the request shall be supported by an explanation as to why the evidence sought to be presented cannot reasonably be submitted through the use of affidavits.

The operating rights set forth below are in synopsis form, but are deemed sufficient to place interested persons on notice of the proposed transfer.

MC-FC-77919, filed November 1, 1978. Transferee: WALKUP DRAYAGE AND WAREHOUSE CO., a Corporation, 11th and Pine Street, P.O. Box 24463, Oakland, CA 94623. Transferor: D'Onofrio Drayage, Inc., 1404 Franklin Street #318, Oakland, CA 94612. Representative: Michael S. Rubin, Attorney at Law, 256 Montgomery Street, San Francisco, CA 94104. Authority sought for purchase by transferee of the operating rights set forth in Certificate of Registration No. MC-99286 (Sub-No. 2), issued October 23, 1974, to transferor evidencing a right to engage in transportation in interstate commerce as described in Decision No. 82048, dated October 30, 1973, issued by the Public Utilities Commission of California. Transferee presently holds no authority from this Commission. Application has not been filed for temporary authority under Section 210a(b).

MC-FC-77931, filed November 14, 1978. Transferee: EDEN VAN LINES, INC., 375 E. Railroad Avenue, Liberal, KS 67901. Transferor: Davis Van & Storage, Inc. 10208 W. 96th Terr., Overland Park, KS 66214. Representative: Larry E. Gregg, Attorney at Law, 641 Harrison Street, Topeka, KS 66603. Authority sought for purchase by transferee of the operating rights of transferor as set forth in Certificate No. MC-92082 (Sub-No. 1), issued October 2, 1959, as follows: Petroleum, petroleum products, in containers, agricultural machines, filling station equipment and supplies, from Garden City, KS, and points within 50 miles thereof, to points in Colorado on and east of U.S. Hwy. 85; malt beverages, from points in Colorado on and east of U.S. Hwy. 85, to Garden City, KS, and points within 50 miles thereof; household goods and livestock, between Garden City, KS, and points within 50 miles thereof, on the one hand, and, on the other points in Colorado on and east of U.S. Highway 85, household goods, between points in that part of Kansas on and west of U.S. Hwy. 183, on the one hand, and, on the other, points in Colorado, Nebraska, Oklahoma, and Texas (except Garden City, KS, and points within 50 miles thereof, and points in that of Colorado on and east of U.S. Hwy. 85); emigrant movables and household goods, between Great Bend, KS, and points within 25 miles of Great Bend, on the one hand, and, on the other, points in Colorado, Missouri, and Oklahoma; and machinery, materials, supplies, and equipment, incidental to, or used in, the construction of, development, operation and maintenance of facilities for the discovery, development, and production of natural gas and petroleum, between points in Kansas. Transferee presently holds no authority from this Commission. Application has not been filed for temporary authority under Section 210a(b).

MC-FC-77949, filed December 8, 1978. Transferee: THE FILM TRANSIT COMPANY, a Corporation, 2011 West 50th Street, Cleveland, OH 44102. Transferor: Film and Package Delivery, Inc., 1555 East 40th Street, Cleveland, OH 44103. Representative: James Duvall, Attorney at Law, 220

West Bridge Street, Dublin, OH 43017. Authority sought for purchase by transferee of the operating rights of transferor as set forth in Certificate of Registration No. MC-120290 (Sub-No. 1), issued September 29, 1972, evidencing a right to engage in transportation in interstate commerce as described in that portion of Certificate No. 3409-R, as was embraced in predecessor's certificate of registration, transferred and reissued March 15, 1972, by the Public Utilities Commission of Ohio. Transferee presently holds authority from this Commission under Certificate of Registration No. MC-97684 (Sub-No. 1), and does not seek temporary authority under Section 210a(b).

MC-FC-77973, Filed December 20, 1978. Transferee: JON W. McCARTER, McCarter Transit, 2569 Darlington Road, Beaver Falls, PA 15010. Transferor: Beaver Valley Motor Coach Company, a Corporation, Box 238, New Brighton, PA 15066. Representative: John A. Pillar, Attorney for Transferee, 1500 Bank Tower, 307 Fourth Avenue, Pittsburgh, PA 15222. Samuel P. Delisi, Attorney for Transferor, 1500 Bank Tower, 307 Fourth Avenue, Pittsburgh, PA 15222. Authority sought to purchase by transferee of the operating rights of transferor as set forth in Certificates Nos. MC-117173 and MC-117173 Subs-No. 1 and 2, issued August 19, 1958, April 26, 1961, and May 17, 1962, respectively as follows: Passengers and their baggage, and express and newspapers in the same vehicle with passengers, over regular routes, between Sewickley, PA and Negley, OH, serving all intermediate points, between East Liverpool, OH and Rochester, PA, serving all intermediate points, and between Sewickley, PA and Pittsburgh, PA, serving all intermediate points; and passengers and their baggage, in the same vehicle with passengers, in round trip special and charter operations, beginning and ending at points in Beaver County, PA and extending to points in the United States including Alaska, but excluding Hawaii. Transferee presently holds no authority from this Commission. Application has been filed for temporary authority under Section 210a(b).

H. G. HOOME, Jr.,
Secretary.

[FR Doc. 79-2967 Filed 1-26-79; 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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[6320-01-M]

1

[M-191 Amdt. 2, Jan. 23, 1979]

NOTICE OF ADDITION OF ITEM TO THE JANUARY 24, 1979 MEETING AGENDA

CIVIL AERONAUTICS BOARD.

TIME AND DATE: 10 a.m., January 24, 1979.

PLACE: Room 1027, 1825 Connecticut Avenue, NW., Washington, D.C. 20428.

SUBJECT: 3a. Delegation of authority to the Director, Bureau of International Aviation to permit him to grant or deny applications under § 416(b) for exemptions from § 402 where the course of action is clear under current Board policies. (OGC)

STATUS: Open.

PERSON TO CONTACT:

Phyllis T. Kaylor, The Secretary, 202-673-5068.

SUPPLEMENTARY INFORMATION:

This item would allow the Director, BIA, to grant exemptions from § 402 when the course of action is clear under current Board policies. The staff work on the delegation had proceeded on the assumption that there would be a February 1, 1979 Board meeting which would consider the recommended delegation. Staff resources which would otherwise process pending exemption applications were allocated on the assumption that the recommended delegation would be discussed and approved on February 1, 1979. On January 22, 1979, the staff working on the delegation learned that there would be no scheduled Board meeting between January 24,

1979 and February 7, 1979. Staff work on the delegation is now completed but the staff work necessary to process pending applications via Board order, as opposed to delegation, has not begun. Accordingly, the following Members have voted that agency business requires the addition of this item to the January 24, 1979 agenda and that no earlier announcement of this addition was possible:

Chairman, Marvin S. Cohen
Member, Richard J. O'Melia
Member, Elizabeth E. Bailey
Member, Gloria Schaffer

[S-188-79 Filed 1-25-79; 9:06 am]

[6712-01-M]

2

FEDERAL COMMUNICATIONS COMMISSION.

TIME AND DATE: 9:30 a.m., Wednesday, January 31, 1979.

PLACE: Room 856, 1919 M Street NW., Washington, D.C.

STATUS: Open Commission Meeting.

Agenda, Item No., and Subject

General-1—Revocation of type approvals for five models of FM wireless microphones.

General-2—Establishing date for filing waiver of FCC divestiture requirement for monopoly newspaper-broadcast combinations.

General-3—Amendments of Parts 2, 81, 83 and 91—to provide frequencies, standards and procedures for on-board communications in the Industrial and Maritime Mobile Services.

General-4—Amendment of Parts 81 and 83 to provide for the use of single sideband emission A3J (suppressed carrier) on the maritime mobile radiotelephone frequency 2182 kHz. (Gen Docket No. 78-208).

General-5—Amendment of Part 81 of the rules to require applicants for public coast stations to meet certain financial qualifications.

General-6—Fee Refund Program—\$20 and below.

General-7—Report and Order regarding Phase I of the Fee Refund Program.

General-8—Application of Ex Parte Rules to declaratory ruling request of McGraw-Hill Broadcasting regarding acquisition of McGraw-Hill, Inc., by American Express Company.

General-9—Commission briefing on Freedom of Information Act request covering internal documents involving Common Carrier regulation from 1950-1970.

Common Carrier-1—Transportation Microwave Corporation's request for an extension of the waiver of Sections 2.106, 21.120 and 21.701 of the Commission's Rules and Regulations.

Common Carrier-2—Western Union International Tariff for Partial Month's Service.

Common Carrier-3—ITT World Communications Inc. tariff revisions to establish rates and regulations for telex service between ITT gateway telex subscribers and Mexico.

Cable Television-1—Petitions for Reconsideration of Commission's decision in *Arlington Telecommunications Corp.*, FCC 78-781, filed by National Association of Broadcasters, et al.

Cable Television-2—Petition for Reconsideration filed by Citizens Committee for Expansion of Commercial Television to the State of Delaware and Application for Review filed by WBOC-TV, Inc., WBOC-TV, Salisbury, Maryland.

Cable Television-3—Petition for waiver filed by Global Cable TV, which proposes to operate a cable television system serving the Village of Lancaster, New York.

Assignment and Transfer-1—Application to assign the license of FM station KPMR, Fremont, California from Alameda Broadcasting, Inc. to Robert L. Williams, Inc. and James E. Coyle, d/b/a Spanish Metro. (BALH-2721), et al.

Complaints and Compliance-1—Application for Review filed by William A. Albaugh of the Broadcast Bureau's ruling denying his Fairness Doctrine complaint against WETA-TV, Washington, D.C.

This meeting may be continued the following work day to allow the Commission to complete appropriate action.

Additional information concerning this meeting may be obtained from the FCC Public Information Office, telephone number (202) 632-7260.

Issued: January 24, 1979.

[S-192-79 Filed 1-25-79; 3:22 pm]

[6140-02-M]

3

FEDERAL ENERGY REGULATORY COMMISSION.

NOTICE OF MEETING, JANUARY 24, 1979

The following notice of meeting is published pursuant to Section 3(a) of the Government in the Sunshine Act (Pub. L. No. 94-409), 5 U.S.C. 552b.

AGENCY HOLDING MEETING: Federal Energy Regulatory Commission.

TIME AND DATE: January 31, 1979, 10 a.m.

PLACE: 825 North Capitol St. NE., Washington, D.C. 20426, Room 9306.

STATUS: Open.

MATTERS TO BE CONSIDERED:

AGENDA

Note: Items listed on the agenda may be deleted without further notice.

CONTACT PERSON FOR MORE INFORMATION:

Kenneth F. Plumb, Secretary, telephone 202-275-4166.

This is a list of matters to be considered by the Commission. It does not include a listing of all papers relevant to the items on the agenda, however, all public documents may be examined in the Office of Public Information.

POWER AGENDA—243RD MEETING, JANUARY 31, 1979, REGULAR MEETING

- CAP-1.—Docket No. ER79-89, Missouri Public Service Company.
- CAP-2.—Docket No. ER79-57, New England Power Company.
- CAP-3.—Docket No. ER79-79, Ohio Power Company, Appalachian Power Company and Wheeling Electric Company.
- CAP-4.—Docket No. ER79-105, Alcoa Generating Corporation.
- CAP-5.—Docket Nos. ER77-528 and ER77-616, Northern States Power Company of Minnesota.
- CAP-6.—Docket No. ER78-291, Northern States Power Company (Minnesota).
- CAP-7.—Docket No. EL78-18, Highlands v. Alcoa, et al. Docket No. ER76-828, Nantahala Power and Light Company.
- CAP-8.—Project Nos. 2284 and 2834, Central Maine Power Company.

GAS AGENDA—243RD MEETING, JANUARY 31, 1979, REGULAR MEETING

- CAG-1.—Docket No. RP74-100 (PGA No. 79-3), National Fuel Gas Supply Corporation.
- CAG-2.—Docket No. RP79-25, Southern Natural Gas Company.
- CAG-3.—Docket No. RP73-23 (PGA No. 79-2), Lawrenceburg Gas Transmission Corporation.
- CAG-4.—Docket No. RP75-8, Commercial Pipeline Company, Inc.
- CAG-5.—Docket Nos. RP78-78 and RP78-76, Natural Gas Pipeline Company of America.
- CAG-6.—Docket No. RP72-134, Eastern Shore Natural Gas Company.
- CAG-7.—Docket No. RP74-41 (AP79-1), Texas Eastern Transmission Corporation.
- CAG-8.—Docket Nos. RP72-156 (PGA 79-1), RP72-164 (DCA 79-1) and RP77-139, Texas Gas Transmission Corporation.
- CAG-9.—Docket No. CP77-337, Algonquin Gas Transmission Company.
- CAG-10.—Docket Nos. CP76-37 and RP77-97, El Paso Natural Gas Company.
- CAG-11.—Docket No. RP72-157, Consolidated Gas Supply Corporation.
- CAG-12.—Docket Nos. RP76-39 and RP77-6, Sea Robin Pipeline Company.
- CAG-13.—Docket No. RP75-79, Lehigh Portland Cement Company v. Florida Gas Transmission Company.
- CAG-14.—Docket No. RI77-104, Kennedy & Mitchell, Inc.
- CAG-15.—Docket No. CI79-164, Kerr-McGee Corporation. Docket No. CI79-23, Continental Oil Company. Docket No. CI79-8, The Superior Oil Company. Docket No. CI78-617, Atlantic Richfield Company. Docket No. CI75-367, Pennzoil Company. Docket No. CI79-169, Transco Exploration Company.

- CAG-16.—Docket Nos. CI76-590, et al., Appalachian Exploration and Development, Inc., et al.
- CAG-17.—Docket No. CP76-169, C. B. Gas Gathering, Inc.
- CAG-18.—Docket No. CI78-462, CIG Exploration, Inc.
- CAG-19.—Docket No. CI78-726, Champlin Exploration, Inc.
- CAG-20.—Docket Nos. CI78-628, et al., Louisiana Land Offshore Exploration Company, Inc., et al.
- CAG-21.—Docket No. CP73-184, Colorado Interstate Gas Company. Docket No. CI73-485, CIG Exploration, Inc.
- CAG-22.—Docket No. CP79-134, Texas Gas Transmission Corporation and Tennessee Gas Pipeline Company.
- CAG-23.—Docket No. CP70-195, Natural Gas Pipeline Company of America.
- CAG-24.—Docket No. CP78-427, United Gas Pipe Line Company.
- CAG-25.—Docket No. CP79-35, Colorado Interstate Gas Company. Docket No. CP79-68, Mountain Fuel Supply Company.
- CAG-26.—Docket No. CP75-141, Natural Gas Pipeline Company of America.
- CAG-27.—Docket No. CP79-5, Northern Natural Gas Company.
- CAG-28.—Docket No. CP78-334, National Fuel Gas Supply Corporation.
- CAG-29.—Docket No. CP79-11, Southern Natural Gas Company.
- CAG-30.—Docket No. CP77-627, Tennessee Gas Pipeline Company and Columbia Gulf Transmission Corporation.
- CAG-31.—Docket No. CP75-37, Mountain Fuel Supply Company. Docket No. CP75-281, Colorado Interstate Gas Company.
- CAG-32.—Docket No. CP71-132, Columbia Gas Transmission Corporation, Atlantic Seaboard Corporation, Cumberland and Allegheny Gas Company, Home Gas Company, Kentucky Gas Transmission Corporation, the Manufacturers Light and Heat Company, the Ohio Fuel Gas Company and United Fuel Gas Company.
- CAG-33.—Docket No. CP78-300, Texas Gas Transmission Company.
- CAG-34.—Docket No. OR79-1, Williams Brothers Pipeline Company.

POWER AGENDA—243RD MEETING, JANUARY 31, 1979, REGULAR MEETING

I. LICENSED PROJECT MATTERS

- P-1.—Project No. 176, Escondido Mutual Water Company, City of Escondido, California and Vista Irrigation District. Docket No. E-7562, Secretary of the Interior acting in his capacity as trustee for the Rincon, La Jolla and San Pasqual Bands of Mission Indians v. Escondido Mutual Water Company and City of Escondido, California. Docket No. E-7655, Vista Irrigation District. Project No. 559, San Diego Gas & Electric Company.

II. ELECTRIC RATE MATTERS

- ER-1.—Docket No. ER79-106, Central Main Power Company.
- ER-2.—Docket No. ER79-21, Missouri Utilities Company.
- ER-3.—Docket No. ER79-107, Upper Peninsula Power Company.

- ER-4.—Docket No. ER78-512, Wisconsin Electric Power Company.
- ER-5(A).—Docket No. ER78-19 (Phase I) and ER78-81, Florida Power and Light Company.
- ER-5(B).—Docket No. ER78-325, ER78-376 and ER78-19, et al., Florida Power and Light Company.
- ER-6.—Docket No. ER76-285 (Phase II), Public Service Company of New Hampshire.
- ER-7.—Docket No. E-7704, the Electric and Water Plant Board of the City of Frankfort, Kentucky v. Kentucky Utilities Company. Docket No. E-7669, Public Service Company of Indiana. Docket No. E-7937, Indianapolis Power & Light Company. Docket No. E-8053, Kentucky Utilities Company.
- ER-8.—Docket No. ER77-521, Arizona Public Service Company.
- ER-9.—Docket No. ER77-402, Philadelphia Electric Company.

GAS AGENDA—243RD MEETING, JANUARY 31, 1979, REGULAR MEETING

I. PIPELINE RATE MATTERS

- RP-1.—Docket No. RP79-23, Distrigas of Massachusetts Corporation. Docket No. RP 79-24, Distrigas Corporation.
- RP-2.—Docket No. RP74-41, Texas Eastern Transmission Corporation.

II. PRODUCER MATTERS

- CI-1.—Docket No. CI75-677, Union Texas Petroleum, a division of Allied Chemical Corporation. Docket No. CS68-21, Joseph I. O'Neill.
- CI-2.—Docket No. CI77-119, Cities Service Oil Company.
- CI-3.—Docket No. CI78-968, United Gas Pipe Line Company.

III. PIPELINE CERTIFICATE MATTERS

- CP-1.—Docket No. CP73-340, Colorado Interstate Gas Company. Docket No. CP74-243, Northern Natural Gas Company. Docket No. CI74-430, Colorado Oil and Gas Corporation and Gas Producing Enterprises, Inc.
- CP-2.—Docket No. CP78-325, Texas Gas Transmission Corporation. Docket No. CP79-7, Tri-State Gas Company.
- CP-3.—Docket No. CP78-446, El Paso Natural Gas Company, Michigan Wisconsin Pipe Line Company.
- CP-4.—Docket No. CP74-160, et al., Pacific Indonesia LNG Company, et al. Docket No. CP75-140, et al., Pacific Alaska LNG Company, et al. Docket No. CP75-83-2, et al., Western LNG Terminal Company, et al. ERA Docket No. 77-001-LNG, Pacific Indonesia LNG Company, et al.
- CP-5.—Mountain Fuel and Northwest Pipeline Corporation (continuation of emergency transaction under § 157.45).

IV. OIL PIPELINE MATTERS

- IS-1.—Docket No. IS78-1, Phillips Pipe Line Company.

MISCELLANEOUS AGENDA—243RD MEETING, JANUARY 31, 1979, REGULAR AGENDA

- M-1.—Docket No. RM79-3, annual reports pursuant to Part 276 of the interim regu-

lations under NGPA and proposed changes to the filing requirements.

KENNETH F. PLUMB,
Secretary.

[S-187-79 Filed 1-25-79; 11:35 am]

[6720-01-M]

4

FEDERAL HOME LOAN BANK BOARD.

"FEDERAL REGISTER" CITATION OF PREVIOUS ANNOUNCEMENT: Vol. 44, No. 14, page 4093, Friday, January 19, 1979.

PREVIOUSLY ANNOUNCED TIME AND DATE OF MEETING: 9:30 a.m., January 24, 1979.

PLACE: 1700 G Street, NW., Sixth Floor, Washington, D.C.

STATUS: Open Meeting.

CONTACT PERSON FOR MORE INFORMATION:

Franklin O. Bolling, 202-377-6677.

CHANGES IN THE MEETING:

The following item has been removed from the closed meeting agenda and will now be considered at the open meeting immediately before it:

Application by NLT Corporation and NLT Capital Corporation, Nashville, Tennessee to acquire Great Southern Corporation, Houston, Texas, and its subsidiary State Savings and Loan Association, Salt Lake City, Utah.

The following item has been removed from the open meeting agenda and will now be considered at the closed meeting immediately after it:

Consideration of proposed acquisition of Home Savings and Loan Association, Reno, Nevada, by United States Leasing International, Inc., San Francisco, California.

No. 214, January 24, 1979.

[S-185-79 Filed 1-25-79; 9:06 am]

[6735-01-M]

5

JANUARY 24, 1979.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION.

TIME AND DATE: 2 p.m., January 31, 1979.

PLACE: Room 600, 1730 K Street NW., Washington, D.C.

STATUS: This meeting may be closed.

MATTER TO BE CONSIDERED: *Glenn Munsey v. FMSHRC*, No. 77-1619 (D.C. Cir., November 29, 1978). This meeting involves the Commission's position in the above civil proceeding. 29 CFR 2701.7 (44 FR 2576).

CONTACT PERSON FOR MORE INFORMATION:

Joanne Kelly, 202-653-5632

[S-189-79 Filed 1-25-79; 12:42 pm]

[6210-01-M]

6

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

TIME AND DATE: 2:30 p.m., Thursday, February 1, 1979. The closed portion of the meeting will commence at the conclusion of the open discussion.

PLACE: 20th Street and Constitution Avenue, NW., Washington, D.C. 20551.

STATUS: Part of the meeting will be open; part will be closed.

MATTERS TO BE CONSIDERED:

OPEN PORTION

1. Consumer affairs compliance program.
2. Proposed monitoring pursuant to Regulation 2 (Truth in Lending) of open credit plans secured by consumers' residences.
3. Proposals to implement Titles VIII and IX of the Financial Institutions Regulatory and Interest Rate Control Act.
4. Any agenda items carried forward from a previously announced meeting.

NOTE.—The open portion of this meeting will be recorded for the benefit of those unable to attend. Cassettes will be available for listening in the Board's Freedom of Information Office and copies may be ordered for \$5 per cassette by calling 202-452-3684 or by writing to:

Freedom of Information Office, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

CLOSED PORTION

1. Conceptual design and target budget for the proposed new building of the Federal Reserve Bank of San Francisco.
2. Proposed purchases, under competitive bidding, of computer equipment within the Federal Reserve System.
3. Federal Reserve Bank and Branch director appointments.
4. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.
5. Any agenda items carried forward from a previously announced meeting.

CONTACT PERSON FOR MORE INFORMATION:

Mr. Joseph R. Coyne, Assistant to the Board, 202-452-3204.

Dated: January 25, 1979.

GRIFFITH GARWOOD,
Deputy Secretary of the Board.

[S-188-79 Filed 1-25-79; 12:42 pm]

[7590-01-M]

7

NUCLEAR REGULATORY COMMISSION.

TIME AND DATE: January 31 and February 1, 1979.

PLACE: Commissioners' Conference Room, 1717 H Street NW., Washington, D.C.

STATUS: Open and Closed.

MATTERS TO BE CONSIDERED:

WEDNESDAY, JANUARY 31, 9:30 A.M.

1. Discussion of Decision in Offshore Power Systems (ALAB-500) (Approximately 1 hr.—open meeting, portions may be closed).
2. Briefing on Major Issues in Siting and Licensing Legislation (continued from January 23) (Approximately 1½ hrs.—public meeting).

WEDNESDAY, JANUARY 31, 1:30 P.M.

1. Continuation of Briefing on Siting and Licensing Legislation (Approximately 2 hrs.—public meeting).

THURSDAY, FEBRUARY 1, 9:30 A.M.

1. Briefing on EEO Program (Approximately 1 hr.—public meeting).
2. Briefing on Upgrade Rule and Supporting Guidance (Approximately 1½ hrs.—public meeting).

WEDNESDAY, JANUARY 31, 2 P.M.

1. Discussion of Proposed Authorization Testimony (continued from January 25) (if required) (Approximately 1 hr.—public meeting).
2. Affirmation session (Approximately 10 min.—public meeting). (a) FOIA Appeal by A. Kranish; (b) Settlement in Midland (Tentative).
3. Discussion of Personnel Matter (Approximately 2 hrs.—closed—exemption 6).

CONTACT PERSON FOR MORE INFORMATION:

Walter Magee, 202-634-1410.

Dated: January 24, 1979.

WALTER MAGEE,
Office of the Secretary.

[S-190-79 Filed 1-25-79; 2:13 am]

[7910-01-M]

8

RENEGOTIATION BOARD.

"FEDERAL REGISTER" CITATION OF PREVIOUS ANNOUNCEMENT: 44 FR 4095, January 19, 1979.

PREVIOUSLY ANNOUNCED DATE AND TIME OF MEETING: Thursday, January 25, 1979; 1:30 p.m.

MATTERS TO BE CONSIDERED: Division Meeting concerning: Kings Point Industries, Inc., (Consol.) Fiscal Years 1969, 1970 and 1971.

SUNSHINE ACT MEETINGS

CHANGE IN MEETING: Date changed to: Tuesday, January 30, 1979, 1:30 p.m.

CONTACT PERSON FOR MORE INFORMATION:

Kelvin H. Dickinson, Assistant General Counsel-Secretary, 2000 M Street NW., Washington, D.C. 20446, 202-254-8277.

Dated: January 26, 1979.

HARRY R. VAN CLEVE,
Acting Chairman.

[S-191-79 Filed 1-25-79; 2:24 pm]

[8120-01-M]

9

[Meeting No. 1209]

TENNESSEE VALLEY AUTHORITY.
TIME AND DATE: 10:30 a.m.,
Wednesday, January 31, 1979.

PLACE: Conference Room B-32, West Tower, 400 Commerce Avenue, Knoxville, Tennessee.

STATUS: Open.

MATTERS FOR ACTION:

OLD BUSINESS

1. Extension and amendment of personal service contract with Arthur Anderson & Co., Atlanta, Georgia, for advice and assistance in connection with TVA's Materials Management System, requested by the Office of Planning, Budget, and Systems.
2. Req. No. 823205—Electrode boiler packages for the Yellow Creek Nuclear Plant.

NEW BUSINESS

PERSONNEL ACTIONS:

1. Temporary change of status for Joe Neal Benson from Director, Division of Power Construction, to Assistant to the Manager of Power, Chattanooga, Tennessee.

2. Change of status for Alvin R. Brown from Area Construction Manager to Acting Director, Division of Power Construction.

CONSULTING AND PERSONAL SERVICE CONTRACTS:

1. Consulting contract with Harold H. Rossi, New York, New York, in connection with radiological hygiene issues and policies, requested by the Division of Environmental Planning.
2. Consulting contract with Karl Z. Morgan, Atlanta, Georgia, in connection with radiological hygiene issues and policies, requested by the Division of Environmental Planning.
3. Consulting contract with Leonard A. Sagan, Palo Alto, California, in connection with radiological hygiene issues and policies, requested by the Division of Environmental Planning.

PURCHASE AWARDS:

1. Req. No. 153791—Indefinite quantity term contract for light distillate oil for the Colbert, Johnsonville, Gallatin, and Allen Steam Plants.

POWER ITEMS:

1. Agreement with Kerr-McGee Nuclear Corporation for acquisition of a uranium property interest in New Mexico and for operating and milling arrangements.

REAL PROPERTY TRANSACTIONS:

1. Filing of condemnation suits.

DATED: January 24, 1979.

CONTACT PERSON FOR MORE INFORMATION:

Lee C. Sheppard, Acting Director of Information, or a member of his staff can respond to requests for information about this meeting. Call 615-632-3257, Knoxville, Tennessee. Information is also available at TVA's Washington Office, 202-566-1401.

[S-184-79 Filed 1-25-79; 9:06 am]

Register
Federal Paper

MONDAY, JANUARY 29, 1979

PART II



**COMMUNITY
SERVICES
ADMINISTRATION**

**IMPROVING
GOVERNMENT
REGULATIONS**

Semi-annual Agenda

NOTICES

[6315-01-M]

**COMMUNITY SERVICES
ADMINISTRATION****IMPROVING GOVERNMENT REGULATIONS;
EXECUTIVE ORDER 12044 SUBMISSION****Semi-annual Agenda**

AGENCY: Community Services Administration.

ACTION: Semiannual Publication of Significant Regulations Under Review or Development at this time.

SUMMARY: The Community Service Administration in accordance with Executive Order 12044 hereby publishes the agenda of regulations which are under review or development at this time.

**FOR FURTHER INFORMATION
CONTACT:**

John H. Sowders, 202-254-6208.

WILLIAM W. ALLISON,
Deputy Director.

COMMUNITY SERVICES ADMINISTRATION

NOTICES

TYPE OF REGULATION	SUBJECT AND DESCRIPTION	REASON FOR DEVELOPMENT OR REVISION	LEGAL BASIS	STATUS OF PROPOSED REGULATION		FOR FURTHER INFORMATION CONTACT
				INITIAL ANNOUNCEMENT	PREVIOUSLY ANNOUNCED WHEN	
X	OEO Instruction 6400-01, The Organization of Community Action Agency Boards and Committees and OEO Instruction 6402-02, Standards of Eligibility for Members of Governing Bodies and Policy Advisory Committees of Community Action Agencies and Single Purpose Agencies.	Need to simplify and update all regulations pertaining to boards of organizations funded under Title II of the EOA	Title II, EOA	6-16-78	Comments on proposed rule closed 1-26-79	Timothy McTighe 254-5047
X	OEO Instruction 6710-1 and changes thereto, applying for a CAP grant	Need to reduce and simplify the paper-work process by which grantees apply for Local Initiative funding under Section 221 and in the process to strengthen the capabilities and focus more sharply the efforts of both CSA and grantees on achieving the purposes of the EOA.	Title II, EOA	X	Proposed rule under development	Fumie Gray 254-6410

(2)
Appendix A

SEMI-ANNUAL AGENDA

FOR

COMMUNITY SERVICES ADMINISTRATION

TYPE OF REGULATION	SUBJECT AND DESCRIPTION	REASON FOR DEVELOPMENT OR REVISION	LEGAL BASIS	STATUS OF PROPOSED REGULATION		FOR FURTHER INFORMATION CONTACT
				INITIAL ANNOUNCE- MENT	PREVIOUSLY ANNOUNCED: WHEN	CURRENT STATUS
X	Due process rights for applicants Denied CSA-Funded Benefits	This regulation is being developed in response to a Court Order, Greig v. Olivarez, which found that CSA denied plaintiffs due process of law by not mandating an appeal- ate review procedure for those applicants whose applications for Emergency Energy Assistance had been denied. CSA will develop an appellate procedure to cover all of its programs.	Title VI, EOA	X		Program reopened, appellate procedure for all programs filed as a proposed rule on 12-14-78
X	OEO Instruction 6302-2 and Change 1 thereto: CAAs: Eligibility and Establish- ment	In order to implement Section 201(c) of the EOA as amended by the Economic Opportunity Amendments of 1978.	Title II, Section 210(c) and Title VI of the EOA	X		Under development
						Ms. Jacqueline Lemire 254-5047
						Ms. Joan Lenihan 254-5670

(3)
Appendix A

SEMI-ANNUAL AGENDA

FOR

COMMUNITY SERVICES ADMINISTRATION

TYPE OF REGULATION	SUBJECT AND DESCRIPTION	REASON FOR DEVELOPMENT OR REVISION	LEGAL BASIS	STATUS OF PROPOSED REGULATION		FOR FURTHER INFORMATION CONTACT
				INITIAL ANNOUNCE- MENT	PREVIOUSLY ANNOUNCED; WHEN	CURRENT STATUS
X	CSA Instructions 6900-01, 6900-02, 6900-03, 6900-4, Personnel Policies and Procedures; 6901-1, Employment of Persons with Criminal Records; 6901-2, Assistance to Vietnam-Era Veterans; 6903-1, Policies and Procedures on \$15,000 per Year Salary Limitation; 6903-3, Payment for Over-time and Authorization for Compensatory Time; 6906-01, Social Security Coverage for Employees under CAP Grants; 6907-01, Policy Guidance on Lobbying Activities; 6907-2, Limitation with Respect to Unlawful Demonstrations, Rioting and Civil Disturbances; 6907-3, Employee Participation in Direct Action; 6907-4, Outside Employment of Grantee and Delegate Agency Personnel; 6909-01, Conflicts of Interest in Community Action's Program Contracts; 6909-1, Prohibition Against Acceptance of Gifts and Gratuities	In response to Executive Order 12044 Improving Government Regulations, CSA is planning to revise its entire series of policy statements on grantee personnel management.	None		11/16/78	Comments period on notice of proposed rule making will close 12/16/79
						Timothy McTighe 254-5047

(4)
Appendix A

SEMI-ANNUAL AGENDA

FOR

COMMUNITY SERVICES ADMINISTRATION

TYPE OF REGULATION	SUBJECT AND DESCRIPTION	REASON FOR DEVELOPMENT OR REVISION	LEGAL BASIS	STATUS OF PROPOSED REGULATION		FOR FURTHER INFORMATION CONTACT
				INITIAL ANNOUNCE- MENT	PREVIOUSLY ANNOUNCED: WHEN	CURRENT STATUS
X	CSA Instruction 6132-2a, Community Food and Nutrition Program	To inform applicants regarding FY-79 application and review process for this program.	Title II, EOA	X		Under development Harold Gore 254-6226
X	OEO Instructions 7570-1, Applying for a New Research or Demonstration Grant under the EOA; 7570-2, Applying for a Continuation of a Research or Demonstration Grant; 7570-3, Amendment Procedures for a Research or Demonstration Grant under EOA; 7570-4, Preparing a Budget for a Research or Demonstration Grant under EOA.	These regulations will be revised in order to reflect organizational relationships, to clarify language, and include elements developed as part of the Grantee Program Management System.	Title II, Sec 232	X		Under development Ms. Barbara Pinn 254-5047
X	CSA Instruction 6168-2b, Summer Youth Recreation Program.	This regulation is being revised in order to implement the Economic Opportunity Amendments of 1978 which amend Section 222(a)(6) under which this program is authorized.	Title II, 222(a)(6) of EOA of 1964 as amended	X		Under development Nolan Lewis 254-5267

Appendix A

FOR

COMMUNITY SERVICES ADMINISTRATION

TYPE OF REGULATION	SUBJECT AND DESCRIPTION	REASON FOR DEVELOPMENT OR REVISION	LEGAL BASIS	STATUS OF PROPOSED REGULATION			FOR FURTHER INFORMATION CONTACT
				INITIAL ANNOUNCE- MENT	PREVIOUSLY ANNOUNCED: WHEN	CURRENT STATUS	
X	CSA Instruction 7501-1, Role of the State Offices of Economic Opportunity	To make substantive changes based on new legislative requirements, preliminary evaluation findings, experience gained in operating pro- grams, and need to strengthen the multiyear and state plan require- ments.	Title II, Sec 231, EOA	X		Work group formed and proposed draft under development	Ms. Faye Rattner 254-5280

[FR Doc. 79-2295 Filed 1-26-79; 8:45 am]

MONDAY, JANUARY 29, 1979

PART III



**DEPARTMENT OF
ENERGY**

**Economic Regulatory
Administration**



**POWERPLANT AND
INDUSTRIAL FUEL USE
ACT (EXISTING
FACILITIES)**

**Proposed Implementation Rules;
Hearings**

Registered
Proposed

[6450-01-M]

DEPARTMENT OF ENERGY

Economic Regulatory Administration

[10 CFR PARTS 504, 506, and 507]

[Docket No. ERA-R-78-191]

HEARINGS ON PROPOSED RULES TO IMPLEMENT THE POWERPLANT AND INDUSTRIAL FUEL USE ACT OF 1978.

AGENCY: Economic Regulatory Administration, Department of Energy.

ACTION: Notice of Public Hearings on New and Existing Facilities.

SUMMARY: The Economic Regulatory Administration (ERA) of the Department of Energy (DOE) hereby announces a series of public hearings on its proposed rules for implementation of the Powerplant and Industrial Fuel Use Act of 1978 (FUA). Public Law 95-620 concerning existing facilities. These public hearings are being combined with those concerning new facilities, notice of which was previously published in the January 18, 1979 FEDERAL REGISTER (44 FR 3721). Procedures governing the conduct of these hearings are presented with this Notice. Proposed rules concerning existing facilities are being published concurrently with this Notice. Notice

of public hearings on the Draft Environmental Impact Statement concerning implementation of FUA was published in the January 9, 1979 FEDERAL REGISTER (44 FR 2004).

DATES: Public hearings will be held on February 7, 1979, and if required, on February 8, 1979, in Boston, Massachusetts; February 14, 1979, and if required, February 15, 1979 in Salt Lake City, Utah; February 21, 1979, and if required, February 22, 1979 in Tampa, Florida; and March 1, 1979, and if required, March 2, 1979 in Lexington, Kentucky. All hearings will begin at 9:30 a.m. Written comments on existing facilities are due by March 26, 1979, 4:30 p.m. and on new facilities by March 2, 1979, 4:30 p.m. Requests to speak are due by 4:30 p.m. on the following dates: February 5, 1979 for the Boston hearing; February 7, 1979 for the Salt Lake City hearing; February 14, 1979 for the Tampa hearing and February 21, 1979 for the Lexington hearing.

ADDRESSES: Send all written comments to: Department of Energy, Public Hearing Management, Room 2313, 2000 M Street, N.W., Washington, D.C. 20461, Docket No. ERA-R-78-19. Where possible, comments on separate issues should be clearly identified to allow efficient review and consideration.

City	Hearing Date	Location	Requests To Speak
Boston, Mass.	Feb. 7	Shawmut Bank Bldg., Conf. Rm. 8th Fl., 1 Federal Street, Boston, Mass.	Dept. of Energy, 150 Causeway Street, Room 700, Boston, Mass. (617) 223-5257
Salt Lake City, Utah	Feb. 14	Salt Palace, 100 S.W. Temple, Room 128, Salt Lake City, Utah.	Dept. of Energy, 1075 S. Yonkon Street, P.O. Box 26247, Belmar Branch, Lakewood, Colorado, (303) 234-2420
Tampa, Fla.	Feb. 21	Sheraton Tampa Motor Hotel, Ballroom, 500 E. Cass Street, Tampa, Fla.	Dept. of Energy, 1655 Peachtree, St. N., Atlanta, Ga. (404) 257-2051
Lexington, Ky.	Mar. 1	Hyatt Regency, Washington Room, 400 W. Pine Street, Lexington, Kentucky.	Dept. of Energy, 1655 Peachtree, St. N., Atlanta, Ga. (404) 257-2051

FOR FURTHER INFORMATION CONTACT:

William L. Webb (Office of Public Information), Economic Regulatory Administration, Department of Energy, Room B-110, 2000 M Street, N.W., Washington, D. C. 20461, (202) 634-2170.

John L. Gurney (Regulations and Emergency Planning), Economic Regulatory Administration, Department of Energy, Room 2130, 2000 M Street, N.W., Washington, D. C. 20462, (202) 632-6690.

Robert Davies (Fuels Regulation-Program Office), Economic Regulatory Administration, Department of Energy, Room 7202, 2000 M Street, N.W., Washington, D. C. 20261, (202) 254-3910.

James H. Heffernan (Office of Gen-

eral Counsel), Department of Energy, Room 6144, 12th & Pennsylvania Avenue, N.W., Washington, D. C. 20461, (202) 633-9296.

SUPPLEMENTARY INFORMATION: On November 9, 1978, FUA issued proposed rules for implementation of FUA pertaining to new facilities (November 17, 1978, 43 FR 53974). Concurrently with this Notice ERA is issuing proposed rules for implementation of FUA pertaining to existing facilities. Because of the interrelationship and similarity of the two subjects, ERA has decided to hold one group of public hearings for both new and existing facilities.

FUA prohibits or restricts the use of petroleum and natural gas by existing electric powerplants and allows ERA to issue rules and orders prohibiting or restricting the use of petroleum and

natural gas by certain existing electric powerplants and major fuel burning installations. The proposed rules establish procedures and criteria by which users may petition for exemption from the prohibitions of the Act. The rules also establish a requirement for a Fuels Decision Report which must be submitted as part of any petition for exemption.

PUBLIC HEARINGS:

1. Procedure for Request to Make Oral Presentation.

The times and places for the hearings are indicated in the "Dates" and "Addresses" sections of this Notice. If necessary to present all testimony, a hearing will be continued to 9:30 a.m. of the next business day following the first day of the hearing.

Interested persons who would like to participate in any hearing should contact the appropriate Regional Office of DOE as listed above in the "ADDRESSES" section of this Notice. A request to participate in any hearing shall be in writing and signed by the person making the request. Please provide a phone number where we may contact you through the day before the hearing.

Participants should bring 50 copies of their testimony and each exhibit to be presented to ERA with them on the day of the hearing. We will notify each person selected to be heard before 4:30 p.m., February 6, 1979 for the Boston hearing; February 12, 1979 for the Salt Lake City hearing; February 14, 1979 for the Tampa hearing; and February 23, 1979 for the Lexington hearing.

2. Conduct of the Hearings. We reserve the right to select the persons to be heard at the hearings, to schedule their respective presentations, and to establish the procedures governing the conduct of the hearings. The length of each presentation may be limited, based on the number of persons requesting to be heard.

An ERA official will be designated to preside at each of the hearings. These will not be judicial-type hearings. Questions may be asked only by those conducting the hearing. At the conclusion of all initial oral statements, each person who has made an oral statement will be given the opportunity to make a rebuttal statement. The rebuttal statements will be given in the order in which the initial statements were made and will be subject to time limitations.

You may submit questions to be asked of any person making a statement at either of the hearings to the addresses indicated above for requests to speak before 4:30 p.m. of the day before the hearing. If you wish to have a question asked at a hearing, you may submit the question, in writing to the presiding officer. The ERA

or, if the question is submitted at a hearing, the presiding officer will determine whether the question is relevant, and whether the time limitations permit it to be presented for answer. The question will be asked of the witness by the presiding officer.

Any further procedural rules needed for the proper conduct of a hearing will be announced by the presiding officer.

Transcripts of the hearings will be made and the entire record of each of the hearings, including the transcripts, will be retained by the ERA and made available for inspection at the DOE Freedom of Information Office, Room GA-152, James Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C., between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday. You may purchase a copy of the transcript of a hearing from the reporter.

(Department of Energy Organization Act, Pub. L. 95-91); Powerplant and Industrial Fuel Use Act, Pub. L. 95-620)

Issued in Washington, D.C., January 23, 1979.

HAZEL R. ROLLINS,
Deputy Administrator,
Economic Regulatory Administration.

[FR Doc. 79-2855 Filed 1-24-79; 10:21 am]

[6450-01-M]

[10 CFR Parts 500, 501, 502, 503, 504, 505, 506 and 507]

[Docket No. ERA-R-78-19]

POWERPLANT AND INDUSTRIAL FUEL USE ACT (EXISTING FACILITIES)

Proposed Implementation Rules

AGENCY: Economic Regulatory Administration, Department of Energy.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Economic Regulatory Administration (ERA) of the Department of Energy (DOE) is proposing rules to implement certain provisions of the Powerplant and Industrial Fuel Use Act of 1978 (FUA) which prohibit or restrict the use of petroleum and natural gas by certain existing electric powerplants and allows ERA to issue rules and orders prohibiting or restricting the use of petroleum and natural gas by certain existing electric powerplants and major fuel burning installations. FUA will become generally effective on May 8, 1979, one hundred and eighty days after the date of enactment, but DOE may adopt regulations to implement FUA at any time. These proposed rules establish procedures and criteria by which ERA will issue rules and orders prohibiting or

restricting the use of petroleum and natural gas, and by which users may petition for exemption from the prohibitions of the Act and from prohibitory rules and orders issued by ERA. Further, these proposed rules solicit additional comment on certain issues, and amend certain rules contained in the Notice of Proposed Rulemaking published in the FEDERAL REGISTER on November 17, 1978 (43 FR 53974).

DATES: Comments by March 26, 1979, 4:30 p.m.; Hearing dates: To be announced.

ADDRESSES: All comments to: Public Hearing Management, Docket No. ERA-R-78-19 Department of Energy, Room 2313, 2000 M Street, N.W., Washington, D.C. 20461. Hearing locations: To be announced.

FOR FURTHER INFORMATION CONTACT:

William L. Webb (Office of Public Information), Economic Regulatory Administration, Department of Energy, Room B-110, 2000 M Street NW., Washington, D.C. 20461, 202-634-2170.

Stephen M. Stern (Regulations and Emergency Planning), Economic Regulatory Administration, Department of Energy, Room 2130, 2000 M Street NW., Washington, D.C. 20461, 202-632-6621.

Robert Davies (Fuels Regulation—Program Office), Economic Regulatory Administration, Department of Energy, Room 7202, 2000 M Street NW., Washington, D.C. 20461, 202-254-3910.

James Heffernan (Office of General Counsel), Department of Energy, Room 6144, 12th and Pennsylvania Avenue NW., Washington, D.C. 20461, 202-633-9296.

SUPPLEMENTARY INFORMATION:

- I. Background
- II. Coverage of FUA
 - A. New Powerplants
 - B. Existing Powerplants
 - C. New Installations
 - D. Existing Installations
- III. Other Related Actions
 - A. Forms
 - B. Guidelines
 - C. Determination of Powerplant Design Capacity
- IV. Specific Comments Requested
 - A. Existing Facilities
 - 1. Use of Natural Gas by Existing Powerplants and Installations (Parts 500 and 508)
 - 2. Pre-Order Conference
 - 3. Fuels Decision Report (Part 502)
 - 4. Coverage of Prohibitions (Parts 504 & 506)
 - 5. Increased Petroleum Use in Existing Powerplants (§ 504.1)
 - 6. ERA Findings for Issuing Orders Prohibiting Use of Natural Gas and Petroleum (Parts 504 and 506)
 - 7. System Compliance Option (§ 504.4)
 - 8. Cost Calculations (Part 504 and 506)
 - (a) Capital Outlays

- (b) Capacity Factor
- B. New and Existing Facilities
 - 1. Mandatory versus Discretionary Exemptions (§ 500.1)
 - 2. Alternate Fuel Definition (§ 500.2(a)(7))
 - (a) Steam
 - (b) Petroleum Related Fuels
 - 3. Definition and Minimum Size of Units Within Aggregation (§ 500.2(a)(51) and (52))
 - 4. Internal Combustion Generating Units (§ 500.2(a)(52))
 - 5. Definition of Primary Energy Source (§ 500.2(a)(66))
 - 6. Filing Fees (§ 501.20)
 - 7. "Substantially Exceeds" Index (Parts 503, 504, 505, and 506)
 - 8. No Alternative Power Supply (§ 503.7 and 504.13)
 - 9. Fuel Classification and Reporting Requirements (Part 507)
 - (a) Restructuring of Natural Gas and Petroleum Definitions
 - (i) Natural Gas Definition
 - (ii) Petroleum Definition
 - (b) Reporting Requirements
 - C. New Facilities
 - 1. Definition of New Electric Powerplants (§ 500.2(a)(51))
 - 2. Permanent Fuel Mixtures Exemptions (§ 505.28)
 - V. Comment Procedures
 - A. Written Comments
 - B. Public Hearings

TEXT OF PROPOSED RULES

APPENDIX—FERC Notice of Proposed Rulemaking (Determination of Powerplant Design Capacity)

I. BACKGROUND

(See prior FEDERAL REGISTER Notice, 43 FR 53974, November 17, 1978)

II. COVERAGE OF FUA

The prohibitions and exemptions provided for in FUA apply to four major categories of users: new powerplants, new installations, existing powerplants, and existing installations. ERA will therefore organize its rules to include in four separate Parts all applicable rules relating to the prohibitions and exemptions for each user category. Additionally, Part 500 sets forth General Policy and Definitions; Part 501 (Administrative Procedures and Sanctions) sets forth various procedural provisions; Part 502 (Fuels Decision Report) identifies certain requirements which must be included in petitions for exemption; Part 507 (Fuel Classification and Reporting Requirements) sets forth definitions of and reporting requirements for "petroleum" and "natural gas"; and Part 508 (Special Rule for Temporary Public Interest Exemption) identifies near-term measures to encourage the use of natural gas in place of petroleum.

FUA addresses the major user categories as follows:

A. NEW POWERPLANTS (PART 503)

See Notice of Proposed Rulemaking published in the FEDERAL REGISTER November 17, 1978 (43 FR 53974).

B. EXISTING ELECTRIC POWERPLANTS (PART 504)

(1) Existing electric powerplants, which used an alternate fuel as a primary energy source at any time during calendar year 1977, may not use petroleum as a primary energy source in excess of that amount used during 1977 unless a permit to increase such use has been obtained from ERA.

(2) An existing powerplant may not use natural gas as a primary energy source unless the powerplant used natural gas as a primary energy source at any time during calendar year 1977. In such an instance, the powerplant shall not increase its proportional use of natural gas above the average yearly proportion of natural gas used during the calendar years 1974 through 1976 or during the first two years of its operation, if it began operations on or after January 1, 1974. In addition, an existing powerplant is prohibited from using natural gas as a primary energy source on or after January 1, 1990 unless a System Compliance Plan has been approved or an exemption granted by ERA.

ERA published, on January 5, 1979, (44 FR 1694) a proposed rule (Part 508) which provides for a special temporary public interest exemption to the statutory prohibitions against increased natural gas use by existing powerplants.

(3) We may also prohibit, by rule or order, an existing powerplant from using natural gas and/or petroleum as a primary energy source provided that we find that the powerplant has or had the technical capability to use an alternate fuel as a primary energy source, that it could have such capability without substantial physical modification or substantial reduction in its rated capacity, and that it is financially feasible to use an alternate fuel. In instances where we find that the use of a mixture of petroleum or natural gas and an alternate fuel as a primary energy source is technically and financially feasible, we are also authorized to prohibit a powerplant from using amounts of petroleum or natural gas in excess of the minimum percentage needed to maintain reliability of operation and fuel efficiency in such mixture.

(4) As in the case of a new powerplant, we may grant a temporary or permanent exemption from the prohibitions, whether imposed by statute, rule, or order, if you demonstrate that certain physical, economic, environmental or legal factors preclude compliance as indicated in Part 504 of these proposed rules.

C. NEW INSTALLATIONS (PART 505)

See Notice of Proposed Rulemaking published in the FEDERAL REGISTER November 17, 1978 (43 FR 53974).

D. EXISTING INSTALLATIONS (PART 506)

(1) We may prohibit, by rule or order, an existing installation from using petroleum or natural gas as a primary energy source provided that we find that the installation has or had the technical capability of using an alternate fuel as a primary energy source, that it could have such capability without substantial physical modification or substantial reduction in its rated capacity, and that it is financially feasible to use an alternate fuel. In instances where we find that the use of a mixture of petroleum or natural gas and an alternate fuel is technically and financially feasible, we are also authorized to prohibit an installation from using amounts of petroleum or natural gas in excess of the minimum percentage needed to maintain reliability of operation and fuel efficiency in such mixture.

(2) As in the case of a new installation, we may grant a temporary or permanent exemption from the prohibition, whether imposed by rule or order, if you demonstrate that certain physical, economic, environmental or legal factors preclude compliance as indicated in Part 506 of these rules.

III. OTHER RELATED ACTIONS

A. FORMS

We will publish proposed forms in the FEDERAL REGISTER and solicit public comments at a later date for new facility exemptions and requirements. We may also publish proposed forms and solicit public comments at a later date for existing facility exemptions and requirements.

B. GUIDELINES

From time to time, ERA may develop, as necessary, formal guidelines in support of regulations promulgated under FUA, and may publish them in the FEDERAL REGISTER for public review and comment.

C. DETERMINATION OF POWERPLANT DESIGN CAPACITY

Pursuant to Section 103(a)(18)(D) of the Act, the Federal Energy Regulatory Commission has issued proposed rules under which a powerplant's design capacity may be determined. These proposed rules were issued December 29, 1978 (Docket No. RM79-10).

The proposed rules establish guidelines for determining the design capacity of the four different types of generating units: steam-electric generators, combustion turbines, combined cycle units and internal combustion engines. For your convenience, a copy of the proposed rule is attached as an appendix to these proposed rules.

IV. SPECIFIC COMMENTS REQUESTED

We have issued these proposed rules to focus public attention and discussion on the provisions of FUA relating to existing facilities, and to expedite implementation of this program. In some instances, we have proposed alternatives for your consideration. In all cases, we solicit your comments on any issue before we reach a final decision on these regulations, not only on the specific issues, but on the alternate proposals we enumerate below as well.

The Notice of Proposed Rulemaking published in the FEDERAL REGISTER November 17, 1978 (43 FR 53974) relating to new facilities contained Parts 500, 501, 502, 503, and 505 of the proposed rules to implement the Powerplant and Industrial Fuel Use Act. Part 500 (Policy and Definitions), Part 501 (Administrative Procedures and Sanctions), and Part 502 (Fuels Decision Report) apply to these proposed rules as well as those published on November 17, 1978. We recommend that you review the November 17, 1978, notice concurrently with this one. This preamble addresses certain issues for existing facilities, new facilities, and both new and existing facilities.

A. EXISTING FACILITIES

1. *Use of Natural Gas by Existing Powerplants and Installations* (Parts 500 and 508). We propose to amend § 500.1 (General Policy) appearing in the FEDERAL REGISTER November 17, 1978, (43 FR 53981) to add a statement on the use of natural gas (including propane) by certain existing electric powerplants and installations.

We favor the use of renewable energy sources, coal, uranium and other alternate fuels wherever possible. To the extent that the near-term choice for certain existing facilities is limited to petroleum or natural gas, we generally prefer the use of natural gas and propane over middle distillates, kerosene-base jet fuels and imported residual fuel oils.

We propose to reflect this policy in implementing Title III and Section 401, Title IV, of the Act with respect to installations and powerplants.

We have published, on January 5, 1979, (44 FR 1694), a proposed rule (Part 508) which provides a special temporary public interest exemption to the statutory ban on increased natural gas use by existing powerplants.

Under Section 401 of the Act, we have the discretion to prohibit the use of natural gas in existing (non-MFBI) petroleum-capable boilers used for space heating. To avoid stimulating increased use of petroleum, we do not plan to prohibit the use of natural gas in these boilers.

These policies further the national strategic objective to reduce our de-

pendence on foreign oil supplies as well as encouraging more vigorous interfuel competition between oil and gas and reducing our overall level of oil imports. We will monitor the continued availability of natural gas and propane and amend these policies as changing circumstances may require.

2. *Pre-Order Conference* (§ 501.33). We will generally convene a conference pursuant to § 501.33 prior to issuance of a proposed prohibition order to an existing facility. Such a conference, which shall be convened at the discretion of ERA, would primarily for the exchange of views and information to assist ERA in determining whether a prohibition order proceeding should be initiated.

3. *Fuels Decision Report* (Part 502). We are proposing that only petitioners for exemptions from the statutory prohibitions on existing powerplants and from final prohibition orders for existing powerplants and installations be required to submit a Fuels Decision Report as part of their petition for exemption. Petitioners requesting exemptions from proposed prohibition orders would not be required to submit a Fuels Decision Report, but would be required to satisfy all applicable evidentiary requirements for the exemption requested in their written submission to ERA. The proposed regulations pertaining to the Fuels Decision Report (Part 502) appear in the FEDERAL REGISTER Notice of November 17, 1978 (43 FR 53974).

4. *Coverage of Prohibitions* (Parts 504 and 506). Parts 504 and 506, as proposed, cover statutory prohibitions against the increased use of petroleum by existing powerplants (Section 405 of the Act), prohibitions against and restrictions upon the use of natural gas by existing powerplants (Section 301 of the Act), and prohibitions against the use of petroleum or natural gas by order to existing powerplants and installations issued on a case-by-case basis (Section 303(a) of the Act). These proposed regulations do not address prohibitions applicable to categories of facilities (Section 303(b) of the Act) which may be adopted by subsequent rules.

5. *Increased Petroleum Use in Existing Powerplants* (§ 504.1). Under the authority provided in Section 405 of the Act, we propose to prohibit the increased use of petroleum in any existing powerplant which used an alternate fuel as a primary energy source during calendar year 1977, unless we grant a permit.

A permit for increased use shall not be granted unless you demonstrate all of the following: (i) the unavailability of alternate fuel (including electricity) and natural gas (including propane), (ii) certification by the Administrator of EPA, or an appropriate State

agency, that without the permission to use petroleum rather than an alternate fuel (including electricity) and natural gas (including propane) the powerplant will be unable to comply with requirements of the Clean Air Act, (iii) a good faith effort to minimize the quantity and the duration of the need for increased use of petroleum, and (iv) certification by the appropriate State regulatory authority that the increased use of petroleum by the powerplant is necessary to prevent impairment of reliability of service in your electric region (after considering the availability of power from contiguous systems, power pools and other sources).

We have also proposed that the applicant for this permit prepare a Fuels Decision Report. This Fuels Decision Report would provide a demonstration of the applicant's good faith efforts to comply with the prohibition by minimizing the quantity and duration of petroleum need through use of alternate fuels (including electricity), mixtures, conservation efforts and natural gas (including propane). We encourage EPA or the relevant State agency to review this Fuels Decision Report as part of the applicant's good faith effort to minimize petroleum use. We invite comments on this proposal.

6. *ERA Findings for Issuing Orders Prohibiting Natural Gas and Petroleum* (Parts 504 and 506). Prior to issuing a final order prohibiting a powerplant or installation from burning petroleum or natural gas as a primary energy source, we must find that: the unit is or previously was technically capable of burning an alternate fuel; the unit can burn that fuel without a substantial physical modification to, or derating of, the unit; and it is financially feasible to use an alternate fuel.

In making our technical capability finding, we propose to assume that units are capable not only of burning the fuels for which they were specifically designed, but that certain units are also technically capable of burning selected alternate fuels which were not included in the purchaser's design specifications. For example, units capable of burning natural gas are also technically capable of burning other gaseous fuels such as gas derived from coal. Similarly, units constructed as to be capable of burning petroleum are also inherently capable of burning alcohol from coal.

In assessing whether a "substantial physical modification" would occur as a result of converting to an alternate fuel, we propose to consider the conversion feasible if the unit has the requisite furnace configuration and tube spacing. Adjustments required to install pollution control equipment such as precipitators or scrubbers generally

will not be viewed as substantial modifications to the unit.

We propose that a derating of less than 25 percent of a unit's design capacity will not be considered "substantial." These proposed regulations stipulate that any reduction in useful capacity resulting from the addition of pollution control equipment to the unit will not be included in computing the level of derating. However, where alternate sources of energy are available to operate pollution control equipment required for a particular unit, ERA may consider the cost of using such alternate energy in its cost calculation.

The "financial feasibility" criteria are composed of both a unit-specific evaluation identical to the "substantially exceeds" cost calculation test and an assessment of the affected firm's capability to raise the necessary capital to finance the conversion.

7. *System Compliance Option* (§ 504.4). We are publishing the proposed rules on the System Compliance Option as a section under Part 504 of these proposed rules rather than as a separate Part 507 as stated in the FEDERAL REGISTER Notice of November 17, 1978. The System Compliance Option provides the opportunity for utilities to comply with the prohibitions contained in FUA on a system-wide basis rather than on a individual powerplant basis. We have proposed that utilities agree to implement fuel conservation measures to reduce their overall natural gas and petroleum use as a condition for approval of their system compliance plan. We particularly solicit your comments on the type of conservation measures which could be effected, their relationship to other provisions of the new national energy legislation, and on other terms and conditions which would fulfill the objectives of FUA. We also solicit information on whether the System Compliance Option is a viable mechanism for compliance, on how many utilities are likely to select this option, and on the costs, problems, and benefits associated with the acceptance of a system compliance plan.

Please note that under FUA subsection 501(b) you must submit proposed system plans to ERA before January 1, 1980.

8. *Cost Calculations* (Parts 504 and 506). The cost calculations for existing powerplants and installations are performed in much the same way as for new units. The exceptions are noted below.

(a) *Capital Outlays*. We propose that capital outlays for existing units will be calculated over the remaining useful life of the unit.

(b) *Capacity Factor*. We propose that the annual capacity factor be the average capacity factor for the last

five years of operation or the life to date of the existing unit whichever is shorter. For existing powerplants, we are considering an alternate approach which permits the petitioner to rebut this five year average annual capacity factor assumption by considering the impact of changes in the use of other existing powerplants in his electric region.

To rebut this five year average capacity factor (FYACF) assumption, you would have to demonstrate that, over the remaining useful life of the powerplant under consideration, it would operate at an average annual capacity factor significantly different from the five year average capacity factor. Your projected average annual capacity factor for this powerplant would have to exceed or fall short of FYACF by at least ten (10) percent to constitute a significant difference. You would have to calculate the annual capacity factor for the powerplant under consideration on the basis that the powerplant would be economically dispatched with all other powerplants in your electric region, as if that electric region were one large utility.

We are also considering evaluating the economic dispatch on an area larger than the electric region. The electric regions proposed by ERA were designated in the regulations published on November 17, 1978, governing new facilities (43 FR 53987).

We invite your comments on the administrative and the technical feasibility of, as well as necessity for, this alternate approach. Comments on other alternative approaches which would address the impact of altered dispatch ordering on the cost of the existing powerplant under consideration are encouraged. We also invite comment on whether the average annual capacity factor for the powerplant under consideration should be a simple average of the yearly annual capacity factors or an average weighted by the annual discount factors used to compute cost.

You should note that electricity is defined by FUA as an "alternate fuel" and should be taken into account in your evaluation.

B. NEW AND EXISTING FACILITIES

1. *Mandatory Versus Discretionary Exemptions* (§500.1). We propose to amend §500.1 (General Policy) appearing in the FEDERAL REGISTER November 17, 1978, (43 FR 53974) to clarify the difference between mandatory and discretionary exemptions. A list of mandatory exemptions and a list of discretionary exemptions appear in this amendment. Mandatory exemptions will be granted upon a satisfactory showing that you may have met the required evidentiary burden. We may

grant discretionary exemptions if you have met the required evidentiary burden and we have decided that granting an exemption would be consistent with the Act, with national energy policy, and in the public interest.

2. *Alternate Fuel Definition* (§500.2(a)(7)). (a) *Steam*. We are considering adding "steam" to the list of energy sources constituting alternate fuels. Alternatively, we are evaluating the merits of adding steam to the list only if the steam is derived from alternate fuels or from an approved cogenerating facility. Comments are invited.

(b) *Petroleum Related Resources*. We are considering whether indigenous, petroleum-related resources which would otherwise remain unexploited should be classified as "alternate fuels" as a means of increasing our national energy supplies. In this regard, the National Petroleum Refiners Association (NPRA) has recommended that oil from heavy oil sands and tar sands be designated an alternate fuel. Similarly, the California Energy Commission has suggested classifying extremely low-gravity crude oil as an alternate fuel. We request comments on (i) whether ERA should classify these crude oils as an alternate fuel only where they could not otherwise be produced; (ii) if so, how this could be determined; (iii) if we should consider API gravity as a relevant factor, what would be an appropriate cutoff for the measure of gravity and whether we should consider other specifications besides gravity; (iv) how should we make allowances for low-gravity crude oil which is produced or transported with other lighter crudes; (v) whether the Act permits general designation of these petroleum related fuels as "alternate fuels" or whether we must evaluate each fuel at individual locations under the "commercially unmarketable" and other provisions of the "petroleum" definition (Part 507).

Alternatively, we could define these petroleum related fuels as "petroleum", but provide special treatment for mixtures of alternate fuel with these petroleum related fuels. Sections 212(d) and 312(d) of the Act provide for permanent exemptions for mixtures containing alternate fuels and less than a certain percentage of petroleum. In order to encourage the use of heavy oil sands, tar sands and extremely low gravity crude oil, we could approve mixtures containing alternate fuels and at least ninety percent (90 percent) heavy oil sands, tar sands or extremely low gravity crude oils. We request comments on the technical merits and likely impact of this proposal and what mixture percentage should be specified for heavy oil sands, tar sands and extremely low gravity

crude oils in powerplants and installations.

3. *Definition and Minimum Size of Units within Aggregation* (§500.2(a)(51) and (52)). Section 103(a)(7)(A) and 103(a)(10)(A) of FUA define electric powerplants and major fuel-burning installations in terms of a single unit which by design is capable of a fuel heat input rate of 100 million Btu's per hour or greater, or in terms of two or more units located at the same site which in the aggregate are by design capable of a fuel heat input rate of 250 million Btu's per hour or greater.

In applying the prohibitions and exemptions under FUA, the emphasis is on the unit. However, for purposes of aggregating units at the same site to determine whether such units are subject to the provisions of the Act, FUA employs a site test. There may be several units at a site which individually are under the 100 million Btu's per hour threshold, but when considered together meet the site aggregation test of 250 million Btu's per hour. Each of the units contributing to the aggregation would then be subject to the pertinent provisions of the Act.

Thus, for example, where each of the existing units at a site are smaller than 100 million Btu's per hour and when aggregated do not equal or exceed 250 million Btu's per hour, the units would not be subject to FUA at that time. If a new unit is constructed or acquired at such site and the contribution of the new unit causes the aggregation threshold to be reached, all of the units contributing to the aggregation would then be subject to the Act.

In instances where all units at the same site are new units (for purposes of FUA, all units for which construction or acquisition began on or after April 20, 1977 are presumed to be new) and are not individually large enough to meet the 100 million Btu's per hour test, such units may become subject to the provisions of FUA pertaining to new units whenever they collectively reach the 250 million Btu's per hour threshold.

As a result of this threshold having been reached, all these new units would either have to be retrofitted or cease operation unless the prohibitions of the Act could be complied with.

For purposes of aggregation, DOE earlier proposed to exclude any unit with a design capacity to consume any fuel, less than 50 million Btu's per hour. ERA is withdrawing this earlier proposed aggregation minimum because of subsequent information indicating that units smaller than 50 million Btu's per hour in capacity can be constructed or modified to utilize an alternate fuel in a technically and fi-

nancially feasible manner. ERA invites comment covering whether a lower aggregation cut-off should be specified or, in the alternative, whether an unreasonable standard should be employed for purposes of aggregation on a case-by-case basis.

To determine whether units are at the same site for purposes of aggregation, we propose that units which are located within 10 miles of each other, and are owned, operated or controlled by a single firm are presumed to be located at the same site. Furthermore, units located within ten miles of each other and providing output to more than one company are presumed to be located at the same site.

We specifically solicit comments on the above proposals, particularly with respect to the petroleum and natural gas savings which would result and the statutory language and legislative history of FUA.

4. *Internal Combustion Generating Units* (§ 500.2(a)(52)). Section 103(a) of FUA defines the term electric powerplant as "any stationary electric generating unit, consisting of a boiler, a gas turbine, or a combined cycle unit, which produces electric power for purposes of sale or exchange (emphasis added) * * *". Under Section 103(a) of FUA, the term MFBI is defined as a "stationary unit consisting of a boiler, gas turbine unit, combined cycle unit, or internal combustion engine (emphasis added) * * * (which does) not include any electric powerplant."

In the proposed rules on new facilities published on November 17, 1978, § 500.2 (a), we propose to define a major fuel burning installation (MFBI) as a "stationary unit consisting of a boiler, combustion turbine unit, combined cycle unit, or internal combustion engine, including an internal combustion engine used for generation of electricity * * *".

That regulatory definition was proposed to correct the omission of an internal combustion engine from the statutory definition of an electric powerplant. ERA believes this omission was inadvertent. There does not appear to be any legislative history to explain that omission. ERA believes that the fact of production of electric power for sale or exchange is the controlling factor in the definition of this category of unit, rather than the fact that the term "internal combustion engine" was omitted in the statutory definition of an electric powerplant.

ERA is now considering three alternatives. First, ERA is considering retaining the November 17, 1978 proposal. Second, ERA is considering an alternate definition of electric powerplant which would include an internal combustion engine. For purposes of this alternative, the phrase "a unit which produces electric power for the

purpose of sale or exchange" would be given considerable weight, and the phrase "consisting of a boiler, gas turbine, or a combined cycle unit", would be regarded as simply illustrative of the types of units which can produce electricity for sale or exchange and not as an exhaustive list of the possible types of such units. The third alternative is for ERA to withdraw the November 17, 1978 proposal and not to define such internal combustion engines as either powerplants or MFBI's but, instead, to rely on legislative clarification and amendment of the statutory definition of electric powerplant so as to include the term "internal combustion engine".

We welcome comments on each of these alternatives.

5. *Definition of Primary Energy Source* (§ 500.2(a)(66)). The FEDERAL REGISTER inadvertently did not publish the correct definition of Primary Energy Source. Moreover, the Delaware Solid Waste Authority has suggested expansion of our definition of Primary Energy Source as reflected in (iii) below. We now propose the definition to read:

"Primary Energy Source" means the fuel or fuels used for normal operation by any existing or new electric powerplant or major fuel burning installation, except—

(i) Minimum amounts of fuel required for unit ignition, startup, testing, flame stabilization and control use;

(ii) Minimum amounts of fuel required to alleviate or prevent unanticipated equipment outages and emergencies directly affecting health, safety or welfare which would result from electric power outages; and

(iii) In the case of solid waste and resource recovery facilities, minimum amounts of fuel required for control use including fuels used in secondary boilers during scheduled maintenance and equipment outages.

6. *Filing Fees* (§ 501.20). The Department of Energy (DOE) has earlier proposed to require the payment of certain filing fees as a prerequisite to the submission of petitions for exemption (42 FR 53989, November 17, 1978). Under Title V of the Independent Offices Appropriation Act (IOAA) (31 U.S.C. 483(a)), collection of fees is authorized for administrative processing and review related to regulatory programs such as that established under FUA. Fees are authorized by the IOAA where an agency issues permits or exemptions to identifiable recipients. The proceeds of the fees are paid to the Treasury of the United States and cannot be used by the DOE. The IOAA authorizes collection of reasonable fees by a regulatory agency for specific administrative and processing expenses incurred by that agency in connection with receiving and reviewing petitions for permits or exemptions, where the permits or exemptions would result in direct value or

special benefit to an identifiable recipient, such as a petitioner for an exemption from the prohibitions of FUA.

7. *"Substantially Exceeds" Index* (Parts 503, 504, 505 and 506). We propose to designate a specific index as the decision point for the substantially exceeds test. The specific ratio selected as the index will probably be between 1.3 and 1.8, but a higher index may be selected. We are using an index of 1.5 in these proposed regulations for illustrative purposes. We intend to review the index periodically. We invite comments on the magnitude of the index. We further invite comments on whether the same "substantially exceeds" index should be used throughout the regulations. Should the same index be used for new and existing facilities? Should the same index be used for different types of facilities (e.g., combustion turbines, base loaded boiler powerplants)? Should the same index be used for statutory prohibitions and prohibitions by order? Should the same index be used for facilities proposing the use of natural gas as for those proposing to use petroleum? Should the same index be used for a temporary exemption as for a permanent exemption? Should the same index be used for general requirements (e.g., alternative power supply) as for exemptions?

8. *No Alternative Power Supply* (§ 503.7 and § 504.13). We are proposing to require that, as part of the demonstration that no alternative power supply exists, a utility demonstrate that the incremental amount of electricity required cannot be obtained from the existing system through improved performance of existing facilities, system conservation measures, utility assisted end use conservation measures (including reduction in demand through utility purchases of insulation for customers), and load management techniques. This treatment was suggested, in part, by the Environmental Defense Fund. We solicit comments on this proposal, and on the manner in which a utility might make such a demonstration.

In order to be consistent with the calculation of cost, we are revising the procedures to evaluate alternative supply of power through amendments to § 503.7. These amendments specify that the cost of purchased power be calculated as a total cost, not a cost per kilowatt hour as previously specified. In addition, these amendments specify that you must evaluate purchasing electricity until an alternate fuel-fired plant can be operational, as well as separately evaluating both purchasing electricity and operating an alternate fuel fired plant.

We solicit comments on whether alternative power supplies should be cal-

culated on a total cost or cost per kilowatt hour basis.

9. Fuel Classification and Reporting Requirements (Part 507). (a) Restructuring of Natural Gas and Petroleum Definitions.

In the FEDERAL REGISTER of November 17, 1978 (43 FR 53987), we defined the terms "natural gas" and "petroleum" in § 500.2(d) and (e), respectively. In this notice, we have established a separate Part 507, entitled Fuel Classification and Reporting Requirements which contains and amends these definitions. Proposed changes to these definitions are identified in (i) and (ii) below.

(i) **Natural Gas Definition.** In the proposed rules for new facilities published on November 17, 1978, we proposed to define the term "natural gas" (§ 500.2(d)) to exclude natural gas produced by the user from a well acquired by the user prior to July 18, 1977, the maximum efficient production rate (MEPR) of which is less than 250 million Btu's per day. Such gas would have been defined as an "alternate fuel". Natural gas produced from wells with a MEPR of less than 250 million Btu's per day which were acquired on or after July 18, 1977, would be defined as "natural gas" rather than as an alternate fuel. The purpose of the proposed definition was to preclude users from escaping the statutory prohibitions on natural gas use simply by purchasing wells which meet the MEPR criteria. We also stated in the preamble that we were evaluating the merit of limiting the amount of natural gas burned from such wells acquired prior to July 18, 1977.

After reviewing the legislative history, we have decided to replace these definitions. We now propose to place no restrictions upon the acquisition of these wells or upon the use by producers of natural gas produced therefrom. We do propose, however, to institute an annual reporting requirement of consumption by large utility users of natural gas produced from these wells, under our authority pursuant to Section 711.

In calculating the MEPR of a well, consistent with Section 103(a)(3)(B)(ii) of FUA, we also propose to include the Btu value of any crude oil, gas condensate, and natural gas liquids which may be produced from the well, in addition to the Btu value of the natural gas.

We have also included occluded methane in coal seams in the definition of unmarketable gas, as proposed by the Governor of West Virginia. We ask comments on this proposal as well as on other types of natural gas substitutes which might be included.

(ii) **Petroleum Definition.** The National Petroleum Refiners Association (NPRA) has suggested that all waste

gases, liquids, and solids from refinery or other industrial operations be categorized as "commercially unmarketable" because consumption within the refinery or petrochemical site constitutes the most efficient disposition of these energy sources. Comments are requested on this proposal as well as on the specific definitions proposed in § 507.2(b).

(b) **Reporting Requirements.** We have proposed that users of fuels deemed not to be natural gas and petroleum as defined in Part 507 need only annually report to ERA that they are using such fuels and provide certain information. Since no subsequent certification by ERA would be required, this approach would reduce the administrative burden upon both users and the Government.

We ask comments on whether ERA should reserve the authority to determine at a later date that such fuels should not be excluded from the definitions of natural gas or petroleum, based on the evidence submitted by users. Alternatively, ERA could require users to advertise for a specified period of time the availability of such fuels for potential purchase (by users, natural gas pipelines, and distribution companies). If potential purchasers stated a willingness to purchase such fuels, ERA would then determine that they should not be excluded from the definitions of natural gas or petroleum under the Act. In this regard, should we prescribe appropriate procedures in our regulations setting forth a fixed period for users to advertise the availability of such fuels before it is deemed to be unmarketable? If so, should this be done through the states, the ERA the FERC, or some other mechanism?

d. **New Facilities** (Published on November 17, 1978, (43 FR 53974). 1. **Definition of New Electric Powerplant** (§ 500.2(a)(51)(ii)(B)). We propose additional criteria to determine the point at which a previously "existing powerplant" may be designated "new". We feel the addition is necessary to prevent conversion of existing plants (e.g., combustion turbines to combined cycles) which would result in increased petroleum consumption. We propose to accomplish this by revising Section 500.2(a)(51)(ii)(B) to read "(B) which, on a cumulative basis since April 20, 1977, has been reconstructed or refurbished or added to, to the extent that the cost of such reconstruction, refurbishment, or addition equals or exceeds 50 percent of the price of a replacement unit, on a cumulative basis after November 9, 1978, or which changes the thermal cycle of the unit." We solicit comments on this proposed change.

2. **Permanent Fuels Mixtures Exemption** (§ 505.28). ERA invites additional public comments on new MFBI's

which plan to use fuel mixtures of less than 25 percent natural gas or petroleum. As written, § 505.28 would require a petitioner to present extensive documentary evidence that he could not utilize less than 25 percent petroleum or natural gas in a mixture with alternate fuels. In light of § 212(d)(2) of FUA, which states that for installations, the Secretary shall not establish a percentage use of petroleum or natural gas less than 25 percent, we invite comments on whether petitioners who propose to construct installations that will consume less than 25 percent petroleum or natural gas in a mixture should be required to comply with only the annual reporting requirement contained in proposed § 505.28(c).

VI. COMMENT PROCEDURES

A. WRITTEN COMMENTS

You are invited to participate in this Rulemaking by submitting data, views or arguments with respect to the issues set forth in this Notice. Comments should be submitted to the address indicated in the "ADDRESSES" section of this Notice and should be identified on the outside envelope and on documents submitted with the designation "Powerplant and Industrial Fuel Use Act" Docket No. ERA-R-78-19. You should submit fifteen copies. Where possible, comments on separate distinct issues should be physically separated and annotated to allow efficient review and consideration. All comments received will be available for public inspection in the DOE Reading Room, GA-152, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday. We will consider all comments received by March 2, 1979, 4:30 p.m. regarding the November 17, 1978, Notice and by March 26, 1979, 4:30 p.m. regarding specific issues raised in this Notice.

You should identify separately any information or data you consider to be confidential and file one copy of your submission with the confidential portions deleted. We reserve the right to determine the confidential status of the information or data and to treat it according to our determination.

B. PUBLIC HEARINGS

The time, date and locations for the public hearings are being announced in the FEDERAL REGISTER concurrently with these proposed rules.

A draft regulatory analysis of the proposed regulations, as contemplated by Executive Order No. 12044, was attached as an appendix to the proposed rules published in the FEDERAL REGISTER November 17, 1978 (43 FR 53974, November 17, 1978). Copies may also be obtained from the ERA, 2000 M

Street, N.W., Room B-110, Washington, D.C. 20461, (202) 634-2170. In addition, a draft Environmental Impact Statement (EIS) has been prepared pursuant to the National Environmental Policy Act (NEPA) and is available for review in Room B-110, 2000 M Street, N.W., Washington, D.C.

(Department of Energy Organization Act, Public Law 95-91; Powerplant and Industrial Fuel Use Act of 1978, Public Law 95-620; Title V of the Independent Offices Appropriation Act of 1952, 65 Stat. 290, 31 U.S.C. 483(a); Executive Order 12009, 42 FR 46267).

In consideration of the foregoing, it is proposed to make the following amendments to Title 10, Chapter II, Subchapter E of the Code of Federal Regulations as proposed on November 17, 1978, 43 FR 53974, and it is proposed to add new Parts 504, 506 and 507 to Subchapter E, as set forth below.

Issued in Washington, D.C. on January 22, 1979.

DAVID J. BARDIN,
Administrator,
Economic Regulatory
Administration.

SUBCHAPTER E—ALTERNATE FUELS

AMENDMENTS

10 CFR, Chapter II, Subchapter E, as proposed on November 17, 1978, 43 FR 53974, is amended as follows:

1. The citation of authority appearing at page 53980 of the November 17, 1978 FEDERAL REGISTER is amended to read as follows:

(Department of Energy Organization Act, Pub. L. 95-91; Powerplant and Industrial Fuel Use Act of 1978, Pub. L. 95-620; Title V of the Independent Offices Appropriation Act of 1952, 65 Stat. 290, 31 U.S.C. 483(a); Executive Order 12009, 42 FR 46267).

2. The Table of Contents to Subchapter E is amended by deleting § 500.2(d) (Natural Gas) and § 500.2(e) (Petroleum) appearing at page 53980 of the November 17, 1978 FEDERAL REGISTER.

3. The Table of Contents to Subchapter E is amended by deleting Part 507 (System Compliance) appearing at page 53981 of the November 17, 1978 FEDERAL REGISTER.

PART 500—POLICY AND DEFINITIONS

4. Section 500.1 (General policy) appearing at page 53981 of the November 17, 1978 FEDERAL REGISTER is amended by adding new paragraphs (m) and (n) to read as follows:

§ 500.1 General policy.

(m) *Mandatory and discretionary exemptions.* (1) The following manda-

tory exemptions will be granted upon a satisfactory showing that the petitioner has met the required evidentiary burden:

(i) *Temporary exemptions for existing units.* (A) Lack of alternate fuel supply;

- (B) Site limitations;
- (C) Environmental requirements;
- (D) Use of synthetic fuels;
- (E) Use of innovative technologies;
- (F) Units to be retired;
- (G) Peakload powerplants; and
- (H) Reliability of service.

(ii) *Temporary exemptions for new units.* (A) Lack of alternate fuel supply;

- (B) Site limitations;
- (C) Environmental requirements; and
- (D) Use of synthetic fuels.

(iii) *Permanent exemptions for existing units.* (A) Lack of alternate fuel supply;

- (B) Site limitations;
- (C) Environmental requirements;
- (D) Fuel mixtures;
- (E) Emergency purposes;
- (F) Peakload powerplants;
- (G) Powerplants with design capacity of less than 250 million Btu's;
- (H) Use of LNG;
- (I) Installations served by certain international pipelines; and
- (J) Product or process requirements.

(iv) *Permanent exemptions for new units.* (A) Lack of alternate fuel supply;

- (B) Site limitations;
- (C) Environmental requirements;
- (D) Fuel mixtures;
- (E) Emergency purposes;
- (F) Peakload powerplants;
- (G) Product or process requirements; and
- (H) Lack of adequate capital.

(2) The exemptions listed below are discretionary and ERA may grant such exemptions if the petitioner meets the required evidentiary burden and ERA decides that it would be consistent with the Act, with national energy policy, and in the public interest to do so.

(i) *Temporary exemptions for existing units.* (A) Public interest.

(ii) *Temporary exemptions for new units.* (A) Public interest; and

(B) Use of petroleum by installation with design capacities of less than 300 million Btu's.

(iii) *Permanent exemption for existing units.* (A) State or local requirements;

- (B) Cogeneration;
- (C) Intermediate load powerplants; and
- (D) Scheduled equipment outages.

(iv) *Permanent exemptions for new units.* (A) State or local requirements;

- (B) Cogeneration;
- (C) Reliability of service powerplants;

(D) Intermediate load powerplants; and

(E) Scheduled equipment outages.

(n) *Use of natural gas by existing powerplants and installations.* National energy policy favors the use of renewable energy sources, coal, uranium and other alternate fuels wherever possible. To the extent that the near-term choice for certain existing facilities is limited to petroleum or natural gas, we generally prefer the use of natural gas and propane over middle distillates, kerosene-base jet fuels and imported residual fuel oils. This policy furthers our national strategic objective to reduce our dependence on foreign oil supplies as well as encouraging more vigorous interfuel competition between oil and gas and reducing our overall level of oil imports. We will reflect this policy in implementing Title III and Title IV of the Act. Specifically, under Section 401 of the Act, we have the discretion to prohibit the use of natural gas in existing (non-MFBI) petroleum-capable boilers used for space heating. In order to avoid stimulating increased use of petroleum, we do not plan to prohibit the use of natural gas in these boilers.

PART 501—ADMINISTRATIVE PROCEDURES AND SANCTIONS

[See 43 FR 53988, November 17, 1978]

PART 502—FUELS DECISION REPORT

[See 43 FR 54001, November 17, 1978]

PART 503—NEW ELECTRIC POWERPLANTS

5. Section 503.7 (No alternative power supply—permanent exemptions) appearing at page 54022 of the November 17, 1978 FEDERAL REGISTER is amended to read as follows:

§ 503.7 No alternative power supply—permanent exemptions.

(a) *Application.* Section 212 of the Act provides for a permanent exemption for lack of alternate fuel supply, site limitations, environmental requirements, inability to obtain adequate capital, State or local requirements, fuel mixtures, emergency purposes, reliability of service, or intermediate load. To qualify for one of these exemptions, you must demonstrate to the satisfaction of ERA that, despite diligent good faith efforts, there is no alternative supply of electric power which is available within a reasonable distance at a reasonable cost without impairing short-run or long-run reliability of service which you could obtain. ERA assumes that you will be unable to demonstrate that there is no alternative supply of electric power if the expected date of plant operation is more than 10 years from the date you apply for an exemption. For proposed

plants expected to be operational within 10 years from the date you submit your petition, you must demonstrate to the satisfaction of ERA all of the following.

(1) You cannot purchase electricity from another utility at a cost which does not substantially exceed the cost of your proposed plant using imported petroleum. You may include transmission costs to your service area in your cost calculation. ERA will consider any source of electricity which does not substantially exceed the cost of your proposed plant using imported petroleum to be within a reasonable distance and at a reasonable cost. For this subpart the cost index will be the same as that used in the cost calculation. (§ 503.5).

(2) You cannot construct and operate an alternate fuel fired plant either within or outside your service area at a cost which does not substantially exceed the cost of using imported petroleum. See § 503.5 for instructions on calculations of cost. You may include transmission costs for power delivery to your service area.

(3) You cannot purchase electricity and construct and operate an alternate fuel fired plant at a cost which does not substantially exceed the cost of your proposed plant using imported petroleum. ERA will consider any combination of purchased electricity and an alternate fuel fired plant that costs less than (1.5) times the cost of your proposed plant using imported petroleum to be at a reasonable cost. For this subpart the cost index will be the same as that used in the cost calculation. (§ 503.5).

(4) You cannot meet load requirements with existing facilities by improving the performance of existing facilities, employing system conservation measures, assisting end use customers to conserve electricity, and implementing load management techniques.

(b) *Evidence.* You must include in your Fuels Decision Report the following substantial evidence to corroborate the above requirements:

(1) A detailed description of your methodology to calculate the cost for purchased electricity and the cost for your proposed plant as required in paragraph (a)(1) of this section;

(2) A detailed description of your methodology to calculate the cost for purchased electricity and an alternate fuel fired plant, and your proposed plant as required in paragraph (a)(3) of this section;

(3) Identification and explanation of all figures used in your calculation supporting paragraphs (a)(1) and (a)(3) of this section;

(4) A description of your efforts to purchase electricity;

(5) All data required by § 503.5 (cost calculation) supporting paragraph (a)(2) of this section;

(6) A detailed description of each of the methods your considered as required by paragraph (a)(4) of this section together with an estimate of the cost of implementing each of the methods; and

(7) An estimate of the kilowatt hour savings or additional kilowatt hour potential, as applicable, for each of the methods you considered as required by paragraph (a)(4) of this section.

10 CFR, Chapter II, Subchapter E, as proposed on November 17, 1978, 43 FR 53974, is amended by adding Parts 504, 506 and 507 to read as follows:

PART 504—EXISTING ELECTRIC POWERPLANTS

Subpart A—Restriction on the Use of Petroleum

Sec.

504.1 Prohibition against the increased use of petroleum.

Subpart B—Prohibitions and Systems Compliance Option

504.2 Purpose and scope.

504.3 Statutory prohibitions.

504.4 Electric utility system compliance option.

504.5 Prohibitions by order (case-by-case).

Subpart C—General Requirements for Exemptions

504.10 Purpose and scope.

504.11 Fuels Decision Report.

504.12 Cost calculation for existing powerplants.

504.13 No alternative power supply—general requirement for permanent exemptions.

504.14 Use of mixtures—general requirement for temporary exemptions.

504.15 Use of mixtures—general requirement for permanent exemptions.

504.16 Use of fluidized bed combustion not feasible—general requirement for permanent exemptions.

504.17 Terms and conditions; compliance plans.

Subpart D—Temporary Exemptions for Existing Electric Powerplants

504.20 Purpose and scope.

504.21 Lack of alternate fuel supply.

504.22 Site limitations.

504.23 Inability to comply with applicable environmental requirements.

504.24 Future use of synthetic fuels.

504.25 Use of innovative technologies.

504.26 Powerplants: public interest exemption.

504.27 Retirement.

504.28 Temporary exemption for powerplants necessary to maintain reliability of service.

504.29 Peakload powerplants.

Subpart E—Permanent Exemptions for Existing Electric Powerplants

504.30 Purpose and scope.

504.31 Lack of alternate fuel supply.

504.32 Site limitations.

Sec.

504.33 Inability to comply with applicable environmental requirements.

504.34 State or local requirements.

504.35 Cogeneration.

504.36 Permanent exemption for certain fuel mixtures containing natural gas or petroleum.

504.37 Emergency purposes.

504.38 Peakload powerplants.

504.39 Intermediate load powerplants.

504.40 Use of natural gas by powerplant with capacity of less than 250 million Btu's per hour.

504.41 Use of liquid natural gas.

AUTHORITY: Department of Energy Organization Act, Pub. L. 95-91; Powerplant and Industrial Fuel Use Act of 1978, Pub. L. 95-620; Title V of the Independent Offices Appropriation Act of 1952, 65 Stat. 290, 31 U.S.C. 483(a); Executive Order 12009, 42 FR 46267.

Subpart A—Restriction on the Use of Petroleum

§ 504.1 Prohibition against the increased use of petroleum.

(a) Pursuant to section 405 of the Act, ERA hereby prohibits any existing electric powerplant, which during calendar year 1977 used an alternate fuel as a primary energy source, from using petroleum as a primary energy source in excess of the quantities of petroleum used in the powerplant as a primary energy source during that year unless ERA issues a permit authorizing the increased use of petroleum.

(b) *Eligibility.* ERA shall not issue the permit unless you demonstrate to the satisfaction of ERA all of the following:

(1) You made a good faith effort to obtain an alternate fuel (including electricity) and natural gas;

(2) You made a good faith effort to minimize the quantity and duration of need for increased petroleum as reflected in a Fuels Decision Report;

(3) You supplied a copy of your Fuels Decision Report for review by the Administrator of the Environmental Protection Agency or the appropriate State air pollution control agency;

(4) The Administrator of the Environmental Protection Agency or the appropriate State air pollution control agency certifies to the ERA: you cannot comply with the requirements of the Clean Air Act, including any applicable implementation plan, as defined in 110(d) of the Clean Air Act, without permission to use petroleum rather than an alternate fuel (including electricity) and natural gas (including propane); and

(5) The appropriate State regulatory authority has certified to ERA that the increased use of petroleum by the powerplant is necessary to prevent impairment of reliability of service in your electric region.

(c) *Evidence.* To submit an adequate application to ERA for a permit to in-

crease use of petroleum you must submit a Fuels Decision Report as specified in Part 502 of these regulations. You must include in your Fuels Decision Report evidence that you sought the full range of alternate fuels (including alternate source of power) and natural gas (including propane) which could alleviate conditions in paragraphs (b)(4) and (5) of this section. You also must include in your Fuels Decision Report evidence that you sought to minimize the quantity and duration of increased petroleum use and Certificates from the Administrator of EPA, or the appropriate State air pollution control agency, and the appropriate State regulatory authority as specified in paragraphs (b)(4) and (5) of this section.

(d) ERA shall issue the permit only for the quantity and duration it determines necessary under paragraphs (b)(1), (2), (4), or (5) of this section for the increased use of petroleum.

Subpart B—Prohibitions and Systems Compliance Option

§ 504.2 Purpose and scope.

(a) *Purpose.* This subpart sets forth the statutory prohibitions imposed on existing electric powerplants by the Act and establishes the procedures ERA intends to employ in administering and implementing its authority to prohibit electric powerplants from using petroleum and natural gas. Also set out in this part are the procedures applicable to the systems compliance option.

(b) *Scope.* This subpart applies to all existing electric powerplants. Any person who has any ownership or interest in, or who operates, rents, or leases a powerplant, is subject to the prohibitions of the Act and the penalties as specified by the Act.

§ 504.3 Statutory prohibitions.

(a) Section 301(a)(1) of the Act prohibits the use of natural gas as a primary energy source by any existing electric powerplant on or after January 1, 1990, unless, and to the extent that, the powerplant is granted either a temporary or permanent exemption under this Part of a Systems Compliance Option has been approved.

(b) Section 301(a)(2) of the Act prohibits the use of natural gas as a primary energy source in any existing electric powerplant before January 1, 1990, unless it used natural gas as a primary energy source anytime during calendar year 1977, or unless, and to the extent that, the powerplant is granted either a temporary or permanent exemption under subpart D or E of this part.

(c) Section 301(a)(3) of the Act prohibits the use of natural gas as a primary energy source in any existing

electric powerplant, in any calendar year before 1990, in greater proportions than the average yearly proportion of natural gas which:

(1) The powerplant used as a primary energy source in calendar year 1974 through 1976; or

(2) If the powerplant began operations on or after January 1, 1974, the powerplant used as a primary energy source during the first two calendar years of its operation.

(d) Any prohibition against your use of natural gas on or after January 1, 1990 will be stayed while any petition you have filed for an exemption is resolved. The stay will include the time required for judicial review. Your petition for exemption may be filed at any time after May 8, 1979, the effective date of FUA, but it must be filed at least one year before the date the prohibition is first to take effect.

§ 504.4 Electric utility system compliance option.

(a) *General.* Section 501 of the Act provides for an electric utility system compliance option. You will be considered in compliance with any prohibition on existing powerplants relating to the use of natural gas if ERA has approved a system compliance plan for you. No exemption, except an emergency exemption, for use of natural gas will be available for those plants covered by an approved plan.

(b) *Requirements for Approval.* To qualify you must provide the information requested and demonstrate to the satisfaction of ERA your commitment to the terms listed below. Your proposed plan must be submitted before January 1, 1980 and include the following:

(1) Identification of all powerplants owned or operated by you that would or could be subject to prohibitions under Title III (Existing Facilities) relating to the use of natural gas if a plan for you were not approved;

(2) Identification of those plants covered in paragraph (b)(1) of this section that you feel would be entitled to an exemption if a plan were not approved;

(3) A commitment that if a plan is approved you shall not use natural gas or petroleum as a primary energy source in a new baseload powerplant;

(4) A commitment that if a plan is approved you will not use natural gas on and after January 1, 1990 in excess of (i) 20 percent of your base period usage of natural gas adjusted for emergency or peakload purposes if applicable, or, if lower; (ii) your minimum peakload requirement;

(5) A commitment that if a plan is approved, on or after January 1, 1990 you will not use natural gas in peakload or intermediate load plants identified in paragraph (b)(2) of this sec-

tion unless it is necessary to prevent impairment of reliability of service;

(6) A commitment that on and after January 1, 2000 you will not use natural gas as a primary energy source unless ERA grants you a temporary extension;

(7) A commitment that upon approval of the system compliance plan you will obtain natural gas used by your system only under the provisions of a contract (i) which you executed prior to November 9, 1978, other than under an extension or renewal of the contract on or after November 9, 1978, or (ii) which you executed prior to November 9, 1978, or an extension or renewal on or after November 9, 1978 but, only if the contract extension or renewal has been approved by ERA;

(8) A 10 year forecast, to be annually revised and extended, which provides support for a conclusion by ERA that the commitments in your system compliance plan will be met. The forecast should include demand for electricity, construction plans and a financial plan.

(9) A plan for use of fuel conservation measures that will minimize your natural gas and petroleum consumption.

(c) *Calculations of 1990 natural gas volumes for § 504.4 (b)(4)(i).* For purposes of this section volumes of natural gas are the sum of the following:

(1) 20 percent of the natural gas used in calendar year 1976 by your powerplants that were placed in service on or before January 1, 1976;

(2) 10 percent of the natural gas used in the first 24 months of service by your powerplants which were placed in service after January 1, 1976 and before May 8, 1979;

(3) Natural gas volumes for emergency purposes consistent with § 504.37 of these regulations if approved by ERA; and

(4) Natural gas volumes for peakload purposes consistent with § 504.38 of these regulations if approved by ERA; and

(5) Natural gas volumes, if approved by ERA, required (i) because of delays which occurred, despite diligent good faith efforts in the construction of powerplants which will use a primary energy source other than natural gas, or (ii) because without increased volumes reliability of service would be impaired.

(d) *Calculation of minimum peakload requirements for § 504.4(b)(4)(ii).* For purposes of this section the minimum peakload requirement is the volume of natural gas required to generate 17.1 percent of the total electricity by your company in 1990.

(e) *Fuel Conservation Measures for § 504.4(b)(9).* Fuel conservation measures include any activity, service, or investment that would result in lower

consumption of natural gas and petroleum as primary energy sources. Such measures include:

(1) End-use conservation measures, which conserve electric energy generated with natural gas and petroleum by reducing the load to be served;

(2) Load management measures, which shape the load so that it may be served by other generation facilities which use less natural gas and petroleum or which use natural gas and petroleum more efficiently. Load management measures include, but are not limited to, time-of-use rates and direct control of customer loads; and

(3) Generation efficiency measures, which conserve natural gas and petroleum by increasing the efficiency of the generation process.

(f) *Temporary extension.* ERA may grant a five-year extension with respect to the use of natural gas if you demonstrate that such gas is needed for:

(1) Emergency purposes consistent with § 504.37 of these regulations, or

(2) Peakload purposes consistent with § 504.38 of these regulations.

(g) *Evidence.* To submit an adequate plan for review by ERA you must include in your plan substantial evidence to corroborate the requirements in § 504.4(b) of this section. Evidence shall include the following:

(1) Identification of your affected powerplants;

(2) Ten-year forecasts of your electric demand, construction plans, and financial plans with sufficient detail to conclude that the commitments in your plan will be carried out;

(3) A schedule for an orderly progression to meet the 1995 and 2000 commitments; and

(4) A description of contracts with appropriate state regulatory authorities regarding the commitments contained in your plan.

(5) A description of the fuel conservation measures planned or of such alternative measures as may be indicated, including:

(i) The amount of natural gas and petroleum likely to be consumed;

(ii) The specific end-loads to be served by the system; and

(iii) A description of the proposed fuel conservation measures including their practicability, effectiveness, cost, anticipated savings, and implementation steps.

(h) *Reporting.* You must annually update the information contained in your plan, including progress on implementing your proposed conservation measures.

(i) *Terms and conditions.* ERA will condition approval of your system compliance plan on such terms and conditions as we determine to be appropriate, including the use of effective fuel conservation measures which

are practicable and consistent with the purposes of the Act.

(j) *Plan revision revocation.* (1) A system compliance plan may be revised or modified for substantially changed circumstances supported by clear and convincing evidence.

(2) A revision to a system compliance plan may be proposed by you or by ERA on its own motion. No proposed revision will be effective without your approval and the approval of ERA.

(3) ERA may revoke a system compliance plan after notice to you and an opportunity for an informal hearing of its intention to revoke based upon a finding by ERA that the system compliance plan is no longer consistent with the purposes of the Act.

(k) *Waiver of certain prohibitions.* Section 216 of the National Energy Conservation Policy Act (NECPA) (Pub. L. 95-619) prohibits utilities from supplying, installing or financing certain end-use conservation measures. Petitions for system compliance plans that propose fuel conservation measures prohibited by NECPA prohibition should include a specific request that the NECPA prohibition be waived by the Secretary.

§ 504.5 Prohibitions by order (case-by-case).

(a) ERA may prohibit, by order, the use of natural gas or petroleum as a primary energy source in an existing electric powerplant if ERA finds that:

(1) The powerplant has, or previously had, the technical capability to use alternate fuel as a primary energy source;

(2) The powerplant presently has this technical capability or could acquire the technical capability without:

(i) A substantial physical modification of the unit; or

(ii) A substantial reduction in the rated capacity of the unit; and

(3) It is financially feasible for the powerplant to use an alternate fuel as its primary energy source.

(b) ERA must make a proposed finding regarding the technical capability of a unit to use alternate fuel as identified in paragraph (a)(1) of this section prior to the date of publication of the notice of the proposed prohibition. ERA will publish this finding in the FEDERAL REGISTER along with the notice of the proposed prohibition.

(c) Your powerplant shall be considered technically capable of using alternate fuel as its primary energy source if:

(1) The powerplant was designed so as to be capable of using a specific alternate fuel as primary energy source, with or without modification of the unit; or

(2) ERA determines that the powerplant is capable of using an alternate fuel as its primary energy source even

though the unit was not specifically designed for that alternate fuel.

(d) Your powerplant does not require substantial physical modification if it has the requisite furnace configuration and the requisite tube spacing to burn an alternate fuel.

(e) No substantial reduction in the rated capacity of the unit will be presumed to occur if the derating does not exceed 25 percent. ERA will not consider the loss of design capacity caused by the use of pollution control equipment.

(f) It is financially feasible for your powerplant to use an alternate fuel as its primary energy source if:

(1) The cost of using an alternate fuel does not substantially exceed the cost of using imported petroleum, as determined by utilizing the cost calculation described in § 504.12 of these regulations; and

(2) You have the ability to raise the capital necessary to convert the unit to burn an alternate fuel as its primary energy source.

(g) If ERA finds that it is technically and financially feasible for your powerplant to use a mixture of petroleum or natural gas and alternate fuel as its primary energy source, ERA may prohibit you, by order, from using petroleum or natural gas in amounts exceeding the minimum amount necessary to maintain the reliability of your operation consistent with maintaining reasonable fuel efficiency of the mixture.

(h) ERA may not issue a final order to your powerplant if you demonstrate by written submission that your facility would be eligible for an exemption under the criteria set out in this part for any applicable exemption, or if you have demonstrated to the satisfaction of ERA that the required findings stated in paragraph (a) of this section cannot be made. However, if your powerplant would be eligible only for a temporary exemption, ERA may issue you a final order that will take effect at the expiration of the temporary exemption.

(i) ERA may not issue a final order, under this section to your powerplant unless prior to issuance of the order there has been published in the FEDERAL REGISTER a notice of the proposed order. This notice shall provide a period of no less than 49 days in which interested persons may file written data, views and arguments and also provide an opportunity for interested persons to request a public hearing on the proposed order. It is during this public comment period that the recipient is given the opportunity to challenge the findings ERA must make prior to issuance of a final order and/or to demonstrate that the installation is eligible for an exemption.

[6450-01-C]

$$\text{EQ 1} \quad R = \frac{\text{COST (ALTERNATE)}}{\text{COST (OIL)}}$$

(ii) Calculate the cost of using an alternate fuel and imported petroleum with equation 2.

$$\begin{aligned} \text{EQ 2} \quad \text{COST} = & I + \frac{\text{OM} + \text{FL}}{(1+K)} + \frac{\text{OM} + \text{FL}}{(1+K)^2} \\ & + \dots + \frac{\text{OM} + \text{FL}}{(1+K)^N} - \frac{S}{(1+K)^{\frac{1}{p}}} \end{aligned}$$

(iii) Calculate investment (I), operations and maintenance (OM), and fuel (FL) for equation 2 using equations 3, 4, and 5.

$$\begin{aligned} \text{EQ 3} \quad I = & I_o + \frac{I_1}{(1+K)} + \frac{I_2}{(1+K)^2} + \dots \\ & + \frac{I_N}{(1+K)^N} \end{aligned}$$

$$\text{EQ 4} \quad \text{OM} = 8760 \times \text{ACF} \times \text{O} \times \text{C}$$

$$\text{EQ 5} \quad \text{FL} = 8760 \times \text{ACF} \times \text{C} \times \text{f} \times \text{H}$$

(5) The terms in equations 1 through 5 are defined as follows:

- 1/ The electric power industry is a regulated industry. Its profits depend upon its regulators as well as its costs. Since there are many regulatory bodies, which do not always act the same way, we decided not to be concerned with the profits, per se, but only with the costs to society of producing electricity. The income taxes paid by the utilities are transfer payments, from a societal point of view, and therefore are not included in the calculation.

(j) If ERA cannot issue your powerplant a final order because your facility is eligible for a permanent exemption, or if the effective date of the order is delayed during the period that a temporary exemption is in effect, ERA will take the necessary action to assure that you comply with the terms and conditions of the order granting the exemption.

(k) ERA may not issue your powerplant an order under this section if your powerplant has been identified as a member of a category subject to a final rule at the time of an issuance of the proposed order.

Subpart C—General Requirements for Exemptions

§ 504.10 Purpose and scope.

This subpart establishes the general requirements necessary to qualify for either a temporary or permanent exemption under this Part and sets out the methodology for calculating the cost of using an alternate fuel and the cost of using imported petroleum.

§ 504.11 Fuels decision report.

(a) Before ERA will accept a petition for either a temporary or permanent exemption from a final prohibition order issued under this Part, you must include as part of your petition a Fuels Decision Report as described in Part 502. The Fuels Decision Report shall contain the analysis and documentation of the evidence required in support of your exemption request.

(b) If you are requesting a temporary or permanent exemption from a proposed prohibition order issued under this part, you are not required to submit a Fuels Decision Report as part of your written submission. Your submission must include, however, all of the evidence required by the applicable section of the regulations pertaining to the exemption.

§ 504.12. Cost calculations for existing powerplants.

(a) *General.* (1) If you are requesting an exemption for an existing power-

plant on the basis that the cost of using an alternate fuel as a primary energy source or the cost of using an alternate power supply substantially exceeds the cost of using imported petroleum, you must use the comparative cost test provided in this section.

(2) The cost of using an alternate fuel in lieu of imported petroleum as a primary energy source, or the cost to use an alternate power supply will be deemed to be substantially in excess of the cost to use imported petroleum were the ratio of the former to the latter is greater than the index set periodically ERA. Initially, ERA sets the index at (1.5). ERA will revise the index from time to time after public notice and an opportunity to comment. Revisions shall become effective for all ERA decisions after final publication.

(3) The cost test takes into consideration capital outlays, operation and maintenance expenses, and delivered fuel expenditures. There are two comparative cost tests—a General Cost Test and a Special Cost Test. You must demonstrate eligibility for a permanent exemption on the basis that the cost of using alternate fuel as a primary energy source substantially exceeds the cost of using imported petroleum. You must use the procedures specified in the General Cost Test (Section b). You must demonstrate eligibility for a temporary exemption using the procedure specified in the General Cost Test (Section b) or the Special Cost Test (Section c).

(4) The General Cost Test differs from the Special Cost Test with respect to the time period over which costs are calculated. When using the General Cost Test, the cost must be computed for the remaining useful life of the powerplant. When using the Special Cost Test, the cost is computed only for the term of the exemption.

(b) *Cost calculation—general cost test.* (1) You may be eligible for a permanent exemption if you demonstrate that the cost of using an alternate fuel starting with each successive year within the first ten years of the exemption will always substantially

exceed the cost of using imported petroleum in the powerplant from the time the exemption becomes effective until the end of the powerplant's useful life. You will have to show that the cost of using an alternate fuel, starting in each of the first ten years of this exemption and using oil or natural gas until the start of using an alternate fuel, substantially exceeds the cost of using only imported petroleum. In the case where you are comparing the costs of using an alternate power supply, you need only compare the cost of using the alternate power supply from the time the exemption becomes effective until the end of the useful life of the powerplant to the cost of using imported petroleum in the proposed powerplant over the same time period. If the costs of the former substantially exceeds the latter, you may be eligible for a permanent exemption.

(2) ERA will not grant a permanent exemption if a temporary exemption solves the cost problem within ERA's definition. Therefore, if the cost computed with successive starting dates for alternate fuel use (for the first 10 years of the exemption) does not always substantially exceed the cost of using imported petroleum, you would only be eligible for a temporary exemption. The length of the temporary exemption would be the minimum period where the costs of using alternate fuel always substantially exceeds the cost of using imported petroleum. For example, if you can burn coal, but the coal will not be available from a bona fide supplier for 2 years, ERA may grant a temporary exemption and allow the burning of natural gas based on an acceptable certification of the schedule of delivery of coal.

(3) For the General Coal Test, ERA defines cost as the sum of the annual outlays for capital, operations and maintenance and delivered fuel, discounted to the present.

(4) To conduct the test, you must use the equations that follow:

(i) Calculate the ratio (R) of the cost of using an alternate fuel to the cost of using imported petroleum with equation 1.

[6450-01-M]

R—The ratio of the cost of using an alternate fuel to the cost of using imported petroleum.

COST—The total discounted cost in dollars, of constructing and operating the plant for the remaining useful life of the powerplant.

I—Discounted total net capital outlay in dollars, excluding investment tax credits and "Advances in Aid of Construction" (as per FERC system of accounts). May include investment in additional transmission facilities to deliver power to your service area. (ERA will not consider investment tax credits for oil or gas fired powerplants.)

I_e—Net capital outlay in dollars up to the time the exemption becomes effective.

I_N—Yearly new capital outlay from first year of the exemption through the remaining life of the plant.

OM—Annual cost in dollars of operating and maintaining the unit starting when the exemption becomes effective. May include expenditures for wheeling power to your service area.

S_p—Salvage value of equipment rendered useless by changing the fuel from oil or natural gas to alternate fuel in year p.

ACF—Annual capacity factor of the plant expressed as a fraction (see Section d).

O—Operations and maintenance in dollars per Kwh at the annual capacity factor (\$/Kwh).

C—Design capacity of the plant in KW.

FL—Annual delivered fuel expenditures in dollars starting when the exemption becomes effective.

F—Delivered fuel expenditures to the plant expressed in dollars per Btu.

H—Heat input rate for the plant in Btu per KWH.

P—Year fuel is changed from oil or natural gas to alternate fuel.

K—The real cost of capital expressed as a fraction (see Section d).

N—The remaining useful life of the powerplant (see Section d).

8760—The number of hours in a year.

(6) Fuel transportation costs are part of delivered fuel expenditures except where you must acquire capital equipment to deliver the fuel. The capital outlays for this equipment are included in the capital outlay terms. The operations and maintenance costs of this equipment are included in the operations and maintenance terms. Similarly, the cost of delivering power to your service area should be included

in the operations and maintenance costs unless you must construct transmission facilities in which case you may include these expenditures in the capital outlay term.

(7) The step by step procedure that follows shows the comparison that you must make. It outlines the equipment and fuel comparisons as well as the time comparisons. If you are using the test to demonstrate eligibility for a lack of alternate fuel supply exemption begin with step (i). If you are using the test to demonstrate that there is no alternate supply of power, use only steps (i), (iv), (v) and (vi).

(i) Compute the cost (COST) of using an alternate fuel or alternate power supply with equation (2).

(ii) Compute the cost (COST) of using an alternate fuel with equation (2) assuming an alternate fuel is not used as the primary energy source until the end of the first year of the exemption and that oil or natural gas is used for the first year of the exemption. Capital investment, operating and maintenance and fuel expenditures should reflect postponed use of alternate fuel (e.g., installation of scrubber when used).

(iii) Successively compute the cost (COST) of using an alternate fuel with equation (2) assuming alternate fuel is postponed until the end of the second through tenth year of the exemption

(and oil or natural gas is used in the years preceding alternate fuel use).

(iv) Compute the cost (COST) of using oil or natural gas with equation (2).

(v) If you are comparing the use of an alternate power supply with the use of imported petroleum, compute the ratio of the cost of using the alternate power supply to the cost of using oil or natural gas. Otherwise, compute the ratios (R) of the cost of using an alternate fuel at the beginning of the exemption, and successively at the end of the first through tenth year of the exemption to the cost of using oil or natural gas from the start of the exemption throughout the remaining useful life of the powerplant with equation (1).

(vi) If all the ratios (R) are greater than, for illustrative purposes, 1.5 (an index to be set periodically by ERA), your exemption would be granted. If one or more of the ratios (R) is equal to or less than 1.5 and a series of ratios (R), starting with the case where alternate fuel is used for the start of operation, are all greater than 1.5, a temporary exemption would be granted for the minimum period in which the cost of starting to use alternate fuel, deferred year by year, always exceeds 1.5.

(8) The following table shows the hypothetical results of four sets of calculations.

HYPOTHETICAL RESULTS OF FOUR SETS OF CALCULATIONS

Year in Which Alternate Fuel Use Commences	Case I	Case II	Case III	Case IV
At Start of Exemption.....	1.7	.17	1.7	1.3
1.....	1.7	.17	1.7	1.3
2.....	1.7	.17	1.7	1.3
3.....	1.4	.17	1.7	1.3
4.....	1.4	.17	1.4	1.3
5.....	1.4	.17	1.4	1.0
6.....	1.4	.17	1.2	1.0
7.....	1.4	.17	1.2	1.0
8.....	1.5	.17	1.2	1.0
9.....	1.6	.17	1.2	1.0
10.....	1.7	.17	1.2	1.0

The results of the above table shows that: a two year temporary exemption would be granted in Case I, a permanent exemption would be granted in Case II, a three year temporary exemption would be granted in case III, and no exemption would be granted in Case IV.

(c) Cost calculations—special cost test. (1) You may be eligible for a temporary exemption if you demonstrate that the cost of using an alternate fuel will substantially exceed the cost of using imported petroleum over the period of the proposed exemption. The period of the exemption cannot exceed ten years. You will have to show that the cost of using an alternate fuel substantially exceeds the cost of using imported petroleum for the first year of the exemption, the

first two years of the exemption, and each successive year of the exemption, up to the period of the proposed exemption.

(2) The factors included in the computation are (i) the operations and maintenance and the delivered fuel expenditures incurred during the proposed exemption, and (ii) the capital outlays associated with the exemption.

(3) To conduct the test, you must use the equations that follow.

[6450-01-C]

$$\text{EQ 6} \quad R = \frac{\text{COST (ALTERNATE)}}{\text{COST (OIL)}}$$

(ii) Calculate the cost using equation 7

$$\begin{aligned} \text{EQ 7} \quad \text{Cost} = I &+ \frac{\text{OM}_1 + \text{FL}_1}{(1+k)} + \frac{\text{OM}_2 + \text{FL}_2}{(1+k)} \\ &+ \dots + \frac{\text{OM}_p + \text{FL}_p}{(1+k)} - \frac{S_p}{(1+k)} \end{aligned}$$

(iii) Calculate investment (I), operations and maintenance (OM), and fuel (FL) for equation 7 using equations 8, 9, and 10.

$$\begin{aligned} \text{EQ 8} \quad I &= I_0 + \frac{I_1}{(1+k)} + \frac{I_2}{(1+k)} \\ &+ \dots + \frac{I_p}{(1+k)} \end{aligned}$$

$$\text{EQ 9} \quad \text{OM} = 8760 \times \text{ACF} \times \text{O} \times \text{C}$$

$$\text{EQ 10} \quad \text{FL} = 8760 \times \text{ACF} \times \text{C} \times f \times \text{H}$$

[6450-01-M]

(4) The terms in equations 6 through 10 are defined as follows:

R—The ratio of the cost of using an alternate fuel to the cost of using imported petroleum.

COST—The total discounted cost in dollars, associated with the exemption, of constructing and operating the powerplant.

I—Discounted total net capital outlay in dollars excluding investment tax credits and "Advance in Aid of Construction" (as per FERC system of accounts) until the end of the proposed exemption. The investment in the basic powerplant (that which would be required if a change in the primary energy source where not being proposed) itself is not included in this comparison. (ERA will not consider investment tax credits for oil or gas fired powerplants.)

I₀—Net capital outlay in dollars up to the time the exemption is effective.

I₁—I₀—Yearly net capital outlay from the first year of this exemption until the change to alternate fuel.

OM—Annual Cost in Dollars of operating and maintaining the powerplant during the exemption.

S_p—Salvage value of equipment rendered useless by changing from oil or natural gas to alternate fuel in year, P.

ACF—Annual capacity factor of the powerplant expressed as a fraction (see Section d).

O—Operations and maintenance costs in dollars per kWh at the annual capacity factor (\$/kWh).

C—Design capacity of the plant in kW.

FL—Annual delivered fuel expenditure in dollars during the exemption.

f—Delivered fuel expenditure to the plant expressed in dollars per Btu (see Section d).

H—Heat input rate for the plant in Btu per kWh.

K—The real cost of capital expressed as a fraction (see Section d).

P—The period of the proposed exemption.

8760—The number of hours in a year.

(5) The step by step procedure that follows shows the comparisons you must make.

(i) Compute the cost (COST) of using an alternate fuel assuming the length of the proposed exemption is one year with equation 7.

(ii) Compute the cost (COST) of using oil or natural gas valued at imported petroleum prices assuming the length of the proposed exemption is one year with equation 7.

(iii) Compute the ratio (R) of the cost of using an alternate fuel for the first year to the cost of using imported

petroleum for the first year with equation 6.

(iv) Repeat the calculations made in (i), (ii), and (iii) above assuming the length of the proposed exemption is two years, three years, and so on, up to the period of the proposed exemption.

(v) A temporary exemption would be granted where one or more of the successive ratios (R) are greater than, for illustrative purposes, 1.5 (the index to be established by ERA).

(d) Information on parameters used in the calculation. (1) All estimated expenditures, except natural gas, and petroleum products, shall be expressed in real (uninflated) terms using the prices in effect at the time the petition is submitted.

(2) The delivered price of oil or natural gas to be used in the cost calculation must reflect the price of imported oil. The imported petroleum price is reflected in the cost calculation in the following way:

$$PFE = \frac{PICO}{PCCO} \times PF$$

where

PICO=Price of imported crude oil. The most recent refiner acquisition cost of imported crude oil as reported in the FEDERAL REGISTER monthly notice for the DOE Domestic Crude Oil Allocation (Entitlements) Program.

PCCO=Price of composite crude oil. The most recent weighted average cost of total reported crude oil receipts as reported in the FEDERAL REGISTER notice for the DOE Entitlements Programs.

PF=Price of your fuel. The most recent actual weighted average cost of your fuel oil (other than gas). Alternatively, if no purchases of fuel oil occurred, or you used natural gas during this month, you should use a simple average of the industrial price of fuel oil (capable of being burned in your facility) sold in your area by at least three suppliers. For proposed natural gas users, you shall use the price of No. 2 distillate fuel oil in this calculation.

PFE=Price of fuel for equation. The cost of oil for use in equation 1.

(3) For existing powerplants, the annual capacity factor shall be assumed to be the average capacity factor for the last five years or the life of the powerplant if the powerplant is less than five years old.

(4) The remaining useful life of a coal, nuclear, oil or natural gas fired powerplant will be 35 years minus the number of years of operation prior to the time effective date of the exemp-

tion. You may rebut this presumption with suitable engineering evidence.

(5) The cost of capital for electric utilities is 3.5 percent per year in real terms.

(b) All estimated expenditures will be computed in accordance with generally accepted accounting principles.

(c) Evidence supporting the comparative cost test. All petitions for exemption requiring the use of the comparative cost test shall include, but not be limited to, the following information:

(1) A detailed accounting of all capital outlays including a description of all major construction and equipment. All critical assumptions should be stated and sufficient data should be included to support your estimates.

(2) A detailed accounting of all operations and maintenance expenditures including a description of all major elements. All critical assumptions should be stated and sufficient data included to support your estimates.

(3) A detailed accounting of all delivered fuel expenditures including transportation. All critical assumptions should be stated and sufficient data included to support your estimates. The fuel characteristics for each alternate fuel should be included.

(4) If you assume that the remaining useful life of the existing powerplant is less than 35 years, minus the number of years of operation before the effective date of this exemption, all critical assumptions should be stated and sufficient data included to support that position.

(5) The powerplant design capacity and the heat input rate, for each fuel considered.

(f) Example of calculations. (1) You are considering converting a powerplant from oil to coal. In this particular situation, the delivered cost of coal is much greater for the first three years after the proposed conversion than it will be in later years because of a transportation problem. Do you qualify for an exemption? If so, is it permanent or temporary?

(2) To determine if you qualify for a permanent exemption, you would have to use the General Cost Test and compute the ratios of the cost to use 1) coal for the remaining useful life of the powerplant after the effective date of the exemption, 2) imported petroleum for the first year of the exemption and coal for the remainder of the useful life of the powerplant, 3) imported petroleum for the first two years of the exemption and coal for the remainder of the useful life of the powerplant * * *, and 11) imported petroleum for the first 10 years of the exemption and coal for the remainder of the useful life of the powerplant to the cost of using imported petroleum for the remaining useful life of the

powerplant after the effective date of the exemption.

(3) All eleven ratios would have to be higher than 1.5 (index to be established by ERA) to qualify for a permanent exemption. However, if a series of successive ratios, starting with the case where alternate fuel is used from the start of the exemption, are all greater than 1.5, you would be eligible for a temporary exemption up to the last year the ratio is greater than 1.5.

(4) In this example, we will only compute the ratios of (i) the cost to use coal for the remaining useful life of the powerplant after the effective date of the exemption and (ii) the cost of using imported petroleum for the first three years of the exemption and coal for the remainder of the useful life of the powerplant, to the cost of using imported petroleum for the remaining useful life of the powerplant, after the effective date of the exemption.

(5) To determine if you qualify for a temporary exemption if you have not already done so with the General Cost Test, you would have to use the Special Cost Test and compute the ratios of the cost to use coal in the powerplant to the cost of using imported petroleum in the powerplant for one, two, and three years after the effective date of the exemption. All three ratios would have to be higher than 1.5 in order to qualify for a three year temporary exemption. In this example, we will only compute the ratio of the cost of using coal to the cost of using imported petroleum for the first three years after the effective date of the exemption.

(6) *Parameters.* A set of hypothetical parameters are given below:

(i) Powerplant conversion to coal without changing capacity or remaining useful life.

Net capital outlay (without scrubber) to convert the powerplant to burn coal—\$15,460,000.

Salvage value of equipment rendered useless by shifting from oil to coal—\$3,860,000.

Net capital outlay for scrubber—\$22,500,000.

Operations and maintenance costs per KWH to burn coal—\$0.0025/KWH.

Existing oil burning powerplant.

Operations and maintenance cost per KWH—\$0.0015/KWH.

Remaining useful life (after exemption becomes effective)—25 years.

Capacity—250,000 KW.

(iii) Fuel.

Delivered price of oil—\$2.52/1,000,000 BTU.
Heat rate of oil—10,000 BTU/KWH.

Delivered price of coal for the first three years after the proposed exemption—\$4.28/1,000,000 BTU.

Delivered price of coal for the fourth through twenty-fifth year after the proposed conversion—\$1.35/1,000,000 BTU.
Heat rate for coal—10,000 BTU/KWH.

(7) *Analysis.* (i) The annual fuel and operations and maintenance expenditures are developed below.

Delivered coal expenditures for the first three years after the proposed conversion.

$$FL = 8760 \times ACF \times C \times f \times H = 8760 \text{ hr/yr} \times 0.7 \times 250,000 \text{ KW} \times \$4.28/1,000,000 \text{ BTU} \times 10,000 \text{ BTU/KWH} = \$65,610,000/\text{yr.}$$

Delivered coal expenditures for the fourth through twenty-fifth years after the proposed conversion.

$$FL = 8760 \times ACF \times C \times f \times H = 8760 \text{ hr/yr} \times 0.7 \times 250,000 \text{ KW} \times \$1.35/1,000,000 \text{ BTU} \times 10,000 \text{ BTU/KWH} = \$20,700,000/\text{yr.}$$

Delivered oil expenditures.

$$FL = 8760 \times ACF \times C \times f \times H = 8760 \text{ h/yr} \times 0.7 \times 250,000 \text{ KW} \times \$2.52/1,000,000 \text{ BTU} \times 10,000 \text{ BTU/KWH} = \$38,630,000/\text{yr.}$$

Operations and maintenance expenditures to burn coal.

$$OM = 8760 \times ACF \times O \times C = 8760 \text{ h/yr} \times 0.7 \times \$0.0025/\text{KWH} \times 250,000 \text{ KW} = \$3,833,000/\text{yr.}$$

Operations and maintenance expenditures to burn oil.

$$OM = 8760 \times ACF \times O \times C = 8760 \text{ hr/yr} \times 0.7 \times \$0.0015/\text{KWH} \times 250,000 \text{ KW} = \$2,300,000.$$

(ii) *General cost test.* The relevant cash flows are shown in the following table for the three cases in which computations are being made.

CASH FLOWS FOR GENERAL COST TEST (\$ IN THOUSANDS)

Type of cash flow	Year(s)	Case 1—Coal over remaining useful life of powerplant	Case 2—Imported petroleum for first 3 years and coal thereafter	Case 3—Imported petroleum over the remaining life of the powerplant
Investment.....	0	\$15,460 + \$22,500	0	0
Investment.....	3	0	\$22,500 + \$15,460	0
Salvage.....	0	\$3,860	0	0
Salvage.....	3	0	\$3,860	0
Operation and Maintenance.....	1, 2, 3	\$3,833/yr.	\$2,300/yr.	\$2,300/yr.
Operation and Maintenance.....	4, —, 25	\$3,833/yr.	\$3,833/yr.	\$2,300/yr.
Fuel.....	1, 2, 3	\$65,610	\$38,630/yr.	\$38,630/yr.
Fuel.....	4, —, 25	\$20,700/yr.	\$20,700/yr.	\$38,630/yr.

[6450-01-C]

The following computations are in thousands of dollars.

Case 1. Cost of using coal over the remaining useful life of the powerplant from the start of the exemption.

$$I = I_0 + \frac{I_1}{(1+K)} + \frac{I_2}{(1+K)^2} + \dots + \frac{I_N}{(1+K)^N}$$

$$= (15,460 + 22,500)$$

$$\frac{0}{(1.035)^1} + \frac{0}{(1.035)^1} + \dots + \frac{0}{(1.035)^{25}}$$

$$= 37,960$$

$$\text{COST} = I + \frac{\text{OM}_1 + \text{FL}_1}{(1+K)} + \frac{\text{OM}_2 + \text{FL}_2}{(1+K)^2} + \dots + \frac{\text{OM}_N + \text{FL}_N}{(1+K)^N} - \frac{S_p}{(1+K)^p}$$

$$= 37,960 + \frac{3,833 + 65,610}{(1.035)^1} + \frac{3,833 + 65,610}{(1.035)^2} + \frac{3,833 + 65,610}{(1.035)^3} + \frac{3,833 + 20,700}{(1.035)^4} + \dots + \frac{3,833 + 20,700}{(1.035)^{25}} - \frac{3860}{(1.035)^0}$$

$$564,300$$

Case 2. Cost of using imported petroleum for the first three years of the exemption and coal thereafter.

$$I = I_0 + \frac{I_1}{(1+K)} + \frac{I_2}{(1+K)^2} + \dots + \frac{I_N}{(1+K)^N}$$

$$= 0 + \frac{(22,500 + 15,460)}{(1.035)^3}$$

$$+ \$34,240$$

$$\text{COST} = I + \frac{\text{OM}_1}{(1+K)} + \frac{\text{FL}_1}{(1+K)} + \frac{\text{OM}_2}{(1+K)^2} + \frac{\text{FL}_2}{(1+K)^2}$$

$$+ \dots + \frac{\text{OM}_N}{(1+K)^N} + \frac{\text{FL}_N}{(1+K)^N} - \frac{S}{(1+K)^p}$$

$$= 34,240 + \frac{2,300 + 38,630}{(1.035)^1}$$

$$+ \frac{2,300 + 38,630}{(1.035)^2} + \frac{2,300 + 38,630}{(1.035)^3}$$

$$+ \frac{3,833 + 20,700}{(1.035)^4} + \dots$$

$$+ \frac{3,833 + 20,700}{(1.035)^{25}} - \frac{3,860}{(1.035)^3}$$

$$= 481,000$$

Case 3. Cost of using imported petroleum over the remaining life of the powerplant starting with the effective date of the exemption.

$$\begin{aligned}
 I &= I_0 + \frac{I_1}{(1+K)} + \frac{I_2}{(1+K)^2} + \dots + \frac{I_N}{(1+K)^N} \\
 &= 0 + \frac{0}{(1.035)} + \frac{0}{(1.035)^2} + \dots + \frac{0}{(1.035)^{25}} \\
 &= 0 \\
 \text{COST} &= I + \frac{\text{OM}_1 + \text{FL}_1}{(1+K)} + \frac{\text{OM}_2 + \text{FL}_2}{(1+K)^2} + \dots + \\
 &\quad + \frac{\text{OM}_N + \text{FL}_N}{(1+K)^N} - \frac{S}{(1+K)^p} \\
 &= 0 + \frac{2,300 + 38,630}{(1.035)} \\
 &\quad + \frac{2,300 + 38,630}{(1.035)^2} + \dots + \frac{2,300 + 38,630}{(1.035)^{25}} + 0 \\
 &= 674,600
 \end{aligned}$$

Computation of ratios.

$$R = \frac{\text{COST (COAL throughout remaining life)}}{\text{COST (OIL)}}$$

$$= \frac{564,300}{674,600} = 0.84$$

$$R = \frac{\text{COST (OIL first three years, coal thereafter)}}{\text{COST (OIL)}}$$

$$= \frac{481,000}{674,600} = 0.91$$

Conclusion. Since the ratios are less than 1.5, you would not qualify for a permanent or temporary exemption, using the general cost test.

(iii) *Special cost test.* The relevant cash flows are shown in the following table for the two cases in which computations are being made.

The following computations are in thousands of dollars.

Case 1. Cost of using coal from the start of the exemption

$$\begin{aligned}
 I &= I_0 + \frac{I_1}{(1+K)} + \frac{I_2}{(1+K)^2} + \dots + \frac{I_P}{(1+K)^P} \\
 &= (15,460 + 22,500) + \frac{0}{(1.035)} + \frac{0}{(1.035)^2} + \dots + \frac{0}{(1.035)^3} \\
 &= 37,960
 \end{aligned}$$

$$\begin{aligned}
 \text{COST} &= I + \frac{\text{OM}_1 + \text{FL}_1}{(1+K)} + \frac{\text{OM}_2 + \text{FL}_2}{(1+K)^2} \\
 &\quad + \dots + \frac{\text{OM}_P + \text{FL}_P}{(1+K)^P} - \frac{S}{(1+K)^P} \\
 &= + \frac{3,833 + 65,610}{(1.035)} \\
 &\quad + \frac{3,833 + 65,610}{(1.035)^2} + \frac{3,833 + 65,610}{(1.035)^3} \\
 &\quad - \frac{3,860}{(1.035)^4} \\
 &= 228,652
 \end{aligned}$$

Case 2. Cost of using imported petroleum for the first three years of the exemption (and coal thereafter)

$$\begin{aligned}
 I &= I_0 + \frac{I_1}{(1+K)} + \frac{I_2}{(1+K)^2} + \dots + \frac{I_p}{(1+K)^n} \\
 &= 0 + \frac{(22,500 + 15,460)}{(1.035)^3} \\
 &= 34,240
 \end{aligned}$$

$$\begin{aligned}
 \text{COST} &= I + \frac{\text{OM}_1 + \text{FL}_1}{(1+K)} + \frac{\text{OM}_2 + \text{FL}_2}{(1+K)^2} \\
 &\quad + \dots + \frac{\text{OM}_p + \text{FL}_p}{(1+K)^p} - \frac{Sp}{(1+K)^p} \\
 &= 34,240 + \frac{2,300 + 38,630}{(1.035)} \\
 &\quad + \frac{2,300 + 38,630}{(1.035)^2} + \frac{2,300 + 38,630}{(1.035)^3} \\
 &\quad - \frac{3860}{(1.035)^3} \\
 &= 145,400
 \end{aligned}$$

Computation of ratio.

$$\begin{aligned}
 R &= \frac{\text{COST (COAL FOR PERIOD OF EXEMPTION)}}{\text{COST (OIL FOR PERIOD OF EXEMPTION)}} \\
 &= \frac{228,652}{145,400} = 1.57
 \end{aligned}$$

Conclusion. If ERA had set the index at 1.5, you would be granted a temporary exemption.

[6450-01-M]

CASH FLOW FOR SPECIAL COST TEST (IN THOUSANDS)

Type of Cash Flow	Year(s)	Case 1.—Coal Over Remaining Useful Life of Powerplant	Case 2.— Petroleum for First 3 Yrs and Coal Thereafter
Investment.....	0	\$15,460 + \$22,500	0
Investment.....	3	0	\$22,500 + 15,460
Salvage.....	0	\$3,860	0
Salvage.....	3	0	\$3,860
Operation and Maintenance.....	1, 2, 3	\$3,833/yr.	\$2,300/yr
Fuel.....	1, 2, 3	\$65,610/yr.	\$38,630/yr.

§ 504.13 No alternative power supply—General requirement for permanent exemptions.

(a) *Application.* Section 312 of the Act provides for a permanent exemption for State or local requirements and intermediate load. To qualify for one of these exemptions, you must demonstrate to the satisfaction of ERA that despite diligent good faith efforts, there is no alternative supply of electric power which is available within a reasonable distance at a reasonable cost without impairing short-run or long-run reliability of service which you could obtain. You must demonstrate to the satisfaction of ERA all of the following.

(1) You cannot purchase electricity from another utility at a cost which does not substantially exceed the cost of your existing plant using imported petroleum. You may include transmission costs to your service area in your cost calculation. ERA will consider any source of electricity which does not substantially exceed the cost of your existing plant using imported petroleum to be within a reasonable distance and at a reasonable cost. (For this subpart the cost factor will be the same as that used in the cost calculation.)

(2) You cannot construct and operate an alternate fuel fired plant either within or outside your service at a cost which does not substantially exceed the cost of using imported petroleum. See § 504.12 for instructions on calculations of cost. You may include transmission costs for power delivery to your service area.

(3) You cannot purchase electricity and construct and operate an alternate fuel fired plant at a cost which does not substantially exceed the cost of your existing plant using imported petroleum. ERA will consider any combination of purchased electricity and alternate fuel fired plant that costs less than 1.5 times the cost of your existing plant using imported petroleum to be at a reasonable cost. (For this subpart the cost factor will

be the same as that used in the cost calculation.)

(4) You cannot meet load requirements with existing facilities by improving the performance of existing facilities, employing system conservation measures, assisting end use customers to conserve electricity, and implementing load management techniques.

(b) *Evidence.* You must provide the following substantial evidence to corroborate the above requirements:

(1) A detailed description of your methodology to calculate the cost of purchased electricity and the cost for your existing plant as required in paragraph (a)(1) of this section;

(2) A detailed description of your methodology to calculate the cost for purchased electricity and an alternate fuel fired plant, and your proposed plant as required in paragraph (a)(3) of this section;

(3) Identification and explanation of all figures used in your calculations supporting paragraphs (a)(1) and (a)(3) of this section;

(4) A description of your efforts to purchase electricity;

(5) All data required by § 504.12 (Cost Calculation) supporting paragraph (a)(2) of this section;

(6) A detailed description of each of the methods you considered as required by paragraph (a)(4) of this section together with an estimate of the cost of implementing each of their methods; and

(7) An estimate of the kilowatt hour saving or additional kilowatt hour potential, as applicable, for each of the methods you considered as required by paragraph (a)(4) of this section.

§ 504.14. Use of mixtures—General requirement for temporary exemptions.

(a) ERA will not consider a petition for any temporary exemption under Section 311 of the Act to be complete, adequate, or acceptable for filing unless you demonstrate to the satisfaction of ERA in your Fuels Decision

Report whether or not the use of a mixture of natural gas or petroleum and an adequate fuel is economically and technically feasible during the period of the proposed exemption.

(b) If ERA determines that use of a particular fuel mixture is technically or economically feasible during the period of the proposed exemption, ERA will condition the granting of any temporary exemption under this Part upon the use of that mixture during the period of the temporary exemption.

§ 504.15 Use of mixtures—General requirement for permanent exemptions.

(a) *Application.* ERA will not consider a petition for any of the following exemptions provided for in Section 312 of the Act (lack of alternate fuel supply, site limitations, environmental requirements, State or local requirements, cogeneration, emergency purposes, intermediate load or use of natural gas in small powerplants) to be complete, adequate, or acceptable for filing unless you demonstrate to the satisfaction of ERA in your Fuels Decision Report that you have considered the use of a mixture(s) for which an exemption under § 504.36 (Fuel Mixtures) of these regulations would be available.

(b) *Demonstration.* EPA will not grant any of the exemptions listed in paragraph (a) of this section unless you demonstrate that use of such a mixture(s) is not economically or technically feasible in the unit for which you are requesting an exemption. To make such a demonstration you must show in your Fuels Decision Report to the satisfaction of ERA that:

(1) If use of a mixture(s) were required, you would be eligible for one of the following permanent exemptions provided for in the Act: lack of alternate fuel supply, site limitations, environmental requirements, or State or local requirements; or

(2) The use of a mixture(s) is not technically or economically feasible in your specific unit due to design or special circumstances as determined by ERA on a case-by-case basis.

§ 504.16 Use of fluidized bed combustion not feasible—General requirement for permanent exemptions.

(a) *Application.* ERA will not consider a petition for one of the following exemptions provided for in Section 312 of the Act (lack of alternate fuel supply, site limitations, environmental requirements, State or local requirements, cogeneration, emergency purposes, intermediate load or use of natural gas in small powerplants) to be complete, adequate or acceptable for

filing unless you demonstrate to the satisfaction of ERA in your Fuels Decision Report that you have considered the use of a method of fluidized bed combustion of an alternate fuel.

(b) *Finding.* If ERA determines, on a generic basis, that use of a method of fluidized bed combustion is technically and economically feasible, ERA will deny your request for exemption unless you demonstrate to the satisfaction of ERA that:

(1) If use of a method of fluidized bed combustion were required, you would be eligible for one of the following permanent exemptions provided for in Section 312 of the Act: lack of alternate fuel supply, site limitations, environmental requirements, or State or local requirements; or

(2) The use of a method of fluidized bed combustion is not technically or economically feasible in your specific unit due to design or special circumstances as determined by ERA on a case-by-case basis.

§ 504.17 Terms and conditions; compliance plans.

(a) *Terms and conditions generally.* You must comply with the terms and conditions of an exemption granted under the Act by the ERA, including terms and conditions requiring the use of (1) effective fuel conservation measures, and (2) fuel mixtures.

(b) *Compliance plans for temporary exemptions.* (1) A compliance plan certified by the Chief Executive Officer shall accompany a petition for a temporary exemption. The compliance plan shall include at least the following:

(i) A detailed schedule of progressive events and the dates upon which the events are to take place indicating how compliance with the applicable prohibitions of the Act will occur;

(ii) Documentary evidence of binding contracts for fuel or facilities for the production of fuel which would allow for compliance with the applicable prohibitions of the Act;

(iii) Any other documentary evidence which indicates an intention to comply with the applicable prohibitions of the Act; and

(iv) A detailed statement of the manner in which you intend to comply with § 504.14 of these regulations requiring the use of fuel mixtures as a condition to the granting of a temporary exemption where the use of fuel mixtures is technically and economically feasible.

(2) The exemption shall not be effective until the compliance plan is approved by ERA.

(3) *Revisions of compliance plans.* If the petition is granted, you must submit to ERA an updated compliance plan certified by your Chief Executive Officer:

(i) At the end of each 12 month period from the effective date of the exemption;

(ii) Within one month of an alteration of any milestone in the compliance plan, together with the reasons for the alteration and its impact upon the scheduling of all other milestones in the plan; and

(iii) At any time the ERA, in its discretion, determines that a revised compliance plan is necessary to reflect changes in circumstances.

(c) *Enforcement.* An exemption is subject to termination upon the violation of any provision of an exemption or any provision of the pertinent compliance plan.

Subpart D—Temporary Exemptions for Existing Electric Powerplants

§ 504.20 Purpose and scope.

(a) This subpart implements the provisions contained in Section 311 of the Act with regard to temporary exemptions for existing powerplants.

(b) This subpart establishes the criteria and standards which owners or operators of existing powerplants who petition for a temporary exemption must meet to sustain their burden of proof under the Act.

(c) You shall submit all petitions for temporary exemptions for existing powerplants in accordance with the procedures set out in Part 501 of these regulations.

(d) The duration of any temporary exemption granted under this subpart shall be measured from the date that the applicable prohibition would just apply if the exemption had not been granted.

§ 504.21 Lack of alternate fuel supply.

(a) *Eligibility.* Section 311(a)(1) of the Act provides for a temporary exemption due to lack of an alternate fuel supply. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) You made a good faith effort to obtain an adequate and reliable supply of an alternate fuel of the quality necessary to conform to the design and operational requirements of the existing powerplant;

(2) For the period of the proposed exemption, the cost of using such a supply would substantially exceed the cost of using imported petroleum as a primary energy source as defined in § 504.12 (cost calculation) of these regulations; and

(3) You will be able to comply with the applicable prohibitions at the end of the proposed exemption period.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA you must include in your petition the following

substantial evidence to corroborate the above requirements:

(1) A description of the approach and methodology you used to search for and evaluate the use of the alternate fuels you considered;

(2) A description of the detailed design requirements for the existing powerplant (as specified by the purchaser), including capacity, alternate fuel capability, and all other specifications;

(3) A description of the specific fuel characteristics of all the fuels which can be used by the existing powerplant;

(4) Evidence that you sought to obtain the full range of alternate fuels and fuel characteristics which could be used by the existing powerplant, including bid requests, and/or advertisements for supply contracts and all responses thereto, as well as evidence of any other arrangements you attempted to make to secure supplies;

(5) Evidence of the contracts or other arrangements you have made to insure a reliable and adequate supply of an alternate fuel at the end of the proposed exemption; and

(6) All data required by § 504.12 (Cost Calculation) of these regulations necessary for computing the cost calculation formula.

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act and § 504.17 of these regulations simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You must submit an updated compliance plan as required by § 504.17 of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption, taking into account any extensions or renewals, may not exceed ten years.

§ 504.22 Site limitations.

(a) *Eligibility.* Section 311(a)(2) of the Act provides for a temporary exemption due to a site limitation. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA, that one or more of the following specific physical limitations relevant to the operation of your powerplant exist which, despite your diligent good faith, cannot be overcome before the end of the proposed exemption period:

(1) Alternate fuels would be inaccessible;

(2) Transportation facilities for alternate fuels would be unavailable;

(3) Adequate facilities for handling, using or storing an alternate fuel would be unavailable;

(4) Adequate means for controlling and disposing of wastes would be unavailable;

(5) Adequate and reliable supply of water would be unavailable; or

(6) Other site limitations exist which would not permit the operation of the existing powerplant using an alternate fuel.

(b) *Evidence to be submitted in support of the petition.* To submit an adequate petition for review by ERA, you must include in your petition the following substantial evidence to corroborate the above criteria:

(1) Evidence that the site limitation is a physical limitation, and not a requirement of Federal, state, or local law which could be the basis of an exemption under § 504.34 (State or local requirements);

(2) Evidence that alternative means for overcoming the specific site limitations were considered, with a detailed description of the efforts made to overcome the site limitations set out in your petition;

(3) Evidence of the equipment or space requirements for which the site limitation is claimed; and

(4) Evidence of contracts or other arrangements you have made to insure that the site limitation will be overcome and that you will comply with the applicable prohibitions at the end of the proposed exemption period. Examples of evidence relevant to establishing a site limitation for purposes of a temporary exemption are as follows:

(i) Detailed documentation of impediments, including rights of way problems, site diagrams, maps of the surrounding areas and other items essential to the showing of a site limitation;

(ii) Identification of transportation facilities relevant to the specific site of the powerplant and demonstration why existing transportation facilities cannot be utilized or new facilities constructed;

(iii) Copies of bid requests, and advertisements, and other evidence of general efforts made to secure alternative transportation facilities;

(iv) Identification of potential alternate fuel storage locations within a reasonable geographic area surrounding the powerplant;

(v) Detailed scale site plans of the entire facility which include those areas not directly involved with the specific powerplant;

(vi) A specific listing of all equipment necessary and not currently available to properly handle alternate fuels;

(vii) Copies of bid requests, and advertisements and other evidence of general efforts made to secure alternative fuel storage facilities;

(viii) Copies of quotes from bona fide suppliers, indicating lead times for

purchase and installation of required ancillary storage of handling equipment;

(ix) Specific listing of any equipment necessary and not currently available to properly control and dispose of waste;

(x) Identification of potential alternate waste disposal locations within a reasonable geographic area surrounding the powerplant;

(xi) A description of efforts made to secure offsite disposal areas, including the cost of acquisition of the sites, transportation facilities and waste handling costs involved in their use; and

(xii) Copies of bid requests, and advertisements, and other evidence of general efforts made to secure waste control and disposal equipment.

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act and § 504.17 of these regulations simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You must submit an updated compliance plan as required by § 504.17 of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption, taking into account any extensions or renewals, may not exceed five years.

§ 504.23 Inability to comply with applicable environmental requirements.

(a) *Eligibility.* Section 311(a)(3) of the Act provides for a temporary exemption due to an inability to comply with applicable environmental requirements. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that despite diligent good faith efforts:

(1) You are unable to comply immediately with the applicable prohibitions imposed by the Act or orders by ERA without violating applicable Federal or State environmental requirements;

(2) You will be able to comply with the applicable prohibitions imposed by the Act or ERA orders by the end of the temporary exemption period.

(b) *Evidence required in support of the petition.* To submit an adequate petition for review by ERA, you must provide in your petition the following substantial evidence to corroborate the above requirements:

(1) A detailed explanation why the facility cannot burn an alternate fuel or comply with the prohibitions of the Act without violating applicable environmental requirements;

(2) Copies of all technical studies that you have relied upon with regard to consideration of alternate fuels, pollution control equipment, variances,

State Implementation Plan revisions, and delayed compliance orders;

(3) Copies of requests for bids, all responses received, and contracts signed, if any, for an alternate fuel supply and for the purchase and installation of pollution control equipment; and

(4) Copies of correspondence with the State or EPA concerning variances, State Implementation Plan revisions, delayed compliance orders, solid waste permits or approvals, or modifications to National Pollution Discharge Elimination System (NPDES) permits.

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act and § 504.17 of these regulations simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You must submit an updated compliance plan as required by § 504.17 of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption, taking into account extensions or renewals, may not exceed 5 years.

§ 504.24 Future use of synthetic fuels.

(a) *Eligibility.* Section 311(b) of the Act provides for a temporary exemption based upon the future use of synthetic fuels. ERA shall grant you such exemption if you demonstrate to the satisfaction of ERA that:

(1) You will be able to comply with the applicable prohibitions, rule or order by the end of the proposed exemption period by the use of synthetic fuel as a primary energy source in your powerplant;

(2) You will not be capable of complying with the applicable prohibitions by using an alternate fuel in your powerplant before the end of the proposed exemption period.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) Copies of economic and technical feasibility studies pertaining to the adoption of an innovative technology for use of an alternate fuel in your powerplant;

(2) A complete description of the innovative technology you propose to use including explanation of its innovative characteristics, detailed engineering and design specifications, and a description of the specific fuel characteristics of the alternate fuel(s) which can be used with the innovative technology;

(3) Reliable evidence of the financial and contractual commitments you have made to construct or modify, op-

erate and maintain equipment which represents an innovative technology for use of an alternate fuel

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act and § 504.17 of these regulations simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You shall submit an updated compliance plan as required by § 504.17 of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption may be granted for a period of up to five years and may be extended for an additional five years, but so extended may not exceed 10 years.

§ 504.25 Use of innovative technologies.

(a) *Eligibility.* Section 311(c) of the Act provides for a temporary exemption based upon the use of innovative technologies. ERA shall grant you an exemption if you demonstrate to the satisfaction of ERA that:

(1) You will be able to comply with the applicable prohibitions, rule or order at the end of the proposed exemption period by adoption of a technology for the use of an alternate fuel which ERA has determined to be an innovative technology.

(2) You will not be capable of complying with the applicable prohibitions by using an alternate fuel in your powerplant before the end of the proposed exemption period.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) Copies of economic and technical feasibility studies pertaining to the adoption of an innovative technology for use of an alternate fuel in your powerplant;

(2) A complete description of the innovative technology you propose to use including explanation of its innovative characteristics, detailed Engineering and design specifications, and a description of the specific fuel characteristics of the alternate fuel(s) which can be used with the innovative technology;

(3) Reliable evidence of the financial and contractual commitments you have made to construct or modify, operate and maintain equipment which represents an innovative technology for use of an alternate fuel and which will be used at the end of the proposed exemption period; and

(4) Copies of bid requests, advertisements, contracts and/or other agreements you have made to insure a reliable and adequate supply of an alter-

nate fuel at the end of the proposed exemption;

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act and § 504.17 of these regulations simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You shall submit an updated compliance plan as required by § 504.17 of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption may be granted for a period of up to 5 years and may be extended for an additional 5 years, but so extended may not exceed 10 years.

§ 504.26 Powerplants: public interest exemption.

(a) *Eligibility.* Section 311(e) of the Act provides for a temporary public interest exemption. ERA may grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) You are unable to comply with the applicable prohibitions imposed by the Act, or order or rule issued by DOE, except in extraordinary circumstances, during the period for which the exemption is requested, but that you will be capable of complying at the end of the proposed exemption period;

(2) You are not eligible for a temporary exemption based on lack of alternate fuel supply, site limitations, environmental requirements, synthetic fuels, innovative technologies, retirement, peakload, or reliability of service;

(3) The granting of the petition is in accord with the purposes of the Act and is in public interest.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA you must include in your petition substantial evidence to corroborate the above requirements.

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act and § 504.17 of these regulations simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You must submit an updated compliance plan as required by § 504.17 of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption, taking into account extensions or renewals, may not exceed 5 years.

(e) *Special rule for temporary public interest exemption.* Part 508 provides criteria and expedited procedures for you to petition for a temporary public interest exemption from the prohibi-

tions against the use of natural gas contained in section 301(a) (2) and (3) of the Act if you own or operate an existing powerplant which is using a middle distillate as a primary energy source.

§ 504.27 Retirement.

(a) *Eligibility.* Section 311(d) of the Act provides for a temporary exemption for retirement. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) The powerplant will be retired at or before the expiration of this temporary exemption;

(2) You will not be capable of complying with the application prohibitions contained in Title III, Subtitle A of FUA by consuming alternate fuels before retirement of the powerplant.

(b) *Evidence required in support of the petition.* To submit an adequate petition for review by ERA you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) A detailed engineering analysis explaining why the powerplant cannot use alternate fuels prior to retirement;

(2) Copies of FPC form No. 12 including Schedules A & B, filed by the operating utility during the previous two years;

(3) Copies of reports filed by the operating utility during the two years preceding the petition with its Reliability Council detailing 10 year projections of changes in generating capacity. (These reports are required by FPC Form No. 383-4.);

(4) Any state PUC permits necessary for the retirement of a powerplant; and

(5) Any other documentary evidence which indicates the reasons for retirement and plans for replacement or substitution of the retired powerplant.

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You shall submit an updated compliance plan as required by § 504.17 (except § 504.17 (b)(1)(ii)) of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption, taking into account extensions or renewals, may not exceed 5 years.

(e) *Restriction.* In the event this exemption is granted you will not be eligible for any other exemption under Title III, Subtitle B of the Act.

§ 504.28 Temporary exemption for powerplants necessary to maintain reliability of service.

(a) *Eligibility.* (1) Section 311(g) of the Act provides for a temporary exemption to maintain reliability of service. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that you are not capable of complying with the applicable prohibitions imposed by the Act or by ERA order without an impairment of reliability of service as measured by the loss of load probability technique described in paragraphs (a)(2) and (a)(3) of this section.

(2) You must calculate reliability of service utilizing the loss of load probability (LOLP) technique. The LOLP must be computed for your electric region for the period of time the plant is unavailable for operation or available at a reduced capacity. It is to be calculated as the sum of either the weekly or the monthly estimates of hourly load/capacity deficits. You may decide whether to perform the calculation using weekly or monthly data. The LOLP calculation must take into consideration equipment forced outage rates, projected customer electrical demand, and generating capacity projections for the electric region, including existing generating capacity, planned generating capacity additions and projected firm bulk electrical purchases and sales, and projected retirements. If necessary, you may also calculate LOLP with modifications to account for transmission constraints, energy shortages, and other factors that are not adequately addressed by adhering to the foregoing specifications.

(3) Reliability of service is impaired if the LOLP at the time the plant is out of service or operates at reduced capacity, including all available emergency reliability connections and other bulk power ties, is greater than one day in five years.

(b) *Evidence supporting the petition.* To submit an adequate petition for review by ERA you must provide the following substantial evidence to corroborate the above requirements:

(1) All data you used in determining the loss of load probability;

(2) An explanation including equations of how you are calculating the loss of load probability; and

(3) A showing that modifications to the plant could not have been scheduled at a different time so that reliability would not be impaired.

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act and § 504.17 of these regulations simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You must submit an updated compliance plan as

required by § 504.17 of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption, taking into account extensions or renewals, may not exceed ten years, or extend beyond December 31, 1994, in the case of natural gas which ever comes first.

§ 504.29 Peakload powerplants.

(a) *Eligibility.* (1) Section 311(f) of the Act provides for a temporary exemption for peakload powerplants. ERA shall grant you such an exemption if you certify to ERA that the powerplant will be operated solely as a peakload powerplant for the period of the exemption.

(2) Your powerplant is operated solely as a peakload powerplant if the electrical generation of the powerplant in kilowatt hours does not exceed, for any 12-calendar-month period, the powerplant's design capacity multiplied by 1,500 hours.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA your petition must be accompanied by a sworn statement signed by the Chief Executive Officer of the electric utility which will operate the powerplant certifying that the powerplant is to be operated solely as a peakload powerplant. The certification must set forth the design capacity of the powerplant and the maximum allowable generation of the powerplant in kilowatt hours according to the definition of peakload for each 12 months of operation as a peakload powerplant.

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act and § 504.17 of these regulations simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You shall submit an updated compliance plan as required by § 504.17 of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Liability for operating in excess of exemption.* The operation of a peakload powerplant which has been granted this exemption in excess of that allowed by the exemption shall be subject to penalties under Title VII, Subtitle C of the Act unless the powerplant meets the criteria set forth in section 721(c) of the Act.

(e) *Duration.* This temporary exemption, taking into account extensions or renewals, may not exceed 5 years or in the case of natural gas extend beyond December 31, 1994 whichever comes first.

(f) *Reporting requirement.* If the petition is granted, you must report to ERA, at the end of each 12-month

period from the first day of the month following the effective date of the exemption and, if applicable, upon reaching the maximum number of hours of permitted operation within each 12-month period, the name, location, and design capacity of the exempted unit, the number of hours of operation permitted by the exemption, and the number of hours of actual operation.

Subpart E—Permanent Exemptions for Existing Electric Powerplants.

§ 504.30 Purpose and scope.

(a) This subpart implements the provisions contained in Section 312 of the Act with regard to permanent exemptions for existing electric powerplants.

(b) This subpart establishes the criteria and standards which owners or operators of existing powerplants that petition for a permanent exemption must meet to sustain their burden of proof under the Act.

(c) You must submit all petitions for permanent exemptions for existing powerplants in accordance with the procedures set out in Part 501 of these regulations.

§ 504.31 Lack of alternate fuel supply.

(a) *Eligibility.* Section 312(a)(1)(A) of the Act provides for a permanent exemption due to lack of an alternate fuel supply at a cost which does not substantially exceed the cost of using imported petroleum. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) You made a good faith effort to obtain an adequate and reliable supply of an alternate fuel of the quality necessary to conform to design and operational requirements of the existing powerplant; and

(2) The cost of using such a supply would substantially exceed the cost of using imported petroleum as a primary energy source during the remaining useful life of the existing powerplant as defined in § 504.12 (Cost Calculation) of these regulations.

(b) *Evidence in support of a petition.* To submit an adequate petition for review by ERA, you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) A detailed description of the design requirements for the existing powerplant (as specified by the purchaser), including capacity, alternate fuels capability, and all other pertinent specifications;

(2) A description of the specific fuel characteristics of all the fuels which can be used by the existing powerplant;

(3) Evidence that you sought the full range of alternate fuels and fuel characteristics which could be used by the

existing powerplant, including bid requests and/or advertisements for supply contracts, all proposals and responses thereto, as well as evidence of any other arrangements you attempted to make to secure supplies;

(4) All data required by § 504.12 of these regulations (Cost Calculation) necessary for computing the cost calculation formula; and

(5) A description of the approach and methodology you used to search for and evaluate the use of the alternate fuels you considered.

§ 504.32 Site limitations

(a) *Eligibility.* Section 312(a)(1)(B) of the Act provides for a permanent exemption due to a site limitation. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that, despite good faith efforts:

(1) Alternate fuels are inaccessible as a result of a specific physical limitation to the operation of the existing powerplant;

(2) Transportation facilities for alternate fuels would be unavailable;

(3) Adequate facilities for handling, using or storing alternate fuels would be unavailable;

(4) Adequate means for controlling and disposing of wastes would be unavailable;

(5) Adequate and reliable supply of water would be unavailable; or

(6) Other site limitations exist which would not permit the operation of the existing powerplant using an alternate fuel, and these limitations cannot be reasonably expected to be overcome within five years after effective date of the prohibition.

(b) *Evidence to be submitted in support of the petition.* To submit an adequate petition for review by ERA, you must include in your petition the following substantial evidence to corroborate the above criteria.

(1) Evidence that the site limitation is a physical limitation, and not a requirement of Federal, State, or local law which could be the basis of an exemption under § 504.34 (State or local requirements);

(2) Evidence that alternative means for overcoming the specific site limitations were sought, with a detailed description of the efforts made to overcome the site limitations set out in your petition; and

(3) Evidence of the equipment or space requirements for which the site limitation is claimed. Examples of evidence relevant to establishing a site limitation for purposes of a permanent exemption are as follows:

(i) Detailed documentation of impediments, including rights of way problems, site diagrams, maps of the surrounding areas and other items es-

sential to the showing of a site limitation;

(ii) Identification of transportation facilities relevant to the geographic site of the powerplant and demonstration why existing transportation facilities cannot be utilized or new facilities constructed;

(iii) Copies of bid requests, advertisements and evidence of general efforts made to secure alternative transportation facilities;

(iv) Identification of potential alternate fuel storage locations within a reasonable geographic surrounding the powerplant;

(v) Detailed scale site plans of the entire facility which include those areas not directly involved with the specific powerplant;

(vi) A specific listing of all equipment necessary and not currently available to properly handle alternate fuels;

(vii) Copies of bid requests, and advertisements and evidence of general efforts made to secure alternative fuel storage facilities;

(viii) Copies of quotes from bona fide supplier, indication lead times for purchase and installation or required ancillary storage or handling equipment;

(ix) Specific listing of any equipment necessary and not currently available to properly control and dispose of waste;

(x) Identification of potential alternate waste disposal locations within a reasonable geographic area surrounding the powerplant;

(xi) A description of efforts made to secure off-site disposal area, including the cost of acquisition of the sites, transportation facilities and waste handling costs involved in their use; and

(xii) Copies of bid requests, advertisements, and general efforts made to secure waste control and disposal equipment.

§ 504.33 Inability to comply with applicable environmental requirements.

(a) *Eligibility.* Section 312(a)(1)(C) of the Act provides for a permanent exemption due to the inability to comply with the applicable environmental requirements. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that, despite good faith efforts you cannot burn alternate fuels without violating applicable environmental requirements within five years after the effective date of the prohibition.

(b) *Evidence supporting petition.* To submit an adequate petition for review by ERA, you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) A detailed explanation why the facility cannot comply with the prohi-

bitions of the Act within five (5) years without violating applicable environmental requirements;

(2) Copies of all technical studies that you have relied upon with regard to consideration of alternate fuels, pollution control equipment, variances, State Implementation Plan revisions, and delayed compliance orders;

(3) Copies of requests for bids, all responses received, and contracts signed, if any, for an alternate fuel supply and for the purchase and installation of pollution control equipment; and

(4) Copies of correspondence with the State or EPA concerning variances, State Implementation Plan revisions, delayed compliance orders, solid waste permits or approvals, or modifications to NPDES permits.

(c) *Prepetition actions.* It is recommended that you request a meeting with ERA and EPA or the appropriate State regulatory agency to discuss options for complying with the prohibitions.

§ 504.34 State or local requirements.

(a) *Eligibility.* Section 312(b) of the Act provides for a permanent exemption due to certain State or local requirements. ERA may grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) With respect to the site of the powerplant, the operation of the existing powerplant using an alternate fuel is infeasible because of a state or local requirement;

(2) If such state or local requirement is under a building code or nuisance or zoning law, no other exemption under Title III, Subtitle B of the Act could be granted;

(3) You have, in good faith, attempted unsuccessfully to obtain a waiver or variance from the state or local requirement or have demonstrated why none is available; and

(4) The granting of the exemption would be in the public interest and would be consistent with the purposes of this Act.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA, you must provide the following substantial evidence to corroborate the above requirements:

(1) A copy of the pertinent state or local requirement with its citation and its legislative history;

(2) The identification and location of the administrative body which implements the requirement;

(3) A description of your attempts to obtain a waiver or a variance from the requirement;

(4) A description of any activities you were involved in pertaining to the enactment of the requirement;

(5) A description of equipment, procedures, advance planning time and

costs necessary to comply with the requirement;

(6) A detailed description of why compliance is infeasible;

(7) The impact upon you and/or your local community, if any, should this petition be denied;

(8) An explanation of the reasons why granting this exemption would be in the public interest; and,

(9) An analysis of why you cannot qualify for an exemption under Subtitle B if such state or local requirement is under a building code or nuisance or zoning law.

§ 504.35 Cogeneration.

(a) *Eligibility.* Section 312(c) of the Act provides for a permanent exemption for cogeneration. ERA may grant you such an exemption if you demonstrate to the satisfaction of ERA that you meet at least the following minimum criteria:

(1) You are unable to comply with the applicable prohibitions; and

(2) There are economic and other benefits of cogeneration with petroleum or natural gas, which are unobtainable through the use of an alternate fuel.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) Documentary evidence which demonstrates that you considered the use of alternate fuels, including a description of the fuel alternatives you examined and the factors important in your decision to reject the use of alternate fuels. Such factors would include lack of alternate fuel supply, site limitations, or environmental requirements;

(2) The design specifications of the existing unit;

(3) An engineering description of the system, including existing system output and uses thereof, with sufficient detail to ensure that the unit qualifies as a cogeneration facility;

(4) A detailed economic and engineering analysis demonstrating the benefits of cogenerating with petroleum or natural gas and demonstrating that these benefits are not obtainable through the use of alternate fuels.

(5) A comparison of the total oil and gas consumption by the existing cogeneration facility and the best feasible alternatives, including the effect on oil or gas used by the electric utility or by other affected parties; and

(6) An analysis of the immediate and long-term economic impacts on parties not directly involved with the facility (for example, the other customers of the utility receiving the electricity).

§ 504.36 Permanent exemption for certain fuel mixtures containing natural gas or petroleum.

(a) *Eligibility.* Section 312(d) of the Act provides for a permanent exemption for certain fuel mixtures. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) You propose to use a mixture of natural gas or petroleum and an alternate fuel as a primary energy source;

(2) You are not capable of complying with the applicable prohibitions; and

(3) The amount of petroleum or natural gas you propose to use in the mixture will not exceed the minimum percentage of the total Btu heat input needed to maintain operational reliability consistent with maintaining a reasonable level of fuel efficiency.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) A complete description of the fuel mixture, component elements of the mixture, and percentage of each component to be utilized;

(2) The design specifications for the unit for which you are requesting an exemption;

(3) An engineering assessment of the proportions of petroleum or natural gas needed to maintain operational reliability and an adequate level of fuel efficiency; and

(4) Documentary evidence which demonstrates that you have considered the use of alternate fuels as a primary energy source. You must include a description of the supply alternatives you considered, the cost and availability of each alternate fuel considered, and the factors important in your decision to reject the use of an alternate fuel as a primary energy source; and

(5) If the amount of natural gas you impose to use in the mixture exceeds the minimum percentage needed to maintain operational reliability and an adequate level of fuel efficiency, documentary evidence which demonstrates that the natural gas will be mixed with synthetic fuels derived from municipal wastes or agricultural wastes and that use of an increased percentage of natural gas would encourage the use of alternate or new technologies which use renewable sources of energy.

(c) *Reporting requirement.* If the exemption is granted, you must submit an annual report to ERA certifying that the affected units have used no more than the percentage of oil or natural gas specified in the exemption order. The certification shall be executed by your Chief Executive Officer.

§ 504.37 Emergency purposes.

(a) *Eligibility.* Section 312(e) of the Act provides for a permanent exemption for emergency purposes. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(a) You are unable to comply with the applicable prohibitions or orders or rules issued by ERA;

(2) You shall operate and maintain the powerplant for emergency purposes only.

(b) *Definition.* For the purposes of this permanent exemption an emergency exists when the operating utility has been required to curtail its industrial customers by 10 percent or more from expected non-interruptible demand.

(c) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA you must provide substantial evidence to corroborate the above requirements. The evidence submitted must include at a minimum:

(1) A certificate executed by the Chief Executive Officer of the operating utility stating that emergency operation under the provisions of this exemption will occur only when the utility has curtailed industrial customers by 10 percent or more from expected non-interruptible demand; and

(2) Documentary evidence which demonstrates that you considered the use of alternate fuels, including a description of the fuel alternatives you examined and the factors important in your decision to reject the use of alternate fuels. Such factors would include lack of alternate fuel supply, site limitations, environmental requirements, certain State or local requirements, or other reasons which would preclude the use of an alternate fuel.

(d) *Reporting requirement.* At the end of each 12 month period from the effective date of the exemption, you must report to ERA the monthly and annual total generating capacity used and amounts of electricity generated under the provisions of this exemption with a description of the purposes of use.

§ 504.38 Peakload powerplants.

(a) *Eligibility.* (1) Section 312(f) of the Act provides for a permanent exemption for peakload powerplants. ERA shall grant you such an exemption if you demonstrate to ERA that:

(i) The powerplant will be operated solely as a peakload powerplant for the remaining life of the powerplant;

(ii) You are not capable of complying with the applicable prohibitions imposed by the Act or by ERA order without an impairment of reliability of service as measured by the loss of load probability technique described in

paragraphs (a)(3), and (a)(4) of this section; and

(iii) Modification of the powerplant to permit compliance with the prohibitions of the Act—

(A) Is technically infeasible; or

(B) Would result in an unreasonable expense as described in the cost calculations portion (see §504.12) of these regulations.

(2) Your powerplant is operated solely as a peak-load powerplant if the electrical generation of the powerplant in kilowatt hours does not exceed, for any 12-calendar-month period, the powerplant's design capacity multiplied by 1,500 hours.

(3) You must calculate reliability of service utilizing the loss of load probability (LOLP) technique. The LOLP must be computed for your electrical region using the first 12-month period of the proposed exemption. It is to be calculated as the sum of either the weekly or the monthly estimates of hourly load/capacity deficits. You may decide whether to perform the calculation using weekly or monthly data. The LOLP calculation must take into consideration equipment forced outage rates, projected customer electrical demand, and generating capacity projections for the electrical region, including existing generating capacity, planned generating capacity additions and projected retirements. If necessary, you may also calculate LOLP with modifications to account for transmission constraints, energy shortages, and other factors that are not adequately addressed by adhering to the foregoing specifications.

(4) Reliability of service is impaired if the LOLP including all available emergency reliability connections and other bulk power ties, is greater than one day in five years.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA you must provide the following substantial evidence to corroborate the above requirements:

(1) A sworn statement signed by the Chief Executive Officer of the electric utility which will operate the powerplant certifying that the powerplant is to be operated solely as a peakload powerplant; the certification must set forth the design capacity of the powerplant and the maximum allowable generation of the powerplant in kilowatt hours according to the definition of peakload for each 12 month period of operation as a peakload powerplant;

(2) All data you used in determining the loss of load probability;

(3) An explanation including equations of how you are calculating the loss of load probability;

(c) *Liability for operating in excess of exemption.* The operation of a peak-

load powerplant which has been granted this exemption in excess of that allowed by the exemption shall be subject to penalties under Title VII, Subtitle C of the Act unless the powerplant meets the criteria set forth in section 721(c) of the Act.

(d) *Reporting requirement.* If the petition is granted, you must report to ERA, at the end of each 12 month period from the first day of the exemption and, if applicable, upon reaching the maximum number of hours of permitted operation within each 12 month period, the name, location, and design capacity of the exempted unit, the number of hours of operation permitted by the exemption, and the number of hours of actual operation.

§ 504.39 Intermediate load powerplants.

(a) *Eligibility.* Section 312(g) of the Act provides for an exemption for use of petroleum as a primary energy source by intermediate load powerplants. ERA may grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) The Administrator of the EPA or the Director of the appropriate State air pollution control agency has certified that the use of any available alternate fuel as a primary energy source will cause or contribute to a concentration, in an air quality control region or any area within such region, of a pollutant for which any national ambient air quality standard is or would be exceeded as described in (c) below;

(2) The intermediate load powerplant operated will replace no more than the equivalent generating capacity of existing units which:

(i) Permanently cease operation within one month of ERA's granting the intermediate load powerplant this exemption;

(ii) Use natural gas or petroleum as a primary energy source;

(iii) Are owned by the same person who is to operate the existing powerplant;

(iv) Are capable of using coal as a primary energy source; and

(v) Would cause or contribute to a pollutant concentration in a manner described in paragraph (a)(1), of this section;

(3) The powerplant is and shall continue to be operated only as an intermediate load powerplant in which the electrical generation, in kilowatt hours, for any 12-calendar-month period, shall not exceed the powerplant's design capacity multiplied by 3,500 hours;

(4) The net heat input rate for the powerplant will be maintained at or less than 9,500 Btu's per kilowatt hour

throughout the useful life of the powerplant;

(5) The powerplant has the capability to use a synthetic fuel derived from an alternate fuel as a primary energy source.

(b) *Evidence supporting the petition.* To submit an adequate petition for review by ERA, you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) A copy of your application for air quality certification for this unit filed with the EPA or State air pollution control agency, and all supporting documentation filed with or subsequent to the application;

(2) A description of the existing powerplants to be replaced, if any, by the intermediate load powerplant which shall include:

(i) The name and location of each of the existing powerplants;

(ii) The volume of fuel consumed by type for the previous two years by the existing powerplants;

(iii) The corporate ownership of the existing powerplants;

(iv) Evidence that the existing powerplants are capable of using coal; and

(v) The reasons for claiming that the existing powerplants would cause or contribute to a pollutant concentration if they used coal as a primary energy source;

(3) An affidavit executed by the Chief Executive Officer of the electric utility which will operate the powerplant certifying that the powerplant shall be operated at all times in the future only as an intermediate load powerplant. The certification shall set forth the design capacity of the powerplant and the maximum allowable generation of the powerplant in kilowatt hours for its first 12 months of operation from the date the petition for the exemption is filed.

(4) An affidavit executed by the Chief Executive Officer and a qualified engineer of the operating utility of the powerplant which certifies that the powerplant can operate at a heat rate of 9,500 Btu's per kilowatt hour or less throughout the useful life of the powerplant;

(5) An affidavit executed by the Chief Executive Officer and a qualified engineer of the operating utility certifying that the powerplant will meet the synthetic fuels capability requirement described in paragraph (a)(5) of this section. The affidavit must include a description of the specific characteristics that make the intermediate load powerplant capable of using a synthetic fuel; and,

(6) Identification and description with appropriate documentation of the synthetic fuels you have selected and a description of the basis for your

decision to select that particular fuel, including any marketing studies, contracts or other documents relating to that selection.

(c) *Air quality certification to the Secretary.* Your petition is not complete unless the Administrator of the Environmental Protection Agency or the Director of the appropriate State air pollution control agency has certified to the Secretary that the use by the powerplant of an alternate fuel as a primary energy source will cause or contribute to a concentration in an air quality control region or any area within the region of a pollutant for which any national ambient air quality standard is or would be exceeded.

The air quality certification shall be an essential part of the ERA administrative record on the petition and the record shall not be complete without it. The certificate shall include at least a specification of each alternate fuel considered by EPA or the appropriate State air pollution control agency in reaching its decision regarding certification.

(d) *Reporting requirements.* If the petition is granted, you must report to ERA, at the end of each 12 month period from the first day of the month following the effective date of the exemption and, if applicable, upon reaching the maximum number of hours of permitted operation within each 12 month period, the name, location and design capacity of the exempt unit, the number of hours of operation permitted by the exemption, the number of hours of actual operation, and efforts taken to seek and obtain a synthetic fuel for use in the powerplants.

(e) *Periodic review.* ERA shall, from time to time, review this exemption and shall terminate it when he finds that there is available a supply of synthetic fuel suitable for use by the exempt powerplant.

(f) *Enforcement.* Violations of the provisions of this exemption shall subject you to the maximum penalties provided for by Part 501, Subpart O of these regulations.

§ 504.40 Use of natural gas by powerplant with capacity of less than 250 million Btu's per hour

(a) *Eligibility.* Section 312(h) of FUA provides for a permanent exemption for the use of natural gas by powerplants with a capacity of 250 million Btu's per hour or less. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) The design capacity of the powerplant for consuming fuel (or mixture thereof) is less than a heat input rate of 250 million Btu's per hour;

(2) The electrical generation of the powerplant in 1976 and 1977 exceeded, in kilowatt hours, the powerplants design capacity multiplied by 3500 hours; and

(3) The powerplant is not capable of burning coal without—

(a) A substantial physical modification of the unit, as determined by the nature of the modifications and the cost calculation formula contained in Section 504.12 of these regulations; or

(b) A derating of greater than 25%.

(b) *Evidence required to support the petition.* To submit an adequate petition for review by ERA, you must include the following substantial evidence to corroborate the above requirements:

(1) The purchaser's design specifications and date of installation for the powerplant;

(2) A detailed history of the fuel consumption of the powerplant for 1976 and 1977 on a monthly basis for each fuel consumed;

(3) An itemized list of the modifications required to burn coal as a primary energy source, the estimated cost for each modification, and the time required to make these modifications, to include copies of all pertinent engineering documents utilized to arrive at these estimates;

(4) A current plot plan of the facility and an additional plot plan indicating the modifications needed to burn coal as a primary energy source;

(5) Comparative costs for burning natural gas as opposed to converting to and burning coal, in accordance with the cost calculations set out in § 504.12; and

(6) The derating factor, if any, anticipated from burning coal as a primary energy source in the unit(s) and a detailed description of the formulas and assumptions used to arrive at that factor.

(c) *Restriction.* (1) This exemption may only apply to the prohibitions under Section 301 of FUA and prohibitions by final rules or orders issued before January 1, 1990;

(2) A petition for this exemption must be submitted to DOE for filing on or before December 31, 1988.

§ 504.41 Use of liquified natural gas.

(a) *Eligibility.* Section 312(i) of the Act provides for a permanent exemption for the use of liquified natural gas (LNG). To qualify you must demonstrate to the satisfaction of ERA that:

(1) The Administrator of the EPA or the appropriate State air pollution control agency has certified that the use of coal or any available coal derived fuel as a primary energy source will cause or contribute to a concentration, in an air quality control region or any area within such region, of a pollutant for which any national ambient

air quality standard is or would be exceeded (air quality certification);

(2) The Administrator of the EPA or the appropriate State air pollution control agency has certified that you will be unable to use coal or any available coal derived fuel as a primary energy source without violating applicable environmental requirements (environmental certification); and

(3) The LNG to be used at your powerplant will be produced in a foreign country.

(b) *Evidence required in support of the petition.* To submit an adequate petition for review by ERA you shall include the following substantial evidence to corroborate the above requirements:

(1) Copies of your applications for an air quality certification and an environmental certification filed with the EPA or State air pollution control agency which request certification for coal and all available coal derived fuels, and copies of all supporting documentation filed with or subsequent to the applications; and

(2) The name of the country that will be the source of your LNG, the name of the company that owns the LNG terminal through which your LNG will be imported and the name and location of such terminal, and the name of the company that will be supplying you with LNG.

(c) *Air quality certification to the Secretary.* (1) Your petition is not complete unless the Administrator of the Environmental Protection Agency or the Director of the appropriate State air pollution control agency has certified to the Secretary that the use by the powerplant of an alternate fuel as a primary energy source will cause or contribute to a concentration in an air quality control region or any area within the region of a pollutant for which any national ambient air quality standard is or would be exceeded, and that you will be unable to use coal or a fuel derived from coal without violating applicable environmental requirements.

(2) The air quality certification and the environmental certification shall be an essential part of the ERA administrative record on the petition and the record shall not be completed without it. The certificate shall include at least a specification of each type of coal and fuel derived from coal considered by EPA or the appropriate State air pollution control agency in reaching its decision regarding certification.

(d) *Reporting requirement.* If the petition is granted, your must report to ERA, at the end of each 12 month period from the first day of the month following the effective date of the exemption and, if applicable, upon reaching the maximum number of

hours of permitted operation within each 12 month period, the name, location and design capacity of the exempt unit, the number of hours of operation permitted by the exemption, the number of hours of actual operation, and efforts taken to seek and obtain a synthetic fuel for use in the powerplants.

(e) *Periodic review.* ERA shall, from time to time, review this exemption and shall terminate it when he finds that there is available a supply of synthetic fuel suitable for use by the exempt powerplant.

(f) *Enforcement.* Violations of the provisions of this exemption shall subject you to the maximum penalties provided for by Part 501 Subpart O of these regulations.

PART 505—NEW MAJOR FUEL BURNING INSTALLATIONS

[See 43 FR 54030, November 17, 1978]

PART 506—EXISTING MAJOR FUEL BURNING INSTALLATIONS

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506.40 Installations served by certain international pipelines.

AUTHORITY: Department of Energy Organization Act, Pub. L. 95-91; Powerplant and Industrial Fuel Use Act of 1978, Pub. L. 95-620; Title V of the Independent Offices Appropriation Act of 1952, 65 Stat. 290, 31 U.S.C. 483(a); Executive Order 12009. 42 FR 46267.

Subpart A—Prohibitions

§ 506.1 Purpose and scope.

(a) *Purpose.* This subpart establishes the procedures ERA intends to employ in administering and implementing its authority to prohibit installations from using petroleum or natural gas.

(b) *Scope.* This subpart applies to all existing major fuel burning installations. Any person who has any ownership or interest in, or who operates, rents or leases an installation, is subject to the prohibitions of the Act and the penalties as specified by the Act.

§ 506.2 Prohibitions by order (case by case).

(a) ERA may prohibit, by order, the use of natural gas or petroleum as a primary energy source in an existing major fuel burning installation if ERA finds that—

(1) The installation has, or previously had, the technical capability to use an alternate fuel as a primary energy source;

(2) The installation has this technical capability or could acquire the technical capability without:

(i) A substantial physical modification of the unit, or

(ii) A substantial reduction in the rated capacity of the unit;

(3) It is financially feasible for the installation to use an alternate fuel as its primary energy source.

(b) ERA must make a proposed finding regarding the technical capability of a unit to use an alternate fuel as identified in paragraph (a)(1) of this section prior to the date of publication of the notice of the proposed prohibition. ERA will publish this finding in the FEDERAL REGISTER along with the notice of the proposed prohibition.

(c) Your installation shall be considered technically capable of using an alternate fuel as its primary energy source if:

(1) The installation was designed so as to be capable of using a specific alternate fuel as the primary energy source, with or without modification; or

(2) ERA determines that the installation is capable of using an alternate fuel as the primary energy source, even though the unit was not specifically designed for that alternate fuel.

(d) Your installation does not require substantial physical modification

if it has the requisite furnace configuration and the requisite tube spacing to burn an alternate fuel.

(e) No substantial reduction in the rated capacity of the unit will be presumed to occur if the derating does not exceed 25 percent. ERA will not consider the loss of design capacity caused by the use of pollution control equipment.

(f) It is financially feasible for your installation to use an alternate fuel as its primary energy source if (1) the cost of using an alternate fuel does not substantially exceed the cost of using imported petroleum, as determined by utilizing the cost calculation described in § 506.12 of these regulations; and (2) you have the ability to raise the capital necessary to convert the unit to burn an alternate fuel as its primary energy source.

(g) If ERA finds that it is technically and financially feasible for your installation to use a mixture of petroleum or natural gas and an alternate fuel as its primary energy source, ERA may prohibit you, by order, from using petroleum and natural gas in amounts exceeding the minimum percentage of the total Btu heat input of the primary energy sources necessary to maintain reasonable fuel efficiency of the mixture. The minimum percentage (determined by ERA) may not, however, be less than 25 percent.

(h) ERA may not issue a final order to your installation (covered by this section) if you demonstrate by written submission that your facility would be eligible for an exemption under the criteria set out in this Part for any applicable exemption, or if you have demonstrated to the satisfaction of ERA that the required findings stated in paragraph (a) of this section cannot be made. However, if your installation would be eligible only for a temporary exemption, ERA can issue you a final order that will take effect at such time as the temporary exemption would have expired.

(i) ERA may not issue a final order under this section to your installation unless prior to issuance of the order there has been published in the FEDERAL REGISTER a notice of the proposed order. This notice shall provide a period of no less than 49 days in which interested persons may file written data, views and arguments and also provide an opportunity for interested persons to request a public hearing on the proposed order. It is during this public comment period that the recipient is given the opportunity to challenge the findings ERA must make to issue a final order and/or to demonstrate that the installation is eligible for an exemption.

(j) If ERA cannot issue your installation a final order because your facility is eligible for a permanent exemption,

or if the effective date of this order is delayed during the period that a temporary exemption is in effect, ERA will take the necessary action to assure that you comply with the terms and conditions of the order granting the exemption.

(k) ERA may not issue your installation an order under this section if your installation has been identified as a member of a category subject to a final rule at the time of the issuance of the proposed order.

Subpart B—General Requirements for Exemptions

§ 506.10 Purpose and scope.

This subpart establishes the general requirements necessary to qualify for either a temporary or permanent exemption under this Part and sets out the methodology for calculating the cost of using an alternate fuel and the cost of using imported petroleum.

§ 506.11 Fuels decision report.

(a) Before ERA will accept a petition for either a temporary or permanent exemption from a final prohibition order issued under this Part, you must include as part of your petition a Fuels Decision Report as described in Part 502. The Fuels Decision Report shall contain the analysis and documentation of the evidence required in support of your exemption request.

(b) If you are requesting a temporary or permanent exemption from a proposed prohibition order issued under this Part, you are not required to submit a Fuels Decision Report as part of your written submission. Your submission must include, however, all of the evidence required by the applicable section of the regulations pertaining to the exemption.

§ 506.12 Cost calculation for existing installations.

(a) *General.* (1) If you are requesting

an exemption for an existing installation on the basis that the cost of using an alternate fuel as a primary energy source substantially exceeds the cost of using imported petroleum, you must use the comparative cost test provided in this section.

(2) The cost of using an alternate fuel in lieu of imported oil or gas as a primary energy source will be deemed to be substantially in excess of the cost of using imported oil or gas where the ratio of the former to the latter is greater than the index set periodically by ERA. Initially, ERA sets the index at (1.5). ERA will revise the index from time to time after public notice and time to comment. Revisions shall become effective for all ERA decisions after final publication.

(3) The cost test takes into consideration capital outlays, operation, and maintenance expenses, delivered fuel expenditures, and the effect of depreciation and taxes on cash flow. There are two comparative cost tests—a General Cost Test and a Special Cost Test. To demonstrate your eligibility for a permanent exemption on the basis that the cost of using an alternate fuel as a primary energy source substantially exceeds the cost of using imported petroleum, you must use the procedures specified in the General Cost Test (Section b). To demonstrate your eligibility for a temporary exemption, you may use either the procedures specified in the General Cost Test (Section b) or the Special Cost Test (Section c).

(4) The General Cost Test differs from the Special Cost Test with respect to the time period over which costs are calculated. When using the General Cost Test, the cost is computed for the remaining useful life of the installation. When using the Special Cost Test the cost is computed only for the term of the exemption.

(b) *Cost calculation—General cost*

test. (1) You may be eligible for a permanent exemption if you demonstrate that the cost of using an alternate fuel starting with each successive year within the first ten years of the exemption will always substantially exceed the cost of using imported petroleum in the unit from the time the exemption becomes effective until the end of the installation's useful life. You will have to show that the cost of using an alternate fuel starting in each of the first ten years of the exemption and using oil or natural gas until the start of using alternate fuel, substantially exceeds the cost of using only imported petroleum.

(2) ERA will not grant a permanent exemption if a temporary exemption solves the cost problem within ERA's definition. Therefore, if the cost computed with successive starting dates for alternate fuel use (for the first ten years of the exemption) does not always substantially exceed the cost of using imported petroleum, you would only be eligible for a temporary exemption. The length of the temporary exemption would be the minimum period within which the cost of using alternate fuel always substantially exceeds the cost of using imported petroleum. For example, if you can burn coal but the coal will not be available from a bona fide supplier for 2 years, ERA may grant a temporary exemption and allow the burning of natural gas based on an acceptable certification of the schedule of delivery of coal.

(3) In the General Cost Test, ERA defines cost as the sum of the annual after-tax cash outlays for capital, operations and maintenance, and delivered fuel, and the effect of depreciation and taxes on cash flow discounted to the present.

(4) To conduct the test, you must use the equations that follow:

[6450-01-C]

(i) Calculate the ratio (R) of the cost of using an alternate fuel to the cost of using imported petroleum with equation 1.

$$\text{EQ 1} \quad R = \frac{\text{COST (ALTERNATE)}}{\text{COST (OIL)}}$$

(ii) Calculate the cost of using an alternate fuel and imported petroleum with equation 2.

$$\begin{aligned} \text{EQ 2} \quad \text{COST} = & I + \frac{(1-t)(\text{OM}_1 + \text{FL}_1) - (t)(\text{DPR}_1)}{(1+K)^1} \\ & + \frac{(1-t)(\text{OM}_2 + \text{FL}_2) - (t)(\text{DPR}_2)}{(1+K)^2} \\ & + \dots \\ & + \frac{(1-t)(\text{OM}_N + \text{FL}_N) - (t)(\text{DPR}_N)}{(1+K)^N} \\ & - \frac{S_p}{(1+K)^P} \quad \underline{1/} \end{aligned}$$

(iii) Calculate investment (I), for equation 2 using equation 3.

$$\begin{aligned} \text{EQ 3} \quad I = & I_0 + \frac{I_1}{(1+K)^1} + \frac{I_2}{(1+K)^2} + \dots \\ & + \frac{I_N}{(1+K)^N} \end{aligned}$$

1/ This definition of cost follows accepted industry practice of basing investment decisions on the after-tax cash flow associated with investment, depreciation and operating expenses.

[6450-01-M]

(5) The terms in equations 1 through 3 are defined as follows:

R—The ratio of the cost of using an alternate fuel to the cost of using imported oil or gas.

COST—The total discounted after-tax cost in dollars of constructing and operating the installation for the remaining useful life of the installation.

I—Discounted total net capital outlay in dollars excluding investment tax credits.

I₀—Net capital outlay in dollars up to the time the exemption becomes effective.

I₁—I_N—Yearly net capital outlays from first year of the exemption through the remaining useful life of the installation.

OM—Annual cost in dollars of operating and maintaining the installation starting when the exemption becomes effective.

t—Federal income tax rate (see Section d).

FL—Annual delivered fuel cost in dollars starting when the exemption becomes effective (see Section d).

P—Year fuel is changed from oil to alternate fuel.

K—The real cost of capital expressed as a fraction (see Section d).

N—The remaining useful life of the installation (see Section d).

DPR—Annual depreciation using the method which depreciates the asset as quickly as allowed by law. Includes all relevant equipment, not just the equipment included in I.

Sp—Salvage value of equipment rendered useless by changing the fuel from oil or natural gas to alternate fuel in year P.

(6) The step by step procedure that follows shows the comparisons that you must make. It outlines the fuel comparisons as well as the time comparisons.

(i) Compute the cost (COST) of using an alternate fuel with equation 2.

(ii) Compute the cost (COST) of using an alternate fuel with equation 2

assuming an alternate fuel is not used as the primary energy source until the end of the first year of the exemption and that oil or natural gas is used for the first year of the exemption. Capital investment, operating and maintenance and fuel expenditures should reflect postponed use of alternate fuel (e.g., installation of scrubber when used).

(iii) Successively compute the cost (COST) of using an alternate fuel with equation 2 assuming use of an alternate fuel is postponed until the end of the second through tenth year of the exemption (and oil or natural gas is used in the years preceding alternate fuel use).

(iv) Compute the cost (COST) of using oil or natural gas with equation 2.

(v) Compute the ratios (R) of the cost of using an alternate fuel at the

beginning of the exemption, and successively at the end of the first through tenth year of the exemption to the cost of using oil or natural gas from the start of the exemption throughout the remaining useful life of the installation with equation 1.

(vi) If all the ratios (R) are greater than, for illustrative purposes, (1.5) (an index to be set periodically by ERA), your installation would meet the cost criteria for a permanent exemption. If one or more of the ratios (R) are equal to or less than (1.5) and a series of ratios (R) starting with the case where alternate fuel is used from the start of operation, are all greater than (1.5), a temporary exemption would be granted for the minimum period in which the cost of using an alternate fuel, deferred year by year, always exceeds (1.5).

(7) The following table shows the hypothetical results of four sets of calculations.

HYPOTHETICAL RESULTS OF FOUR SETS OF CALCULATIONS

Year in Which Alternate Fuel Use is Commenced	Case I	Case II	Case III	Case IV
At Start of Exemption	1.7	1.7	1.7	1.3
1	1.7	1.7	1.7	1.3
2	1.7	1.7	1.7	1.3
3	1.4	1.7	1.7	1.3
4	1.4	1.7	1.4	1.3
5	1.4	1.7	1.4	1.0
6	1.4	1.7	1.2	1.0
7	1.4	1.7	1.2	1.0
8	1.4	1.7	1.2	1.0
9	1.4	1.7	1.2	1.0
10	1.4	1.7	1.2	1.0

The results of the above table shows that: a two year temporary exemption would be granted in case I, a permanent exemption would be granted in Case II, a three year temporary would be granted in Case III, and no exemption would be granted in Case IV.

(c) Cost calculation-special cost test.

(1) You may be eligible for a temporary exemption if you demonstrate that the cost of using an alternate fuel will substantially exceed the cost of using imported petroleum over the period of the proposed exemption. The period of the exemption cannot exceed ten years. You will have to show that the cost of using alternate fuel substantially exceeds the cost of using imported petroleum for the first year of the exemption, the first two years of the exemption, and each successive year of the exemption, up

to the period of the proposed exemption. ERA will limit the duration of a temporary exemption to the shortest time possible.

(2) The calculation takes into consideration (i) the operations and maintenance and delivered fuel expenditures incurred during the proposed exemption, (ii) the effect of depreciation and taxes on cash flow during the proposed exemption and, (iii) the capital outlays associated with the exemption.

(3) To conduct the test you must use the equations that follow:

- [6450-01-C] (i) Calculate the ratio (R) of the cost of using an alternate fuel to the cost of using imported petroleum with equation 6.

$$\text{EQ 6 } R = \frac{\text{COST (ALTERNATE)}}{\text{COST (OIL)}}$$

- (ii) Calculate the cost using equation 7.

$$\begin{aligned} \text{EQ 7 } \text{Cost} = & I + \frac{(1-t)(OM + FL) - (t)(DPR)}{(1+K)} \\ & + \frac{(1-t)(OM + FL) - (t)(DPR)}{(1+K)^2} \\ & + \dots \\ & + \frac{(1-t)(OM + FL) - (t)(DPR)}{(1+K)^p} \\ & - \frac{Sp}{p} \end{aligned}$$

- (iii) Calculate investment (I) using equation 8.

$$\begin{aligned} \text{EQ 8 } I = & I_o + \frac{I_1}{(1+K)} + \frac{I_2}{(1+K)^2} \\ & + \dots + \frac{I_p}{(1+K)^p} \end{aligned}$$

[6450-01-M]

(4) The terms in equations 6 through 8 are defined as follows:

R—The ratio of the cost of using an alternate fuel to the cost of using imported petroleum.

COST—The total discounted after-tax cost in dollars, associated with the exemption, of constructing and operating the installation.

I—Discounted total net capital outlay in dollars excluding investment tax credit until the end of the proposed exemption. The investment in the basic installation itself (that which would be required if a change in the primary energy source were not being proposed) is not included. (ERA will not consider investment tax credits for oil- and gas-fired installations.)

I₀—Net capital outlay in dollars up to the time the exemption is effective.

I₁—Yearly net capital outlay from the first year of the exemption until the change to alternate fuel.

OM—Annual cost in dollars of operating and maintaining the installation during the exemption.

Sp—Salvage value of equipment rendered useless by changing from oil or natural gas to alternate fuel in year P.

t—Federal income tax rate (see Section d).

FL—Annual delivered fuel cost in dollars during the exemption (see Section d).

K—The real cost of capital expressed as a fraction (see Section d).

P—The period of the proposed exemption.

DPR—Annual depreciation using the method which depreciates the asset as quickly as allowed by law. Includes all relevant equipment, not just that equipment included in I.

(5) The step by step procedure that follows shows the comparison you must make.

(i) Compute the cost (COST) of using an alternate fuel assuming the length of the proposed exemption is one year with equation 7.

(ii) Compute the cost (COST) of using oil or natural gas valued at imported petroleum prices assuming the length of the proposed exemption is one year with equation 7.

(iii) Compute the ratio (R) of the cost of using an alternate fuel for the

first year to the cost of using imported petroleum for the first year with equation 6.

(iv) Repeat the calculation made in (i), (ii), and (iii) above assuming the length of the proposed exemption is two years, three years, four years, and so on, up to the period of the proposed exemption.

(v) A temporary exemption would be granted, where one or more successive ratios (R) are greater than, for illustrative purposes, (1.5) (the index established by ERA).

(d) *Information on parameters used in the calculation.* (1) All estimated expenditures, except natural gas and petroleum products, shall be expressed in real (uninflated) terms using the prices in effect at the time the petition is submitted.

(2) The delivered price of oil or natural gas to be used in the cost calculation must reflect the price of imported oil. The imported petroleum price is reflected in the cost calculation in the following way:

$$PFE = \frac{PICO}{PCCO} \times PF$$

where

PICO=Price of imported crude oil. The most recent refiner acquisition cost of imported crude oil as reported in the FEDERAL REGISTER monthly notice for the DOE Domestic Crude Oil Allocation (Entitlements) Program.

PCCO=Price of composite crude oil. The most recent weighted average cost of total reported crude oil receipts as reported in the FEDERAL REGISTER notice for the DOE Entitlements Program.

PF=Price of your fuel. The most recent actual weighted average cost of your fuel oil (other than natural gas). Alternatively, if no purchases of fuel oil occurred, or you used natural gas during that month, you should use a simple average of the industrial price of fuel oil (capable of being burned in your facility) sold in your area by at least three suppliers.

For proposed natural gas users, you shall use the price of No. 2 distillate fuel oil in this calculation.

PFE=Price of fuel for equation. The cost of oil for use in equation 1.

(3) For existing installations, the annual capacity factor shall be assumed to be the average capacity factor for the last five years or the life of the installation, if the installation is less than five years old. You may rebut this presumption with suitable engineering evidence.

(4) The remaining useful life of major fuel burning installations shall be 40 years minus the number of years of operation before the effective date of the exemption. You may rebut this presumption with suitable engineering evidence.

(5) The cost of capital for major fuel burning installations is 7.0 percent per year in real terms.

(6) The Federal income tax rate is 46 percent.

(7) All estimated expenditures will be computed in accordance with generally accepted accounting principles.

(e) *Evidence supporting the comparative cost test.* All petitions for exemption requiring the use of the comparative cost test shall include, but not be limited to, the following information:

(1) A detailed accounting of all capital outlays including a description of all major construction and equipment. All critical assumptions should be stated and sufficient data should be included to support your estimates.

(2) A detailed accounting of all operations and maintenance expenditures including a description of all major elements. All critical assumptions should be stated and sufficient data included to support your estimates.

(3) A detailed accounting of all delivered fuel expenditures including transportation. All critical assumptions should be stated and sufficient data included to support your estimates. The fuel characteristics for each alternate fuel should be included.

(4) If you assume that the remaining useful life of the installation is less than 40 years minus the number of years of operation before the effective date of the exemption, all critical assumptions and sufficient data to support that position.

(5) A detailed accounting of the depreciation which should include the depreciable base and its tax life. All critical assumptions should be stated and sufficient data included to support your estimates.

(f) *Example of calculations.* (1) You are considering converting a major fuel burning installation from oil to coal. In this particular situation, the delivered cost of coal is much greater

for the first three years after the proposed conversion than it will be in the later years because of a transportation problem. Do you qualify for an exemption? If so, is it permanent or temporary?

(2) To determine if you qualify for a permanent exemption, you would have to use the General Cost Test and compute the ratios of the cost to use 1) coal for the remaining useful life of the installation after the effective date of the exemption; 2) imported petroleum for the first year of the exemption and coal for the remainder of the useful life of the installation; 3) imported petroleum for the first two years of the exemption and coal for the remainder of the useful life of the installation, * * * ; and 11) imported petroleum for the first ten years of the exemption and coal for the remainder of the useful life of the installation to the cost of using imported petroleum for the remaining useful life of the installation after the effective date of the exemption.

(3) All eleven ratios would have to be higher than (1.5) (assumed index established by ERA) to qualify for a permanent exemption. However, if a series of successive ratios, starting with the case where alternate fuel is used from the start of the exemption, are all greater than (1.5), you would be eligible for a temporary exemption up to the last year the ratio is greater than (1.5).

(4) In this example, we will only compute the ratios of (i) the cost to use coal for the remaining useful life of the installation after the effective date of the exemption and (ii) the cost to use imported petroleum for the first three years of the exemption and coal for the remainder of the useful

life of the installation, to the cost of using imported petroleum for the remaining useful life of the installation after the effective date of the exemption.

(5) To determine if you qualify for a temporary exemption, if you have not already done so with the General Cost Test, you would have to use the Special Cost Test and compute the ratios of the cost to use coal in the installation to the cost to use imported petroleum in the installation for one, two, and three years after the effective date of the exemption. All three ratios would have to be higher than (1.5) in order to qualify for a three-year temporary exemption. In this example, we will only compute the ratio of the cost of using coal to the cost to using imported petroleum for the first three years after the effective date of the exemption.

(6) *Parameters*—a set of hypothetical parameters are given below:

(i) Installation conversion to coal without changing capacity or remaining useful life:

Net capital outlay (without scrubber) to convert the installation to burn coal.—\$890,000.
Salvage value of equipment rendered useless by shifting from oil to coal.—223,000.
Net capital outlay for scrubber.—2,575,000.
Operations and maintenance costs per year to burn coal.—858,000.

(ii) Existing oil burning installation.

Book value of installation.—2,668,000.
Operations and maintenance cost per year.—258,000.
Remaining useful life (after exemption becomes effective).—30 years.

(iii) Fuel.

Annual cost to burn imported oil.—2,163,000.
Annual cost to burn coal for the first three years of after the proposed conversion.—3,447,000.
Annual cost to burn coal for the fourth through thirtieth year after the proposed conversion.—1,159,000.

(7) *Analysis.* (1) *General cost test.* The relevant cash flows are shown in the following table for the three cases in which computations are being made.

CASH FLOWS FOR GENERAL COST TEST IN (IN THOUSANDS)

Type of cash flow	Year(s) flow occurs	Case 1—Coal over remaining useful life of installation	Case 2—Imported Petroleum for first 3 years and Coal Thereafter	Case 3—Imported petroleum over the remaining life of the installation
Investment.....	0	\$890 + \$2,575	0	0
Investment.....	3	0	\$890 + 2,575	0
Salvage.....	0	223	0	0
Salvage.....	3	0	\$223	0
Operation & Maintenance.....	1, 2, 3	\$858/yr.	\$258/yr.	\$258/yr.
Operation & Maintenance.....	4, —, 30	\$858/yr.	\$858/yr.	\$258/yr.
Fuel.....	1, 2, 3	\$3,477/yr.	\$2,163/yr.	\$2,163/yr.
Fuel.....	4, —, 30	\$1,159/yr.	\$1,159/yr.	\$2,163/yr.
Effect of Taxes and Depreciation.....	1, —, 30	(1)	(1)	(1)

¹ Depreciation is greater of double declining balance or straight line over remaining period. For the purposes of this example all equipment is depreciated in the same way.

[6450-01-C]

The following computations are in thousands of dollars.

Case 1. Cost of using coal over the remaining life of the powerplant from the start of the exemption.

$$\begin{aligned}
 I &= I_0 + \frac{I_1}{(1+K)} + \frac{I_2}{(1+K)^2} + \dots + \frac{I_N}{(1+K)^N} \\
 &= (890 + 2,575) \\
 &\quad + \frac{0}{(1.07)} + \frac{0}{(1.07)^2} + \dots + \frac{0}{(1.07)^{30}} \\
 &= \$3,465
 \end{aligned}$$

$$\begin{aligned}
 \text{COST} &= I + \frac{(1-t)(OM_1 + FL_1) - (t)(DPR_1)}{(1+K)^1} \\
 &\quad + \frac{(1-t)(OM_2 + FL_2) - (t)(DPR_2)}{(1+K)^2} + \dots \\
 &\quad + \frac{(1-t)(OM_N + FL_N) - (t)(DPR_N) - \frac{S}{P}}{(1+K)^N} \\
 \text{COST} &= 3,465 + \frac{(1-0.46)(858 + 3477) - 0.46 \times DPR_1}{(1.07)^1} \\
 &\quad + \frac{(1-0.46)(858 + 3477) - 0.46 \times DPR_2}{(1.07)^2} \\
 &\quad + \frac{(1-0.46)(858 + 3477) - 0.46 \times DPR_3}{(1.07)^3}
 \end{aligned}$$

$$\begin{aligned}
 & + \frac{(1-0.46)(858 + 1159) - 0.46 \times \text{DPR}}{(1.07)^4} \\
 & + \dots + \frac{(1-0.46)(858 + 1159) - 0.46 \times \text{DPR}}{(1.07)^{30}} \\
 & - \frac{223}{(1.07)^0} \\
 & = 18,623
 \end{aligned}$$

Case 2. Cost of using imported petroleum for the first three years of the exemption and coal thereafter.

$$\begin{aligned}
 I &= I + \frac{I_1}{(1+k)^1} + \frac{I_2}{(1+k)^2} + \dots + \frac{I_N}{(1+k)^N} \\
 &= 0 + \frac{(2,575 + 890)}{(1.07)^3} \\
 &= 2,828
 \end{aligned}$$

$$\begin{aligned}
 \text{COST} &= I + \frac{(1-t)(\text{OM}_1 + \text{FL}_1) - (t)(\text{DPR}_1)}{(1+k)^1} \\
 &+ \frac{(1-t)(\text{OM}_2 + \text{FL}_2) - (t)(\text{DPR}_2)}{(1+k)^2} + \dots \\
 &+ \frac{(1-t)(\text{OM}_N + \text{FL}_N) - (t)(\text{DPR}_N) - S_P}{(1+k)^N (1+k)^P}
 \end{aligned}$$

PROPOSED RULES

$$\begin{aligned}
 \text{COST} &= 2,828 + (1-0.46) (258 + 2,163) - 0.46 \times \text{DPR} \\
 &\quad \frac{1}{(1.07)} \\
 &+ (1-0.46) (258 + 2,163) - 0.46 \times \text{DPR} \\
 &\quad \frac{2}{(1.07)} \\
 &+ (1-0.46) (258 + 2,163) - 0.46 \times \text{DPR} \\
 &\quad \frac{3}{(1.07)} \\
 &+ (1-0.46) (858 + 1,159) - 0.46 \times \text{DPR} \\
 &\quad \frac{4}{(1.07)} \\
 &+ \dots\dots\dots \\
 &+ (1-0.46) (858 + 1,159) - 0.46 \times \text{DPR} \\
 &\quad \frac{30}{(1.07)} \\
 &- \frac{223}{3} \\
 &\quad (1.07) \\
 &= 15,426
 \end{aligned}$$

Case 3. Cost of using imported petroleum over the remaining useful life of the installation starting with the effective date of the exemption.

$$\begin{aligned}
 I &= I_0 + \frac{I_1}{(1+k)} + \frac{I_2}{(1+k)^2} + \dots + \frac{I_N}{(1+k)^N} \\
 &= 0 + \frac{0}{(1.07)} + \frac{0}{(1.07)^2} + \dots + \frac{0}{(1.07)^{30}} \\
 &= 0
 \end{aligned}$$

$$\begin{aligned}
 \text{COST} &= I + \frac{(1-t)(OM_1 + FL_1) - (t)(DPR)_1}{(1+k)} \\
 &+ \frac{(1-t)(OM_2 + FL_2) - (t)(DPR)_2}{(1+k)^2} + \dots \\
 &+ \frac{(1-t)(OM_N + FL_N) - (t)(DPR)_N}{(1+k)^N} - \frac{S}{(1+k)^P}
 \end{aligned}$$

$$\begin{aligned}
 \text{COST} &= 0 + \frac{(1-0.46)(258 + 2,163) - 0.46 \times DPR_1}{(1.07)} \\
 &+ \frac{(1-0.46)(258 + 2,163) - 0.46 \times DPR_2}{(1.07)^2} \\
 &+ \dots
 \end{aligned}$$

PROPOSED RULES

$$+ (1-0.46) (258 + 2,163) - 0.46 \times \text{DPR}$$

$$(1.07)$$
$$= 15,605$$

Computation of ratios.

$$R = \frac{\text{COST (COAL THROUGHOUT LIFE)}}{\text{COST (OIL)}}$$

$$+ \frac{18,623}{15,605} = 1.19$$

$$R = \frac{\text{COST (OIL FIRST THREE YEARS, COAL THEREAFTER)}}{\text{COST (OIL)}}$$

$$= \frac{15,426}{15,605} = 0.99$$

Conclusion. Since the assumed index is (1.5), you would not qualify for a permanent exemption, or a temporary exemption using the General Cost Test.

(ii) Special Cost Test. The relevant cash flows are shown in the following tables for the two cases in which computations are being made.

CASH FLOW FOR SPECIAL COST TEST (IN THOUSANDS)

Type of Cash Flow	Year(s)	Case 1	Case 2
		Coal Over Remaining Useful Life of Installation	Imported Petroleum First 3 Yrs. & Coal Thereafter
Investment	0	\$890 + 2,575	0
Investment	3	0	\$890 + \$2,575
Salvage	0	223	
Salvage	3	0	\$223
Operation & Maintenance	1, 2, 3	\$ 858/yr.	\$258/yr.
Fuel	1, 2, 3	\$3,477/yr.	\$2,163/yr.
Effects of Taxes and Depreciation	1, 2, 3	Depreciation is greater of double declining balance or straight line over remaining period. For the purposes of this example, all equipment is depreciated depreciated in the same way.	

The following computations are in thousands of dollars.

Case 1. Cost of using coal from the start of the exemption

$$\begin{aligned}
 I &= I_0 + \frac{I_1}{(1+k)} + \frac{I_2}{(1+k)^2} + \dots + \frac{I_p}{(1+k)^p} \\
 &= (890 + 2,575) + \frac{0}{(1.07)} + \frac{0}{(1.07)^2} + \frac{0}{(1.07)^3} \\
 &= 3,465
 \end{aligned}$$

$$\begin{aligned}
 \text{COST} &= I + \frac{(1-t)(OM_1 + FL_1) - t \cdot \text{DPR}_1}{(1+k)} \\
 &\quad + \frac{(1-t)(OM_2 + FL_2) - t \cdot \text{DPR}_2}{(1+k)^2} + \dots \\
 &\quad + \frac{(1-t)(OM_p + FL_p) - t \cdot \text{DPR}_p}{(1+k)^p} - \frac{S}{P}
 \end{aligned}$$

$$\begin{aligned}
 \text{COST} &= 3,465 + \frac{(1-0.46)(858 + 3,477) - 0.46 \times \text{DPR}_1}{(1.07)} \\
 &\quad + \frac{(1-0.46)(858 + 3,477) - 0.46 \times \text{DPR}_2}{(1.07)^2} \\
 &\quad + \frac{(1-0.46)(858 + 3,477) - 0.46 \times \text{DPR}_3}{(1.07)^3} \\
 &\quad - \frac{223}{(1.07)^0} \\
 &= \$8,922
 \end{aligned}$$

Case 2. Cost of using imported petroleum for the first three years of the exemption (and coal thereafter)

$$\begin{aligned}
 I &= \frac{1}{0} + \frac{1}{(1+k)} + \frac{2}{(1+k)} + \dots + \frac{P}{(1+k)} \\
 &= 0 + \frac{(2,575 + 890)}{(1.07)} \\
 &= \$2,828
 \end{aligned}$$

$$\begin{aligned}
 \text{COST} &= I + \frac{(1-t)(OM + FL) - t \cdot \text{DPR}}{(1+k)} \\
 &+ \frac{(1-t)(OM + FL) - t \cdot \text{DPR}}{(1+k)} + \dots \\
 &+ \frac{(1-t)(OM + FL) - t \cdot \text{DPR}}{(1+k)} - \frac{S}{(1+k)}
 \end{aligned}$$

$$\begin{aligned}
 \text{COST} &= \$2,828 + \frac{(1-0.46)(258 + 2,163) - 0.46 \times \text{DPR}}{(1.07)} \\
 &+ \frac{(1-0.46)(258 + 2,163) - 0.46 \times \text{DPR}}{(1.07)} \\
 &+ \frac{(1-0.46)(258 + 2,163) - 0.46 \times \text{DPR}}{(1.07)} \\
 &- \frac{223}{(1.07)} \\
 &= 5,460
 \end{aligned}$$

Computation of ratio.

$$\begin{aligned}
 R &= \frac{\text{COST (COAL FOR PERIOD OR EXEMPTION)}}{\text{COST (OIL FOR PERIOD OF EXEMPTION)}} \\
 &= \frac{8,922}{5,460} = 1.63
 \end{aligned}$$

Conclusion. If ERA had set the index at 1.5, you would be granted a temporary exemption.

[6450-01-M]

§ 506.13 Use of mixtures—general requirement for temporary exemption.

(a) ERA will not consider a petition for a temporary exemption under Section 311 of the Act to be complete, adequate or acceptable for filing unless you demonstrate, to the satisfaction of the ERA in your petition, whether or not the use of a mixture of natural gas or petroleum and an alternate fuel is economically and technically feasible during the period of the proposed exemption.

(b) If ERA determines that the use of a particular fuel mixture is technically and economically feasible during the period of the proposed exemption, ERA will condition the granting of any temporary exemption under this Part upon the use of that mixture during the period of the temporary exemption.

§ 506.14 Use of mixtures—general requirement for permanent exemption.

(a) *Application.* ERA will not consider a petition for any of the following exemptions provided for in Section 312 of the Act (lack of alternate fuel supply, site limitations environmental requirements, State or local requirements, cogeneration, emergency purposes, product/process requirements, or scheduled equipment outages) to be complete, adequate, or acceptable for filing unless you demonstrate to the satisfaction of ERA in your petition that you have considered the use of a mixture(s) for which an exemption under § 506.36 (Fuel Mixtures) of these regulations would be available.

(b) *Demonstration.* ERA will not grant any of the exemptions listed in subsection (2) unless you demonstrate that use of such a mixture(s) is not economically or technically feasible in the unit for which you are requesting an exemption. To make such a demonstration, you must show in your petition to the satisfaction of ERA that:

(1) If use of a mixture(s) were required, you would be eligible for one of the following permanent exemptions provided for in the Act: lack of alternate fuel supply, site limitations, environmental requirements, or state or local requirements; or

(2) The use of a mixture(s) is not technically or economically feasible in your specific unit due to design or special circumstances as determined by ERA on a case-by-case basis.

§ 506.15 Use of fluidized bed combustion not feasible—general requirement for permanent exemption.

(a) *Application.* ERA will not consider a petition for one of the following permanent exemptions provided for in Section 312 of the Act (lack of alternate

fuel supply, site limitations, environmental requirements, state or local requirements, cogeneration, emergency, product/process, or equipment outages), to be complete, adequate or acceptable for filing unless you demonstrate in your petition to the satisfaction of ERA that you have considered the use of a method of fluidized bed combustion of an alternate fuel.

(b) *Finding.* If ERA determines, on a generic basis, that use of a method of fluidized bed combustion is economically and technically feasible, ERA will deny your request for exemption unless you demonstrate to the satisfaction of ERA that:

(1) If use of a method of fluidized bed combustion, were required, you would be eligible for one of the following permanent exemption provided for in Section 312 of the Act: lack of alternate fuel supply, site limitations, environmental requirements, or state and local requirements; or

(2) The use of a method of fluidized bed combustion is not technically or economically feasible in your specific unit due to design or special circumstances as determined by ERA on a case-by-case basis.

§ 506.16 Terms and conditions; compliance plans.

(a) *Terms and conditions generally.* You must comply with the terms and conditions of an exemption granted under the Act by the ERA, including terms and conditions requiring the use of (1) effective fuel conservation measures and (2) fuel mixtures.

(b) *Compliance plans for temporary exemptions.*

(1) A compliance plan certified by your Chief Executive Officer must accompany a petition for a temporary exemption. The compliance plan shall include at least the following:

(i) A detailed schedule of progressive events and the dates upon which the events are to take place indicating how you will comply with the applicable prohibitions of the Act;

(ii) Documentary evidence of binding contracts for fuel or facilities for the production of fuel which you require to comply with the applicable prohibitions of the Act;

(iii) Any other documentary evidence which indicates your intention to comply with the applicable prohibitions of the Act; and

(iv) A detailed statement of the manner in which you intend to comply with § 506.13 of these regulations requiring the use of fuel mixtures as a condition to the granting of a temporary exemption where the use of fuel mixtures is technically and economically feasible.

(2) The exemption shall not be effective until the compliance plan is approved by ERA.

(3) *Revisions of Compliance Plans.* If the petitions is granted, you must submit to ERA an updated compliance plan certified by your Chief Executive Officer:

(i) At the end of each 12 month period from the effective date of the exemption;

(ii) Within one month of an alteration of any milestone in the compliance plan, together with the reasons for the alteration and its impact upon the scheduling of all other milestones in the plan; and

(iii) At any time the ERA, in its discretion, determines that a revised compliance plan is necessary to reflect changes in circumstances.

(c) *Enforcement.* Any exemption is subject to termination upon the violation of any provision of the exemption or any provision of the pertinent compliance plan.

Subpart C—Temporary Exemptions for Existing Major Fuel Burning Installations**§ 506.20 Purpose and scope.**

(a) This subpart implements the provisions contained in Section 311 of the Act with regard to temporary exemptions for existing installations.

(b) This subpart establishes the criteria and standards which owners or operators of existing installations who petition for a temporary exemption must meet to sustain their burden of proof under the Act.

(c) You must submit all petitions for temporary exemptions for existing installations in accordance with the procedures set out in Part 501 of these regulations.

(d) The duration of any temporary exemption granted under this subpart shall be measured from the date that the applicable prohibition would first apply if the exemption had not been granted.

§ 506.21 Lack of alternate fuel supply.

(a) *Eligibility.* Section 311(a)(1) of the Act provides for a temporary exemption due to lack of an alternate fuel supply. ERA shall grant such an exemption if you demonstrate to the satisfaction of ERA that:

(1) You made a good faith effort to obtain an adequate and reliable supply of an alternate fuel of the quality necessary to conform to the design and operational requirements of the existing installation;

(2) For the period of the proposed exemption, the cost of using such a supply would substantially exceed the cost of using imported petroleum as a primary energy source as defined in § 506.12 (Cost Calculation) of these regulations; and

(3) You will be able to comply with the applicable prohibitions, rule or

order at the end of the proposed exemption period.

(b) *Evidence required in support of a petition.* In order to submit an adequate petition for review by ERA you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) A description of the approach and methodology you used to search for an evaluate the use of the alternate fuels you considered.

(2) A description of the detailed design requirements for the existing installation including capacity, alternate fuel capability, and all other specifications;

(3) A description of the specific fuel characteristics of all the fuels which can be used by the existing installation;

(4) Evidence that you sought to obtain the full range of alternate fuels and fuel characteristics which could be used by the existing installation, including bid requests and/or advertisements for supply contracts and all response thereto, as well as evidence of any other arrangements you attempted to make to secure supplies;

(5) Evidence of the contracts or other arrangements you have made to insure a reliable and adequate supply of an alternate fuel at the end of the proposed exemption; and

(6) All data required by § 506.12 (Cost Calculation) of these regulations necessary for computing the cost calculation formula.

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act and § 506.16 of these regulations simultaneously with submission of your petition in order to satisfy ERA requirements for petition adequacy. You must submit an updated compliance plan as required by § 506.16 of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption, taking into account any extensions or renewals, may not exceed 10 years.

§ 506.22 Site limitations.

(a) *Eligibility.* Section 311(a)(2) of the Act provides for a temporary exemption due to a site limitation. ERA shall grant you such an exemption if you demonstrate, to the satisfaction of the ERA, that one or more of the following specific physical limitations relevant to the operation of your installation exist which, despite your diligent good faith efforts, cannot be overcome before the end of the proposed exemption period.

(1) Alternate fuels would be inaccessible as a result of a specific physical limitation relevant to the operation of the existing installation;

(2) Transportation facilities for alternate fuels would be unavailable;

(3) Adequate facilities for handling, using or storing an alternate fuel would be unavailable;

(4) Adequate means for controlling and disposing of wastes would be unavailable;

(5) Adequate and reliable supply of water would be unavailable; or

(6) Other site limitations exist which would not permit the operation of the existing installation using an alternate fuel.

(b) *Evidence required in support of the petition.* To submit an adequate petition for review by ERA, you must include in your petition the following substantial evidence to corroborate the above criteria:

(1) Evidence that the site limitation is a physical limitation, and not a requirement of a Federal, State, or local law which could be the basis of an exemption under Section 506.34 (State or local requirements);

(2) Evidence that alternative means for overcoming the specific site limitations were considered, with a detailed description of the efforts made to overcome the site limitations set out in your petition;

(3) Evidence of the equipment or space requirements for which the site limitation is claimed.

(4) Evidence of the contracts or other arrangements you have made to insure that the site limitation will be overcome and that you will comply with the applicable prohibitions at the end of the proposed exemption period. Examples of evidence relevant to establishing a site limitation for purposes of a temporary exemption are as follows:

(i) Detailed documentation of impediments, including rights of way problems, site diagrams, maps of the surrounding areas and other items essential to the showing of a site limitation;

(ii) Identification of transportation facilities relevant to the specific site of the installation and a demonstration why existing transportation facilities cannot be utilized or new facilities constructed;

(iii) Copies of bid requests, advertisements and other evidence of general efforts made to secure alternate transportation facilities;

(iv) Identification of potential fuel storage locations within a reasonable geographic area surrounding the existing installation;

(v) Detailed scale site plans of the entire facility which include those areas not directly involved with the specific installation;

(vi) A specific listing of all equipment necessary and not currently available to properly handle alternate fuel;

(vii) Copies of bid requests, advertisements and other evidence of general efforts made to secure alternative fuel storage facilities;

(viii) Copies of quotes from bona fide suppliers, indicating lead times for purchase and installation of required ancillary storage or handling equipment;

(ix) Specific listing of any equipment necessary and not currently available to properly control and dispose of waste;

(x) Identification of potential alternate waste disposal locations within a reasonable geographic area surrounding the existing installation;

(xi) A description of efforts made to secure offsite disposal areas, including the cost of acquisition of the sites, transportation facilities and waste handling costs involved in their use; and

(xii) Copies of bid requests, advertisements, and other evidence of general efforts made to secure waste control and disposal equipment.

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act and § 506.16 of these regulations simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You must submit an updated compliance plan as required by § 506.16 of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption, taking into account any extensions and renewals, may not exceed five years.

§ 506.23 Inability to comply with applicable environmental requirements.

(a) *Eligibility.* Section 311(a)(3) of the Act provides for a temporary exemption due to an inability to comply with applicable environmental requirements. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that despite diligent good faith efforts:

(1) You are unable to comply with rules or orders of ERA without violating applicable Federal or state environmental requirements; and

(2) You will be able to comply with rules or orders of ERA by the end of the temporary exemption period.

(b) *Evidence required in support of the petition.* To submit an adequate petition for review by ERA, you must provide the following substantial evidence to corroborate the above requirements:

(1) A detailed explanation why the facility cannot immediately burn an alternate fuel without violating applicable environmental requirements;

(2) Copies of all technical studies that you have relied upon with regard

to consideration of alternate fuels, pollution control equipment, variances, State Implementation Plan revisions, and delayed compliance orders;

(3) Copies of requests for bids, responses received, and contracts signed, if any, for an alternate fuel supply and for the purchase and installation of pollution control equipment; and

(4) Copies of correspondence with the State or EPA concerning variances, State Implementation Plan revisions, delayed compliance orders, solid waste permits or approvals, or modifications to National Pollution Disposal Elimination System permits.

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act and § 506.16 of these regulations simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You must submit an updated compliance plan as required by § 506.16 of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption taking into account extensions and renewals, may not exceed 5 years.

§ 506.24 Future use of synthetic fuels.

(a) *Eligibility.* Section 311(b) of the Act provides for a temporary exemption based upon the future use of synthetic fuels. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) You will be able to comply with the applicable rule or orders at the end of the proposed exemption period by the use of synthetic fuel as a primary energy source in your installation; and

(2) That you will not be capable of complying with the applicable rule or orders by using an alternate fuel in your installation before the end of the proposed exemption period.

(b) *Evidence required in support of the petition.* To submit an adequate petition for review by ERA you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) Copies of economic and technical feasibility studies pertaining to the use of synthetic fuels by your installation;

(2) Reliable evidence of the financial commitments you have made to construct, operate and maintain equipment which will use synthetic fuel as the primary energy source at the end of the proposed exemption period;

(3) Copies of bid request, advertisements, contracts and/or other agreements relating to the production, purchase, and transportation of synthetic fuel; and

(4) Information with regard to permits that may be required by Federal or State Agencies for the operation of an installation using synthetic fuels.

(c) *Compliance plan.* You must submit to ERA a compliance plan in accord with Section 314 of the Act and § 506.16 of these regulations simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You shall submit an updated compliance plan as required by § 506.16 of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption may be granted for a period of up to five years and may be extended for an additional five years, but so extended may not exceed ten years.

§ 506.25 Use of innovative technologies.

(a) *Eligibility.* Section 311(c) of the Act provides for a temporary exemption based on the use of innovation technologies. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) You will be able to comply with the applicable rule or order at the end of the proposed exemption period by adoption of a technology for the use of an alternate fuel which ERA has determined to be an innovative technology;

(2) You will not be capable of complying with the applicable rule or order before the end of the proposed exemption period.

(b) *Evidence required in support of the petition.* To submit an adequate petition for review by ERA you must include in your petition the following substantial evidence to corroborate the above requirements.

(1) Copies of economic and technical feasibility studies pertaining to adoption of an innovative technology for use of an alternate fuel in your installation;

(2) A complete description of the innovative technology you propose to use including explanation of its innovative characteristics, detailed design and engineering specifications, and a description of the fuel characteristic of the alternate fuels which can be used with the innovative technology;

(3) Reliable evidence of the financial and contractual commitments you have made to construct or modify, operate, and maintain equipment which represents an innovative technology for the use of alternate fuel and which will be used at the end of the proposed exemption period; and

(4) Copies of bid requests, advertisements contracts, and/or other arrangements you have made to insure a reliable and adequate supply of an al-

ternate fuel at the end of the proposed exemption.

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act and § 506.16 of these regulations simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You shall submit an updated compliance plan as required by § 506.16 of these regulations and as required by the terms and conditions of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption may be granted for a period of up to 5 years and may be extended for an additional 5 years, but so extended may not exceed 10 years.

§ 506.26 Retirement.

(a) *Eligibility.* Section 311(d) of the Act provides for a temporary exemption for retirement. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) The installation will be retired at the expiration of this temporary exemption;

(2) You will not be capable of complying with the applicable prohibitions contained in Title III, Subtitle A of the FUA by consuming coal or other alternate fuels before retirement of the installation.

(b) *Evidence required in support of the petition.* To submit an adequate petition sufficient for review by ERA you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) A detailed engineering analysis explaining why the installation cannot use alternate fuels prior to retirement;

(2) Any other documentary evidence which indicates the reasons for retirement and plans for replacement or substitution of the retired installation;

(c) *Compliance plan.* You must submit to ERA a compliance plan in accord with Section 314 of the Act simultaneously with submission of the petition to satisfy ERA requirements for petition adequacy. The petitioner shall submit an updated compliance plan as required by § 506.16 except § 506.16(b)(1)(ii) these regulations and by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption, taking into account extensions and renewals, may not exceed 5 years.

(e) *Restriction.* In the event this exemption is granted you will not be eligible for any other exemption under Title III, Subtitle B of the Act.

§ 506.27 Public interest exemption.

(a) *Eligibility.* Section 311(e) of the Act provides for a temporary public interest exemption. ERA may grant you

such an exemption if you demonstrate to the satisfaction of ERA that:

(1) You are unable to comply with the applicable rule or orders, except in extraordinary circumstances, during the period for which the exemption is requested, but that you will be capable of complying at the end of the proposed exemption period;

(2) You are not eligible for a temporary exemption based on lack of alternate fuel supply, site limitations, environmental requirements, synthetic fuels, innovative technologies, or retirement; and

(3) The granting of the exemption request is in accord with the purposes of the Act and is in the public interest.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA you must include in your petition substantial evidence to corroborate the above requirements.

(c) *Compliance plan.* You must submit to ERA a compliance plan in accordance with Section 314 of the Act and § 506.16 of these regulations simultaneously with submission of your petition to satisfy ERA requirements for petition adequacy. You must submit an updated compliance plan as required by § 506.16 of these regulations and as required by the terms of any order granting an exemption under this subpart.

(d) *Duration.* This temporary exemption, taking into account extensions and renewals, may not exceed 5 years.

Subpart D—Permanent Exemptions for Existing MBFI's

§ 506.30 Purpose and scope.

(a) This subpart implements the provisions contained in Section 312 of the Act with regard to permanent exemptions for existing major fuel burning installations.

(b) This subpart establishes the criteria and standards which owners or operators of existing installations who petition for a permanent exemption must meet to sustain their burden of proof under the Act.

(c) You must submit all petitions for permanent exemptions for existing installations in accordance with the procedures set out in Part 501 of these regulations.

§ 506.31 Lack of alternate fuel supply.

(a) *Eligibility.* Section 312(a)(1)(A) of the Act provides for a permanent exemption due to lack of an alternate fuel supply at a cost which does not substantially exceed the cost of using imported oil. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) You made a good faith effort to obtain an adequate and reliable supply

of an alternate fuel of the quality necessary to conform to design and operational requirements of the existing installation; and

(2) The cost of using such a supply would substantially exceed the cost of using imported petroleum as a primary energy source, as defined in § 506.12 (Cost Calculation) of these regulations during the remaining useful life of the existing installation.

(b) *Evidence in support of a petition.* In order to submit an adequate petition for review by ERA, you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) A description of the detailed design requirements for the existing installation, including capacity, alternate fuels capability, and all other pertinent specifications;

(2) A description of the specific fuel characteristics of all the fuels which can be used by the existing installations.

(3) Evidence that you sought the full range of alternate fuels and fuel characteristics which could be used by the existing installation, including bid requests, and/or advertisements for supply contracts, all responses you received, as well as evidence of any other arrangements you attempted to make to secure supplies;

(4) All data required by § 506.12 of these regulations (Cost Calculation) necessary for computing the cost calculation formula; and

(5) A description of the approach and methodology you used to search for and evaluate the use of the alternate fuel you considered.

§ 506.32 Site limitations.

(a) *Eligibility.* Section 312 (a)(1)(B) of the Act provides for a permanent exemption due to a site limitation. ERA shall grant you such an exemption if you demonstrate to the satisfaction of the ERA that, despite good faith efforts:

(1) Alternate fuels would be inaccessible as a result of a specific physical limitation to the operation of the existing installation;

(2) Transportation facilities for alternate fuels would be unavailable;

(3) Adequate facilities for handling, using or storing alternate fuels would be unavailable;

(4) Adequate means for controlling and disposing of wastes would be unavailable;

(5) Adequate and reliable supply of water would be unavailable; or

(6) Other site limitations exist which would not permit the operation of the existing installation using an alternate fuel and that these limitations cannot be reasonably expected to be overcome within five years after the

application for exemption from the rule or order is filed.

(b) *Evidence required in support of the petition.* In order to submit an adequate petition for review by ERA, you must include in your petition the following substantial evidence to corroborate the above criteria:

(1) Evidence that the site limitation is a physical limitation, and not a requirement of a Federal, State, or local law which could be the basis of an exemption under § 506.34 (State or local requirements);

(2) Evidence that alternate means for overcoming the specific site limitation were sought, with a detailed description of the efforts made to overcome the site limitation set out in your petition; and

(3) Evidence of the equipment or space requirements for which the site limitation is claimed. Examples of evidence relevant to establishing a site limitation for purposes of a permanent exemption are as follows:

(A) Detailed documentation of impediments, including rights of way problems, site diagrams, maps of the surrounding areas and other items essential to the showing of a site limitation;

(B) Identification of transportation facilities relevant to the geographic site of the installation and demonstration showing why existing transportation facilities cannot be utilized or new facilities constructed;

(C) Copies of bid requests, advertisements and evidence of other general efforts made to secure alternative transportation facilities;

(D) Identification of potential alternate fuel storage locations within a reasonable geographic area surrounding the installation;

(E) Detailed scale site plans of the entire facility which include those areas not directly involved with the specific installation;

(F) A specific listing of all equipment necessary and not currently available to properly handle alternate fuels;

(G) Copies of bid requests, advertisements and evidence of other general efforts made to secure alternate storage facilities;

(H) Copies of quotes from bona fide suppliers, indicating lead times for purchase and installation for required ancillary storage or handling equipment;

(I) Specific listing of any equipment necessary and not currently available to properly control and dispose of waste;

(J) Identification of potential alternate waste disposal locations within a reasonable geographic area surrounding the installation;

(K) A description of efforts made to secure off site disposal area transpor-

tation facilities and waste handling costs involved in their use; and

(L) Copies of bid requests, advertisements, and evidence of other general efforts made to secure waste control and disposal equipment.

§ 506.33 Inability to comply with applicable environmental requirements.

(a) *Eligibility.* Section 312(a)(1)(C) of the Act provides for a permanent exemption due to inability to comply with applicable environmental requirements. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that, despite good faith efforts, you cannot burn alternate fuels without violating applicable environmental requirements within five years after the application for exemption is filed.

(b) *Evidence supporting petition.* To submit an adequate petition for review by ERA, you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) A detailed explanation why the facility cannot comply with the prohibition of the Act within five years without violating applicable environmental requirements;

(2) Copies of all technical studies that you have relied upon with regard to consideration of alternate fuels, pollution control equipment, variances, State Implementation Plan revisions, and delayed compliance orders;

(3) Copies of requests for bids, responses received, and contracts signed, if any, for an alternate fuel supply and for the purchase and installation of pollution control equipment; and

(4) Copies of correspondence with the State or EPA concerning variance, State Implementation Plan revisions, delayed compliance orders, solid waste permits or approvals, or modifications to NPDES permits.

(c) *Prepetition actions.* It is recommended that you request a meeting with ERA and EPA or the appropriate State regulatory agency to discuss options for complying with the prohibitions.

§ 506.34 State or local requirements.

(a) *Eligibility.* Section 312(b) of the Act provides for an exemption due to certain State or Local requirements. ERA may grant you such an exemption if you demonstrate to the satisfaction of the ERA that:

(1) With respect to the site of the installation the operation of the installation using an alternate fuel is infeasible because of a State or Local requirement;

(2) If such State or local requirement is under a building code or nuisance or zoning law, no other exemption under Title III, Subtitle B of the Act could be granted;

(3) You have, in good faith, attempted unsuccessfully to obtain a waiver or a variance from the State and local requirement or have demonstrated why none is available; and

(4) The granting of the exemption would be in the public interest and would be consistent with the purposes of the Act.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA, you must provide the following substantial evidence to corroborate the above requirements:

(1) A copy of the pertinent State or local requirement with its citation and its legislative history;

(2) The identification and location of the administrative body which implements the requirements;

(3) A description of your attempts to obtain a waiver or a variance from the requirements;

(4) A description of any activities you were involved in pertaining to the enactment of the requirements;

(5) A description of equipment, procedures, advance planning time and costs necessary to comply with the requirements;

(6) A detailed description of why compliance is infeasible;

(7) The impact upon you and/or your local community, if any, should your petition be denied;

(8) An explanation of the reasons why granting this exemption would be in the public interest; and

(9) An analysis of why you cannot qualify for an exemption under Title III, Subtitle B if such State or local requirement is under a building code, nuisance or zoning law.

§ 506.35 Cogeneration.

(a) *Eligibility.* Section 312(c) of the Act provides for a permanent exemption for cogeneration. ERA may grant you such an exemption if you demonstrate to the satisfaction of ERA at least the following minimum criteria:

(1) You are unable to comply with the applicable rule or order;

(2) That there are economic and other benefits of cogeneration with petroleum or natural gas which are unobtainable through the use of an alternate fuel.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) Documentary evidence which demonstrates that you considered the use of alternate fuels, including a description of the fuel alternatives you examined and the factors important in your decision to reject the use of alternate fuels. Such factors would include lack of alternate fuel supply, site limitations,

or environmental requirements;

(2) Design specifications for the existing unit;

(3) An engineering description of the system, including existing system output and uses thereof, with sufficient detail to insure that the unit qualifies as a cogeneration facility;

(4) A detailed economic and engineering analysis demonstrating the benefits of cogeneration with petroleum or natural gas and demonstrating that these benefits are not obtainable through the use of alternate fuels;

(5) A comparison of the total oil and gas consumption by the existing cogeneration facility and the best feasible alternative, including the effect on oil or gas used by the installation or by other affected parties; and

(6) An analysis of the immediate and long-term economic impacts on parties not directly involved with the facility.

§ 506.36 Permanent exemption for certain fuel mixtures containing natural gas or petroleum.

(a) *Eligibility.* Section 312(d) of the Act provides for a permanent exemption for certain fuel mixtures. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) You propose to use a mixture of natural gas or petroleum and an alternate fuel as a primary energy source;

(2) You are not capable of complying with the applicable prohibitions; and

(3) The amount of petroleum or natural gas you propose to use in the mixture will not exceed the minimum percentage of the total Btu heat input of the primary energy sources of the installation needed to maintain operational reliability consistent with maintaining a reasonable level of fuel efficiency.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) A complete description of the fuel mixture, component elements of the mixture, and percentage of each component to be utilized;

(2) The design specifications for the unit for which you are requesting an exemption.

(3) An engineering assessment of the proportions of petroleum or natural gas needed to maintain operational reliability and an adequate level of fuel efficiency; and

(4) Documentary evidence which demonstrates that you have considered the use of alternate fuels as a primary energy source. You must include a description of the supply alternatives you considered, the cost and

availability of each alternate fuel considered, and the factors important in your decision to reject the use of an alternate fuel as a primary energy source.

(c) *Reporting requirement.* If the exemption is granted, you must submit an annual report to ERA certifying that the affected units have used no more than the percentage of oil or natural gas specified in the exemption order. The certification shall be executed by your Chief Executive Officer.

§ 506.37 Emergency purposes.

(a) *Eligibility.* Section 312(e) of the Act provides for a permanent exemption for emergency purposes. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) You are unable to comply with the applicable prohibitions;

(2) You will operate and maintain the installation for emergency purposes only.

(b) *Definition.* For the purposes of this permanent exemption, an emergency exists when operation is necessary for (1) plant protection, or (2) the preservation of human health, including services to hospitals, public transportation facilities, sanitation, water supply and pumping, or other essential services. Secondary services which support essential services are excluded.

(c) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA you must provide the following substantial evidence to corroborate the above requirements:

(1) Certification executed by the Chief Executive Officer stating that emergency operation under the provisions of this exemption will occur only when plant protection or the preservation of human health is required;

(2) Documentary evidence which demonstrates that you considered the use of alternate fuels, including a description of the alternate fuels you examined and the factors important in your decision to reject the use of alternate fuels. Such factors would include lack of alternate fuel supply, site limitations, environmental requirements, certain State or local requirements, or other reasons which would preclude the use of an alternate fuel;

(3) An estimate of the emergency generating capacity required for the first three 12 month periods of exempt operation to be used for plant protection and for preservation of human health;

(4) A list of specific uses described by the terms plant protection and preservation of human health, as provided in subparagraph (b) above;

(5) The total emergency generating capacity for which exemption is requested; and

(6) Identification and description of previous exemptions, if any, granted under the provisions of this subsection.

(d) *Reporting requirement.* At the end of each 12 month period from the effective date of the exemption you must report to ERA the monthly and annual total generating capacity used and amounts generated under the provisions of this exemption with a description of the purposes of use.

§ 506.38 Product or process requirements.

ERA has made a preliminary determination that this exemption (Section 311(k) of the Act) applies solely to certain nonboiler categories. The Act provides ERA with the discretionary authority to promulgate rules prohibiting oil and natural gas use by these categories of non-boilers. ERA does not intend to issue rules pertaining to those categorical prohibitions at this time. Therefore, we do not intend to issue at this time regulations governing the eligibility and evidence requirements for granting this exemption.

§ 506.39 Scheduled equipment outages.

(a) *Eligibility.* Section 312(1) of the Act provides for a permanent exemption to meet scheduled equipment outages. ERA may grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) You are unable to comply with the applicable rule or order;

(2) Your routine maintenance schedule does not permit continuing operation unless ERA grants this exemption and the reasons why; and

(3) The pertinent unit will be used only during those periods when other units are not in operation for reason of scheduled outages.

(b) *Evidence required in support of a petition.* To submit an adequate petition for review by ERA you must include in your petition the following substantial evidence to corroborate the above requirements:

(1) A schedule of operations for the pertinent unit estimating the number of hours per year and fuel consumption for projected use during the next 12 months of operation;

(2) A description of the maintenance schedule for all units located at the facility specifically identifying those units at the facility which will be out of service for scheduled maintenance at times when the unit for which the exemption is requested, is operating; and

(3) Documentary evidence which demonstrates that you considered the use of alternate fuels, including a description of the alternate fuels you ex-

amined and the factors important in your decision to reject the use of alternate fuels. Such factors would include lack of alternate fuels supply, site limitations, environmental requirements, or certain State or local requirements.

(c) *Reporting requirements.* ERA will rely upon the schedule of operation of the unit submitted with the petition as the permanent schedule for exempt use. You must notify ERA in advance of any changes to this schedule.

§ 506.40 Installations served by certain international pipelines.

(a) *Eligibility.* Section 312(j) of the Act provides for a permanent exemption for the use of natural gas by installations served by certain international pipelines. ERA shall grant you such an exemption if you demonstrate to the satisfaction of ERA that:

(1) Your primary source of natural gas is under a contract with a pipeline between the United States and Canada;

(2) The contract was signed before April 21, 1977;

(3) The natural gas would revert to Canada if you are not granted an exemption;

(4) The pipeline serves high priority users;

(5) You would suffer substantial financial penalty if the contract were cancelled and there is no available relief from the penalty; and

(6) The revenues from the transportation and sale of natural gas under your contract are essential to the economic vitality of the pipeline.

(b) For purposes of this section the term "high priority user" means any residential user of natural gas or any commercial user whose consumption of natural gas on a peak day is less than 50 MCF.

(c) *Evidence required in support of the petition.* To submit an adequate petition for review by ERA you must provide the following substantial evidence to corroborate the above requirements:

(1) A copy of your contract with international pipeline with the applicable sections underlined;

(2) A certification from the natural gas supplier of the pipeline that the natural gas would revert to Canada upon cancellation of the contract;

(3) A certification by the pipeline that it serves high priority users and a description of those users;

(4) An explanation of the substantial financial penalty that would be incurred;

(5) An explanation of why *force majeure* would not apply to the contract cancellation;

(6) A description of your attempt to transfer your contract as described in Section 731 of the Act; and,

(7) A decision from the Federal Energy Regulatory Commission that the revenues from the transportation and sale of natural gas under your contract are essential to the economic vitality of the pipeline.

PART 507—FUEL CLASSIFICATION AND REPORTING REQUIREMENTS

Sec.

507.1 Purpose and scope.

507.2 Definition of fuels.

507.3 Exclusions from the definition of natural gas.

507.4 Exclusion from the definition of petroleum.

507.5 Reporting requirements of powerplants using natural gas from small wells.

507.6 Reporting requirements on use of commercially unmarketable natural gas.

507.7 Reporting on use of commercially unmarketable by-products of refinery operations

AUTHORITY: Department of Energy Organization Act, Pub. L. 95-91; Powerplant and Industrial Fuel Use Act of 1978, Pub. L. 95-620; Title V of the Independent Offices Appropriation Act of 1952, 65 Stat. 290, 31 U.S.C. 483(a); Executive Order 12009, 42 FR 46267.

§ 507.1 Purpose and scope.

(a) *Purpose.* This subpart excludes certain gaseous and liquid from the terms "natural gas" and "petroleum" for the purposes of the Act and requires reporting by certain users of such excluded fuels.

(b) *Scope.* This subpart applies to use of such excluded fuels in all new and existing electric powerplants and major fuel burning installations.

§ 507.2 Definition of fuels.

(a) Natural gas means any fuel consisting in whole or in part of natural gas; liquid petroleum gas; synthetic gas derived from petroleum or natural gas liquids; or any mixture of natural gas and synthetic gas, except as designated in § 507.3(f) of this part. Natural gas does not include any of the fuels excluded by § 507.3.

(b) Petroleum means crude oil and products derived from crude oil. Petroleum does not include any of the fuels excluded by § 507.4.

§ 507.3 Exclusions from the definition of natural gas.

(a) Natural gas does not include gas specifically designated as an alternate fuel in these regulations § 500.2(a)(7)).

(b) Natural gas does not include that which is commercially unmarketable, by reason of quality, quantity or distance from existing transportation networks. Gas is commercially marketable unless:

(1) No interstate pipeline, intrastate pipeline or local gas distribution company has made a bona fide offer to purchase such gas; and

(2) The gas is transported from the well to the user's powerplant or installation by a direct pipeline performing only that function.

(c) Natural gas does not include that produced by the user from a well, the maximum efficient production rate of which is less than 250 million Btu's per day. For purposes of this subparagraph—

(1) "produced by the user" means (i) All gas produced by the well, where such gas is delivered for use in the user's facility through a gas delivery, gathering or transportation system which could not deliver such gas to any other market, or

(ii) Only that amount which represents the user's net working (mineral) interest in the gas produced from such wells, where such gas is delivered for use in the user's facility through a gas delivery, gathering or transportation system which would deliver such gas to any other market.

(2) "maximum efficient production rate" (MEPR) means that rate at which production of natural gas and oil may be sustained without damage to the reservoir or the rate which may be sustained without damage to the ultimate recovery of oil or gas through the well. The MEPR must include the Btu value of any crude oil, gas condensate, and natural gas liquids which may be produced from the well, in addition to that of the natural gas.

(d) Natural gas does not include occluded methane in coal seams;

(e) Natural gas does not include synthetic gas derived from an alternate fuel which is not mixed with natural gas;

(f) Natural gas does not include mixtures of natural gas and synthetic gas derived from alternate fuels for which the person proposing to use the gas certifies to ERA that:

(1) He owns, or is entitled to receive at the point of manufacture, synthetic gas derived from alternate fuels;

(2) The Btu content of such synthetic gas is equal to or greater than the Btu content of the natural gas to be covered by this subsection, plus the approximate Btu content of any natural gas consumed or lost in transportation;

(3) He delivers or arranges for the delivery of, such synthetic gas to a pipeline or pipelines which by transport or displacement are capable of delivering such synthetic gas, mixed with natural gas, to facilities owned by the user; and

(4) All necessary permits, licenses, or approvals from appropriate Federal, State and local agencies (including Indian tribes) have been obtained for

construction and operation of the facilities for the manufacture of the synthetic gas involved, except that for purposes of the prohibition under Section 201 (2) of the Act against powerplants being constructed without the capability of using coal or the construction of synthetic gas facilities shall be required under this subparagraph to be certified and documented.

§ 507.4 Exclusion from the definition of petroleum

Petroleum does not include:

(a) Petroleum products specifically designated as alternate fuels in these regulations (§ 500.2(a)(7));

(b) Synthetic gas derived from crude oil and its derivatives;

(c) Liquid petroleum gas;

(d) Petroleum coke or waste gases from non-refinery industrial operations; and

(e) Liquid, solid, or gaseous by-products of refinery operations which are commercially unmarketable by reason of—

(1) Quality, where the by-products, including components such as butane and propane which can be extracted from the by-products, could not—

(i) Reasonably be expected to be used in non-refinery operations; and

(ii) Be produced and distributed at a price which would provide adequate revenue to pay the operating expenses of this production and distribution; or

(2) Quantity, where—

(i) Insufficient or sporadic quantities of the by-product, including components such as butane and propane which can be extracted from the by-products, are produced to maintain an adequate and reliable supply to a potential user; and

(ii) No dependable market exists for these by-products, or components of the by-products, which can support a price which will provide adequate revenue to pay the operating expenses of the production and distribution of the by-product or its components.

§ 507.5 Reporting requirements of powerplants using natural gas from small wells.

If you own or operate a powerplant which uses or intends to use more than 4.0 billion Btu's per day of natural gas produced from wells with a maximum efficient production rate of less than 250 million Btu's per day (§ 507.3(c)), you must report to ERA by January 30, 1980, and annually thereafter:

(a) Facilities using such gas;

(b) Yearly quantities and the Btu value of such gas used in each such facility;

(c) The number, location and total daily production of all such wells which were acquired prior to November 9, 1978; and

(d) the number, location and total daily production of all such wells which were acquired on or after November 9, 1978.

§ 507.6 Reporting requirements on use of commercially unmarketable natural gas.

(a) If you use or intend to use natural gas which you consider to be commercially unmarketable (§ 507.3(b)), you must file a report to ERA by January 30, 1980, and annually thereafter, the following:

(1) The facilities which are burning such gas;

(2) Yearly quantities and the Btu value of such gas used in each such facility;

(3) The number and location of each well producing gas burned in each such facility;

(4) The quantity of gas produced from each such well over the past twelve months and the MEPR of each such well;

(5) A production of the total quantity of such gas you intend to use from such wells over the next twelve months; and

(6) Certification by the Chief Executive Officer that the gas is transported from the well to the facility site by a direct pipeline serving only the single site.

§ 507.7 Reporting on use of commercially unmarketable by-products of refinery operations.

(a) If you use or intend to use gaseous or liquid by-products of refinery operations which you consider to be commercially unmarketable (§ 507.4), you must file a report with ERA by January 30, 1980, and annually thereafter including the following:

(1) The facilities which are burning such by-products;

(2) A description of the gaseous or liquid by-products, including the components of those by-products which could physically be extracted, notwithstanding the fact that you may not own the equipment necessary to perform this extraction;

(3) Monthly production levels of these by-products and their components; and

PART 508—SPECIAL RULE FOR TEMPORARY PUBLIC INTEREST EXEMPTION

[See 44 FR 1694, January 5, 1979]

APPENDIX

FEDERAL ENERGY REGULATORY COMMISSION
[18 CFR Part 285]

[Docket No. RM79-10]

Determination of Powerplant Design Capacity; Notice of Proposed Rulemaking

DECEMBER 29, 1979.

Section 103(a)(18)(D) of the Powerplant and Industrial Fuel Use Act of 1978 (Act)

Pub. L. 95-1749, requires the Federal Energy Regulatory Commission (Commission) to promulgate rules under which a powerplant's design capacity may be determined. The determination of a powerplant's design capacity is necessary because it is an element of each of the statutory definitions of the terms "peakload powerplant", "intermediate load powerplant", and "base load powerplant" as provided in section 103(a)(18) of the Act. The definitions of those terms will be used to determine the applicability of certain temporary and permanent exemptions from sections 201 and 202 of the Act, which proscribe the use of natural gas or petroleum as a primary energy source in new electric powerplants, under sections 212(g) and 212(h). The definitions are also to be used to determine the applicability of certain temporary and permanent exemptions from sections 301 and 302 of the Act, relating to existing electric powerplants, under sections 311(f), 312(f), and 312(g) of the Act. Finally, determinations regarding design capacity are necessary under section 501 of the act, Electric Utility System Compliance Option, in order to determine if existing electric utilities are in compliance with Title III of the Act.

Discussion

The Commission proposes that the rules contained herein be used to determine a powerplant's design capacity. There are a number of powerplant capacity ratings used by the electric power industry. However, these are used principally for operational purposes, reflecting seasonal weather conditions, degradation of a powerplant, or other factors, and may be substantially different from a powerplant's design capacity. The Commission has established criteria that the design rating should be (1) determinable unequivocally from the manufacturer's data and ordinarily not change during a powerplant's physical life, unless there is substantial modification of the unit; (2) a familiar and recognizable quantity throughout the electric power industry; and (3) a published value readily available to any party interested in obtaining it. These criteria and the proposed rules evolving therefrom were developed in consultation with the Staff of the Secretary of Energy. The proposed rules are summarized below:

(1) The design capacity of a steam-electric generating unit shall be its maximum generator nameplate rating which has been reported to the Energy Information Administration on EIA Form (formerly FPC Form 12).

(2) The design capacity of a combustion turbine shall be its peak load rating as defined by both the American National Standards Institute (ANSI) and by the International Standards Organization (ISO). This peak load rating, which applies to units operating for peaking service with a maximum of 2,000 hours per year operation, is based on an ambient temperature of 59 degrees Fahrenheit (15 degrees Celsius) and a pressure of 14.696 psia (sea level). This should be the capacity rating reported to the Energy Information Administration on EIA Form (formerly FPC Form 12). If those reported ratings are based on different conditions, they will be adjusted to ISO standard conditions for the purposes of the Powerplant and Industrial Fuel Use Act.

(3) The design capacity of a combined cycle unit shall be the sum of its combustion turbine peak load rating, based on ANSI/ISO standard conditions, and the maximum generator nameplate rating of the steam turbine portion of the unit.

(4) The design capacity of an internal combustion engine shall be the capacity rating which has been reported to the Energy Information Administration on EIA Form (formerly FPC Form 12).

The Commission solicits comments from interested parties concerning how well the proposed rules support the criteria established by the Commission. Also, the Commission is interested in any problems or concerns regarding the applicability of the proposed rules in meeting the requirements of the Act.

Public Comment Procedures

Interested persons may participate in this proposed rulemaking by submitting written data, views or arguments to the Office of the Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, on or before January 30, 1979. Each person submitting a comment should include his name and address, identify the notice (Docket No. RM79-10), and give reasons for any recommendations. An original and 14 conformed copies should be filed with the Secretary of the Commission. Comments should indicate the name, title, mailing address, and telephone number of one person to whom communications concerning the proposal may be addressed. Written comments will be placed in the Commission's public files and will be available for public inspection at the Commission's Office of Public Information, Room 1000, 825 North Capitol Street, N.E., Washington, D.C. 20426, during regular business hours.

(Department of Energy Organization Act, P.L. 95-91, E.O. 12009, 42 F.R. 46267, Powerplant and Industrial Fuel Use Act of 1978, P.L. 95-1749)

In consideration of the foregoing, the Commission proposes to amend Chapter I of Title 18, Code of Federal Regulations, as set forth below.

By the Commission.

LOIS D. CASHELL,
Acting Secretary.

Chapter I of Title 18 is amended by adding a new Subchapter J to read as follows:

SUBCHAPTER J—REGULATIONS UNDER THE POWERPLANT AND INDUSTRIAL FUEL USE ACT OF 1978

PART 285—RULES GENERALLY APPLICABLE TO POWERPLANT AND INDUSTRIAL USE

§ 285.101 *Determination of powerplant design capacity.* For purposes of this subchapter, a powerplant's design capacity shall be determined as follows:

(a) *Steam-electric generating unit.* The design capacity of a steam-electric generating unit shall be taken as the maximum generator nameplate rating which has been reported to the Energy Information Administration on EIA Form (formerly FPC Form 12).

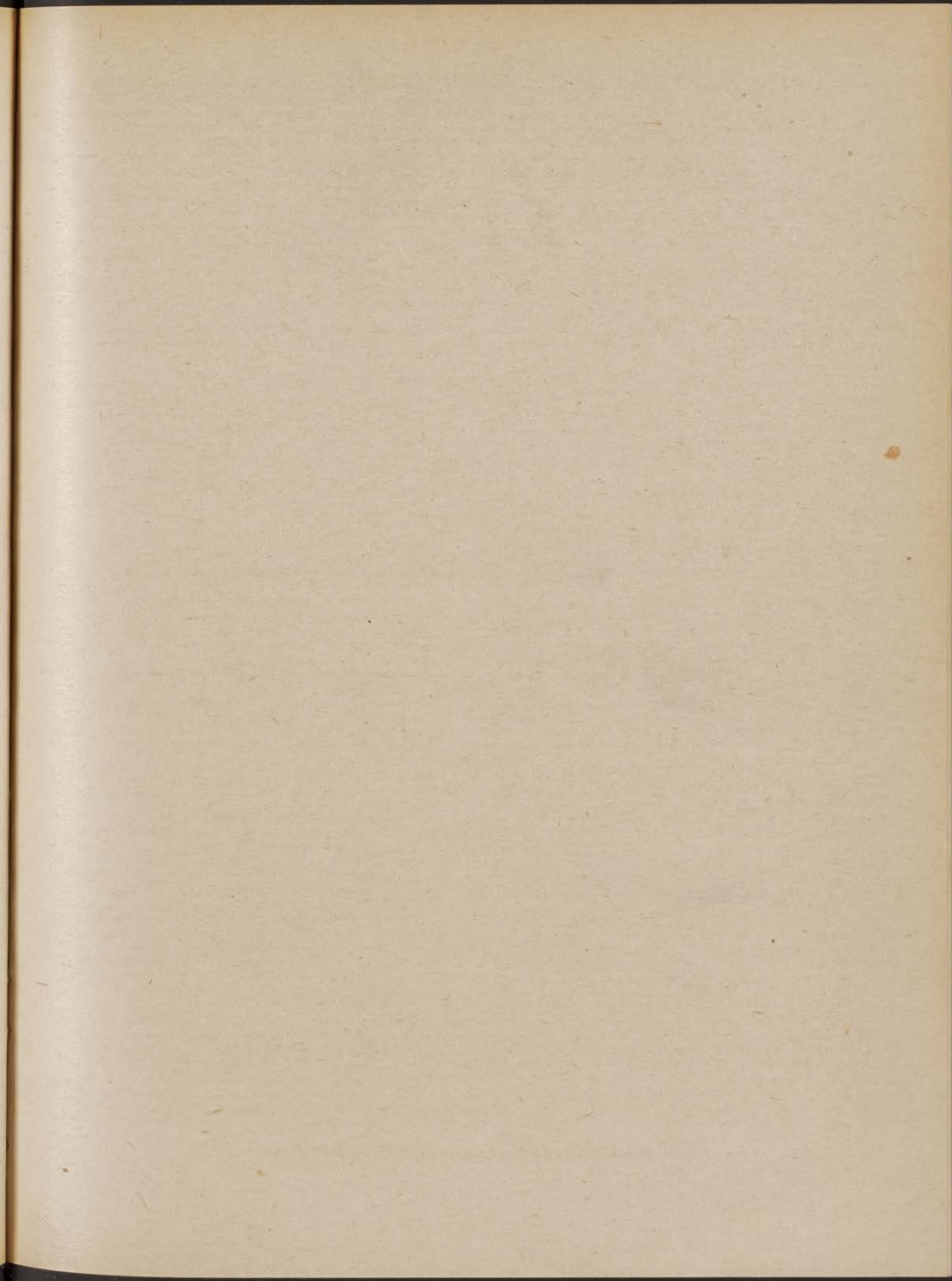
(b) *Combustion turbine.* The design capacity of a combustion turbine shall be taken as its peak load rating as defined by both the American National Standards Institute

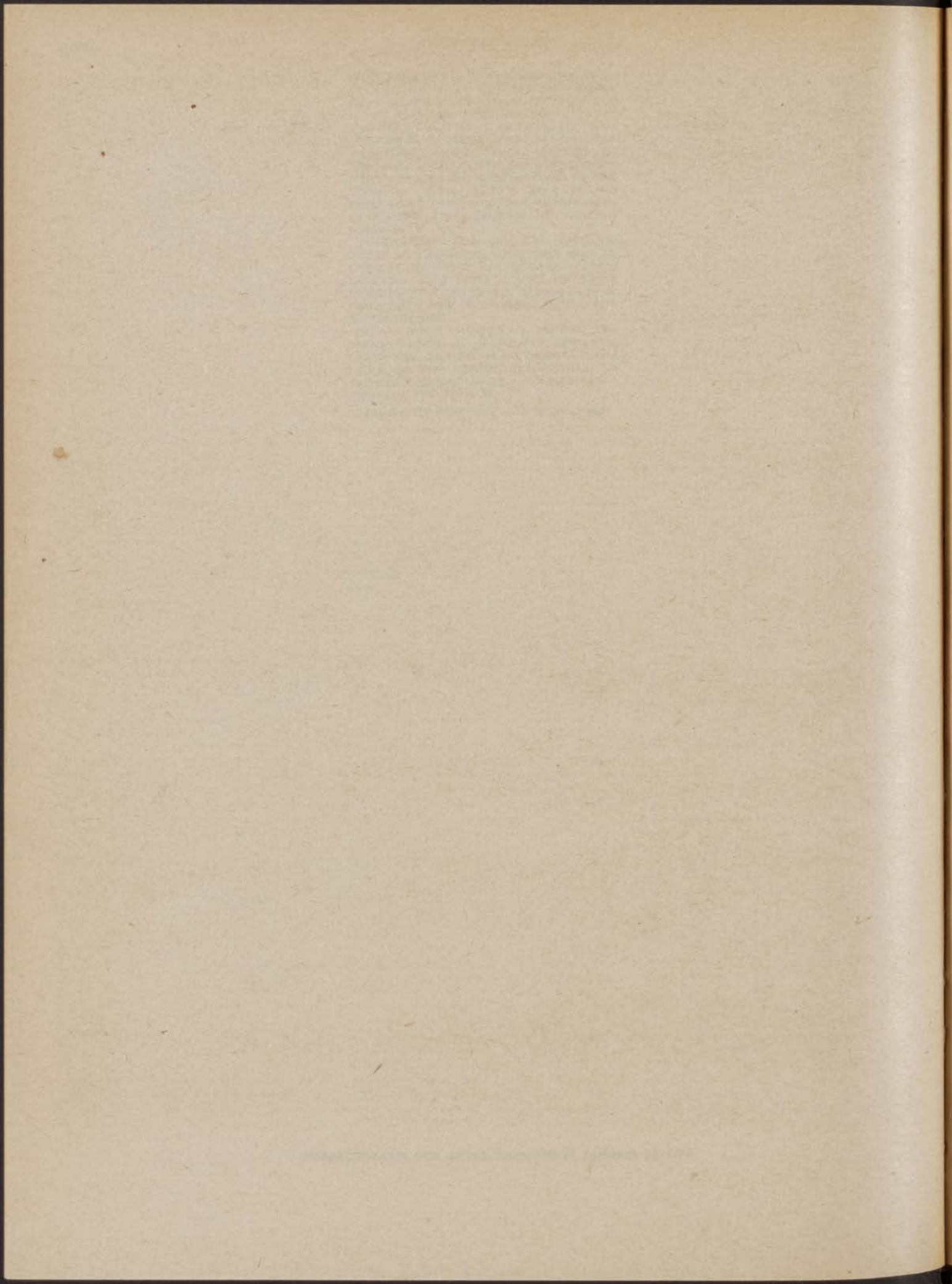
(ANSI) and by the International Standards Organization (ISO). This peak load rating, which applies to units operating for peaking service with a maximum of 2,000 hours per year operation, is based on an ambient temperature of 59 degrees Fahrenheit (15 degrees Celcius) and a pressure of 14.696 psia (sea level). If capacity ratings as reported to Energy Information Administration on EIA Form — (formerly FPA Form 12) are based on different conditions, these reported ratings will be adjusted to ISO standard conditions.

(c) *Combined cycle unit.* The design capacity of a combined cycle unit shall be taken as the sum of its combustion turbine peak load rating, based on ANSI/ISO standard conditions, and the maximum generator nameplate rating of the steam turbine portion of the unit.

(d) *Internal combustion engine.* The design capacity of an internal combustion engine shall be taken as the capacity rating which has been reported to the Energy Information Administration on EIA Form — (formerly FPC Form 12).

[FR Doc. 79-2856 Filed 1-24-79; 10:21 am]





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