September 21, 1998. If a public hearing is requested and granted, the corresponding determination(s) shall not become effective until such time following the hearing, at which the Regional Administrator issues an order affirming or rescinding this action. Frivolous or insubstantial requests for a hearing may be denied by the Regional Administrator.

Requests for a public hearing should be addressed to: Miguel Del Toral (WD–15J), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604.

Any request for a public hearing shall include the following: (1) The name, address, and telephone number of the individual, organization or other entity requesting a hearing; (2) a brief statement of the requesting person's interest in the Regional Administrator's determinations and of information that the requesting person intends to submit at such hearing; and (3) the signature of the individual making the request; or, if the request is made on behalf of an organization or other entity, the signature of a responsible official of the organization or other entity.

Notification of any hearing shall be given not less than fifteen (15) days prior to the time scheduled for the hearing. Such notice will be made by the Regional Administrator in the **Federal Register** and in newspapers of general circulation in the State of Wisconsin. A notice will be sent to the person(s) requesting the hearing as well as to the State of Wisconsin. The hearing notice will include a statement of purpose, information regarding the time and location, and the address and telephone number where interested persons may obtain further information. The Regional Administrator will issue an order affirming or rescinding his determination upon review of the hearing record. Should the determination be affirmed, it will become effective as of the date of the order.

Should no timely and appropriate request for a hearing be received, and should the Regional Administrator elect not to hold a hearing on his own motion, these determinations shall become effective on September 21, 1998. Please bring this notice to the attention of any persons known by you to have an interest in these determinations.

All documents related to these determinations are available for inspection between the hours of 8:30 a.m. and 4:30 p.m., Monday through Friday, at the following offices:

Wisconsin Department of Natural Resources, Bureau of Drinking Water and Ground Water, 100 South Webster Street, Madison, Wisconsin 53707, State Docket Officer: Mr. Mark Nelson, (608) 267–4230

Safe Drinking Water Branch, U.S. Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604, Docket Officer: Miguel Del Toral, (312) 886–5253

FOR FURTHER INFORMATION CONTACT: Miguel Del Toral, Region 5, Safe Drinking Water Branch, at the Chicago address given above.

(Section 1413 of the Safe Drinking Water Act, as amended (1986), and 40 CFR 142.10 of the National Primary Drinking Water Regulations)

Dated: August 6, 1998.

William E. Muno,

Acting Regional Administrator, Region 5.

[FR Doc. 98–22426 Filed 8–19–98; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL MARITIME COMMISSION

[Docket No. 98–15]

Hual As—Service Contracts And Time-Volume Rate Arrangements With Ocean Freight Forwarders; Order Of Investigation and Hearing

HUAL AS (''HUAL''), formerly known as Hoegh-Ugland Auto Liners A/S, is an ocean common carrier which operates vessels in the trade between the United States and Europe and is engaged in the ocean transportation of automobiles and boats from the United States. HUAL is a Norwegian company located at Dronningensgt. 40, Oslo 1, Norway. It currently maintains several tariffs at the Commission, and its Automated Tariff Filing and Information System (''ATFI'') organization number is 015120.[1] According to HUAL's Internet site, HUAL's main branch office in the United States is HUAL North America Inc., The Jericho Atrium, 500 North Broadway, Suite 259, Jericho, NY 11753.[2]

In 1997 HUAL entered into at least four service contracts with ocean freight forwarders where none of the actual shippers were identified. These service contracts provided for shipments of vehicles and boats from United States ports to European ports. It appears that there are common elements of these four service contracts and of the shipments made thereunder, including:

1. The service contract identified the freight forwarder as ''shipper/freight forwarder'' or ''shipper.''
2. There was no shipper certification in the service contract.
3. The service contract contained a provision which stated, ''Carrier will pay freight forwarders commission of 5% on base ocean freight only to licensed freight forwarder if services, as stipulated by F.M.C. regulations, are provided whether or not freight forwarder is contract signatory.''
4. The service contract was filed at the Commission.
5. The essential terms for the service contract did not contain the service contract's provision about freight forwarder commission.
6. For the shipments that moved under the contract, the freight forwarder identified itself for the ocean common carrier's bills of lading as the freight forwarder.
7. For the shipments that moved under the contract, the freight forwarder did not identify itself for the ocean common carrier's bills of lading as the shipper.
8. The freight forwarder collected freight forwarder compensation on the shipments that moved under the service contract.
9. There is no evidence that the freight forwarder certified to HUAL that it performed the freight forwarding services.

A review of service contracts indicates that HUAL may have been signing service contracts with freight forwarders since May 1993.[3]

The 1984 Act defines a shipper as the ''owner or person for whose account the ocean transportation of cargo is provided or the person to whom delivery is to be made.'' Only shippers or shippers' associations may enter into a service contract in accordance with section 8(c) of the 1984 Act. Therefore, unless a company can be defined as a shipper, it cannot enter into a service contract.

As defined by the 1984 Act, a freight forwarder dispatches cargo from the United States on behalf of the owner or person for whose account the ocean transportation of cargo is provided or the person to whom delivery is to be made. Because a freight forwarder is an agent of the shipper and not the shipper, the statute would not appear to permit

[1] This organization record was filed in ATFI on October 22, 1997. HUAL's predecessor, Hoegh-Ugland Auto Liners A/S, had ATFI organization number 001444, and it maintained tariffs between June 1994 and October 1997.

[2] HUAL has additional branch offices in Baltimore, MD; Chicago, IL; and Jacksonville, FL. In addition to its branch offices, HUAL has a booking agent in the United States: Palmetto Ship Agencies, Inc. in Charleston, SC. See HUAL's Internet site—http:/www.hual.no/hual.

[3] For service contracts signed before October 1997, HUAL was known as Hoegh-Ugland Auto Liners A/S.

a freight forwarder to enter into service contracts on its own.[4] Rather, it appears that a forwarder can only sign service contracts on behalf of a disclosed shipper where the shipper is the principal entering into the contract.

None of the shippers who were listed in the shipper identification box on HUAL's bills of lading, were signatories to the HUAL service contracts nor were they affiliates of the service contract signatories. However, HUAL seems to have allowed these shippers to obtain the service contract rates for their shipments.

By entering into service contracts with freight forwarders, HUAL apparently allowed freight forwarders and shippers to obtain transportation for property at less than the rates or charges established in HUAL's tariff or service contracts by an unlawful means in violation of section 10(b)(4) of the 1984 Act. Furthermore, HUAL seems to have charged, demanded, collected or received less compensation than the rates or charges that would otherwise be applicable for the service contract shipments in violation of section 10(b)(1) of the 1984 Act.

In addition to entering into service contracts with freight forwarders, HUAL also appears to have allowed freight forwarders to enroll in HUAL's time-volume rates (''TVR'').[5] Currently, HUAL maintains in its tariff a TVR (ATFI Tariff No. 015120–004, Tariff Rule 26, Sub-rule 09, TVR No. 3698) which states:

> The name of the enrollee shall appear on the Bill of Lading as the Shipper, Consignee, or Forwarder in order that cargo represented by the Bill of Lading be credited under this offering. There shall be only one shipper, one consignee, one port of loading and one port of discharge per Bill of Lading. * * * Enrollees desiring to ship cargo under this offering should notify the Carrier in writing using the form specified at the end of this offer. No cargo shipped by enrollee will qualify for this offer until the Carrier has received enrolee's [sic] enrollment form The [sic] The enrollment must be in the name of the Shipper or Consignee making the application.

The 1984 Act defines a TVR as a tariff rate which will ''vary with the volume of cargo offered over a specified period of time.'' 46 USC app. 1707(b). A freight forwarder does not have cargo of its own which it can commit to a common carrier, and for the reasons discussed above, the statute would not appear to permit a freight forwarder to enroll in TVRs on its own account. Furthermore, it appears that some shippers who received HUAL's TVRs were not enrolled or gave no notice to HUAL of their intention to enroll in the TVRs, as required by the Commission's regulations at 46 CFR 514.13(b)(19)(I)(D). Thus, by permitting freight forwarders to enroll in TVRs, HUAL may have allowed freight forwarders and shippers to obtain transportation for property at less than the rates or charges established in HUAL's tariff or service contracts by an unlawful means in violation of section 10(b)(4) of the 1984 Act. In addition, HUAL also seems to have charged, demanded, collected or received less compensation than the rates or charges that would otherwise be applicable for the TVR shipments in violation of section 10(b)(1) of the 1984 Act.

It appears that HUAL has paid freight forwarder compensation to forwarders for service contract shipments since at least March 1995. HUAL also may have paid freight forwarder compensation to the freight forwarders for the shipments that moved under its TVRs. Section 19(d)(1) of the 1984 Act sets forth certain conditions under which a common carrier can pay freight forwarder compensation on a shipment. One condition is that the shipment must be dispatched by the freight forwarder ''on behalf of others.'' Another condition is that the freight forwarder must certify to the carrier as to the forwarding services that it performed. While it appears that the freight forwarders dispatched the HUAL service contract and TVR shipments on behalf of others, there is no evidence that certifications of freight forwarding services were provided to HUAL regarding the shipments. Therefore, HUAL may have violated section 19(d)(1) in paying compensation to these forwarders without obtaining any freight forwarder certifications.

Section 19(d)(4) prohibits a common carrier from knowingly paying forwarder compensation to a freight forwarder which has a beneficial interest in a shipment. Beneficial interest is defined in the Commission's regulations at 46 CFR 510.2(b) as:

> a lien or interest in or right to use, enjoy, profit, benefit, or receive any advantage, either proprietary or financial, from the whole or any part of a shipment of cargo where such interest arises from the financing of the shipment or by operation of law, or by agreement, express or implied.

HUAL's service contracts and TVRs gave the signatory freight forwarders various benefits and advantages with respect to the shipments that took place under these agreements. Since the freight forwarders obtained the benefits and advantages by means of the HUAL agreements, they may have had beneficial interests in the shipments.[6] Furthermore, HUAL appears to have facilitated the beneficial interests of the freight forwarders through the provision of service contracts and TVRs to the freight forwarders. Therefore, HUAL should have known whether the freight forwarders had beneficial interests in the shipments. Thus, HUAL may have knowingly paid freight forwarder compensation on TVR and service contract shipments to freight forwarders which had beneficial interests in the shipments in apparent violation of section 19(d)(4) of the 1984 Act.

The Commission's regulations at 46 CFR 514.4(d)(5)(i)(A) and 46 CFR 514.17(a)(1), require a common carrier to file at the Commission the essential terms of service contracts so that the terms of the service contracts are available to the general public, which includes shippers who may want ''me-too'' service contracts. The Commission's regulation at 46 CFR 514.17(d)(7)(vi), imposes a mandatory obligation to file in Essential Term No. 6 ''any and all conditions and terms of service or operation or concessions which in any way affect such rates or charges.'' In its essential terms, HUAL did not file the service contract provision that the ''Carrier will pay freight forwarders commission of 5% on base ocean freight only to licensed freight forwarder if services, as stipulated by F.M.C. regulations, are provided whether or not freight forwarder is contract signatory.'' A 5% commission paid to a service contract signatory is a concession which affects the rates or charges in the service contracts. Therefore, by failing to file the complete essential terms as mandated by the Commission's regulations, HUAL may have violated the Commission's regulations at 46 CFR 514.4(d)(5)(i)(A), 46 CFR 514.17(a)(1), and 46 CFR 514.17(d)(7)(vi).

The Commission's regulation at 46 CFR 514.7(e)(1), requires the shipper signatory to a service contract to certify its shipper status on the signature page of the contract. The Commission's regulation at 46 CFR 514.4(d)(5)(i)(A), requires the carrier signatory to file the service contract with the Commission. HUAL apparently did not include the

[4] The Commission is aware of the contrary views on this matter of some in the industry. This proceeding should provide an appropriate forum for the adjudication of this issue.

[5] A freight forwarder can give notice to a common carrier of a disclosed shipper's decision to enroll in a TVR.

[6] The beneficial interest appears to be the benefits resulting to the forwarders from HUAL providing the forwarders discounted service contract and TVR rates which only are available to shippers if they use those forwarders for their cargo. The beneficial interest does not arise out of any arrangements between the forwarders and shippers.

information for shipper certification on the signature pages of its service contracts; as a result, none of the freight forwarders who entered into service contracts with HUAL certified their shipper status in the contracts. Thereafter, HUAL filed these service contracts at the Commission. Thus, HUAL appears to have failed to file complete service contracts at the Commission in violation of the Commission's regulations at 46 CFR 514.4(d)(5)(i)(A).

Now therefore it is ordered, That pursuant to sections 3, 8, 10, 11, 13 and 19 of the 1984 Act, 46 U.S.C. app. 1702, 1707, 1709, 1710, 1712 and 1718, and 46 CFR Part 514, an investigation is hereby instituted to determine:

(1) Whether HUAL violated section 10(b)(1) of the 1984 Act by charging, demanding, collecting or receiving less compensation for the transportation of property than the rates or charges that are set forth in its tariffs;

(2) Whether HUAL violated section 10(b)(4) of the 1984 Act by allowing freight forwarders and shippers to obtain transportation for property at less than the rates or charges established in HUAL's tariffs by an unjust or unfair device or means;

(3) Whether HUAL violated section 19(d)(1) of the 1984 Act by paying freight forwarder compensation on shipments without obtaining certifications from the freight forwarders;

(4) Whether HUAL violated section 19(d)(4) of the 1984 Act by paying freight forwarder compensation on shipments to freight forwarders who had beneficial interests in the shipments;

(5) Whether HUAL violated 46 CFR 514.17(d)(7)(vi), 46 CFR 514.4(d)(5)(i)(A) and 46 CFR 514.17(a)(1), by failing to file complete essential terms for its service contracts;

(6) Whether HUAL violated 46 CFR 514.4(d)(5)(i)(A) by failing to file complete service contracts at the Commission;

(7) Whether, in the event HUAL violated sections 10(b)(1), 10(b)(4), 19(d)(1) or 19(d)(4) of the 1984 Act or the Commission's regulations at 46 CFR 514.4(d)(5)(i)(A), 46 CFR 514.17(a)(1), or 46 CFR 514.17(d)(7)(vi), civil penalties should be assessed and, if so, the amount of such penalties;

(8) Whether, in the event HUAL violated sections 10(b)(1) or 10(b)(4) of the 1984 Act, the tariff of HUAL should be suspended for a period not to exceed 12 months; and

(9) Whether, in the event HUAL violated sections 10(b)(1), 10(b)(4), 19(d)(1) or 19(d)(4) of the 1984 Act or the Commission's regulations at 46 CFR 514.4(d)(5)(i)(A), 46 CFR 514.17(a)(1), or 46 CFR 514.17(d)(7)(vi), an appropriate cease and desist order should be issued against HUAL.

It is further ordered, That a public hearing be held in this proceeding and that this matter be assigned for hearing before an Administrative Law Judge of the Commission's Office of Administrative Law Judges in compliance with Rule 61 of the Commission's Rules of Practice and Procedure, 46 CFR 502.61. The hearing shall include oral testimony and cross-examination in the discretion of the Presiding Administrative Law Judge only upon a proper showing that there are genuine issues of material fact that cannot be resolved on the basis of sworn statements, affidavits, depositions, or other documents or that the nature of the matters in issue is such that an oral hearing and cross-examination are necessary for the development of an adequate record;

It is further ordered, That HUAL is designated Respondent in this proceeding;

It is further ordered, That the Commission's Bureau of Enforcement is designated a party to this proceeding;

It is further ordered, That notice of this Order be published in the **Federal Register**, and a copy be served on parties of record;

It is further ordered, That other persons having an interest in participating in this proceeding may file petitions for leave to intervene in accordance with Rule 72 of the Commission's Rules of Practice and Procedure, 46 CFR 502.72;

It is further ordered, That all further notices, orders, and/or decisions issued by or on behalf of the Commission in this proceeding, including notice of the time and place of hearing or prehearing conference, shall be served on parties of record;

It is further ordered, That all documents submitted by any party of record in this proceeding shall be directed to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, in accordance with Rule 118 of the Commission's Rules of Practice and Procedure, 46 CFR 502.118, and shall be served on parties of record; and

It is further ordered, That in accordance with Rule 61 of the Commission's Rules of Practice and Procedure, the initial decision of the Administrative Law Judge shall be issued by August 13, 1999, and the final decision of the Commission shall be issued by December 13, 1999.

By the Commission.

Joseph C. Polking,

Secretary.

[FR Doc. 98–22355 Filed 8–19–98; 8:45 am]

BILLING CODE 6730–01–P

FEDERAL RESERVE SYSTEM

Notice of Proposals to Engage in Permissible Nonbanking Activities or to Acquire Companies That are Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR Part 225) to engage *de novo*, or to acquire or control voting securities or assets of a company, including the companies listed below, that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.28 of Regulation Y (12 CFR 225.28) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. The notice also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than September 3, 1998.

A. Federal Reserve Bank of Boston (Richard Walker, Community Affairs Officer) 600 Atlantic Avenue, Boston, Massachusetts 02106-2204:

1. Androscoggin Bancorp, MHC, and Androscoggin Bancorp, Inc., both of Lewiston, Maine; to acquire Financial Institutions Service Corp., Lewiston, Maine and thereby engage in providing primarily item and certain data processing functions to a number of financial institutions that are primarily located in Maine pursuant to § 225.28(b)(14) of Regulation Y.

Board of Governors of the Federal Reserve System, August 14, 1998.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 98–22423 Filed 8–19–98; 8:45 am]

BILLING CODE 6210–01–F