the spent fuel pool cooling system, initially designed to be a non-seismic system, has been upgraded to Seismic Category I requirements. Those portions of the system that do not meet seismic requirements can be isolated from the spent fuel pool cooling system if a seismic event renders them inoperable.

It should be made clear that the NRC staff does not require Class 1E qualification for spent fuel pool cooling equipment and instrumentation. Class 1E is the safety classification of electric equipment and systems that are essential to emergency reactor shutdown, containment isolation, reactor core cooling, and containment and reactor heat removal, or are otherwise essential in preventing significant release of radioactive material to the environment.[6] The spent fuel pool cooling system and monitoring instrumentation are not required for such functions.

In his letter of April 10, 1995, the Director informed Petitioners that they have not presented, nor was the staff aware of, any evidence that the spent fuel pool cooling system fails to comply with its design basis, or that the licensee failed to qualify these components to the degree Petitioners describe such that it would alter his decision as it pertains to the safety significance of these issues. Therefore, further review of the qualification of spent fuel cooling system components at OCNGS is not warranted. Additionally, Petitioners were informed that the staff would continue its generic review of spent fuel storage pool safety and would take appropriate action based on the conclusions of that review. Based on the results of the generic review of spent fuel storage pool safety thus far, the staff has concluded that no additional actions are warranted for the spent fuel pool cooling system components at OCNGS.

The Petitioners' request to identify redundant qualified Class 1E systems was granted as described above.

IV. Conclusion

Although the staff has not initiated formal enforcement proceedings in response to the Petition, the staff has taken a number of actions that address the concerns raised in the Petition. For example, during the course of its review, the NRC staff has issued generic communications responsive to Petitioners' request (4) of September 19, 1994. In addition, the NRC staff reviewed the compliance of NRC licensed facilities in the area of spent fuel pool design responsive to Petitioners' request (3) of September 19, 1994. To this extent, the Petition is granted in part. Finally, Petitioners' supplemental petition requests (2), (3), and (4) are granted as explained above.

A copy of this Final Director's Decision will be filled with the Secretary of the Commission for review in accordance with 10 CFR 2.206(c). This Decision will become the final action of the Commission 25 days after its issuance unless the Commission, on its own motion, institutes review of the Decision within that time.

For the Nuclear Regulatory Commission.

Dated at Rockville, Maryland, this 2nd day of April 1997.

Samuel J. Collins,

Director, Office of Nuclear Reactor Regulation.

[FR Doc. 97–8915 Filed 4–8–97; 8:45 am]

BILLING CODE 7590–01–M

[6] IEEE Std 308–1980.

OFFICE OF PERSONNEL MANAGEMENT

Federal Prevailing Rate Advisory Committee; Open Committee Meeting

According to the provisions of section 10 of the Federal Advisory Committee Act (Pub. L. 92–463), notice is hereby given that meetings of the Federal Prevailing Rate Advisory Committee will be held on—

Thursday, April 10, 1997
Thursday, April 24, 1997
Thursday, May 15, 1997
Thursday, May 22, 1997

The meeting will start at 10 a.m. and will be held in Room 5A06A, Office of Personnel Management Building, 1900 E Street, N.W., Washington, D.C.

The Federal Prevailing Rate Advisory Committee is composed of a Chair, five representatives from labor unions holding exclusive bargaining rights for Federal blue-collar employees, and five representatives from Federal agencies. Entitlement to membership on the Committee is provided for in 5 U.S.C. 5347.

The Committee's primary responsibility is to review the Prevailing Rate System and other matters pertinent to establishing prevailing rates under subchapter IV, chapter 53, 5 U.S.C., as amended, and from time to time advise the Office of Personnel Management.

These scheduled meetings will start in open session with both labor and management representatives attending. During the meeting either the labor members or the management members may caucus separately with the Chair to devise strategy and formulate positions. Premature disclosure of the matters discussed in these caucuses would unacceptably impair the ability of the Committee to reach a consensus on the matters being considered and would disrupt substantially the disposition of its business. Therefore, these caucuses will be closed to the public because of a determination made by the Director of the Office of Personnel Management under the provisions of section 10(d) of the Federal Advisory Committee Act (Pub. L. 92–463) and 5 U.S.C. 552b(c)(9)(B). These caucuses may, depending on the issues involved, constitute a substantial portion of the meeting.

The meeting on April 10 may contain discussion of confidential private sector survey data for the Newburgh, New York, appropriated fund wage area. If so, that portion of the meeting will be closed to the public under the provisions of section 10(d) of the Federal Advisory Committee Act (Pub. L. 92–463) and 5 U.S.C. 552b(c)(4).

Annually, the Chair compiles a report of pay issues discussed and concluded recommendations. These reports are available to the public, upon written request to the Committee's Secretary.

The public is invited to submit material in writing to the Chair on Federal Wage System pay matters felt to be deserving of the Committee's attention. Additional information on these meetings may be obtained by contacting the Committee's Secretary, Office of Personnel Management, Federal Prevailing Rate Advisory Committee, Room 5559, 1900 E Street, NW., Washington, DC 20415 (202) 606–1500.

Dated: April 3, 1997.

Phyllis G. Foley,

Chair, Federal Prevailing Rate Advisory Committee.

[FR Doc. 97–9050 Filed 4–8–97; 8:45 am]

BILLING CODE 6325–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–38471; File No. SR–DCC–96–12]

Self-Regulatory Organizations; Delta Clearing Corp.; Order Approving on a Temporary Basis a Proposed Rule Change Relating to Monitoring and Limiting Exposure from Repurchase Agreements

April 2, 1997.

On November 26, 1996, the Delta Clearing Corp. (''DCC'') filed with the Securities and Exchange Commission (''Commission'') a proposed rule change (File No. SR–DCC–96–12) pursuant to

Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'').[1] On January 10, 1997, DCC filed an amendment.[2] Notice of the proposal was published in the **Federal Register** on January 30, 1997.[3] On March 11, 1997, DCC filed a second amendment.[4] No comment letters were received. For the reasons discussed below, the Commission is approving the proposed rule change through September 30, 1997.

I. Description

The proposed rule change amends DCC's procedures for calculating the amount of margin to collect relating to the clearance and settlement of its participants' overnight repurchase and reverse repurchase agreements (''repos'').[5] Currently, DCC's rules provide for collection of core margin and performance margin based on an estimate of the net shortfall from liquidation of a participant's repo and reverse repo positions at the close of the next succeeding business day. The proposed rule change institutes a new method of collecting margin for overnight repos by implementing the following changes.

First, the proposed rule change adds Section 2602.2 to DCC's rules to allow DCC to collect an intraday mark-to-market for overnight repos. At approximately 2:30 p.m. during each business day, the mark-to-market margin requirements will be calculated for each participant with respect to all overnight repo transactions effected by the participant and submitted to DCC for clearance that business day. DCC will calculate overnight repo exposures by comparing the value of each transaction at the time the transaction was executed with the value of the transaction using the most recent intraday price from an information vendor. DCC will net positive values against negative values in order to derive a net mark-to-market valuation. In the event that the net mark-to-market valuation exceeds 65 percent of the sum of the participant's core margin (discussed below) and unreturned margin on deposit, DCC will require the participant to deposit additional margin in the amount of such excess.

DCC will provide each participant with a supplemental daily margin report by 3:00 p.m. of each business day. The supplemental daily margin report will indicate (i) the participant's overnight repo positions established during that business day, (ii) the net mark-to-market valuations for the participant's overnight repo positions, (iii) the core margin and excess unreturned margin on deposit (including margin originally deposited for term repos), and (iv) the amount of additional margin that the participant must deposit with DCC's clearing bank. The additional margin must be deposited with DCC no later than 5:00 p.m. of that business day. Failure to deposit the amount of any margin deficit shown on the supplemental daily margin report including mark-to-market and core margin will be grounds for suspension and sanctions pursuant to Section 2608 of DCC's rules.

Second, the proposed rule change establishes DCC's participants' core margin requirement as either $1 million dollars par amount of U.S. Treasury securities or a greater amount based upon exposures arising out of such participant's overnight repo agreements. To calculate each participant's core margin requirement, each week DCC will review the overnight repo activity of each participant for the most recent eight weeks (forty observations) of overnight repo transactions. This data will be used to calculate the mark-to-market exposure for each of these forty instances. Mark-to-market exposure will be calculated as the difference between the contract value of an overnight repo and the end-of-day pricing for the collateral underlying such overnight repos.[6] A negative number would represent an exposure for DCC, while a positive number would represent an overcollateralization. Instances of overcollateralization will be eliminated. The remaining instances will be used to calculate an average mark-to-market exposure.[7] DCC will then calculate two standard deviations. A participant's core margin requirement will be the sum of the average and two standard deviations.

By 3:00 p.m. on each business day on which the core margin requirement has been calculated, each participant will be notified of its new core margin requirement. If the requirement is greater than the prevailing core requirement, the participant must post the difference the following business day. If the new core requirement is below the then prevailing core requirement, the deposited excess will be returned to the participant by 11:00 a.m. the following business day.

Third, the proposed rule change amends DCC's rules to eliminate the collection of performance margin for overnight repos. The daily margin report will reflect only the performance margin required on the participant's term repo positions.

II. Discussion

Section 17A(b)(3)(F)[8] of the Act requires that the rules of a clearing agency be designed to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible. The Commission believes that DCC's proposed rule change is consistent with DCC's obligations under the Act because the proposal establishes: (1) a minimum core margin requirement to reflect DCC's exposure to each participant's overnight repo activity and (2) an intraday margin requirement that is triggered if a participant's mark-to-market exposure is valued at more than 65 percent of the core requirement. Therefore, the Commission believes that the proposal should provide to DCC margin in an amount that will assist DCC in meeting its obligation to safeguard securities and funds.

While the Commission believes that DCC's required overnight repo margining system should provide sufficient risk protection, the Commission recognizes that the margining system is novel both in concept and to DCC. Therefore, the Commission believes that it is appropriate to grant temporary approval of the proposal in order that the Commission and DCC will have the opportunity to monitor the effectiveness of the new system in practice. Accordingly, the Commission is temporarily approving the proposed rule change through September 30, 1997.

In this regard, DCC has agreed that during the temporary approval period it will submit on a monthly basis reports detailing its analysis of its overnight repo margining system. The first report should be submitted by June 15, 1997, with each subsequent monthly report being submitted by the fifteenth of the succeeding month.

[1] 15 U.S.C. 78s(b)(1).

[2] Letter from Howard Meyerson, Esq., Morgan, Lewis, and Bockius (January 10, 1997).

[3] Securities Exchange Act Release No. 38198 (January 23, 1997), 62 FR 4559.

[4] Letter from Howard Meyerson, Esq., Morgan, Lewis, and Bockius (March 11, 1997). The revisions contained in this amendment were nonsubstantive and therefore do not require republication of notice.

[5] Overnight repos are repo agreements whose off-date is the immediately succeeding business day following the on-date for such transactions. Term repos are repos agreements whose off-date is two or more business days following the on-date for such transactions.

[6] DCC will obtain the end-of-day prices from a vendor, which evaluates information received from traders, brokers, and various electronic sources.

[7] If 40 instances during the eight week period are not available, DCC will calculate an average based upon the number of actual observations.

[8] 15 U.S.C. 78q–1(b)(3)(F).

III. Discussion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (File No. SR–DCC–96–12) be, and hereby is, approved through September 30, 1997.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[9]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–8996 Filed 4–8–97; 8:45 am]

BILLING CODE 8010–01–M

[9] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–38472; File No. SR–GSCC–97–02]

Self-Regulatory Organizations; Government Securities Clearing Corporation; Notice of Filing of A Proposed Rule Change Relating To Comparison of Transactions Between Insolvent And Solvent Members

April 2, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] notice is hereby given that on March 11, 1997, the Government Securities Clearing Corporation (''GSCC'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III below, which items have been prepared primarily by GSCC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

GSCC is proposing that it have the authority to issue a comparison of a transaction based solely on data submitted by one netting member when the counterparty to the trade becomes insolvent.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, GSCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. GSCC has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.[2]

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(i) Under the ordinary application of its rules, a transaction is not eligible for netting and guaranteed settlement by GSCC until and unless it is compared. Except for purchases made through the U.S. government's auction of Treasury securities, GSCC's rules provide that a comparison can only be generated upon the matching of data provided by two members. GSCC believes that this poses a potential problem from a risk management perspective in a situation where a netting member becomes insolvent and does not submit trades it or an executing firm for which it acts entered into prior to its insolvency. Absent the taking by GSCC of extraordinary action to compare the trade, such trades will not be netted and guaranteed. In such situations, GSCC believes it necessary and appropriate for it to have the clear authority under its rules to deem a transaction compared based solely on the data submitted by the insolvent member's counterparty. However, this needs to be done in a manner that does not expose GSCC to liability to a netting member for fraudulent or collusive activity.

In order to accomplish these goals, GSCC is proposing that it have the authority to issue a comparison of a transaction basedon data submitted by a solvent netting member, which may be an interdealer broker, under the following circumstances: (1) The data submitted by the solvent member indicates that the counterparty to the transaction is either an insolvent member or an executing firm that uses the insolvent member as its submitting member; (2) the solvent member has submitted in a timely manner all of its activity with the insolvent member or executing firm; (3) if GSCC had announced to its members that it would cease to act for the insolvent member as of a specified date and time (and, thus, not accept any further trades submitted against such member), the transaction was executed before such specified date and time; (4) the transaction is not an ''off-the-market'' transaction as defined in GSCC's rules,[3] and (5) GSCC has made a determination that the transaction was entered into by the solvent member or an executing firm that uses the solvent member as its submitting member in good faith and not primarily in order to take advantage of the insolvent member's financial condition.

(ii) The proposed rule change is consistent with the requirements of Section 17A the Act and the rules and regulations thereunder because they will make clear GSCC's authority to take action to compare trades in an insolvency situation without exposing GSCC to liability to a netting member for fraudulent or collusive activity.

B. Self-Regulatory Organization's Statement on Burden on Competition

GSCC does not believe that the proposed rule change will have an impact or impose a burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments relating to the proposed rule change have not yet been solicited or received. Members will be notified of the rule change filing and comments will be solicited by an important notice. GSCC will notify the Commission of any written comments received by GSCC.

III. Date of Effectiveness of the proposed Rule Change and Timing for Commission Action

Within thirty-five days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the GSCC consents, the Commission will:

(A) By order approve such proposed rule change or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions

[1] 15 U.S.C. 78s(b)(1).

[2] The Commission has modified the text of the summaries submitted by GSCC.

[3] GSCC has filed a proposed rule change (File No. SR–GSCC–97–01) that will add a definition of ''off-the-market'' transactions to its rules. Essentially, an off-the-market transaction is a trade that has a price that differs significantly from the prevailing market price.