

the FR, because it is impractical to deal with and discuss the nature of MTMC's business and its requirements individually with more than 500 approved carriers. Also, such negotiation does not mean that MTMC will allow carriers to dictate the terms of the program. Under 49 U.S.C. 13712, formerly 49 U.S.C. 10721, motor carriers may quote a reduced rate to the government; however, it does not provide that the Government must accept the rates offered. In any event, 49 U.S.C. section 13712 no longer applies to motor carrier freight. It only applies to household goods and certain water shipments. Carriers may now offer any freight rates they want to anyone.

MTMC's procurement authority is derived from the Armed Services Procurement Act (10 U.S.C. 2301, et seq.) MTMC has the authority to make its own arrangements, and has the right to contract on its own terms on behalf of its DOD customers. Accordingly, MTMC's proposed changes to carrier liability levels has been endorsed by major DOD shippers, MTMC's customers.

Because the policy change applies only to motor shipments of general cargo, Freight All Kinds, the motor carriers have the opportunity to offer whatever rates they hold to be reasonable for the level of liability that DOD requires. MRMC recognizes that increases in carrier liability may result in somewhat higher line haul charges. However, MTMC expects that those carriers which have aggressive safety, claims prevention, employee training, and quality control programs will have little or no difficulty in accommodating these changes and will continue to provide quality service at reasonable rates to the DOD. In addition, MTMC expects any increase in line haul charges to be offset by the beneficial aspects of corresponding increases in recoveries from carriers for lost and damaged freight and, as service improves, a decrease in administrative costs to process claims. Shifting a greater level of monetary responsibility to carriers for carrier-caused loss and damage removes the burden for these occurrences from DOD and the taxpayer and places them on the carrier. Maintaining artificially low levels of liability for loss and damage acts as a distinctive to promoting and maintaining a safe, damage- and loss-free Defense Transportation System.

An effective date for these changes of February 1, 1997, will afford carriers an opportunity to adjust their rates, if necessary, to accommodate any forecasted increases or decreases in their operating-costs based on their

historical incidences of loss and/or damage to shipments.

Gregory D. Showalter,
Army Federal Register Liaison Officer.
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Movement of Foreign Military Sales Material Under Department of Defense Standard Tender of Freight Services MT Form 364-R—Policy Change (Required Use of Standard Tender of Freight Services MT Form 364-R for the Movement of Foreign Military Sales Material)

AGENCY: Military Traffic Management Command (MTMC), Department of the Army.

ACTION: Notice.

SUMMARY: The Military Traffic Management Command (MTMC) is proposing to change its rate verification procedure by requiring that carriers file tenders of service to participate in Foreign Military Sales (FMS) traffic, as follows:

Carriers who want to participate in FMS movements will submit a voluntary Standard Tender(s) of Freight Services MT Form 364-R numbered in the 300000 series (300001 through 349999) applicable to FMS material only. Tenders will be consecutively numbered and prepared according to instructions contained in MTMC Standard Tender Instruction Publication No. 364A. Rules and accessorial services governing movement will be MTMC Freight Traffic Rules Publication (MFTRP) No. 1A for motor transportation and MFTRP No. 10 for rail transportation. The applicable publication must be shown as a governing publication in Section B of the tender for the tender to be considered for routing.

DATES: The policy change is effective no earlier than 60 days after publication of this notice.

ADDRESSES: Interested parties are requested to submit comments on this proposal. The comments should be addressed to Headquarters, Military Traffic Management Command, Room 117, 5611 Columbia Pike, Falls Church, VA 22041-5050, ATTN: MTTM-D (Barbara McGinnis).

FOR FURTHER INFORMATION CONTACT: Ms. Barbara McGinnis, MTTM-D, (703) 681-6103, or e-mail MCGINNIB@BAILEYS-EMH5.ARMY.MIL.

SUPPLEMENTARY INFORMATION: MTMC's procedural change supports the Office of the Secretary of Defense's initiative to

automate the Government Bill of Lading payment process for the Department of Defense. This notice supersedes the April 3, 1996, Federal Register notice pertaining to "Tender Filing Instructions for the Movement of Foreign Military Sales (FMS) Material," 61 FR 14760.

Gregory D. Showalter,
Army Federal Register Liaison Officer.
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DEPARTMENT OF ENERGY

Office of Energy Efficiency and Renewable Energy; Energy Conservation Program for Consumer Products; Representative Average Unit Costs of Energy

AGENCY: Office of Energy Efficiency and Renewable Energy, Department of Energy.

ACTION: Notice.

SUMMARY: In this notice, the Department of Energy (DOE or Department) is forecasting the representative average unit costs of five residential energy sources for the year 1997. The five sources are electricity, natural gas, No. 2 heating oil, propane, and kerosene. The representative unit costs of these energy sources are used in the Energy Conservation Program for Consumer Products established by the Energy Policy and Conservation Act, Pub. L. No. 94-163, 89 Stat. 871, as amended, (EPCA).

EFFECTIVE DATE: The representative average unit costs of energy contained in this notice will become effective December 18, 1996 and will remain in effect until further notice.

FOR FURTHER INFORMATION CONTACT:

Dr. Barry P. Berlin, U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, Forrestal Building, Mail Station EE-43, 1000 Independence Avenue, SW., Washington, DC 20585-0121, (202) 586-9127

Eugene Margolis, Esq., U.S. Department of Energy, Office of General Counsel, Forrestal Building, Mail Station GC-72, 1000 Independence Avenue, SW., Washington, DC 20585-0103, (202) 586-9507

SUPPLEMENTARY INFORMATION: Section 323 of the EPCA (Act) ¹ requires that DOE prescribe test procedures for the determination of the estimated annual

¹ References to the "Act" refer to the Energy Policy and Conservation Act, as amended. 42 U.S.C. §§6291-6309.