

THE NATIONAL ARCHIVES
LITTEA
SCRIPTA
MARET
OF THE UNITED STATES
1934

FEDERAL REGISTER

VOLUME 18

NUMBER 83

Washington, Thursday, April 30, 1953

TITLE 7—AGRICULTURE

Subtitle A—Office of the Secretary of Agriculture

[Amdt. 8]

PART 5—DETERMINATION OF PARITY PRICES CALVES

The regulations of the Secretary of Agriculture with respect to the determination of parity prices (15 F. R. 837, as amended by 15 F. R. 9374, 16 F. R. 2365 and 5971, 17 F. R. 961 and 10277 and 18 F. R. 492 and 1150) are amended as hereinafter specified in order to change the designation of the commodity "veal calves" to "calves." The amendment to § 5.7 deletes the word "veal" from commodities for which parity prices shall be calculated.

1. The paragraph of § 5.7 headed "Other commodities" is hereby amended to read as follows:

Beef cattle; hogs; lambs; calves; sheep; chickens; turkeys; eggs; beeswax; broomcorn; hops; peppermint oil; popcorn; spearmint oil; tobacco, types 61 and 62; barley; beans, dry edible; buckwheat; cottonseed; peas, dry field; flaxseed; hay, all baled; oats; rye; sorghums for grain; soybeans; sweetpotatoes; and crude pine gum.

(Sec. 301, 52 Stat. 38, as amended; 7 U. S. C. 1301)

Done at Washington, D. C., this 24th day of April 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-3792; Filed, Apr. 29, 1953; 8:49 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 4879]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

LEO LICHTENSTEIN ET AL.

Subpart—Using, selling or supplying lottery devices: § 3.2475 Devices for lottery selling; § 3.2480 In merchandising. I. Selling or distributing in commerce, punch boards, push cards, or other lottery devices; which are to be used in the sale or distribution of merchandise to

the public by means of a game of chance, gift enterprise, or lottery scheme; and, II, in connection with the offering for sale, sale or distribution in commerce, of cigarette chests or boxes, or other articles of merchandise, (1) supplying to or placing in the hands of others punch boards, push cards, or other lottery devices, either with assortments of cigarette chests or boxes or other merchandise, or separately, which said punch boards, push cards, or other lottery devices, are to be used, or may be used, in selling or distributing such cigarette chests or boxes or other merchandise to the public; (2) selling or distributing cigarette chests or boxes, or other articles of merchandise, so packed or assembled that sales thereof to the public are to be made or, due to the manner in which such merchandise is packed or assembled at the time it is sold by the respondents, may be made by means of a game of chance, gift enterprise, or lottery scheme; or (3) selling or otherwise disposing of any merchandise by means of a game of chance, gift enterprise, or lottery scheme; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Modified cease and desist order, Leo Lichtenstein et al. t. a. Harlich Manufacturing Company, etc., Chicago, Ill. Docket 4879, Jan. 16, 1953]

In the Matter of Leo Lichtenstein, Libbie Lichtenstein, and Byron J. Lichtenstein, Individually and Trading as Harlich Manufacturing Company, and Loomis Manufacturing Company

This proceeding having been heard by the Federal Trade Commission upon the amended complaint of the Commission, the respondents' answer thereto, testimony and other evidence in support of and in opposition to the allegations of the amended complaint introduced before a hearing examiner of the Commission theretofore duly designated by it, the hearing examiner's recommended decision, and briefs and oral argument of counsel, and the Commission having made its findings as to the facts and its conclusion that the respondents have violated the provisions of the Federal Trade Commission Act and having issued its order to cease and desist on June 30, 1950; and

Respondents having filed in the United States Court of Appeals for the Ninth

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Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Federal Register Division, National Archives and Records Service, General Services Administration, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1937.

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Principal Officials in the Executive Branch Appointed January 20—April 20, 1953

A listing of approximately 200 appointments made after January 20, 1953. Names contained in the list replace corresponding names appearing in the 1952-53 U. S. Government Organization Manual

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Circuit their petition to review and set aside the order to cease and desist issued herein, and that Court having heard the matter on briefs and oral argument and fully considered the matter, and having, thereafter, on February 5, 1952, entered its final decree modifying and affirming, as modified, the aforesaid order to cease and desist pursuant to its opinion announced on that same date; and

Respondents' petition to the Supreme Court of the United States for writ of certiorari to the United States Court of Appeals for the Ninth Circuit being denied on October 13, 1952, and their petition for rehearing also being denied by said Court; and

Thereafter, the Commission having reconsidered the matter, and being of the opinion that its order to cease and desist herein should be modified to conform with the decree of said Court of Appeals:

It is ordered, That the respondents, Leo Lichtenstein, Libbie Lichtenstein, and Byron J. Lichtenstein, individually and trading as Harlich Manufacturing Company and as Loomis Manufacturing Company, or trading under any other name or trade designation, and said respondents' agents, representatives and employees, directly or through any corporate or other device, do forthwith cease and desist from: Selling or distributing in commerce, as "commerce" is defined in the Federal Trade Commission Act, punch boards, push cards, or other lottery devices, which are to be used in the sale or distribution of merchandise to the public by means of a game of chance, gift enterprise, or lottery scheme.

It is further ordered, That said respondents and their agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of cigarette chests or boxes, or other articles of merchandise, do forthwith cease and desist from:

1. Supplying to or placing in the hands of others punch boards, push cards, or other lottery devices, either with assortments of cigarette chests or boxes or other merchandise, or separately, which said punch boards, push cards, or other lottery devices, are to be used, or may be used, in selling or distributing such cigarette chests or boxes or other merchandise to the public.

2. Selling or distributing cigarette chests or boxes, or other articles of merchandise, so packed or assembled that sales thereof to the public are to be made or, due to the manner in which such merchandise is packed or assembled at the time it is sold by the respondents, may be made by means of a game of chance, gift enterprise, or lottery scheme.

3. Selling or otherwise disposing of any merchandise by means of a game of chance, gift enterprise, or lottery scheme.

It is further ordered, That the 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 man-

ner and form in which they have complied with this order.

Issued: January 16, 1953.

By the Commission.

[SEAL]

D. C. DANIEL,
Secretary.

[F. R. Doc. 53-3797; Filed, Apr. 29, 1953;
8:50 a. m.]

TITLE 19—CUSTOMS DUTIES

**Chapter I—Bureau of Customs,
Department of the Treasury**

[T. D. 53249]

**PART 10—ARTICLES CONDITIONALLY FREE,
SUBJECT TO A REDUCED RATE, ETC.**

**WHEAT, UNFIT FOR HUMAN CONSUMPTION;
OTHER WHEAT**

After publishing appropriate notices in the FEDERAL REGISTER on November 7, 1952, and January 28, 1953, the Bureau of Customs has reviewed the existing uniform practice of classifying wheat which contains 30 per centum or more of damaged kernels as "wheat, unfit for human consumption," under the provisions of paragraph 729, Tariff Act of 1930. It appears to have been conclusively established that substantial quantities of grades of wheat which it has been the practice to classify under paragraph 729 as "wheat, unfit for human consumption" are commercially usable, after blending with higher grade wheat, in the milling of products for human consumption.

Accordingly, Part 10 of the Customs Regulations of 1943 (19 CFR Part 10), is hereby amended by adding the following new center head and section:

WHEAT

§ 10.106 *Wheat, unfit for human consumption; other wheat.* (a) There shall be filed in connection with each entry covering wheat entered under paragraph 729, Tariff Act of 1930, as modified, as "wheat, unfit for human consumption," a declaration of the importer setting out whether any part of the importation is to be used with or without blending with other wheat in the manufacture of products for human consumption. If it is declared that no part of the shipment is to be so used, a further declaration shall be made stating the use to which the wheat is to be put. When it is shown by the declaration that the wheat is to be used in the manufacture of products for human consumption, it shall be classified as "wheat" under the provisions of paragraph 729, as modified. However, when the declaration states that the wheat is to be used otherwise than in the manufacture of products for human consumption, the procedure outlined in T. D. 47577 shall be followed, and in the absence of other controlling factors, the wheat shall be classified as "wheat, unfit for human consumption" under the provisions of paragraph 729, as modified, if it contains 30 per centum or more of damaged kernels.

(R. S. 161, 251, sec. 624, 46 Stat. 759; 5 U. S. C. 22, 19 U. S. C. 66, 1624)

As this new section may result in the assessment of duty at a higher rate with respect to some imported wheat than has heretofore been assessed under the existing uniform practice, it shall be applied to such merchandise only when entered or withdrawn from warehouse for consumption after 90 days from the date of publication of this amendment in the weekly Treasury Decisions.

[SEAL] D. B. STRUBINGER,
Acting Commissioner of Customs.

Approved: April 24, 1953.

H. CHAPMAN ROSE,
Acting Secretary of the Treasury.

[F. R. Doc. 53-3795; Filed, Apr. 29, 1953;
8:49 a. m.]

**TITLE 32A—NATIONAL DEFENSE,
APPENDIX**

**Chapter XI—Defense Electric Power
Administration, Department of the
Interior**

[DEPA Order EO-4A, Revocation]

**EO-4A—LIMITATION OF CONSUMPTION AND
DELIVERIES OF ELECTRIC ENERGY IN
PACIFIC NORTHWEST**

REVOCATION

Order EO-4A and Direction 1 issued thereunder are hereby revoked. This revocation does not relieve any person of any obligation or liability incurred under EO-4A, nor deprive any person of any rights received or accrued under said order prior to the effective date of this revocation.

(64 Stat. 816; 50 U. S. C. App. 2154)

This revocation shall take effect April 30, 1953.

JAMES F. DAVENPORT,
Administrator, Defense Electric
Power Administration.

APRIL 29, 1953.

[F. R. Doc. 53-3868; Filed, Apr. 29, 1953;
11:50 a. m.]

[DEPA Order EO-5, Revocation]

**EO-5—LIMITATION ON DELIVERIES OF
ELECTRIC ENERGY IN PACIFIC NORTH-
WEST UNDER CONTRACTS ENTERED INTO
AFTER SEPT. 1, 1952**

REVOCATION

Order EO-5 is hereby revoked. This revocation does not relieve any person of any obligation or liability incurred under EO-5, nor deprive any person of any rights received or accrued under said order prior to the effective date of this revocation.

(64 Stat. 816; 50 U. S. C. App. 2154)

This revocation shall take effect April 30, 1953.

JAMES F. DAVENPORT,
Administrator, Defense Electric
Power Administration.

APRIL 29, 1953.

[F. R. Doc. 53-3869; Filed, Apr. 29, 1953;
11:50 a. m.]

**Chapter XXI—Office of Rent Stabiliza-
tion, Economic Stabilization Agency**

[Rent Regulation 4, Correction to
Schedule B]

RR 4—MOTOR COURTS

**SCHEDULE B—SPECIFIC PROVISIONS RELAT-
ING TO INDIVIDUAL DEFENSE—RENTAL
AREAS OR PORTIONS THEREOF**

CERTAIN STATES

Effective April 29, 1953, that part of Amendment 12 to Schedule B of Rent Regulation 4 which refers to an Item 103 is corrected to read as set forth below.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 27th day of April 1953.

WILLIAM G. BARR,
Acting Director of
Rent Stabilization.

Item 3 of Schedule B is deleted.

The deletion of Item 3 specified above from Schedule B of Rent Regulation 4 is based on the decontrol of the territory to which the item pertained.

[F. R. Doc. 53-3793; Filed, Apr. 29, 1953;
8:49 a. m.]

**TITLE 33—NAVIGATION AND
NAVIGABLE WATERS**

**Chapter II—Corps of Engineers,
Department of the Army**

PART 204—DANGER ZONE REGULATIONS

**ATLANTIC OCEAN OFF WALLOPS ISLAND,
VIRGINIA**

Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U. S. C. 1), § 204.26 establishing and governing a restricted area surrounding a high altitude test bombing target in the Atlantic Ocean off Wallops Island, Virginia, is hereby prescribed, as follows:

§ 204.26 *Atlantic Ocean in the vicinity of Wallops Island, Virginia; naval high altitude test bombing target area*—(a) *The danger zone.* A circular area with a radius of one nautical mile having its center approximately two and one-fourth miles off Wallops Island at latitude 37°50'16", longitude 75°25'00".

(b) *The regulations.* (1) No vessels other than specifically authorized military and naval vessels shall enter or remain in the area during its use for test purposes. At all other times vessels may use the area without restrictions.

(2) The area will be in use intermittently during daylight hours, and this use will be signified by the presence of naval craft patrolling the area.

(3) Upon being warned by the naval patrol craft, vessels shall immediately vacate the area and remain outside the area during the period of use.

(4) Advance notice of the tests will be posted in the Fire House at Chincoteague, Virginia, every Friday and will cover operations for the ensuing week. Interested parties will be notified in the same manner in case of special tests not covered by weekly notice.

(5) The regulations in this section shall be enforced by the Commanding Officer, U. S. Naval Aviation Ordnance Test Station, Chincoteague, Virginia, and such agencies as he may designate.

[Regs., April 10, 1953, 800.2121 (Atlantic Ocean, Va.)—ENGWO] (40 Stat. 266; 33 U. S. C. 1)

[SEAL] Wm. E. BERGIN,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 53-3776; Filed, Apr. 29, 1953; 8:45 a. m.]

(2) The free mail privilege shall be applicable only to personal letter mail in its usual and generally accepted form, including messages on post cards, sent by members in the active service of the Armed Forces.

(3) Such letters, including messages on post-cards, weighing not to exceed one ounce and endorsed by the sender for air service, shall be given air mail transportation, whenever practicable. Letters intended for air service should

be marked or endorsed "Air Mail" or "Via Air Mail" in a prominent manner above the address and below the word "Free"

(R. S. 161, 396; secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369. Interprets or applies secs. 1, 2, 64 Stat. 336, as amended; 50 U. S. C. App. 891, 892).

[SEAL] ROSS RIZLEY,
Solicitor

[F. R. Doc. 53-3791; Filed, Apr. 29, 1953; 8:49 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 34—CLASSIFICATION AND RATES OF POSTAGE

FREE MAIL PRIVILEGE FOR MEMBERS OF ARMED FORCES OF THE UNITED STATES

Section 34.14a *Free mail privilege for members of the Armed Forces of the United States* is amended to read as follows:

§ 34.14a *Free mail privilege for members of the Armed Forces of the United States—(a) Law.* (1) Any first-class letter mail matter admissible to the mails as ordinary mail matter which is sent by a member of the Armed Forces of the United States, (i) while on active duty or in the active service of the Armed Forces of the United States in Korea and such other areas as the President of the United States may hereafter designate as combat zones or theaters of military operations, or (ii) while hospitalized outside the continental limits of the United States when such hospitalization is a result of service in Korea and such other areas as the President of the United States may hereafter designate as combat zones or theaters of military operations, to any person in the United States, including the Territories and possessions thereof, shall be transmitted in the mails free of postage, subject to such rules and regulations as the Postmaster General may prescribe. When specified by the sender, letters weighing not to exceed one ounce shall be transmitted to destination by air mail, dependent upon air space availability therefor.

(2) The free mailing privileges above granted shall become effective upon the date of enactment of this act and shall continue until June 30, 1955, unless terminated at an earlier date by concurrent resolution of the Congress, or by direction of the President.

(b) *Regulations.* (1) Letters sent by members of the Armed Forces of the United States in Korea or while hospitalized outside the continental limits of the United States when such hospitalization is a result of service in Korea, and such other areas as the President may designate, to be mailed free of postage, shall bear in the upper right corner of the address side in the handwriting of the sender the word "Free" and in the upper left corner the written name of the sender together with his serial number, his rank or rating, and the designation of the service to which he belongs.

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR Part 961]

HANDLING OF MILK IN PHILADELPHIA, PA., MARKETING AREA

NOTICE OF EXTENSION OF TIME FOR FILING BRIEFS

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and the applicable rules of practice and procedure governing the formulation of

marketing agreements and orders (7 CFR Part 900) notice is hereby given that the time for filing briefs on the record of the public hearing held at Philadelphia, Pennsylvania January 28, 1953, February 24-27, 1953, and March 5-6, 1953, pursuant to notices issued December 18, 1952 (17 F. R. 11723) and January 21, 1953 (18 F. R. 553) is hereby extended until May 16, 1953.

Dated: April 27, 1953 at Washington, D. C.

[SEAL] ROY W. LENNARTSON,
Assistant Administrator

[F. R. Doc. 53-3799; Filed, Apr. 29, 1953; 8:50 a. m.]

NOTICES

DEPARTMENT OF COMMERCE

Federal Maritime Board

BALTIMORE MAIL STEAMSHIP CO. ET AL.

NOTICE OF CANCELLATION OF AGREEMENTS

Notice is hereby given that the Board by order dated April 15, 1953, approved the cancellation of the following described agreements pursuant to section 15 of the Shipping Act, 1916, as amended, 39 Stat. 733, 46 U. S. C. 814.

(1) Agreement No. 6486, between Baltimore Mail Steamship Company and the member lines of the Far East Conference: *Provided*, That all cargo originated by Baltimore Mail at United States Atlantic and Gulf ports for Far East destinations would be transhipped at Pacific Coast to members of the Far East Conference and/or the Pacific Westbound Conference; and that Baltimore Mail would assess rates no lower than those of the Far East Conference and would be permitted to participate in Conference contracts with shippers.

(2) Agreement No. 6721, between the Member Lines of the Intercoastal Steamship Freight Association and the Oceanic Steamship Company, Transatlantic Steamship Co., Ltd., and Union Steam Ship Company of New Zealand, Ltd., covered the transportation of cargo under through bills of lading from United States Atlantic Coast ports to Australia, New Zealand and specified South Sea

Islands, with transshipment at Pacific Coast ports of the United States or British Columbia.

Interested parties may obtain copies of these agreements at the Regulation Office, Federal Maritime Board, Washington, D. C.

Dated: April 27, 1953.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS,
Secretary.

[F. R. Doc. 53-3800; Filed, Apr. 29, 1953; 8:50 a. m.]

DEFENSE MATERIALS PROCUREMENT AGENCY

[Delegation No. 25]

DISTRICT MANAGER, REGION 1, MEXICO CITY, MEXICO

DELEGATION OF AUTHORITY TO PERFORM CERTAIN STAFF FUNCTIONS

Pursuant to the authority vested in me as Deputy Defense Materials Procurement Administrator by Executive Order 10281 of August 28, 1951 (16 F. R. 8789), and the Defense Production Act of 1950, as amended (Pub. Law 774, 81st Cong., and Pub. Laws 69 and 96, 82d Cong.) and other applicable law, I hereby delegate to the District Manager, Defense Materials Procurement Agency, Region 1, Mexico

City, Mexico, authority to perform management activities as set forth below. The authority delegated herein shall not be redelegated and shall be exercised in accordance with such applicable laws and regulations, and such administrative policies, procedures and controls as are effective on the date of exercise of the authority: *Provided, however*, That failure to comply with administrative procedures and controls shall not impair legal authority exercised thereunder.

1. *Management activities.* a. To issue travel authorizations and transportation request within regional boundaries only, to officers and employees, to approve administratively the payment of per diem in lieu of subsistence with respect to such travel, and to authorize or approve expenses incurred under paragraphs 13, 15, 75, 76, and 79 of the Standardized Government Travel Regulations, as amended.

b. To authorize payment of expenses of travel by officers and employees, including expenses of transportation of immediate families under regulations prescribed by the President, on travel from one official station to another for permanent duty and to authorize payment of expenses of travel of officers and employees, including the transportation of household effects and personal effects and members of immediate families, under applicable rules and regulations of the President, upon transfer of such officers and employees from one official station to another for permanent duty. The above authority shall include the approval of the expense of travel and transportation of an officer or employee, pursuant to Public Law 600, 79th Congress, who is transferred from another Government department to this Agency, for permanent duty, when authorized in the order directing the transfer.

c. To purchase or contract for administrative supplies and administrative and technical services.

d. To order or approve overtime duty in excess of a forty-hour basic work week.

e. To grant cost-of-living and living quarters allowances and to authorize the payment of foreign post differentials to (1) eligible employees of Region 1 (including employees in the District Office) who occupy positions in the General Schedule of the Classification Act of 1949, as amended, and (2) to eligible employees of the General Services Administration who are assigned to Region 1. This authority shall be exercised in accordance with Department of State "Standardized Government Civilian Allowance Regulations (Foreign Areas)" and "Standardized Government Post Differential Regulations (Foreign Areas)", as well as applicable DMPA and GSA regulations.

This delegation shall be effective as of January 2, 1953.

Dated: April 24, 1953.

HOWARD I. YOUNG,
*Deputy Defense Materials
Procurement Administrator.*

[F. R. Doc. 53-3798; Filed, Apr. 29, 1953; 8:50 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Doc. 10, Region II; Misc. 47763]

NEVADA

AIR NAVIGATION SITE WITHDRAWALS NOS. 3, 10, 22, 45, AND 103, REDUCED; CORRECTION

APRIL 24, 1953.

The order of the Acting Regional Administrator of February 18, 1953 (18 F. R. 1141), revoking certain departmental orders withdrawing lands in Nevada for use by the Department of Commerce in the maintenance of air-navigation facilities, is hereby corrected as follows:

The date of the withdrawal for Air Navigation Site No. 45, opposite sites 28 B and 34, is corrected to read November 17, 1930, instead of September 17, 1930.

WILLIAM PINCUS,
Assistant Director.

[F. R. Doc. 53-3778; Filed, Apr. 29, 1953; 8:45 a. m.]

Bureau of Reclamation

MINIDOKA PROJECT, IDAHO

ORDER OF REVOCATION

MARCH 19, 1953.

Pursuant to the authority delegated by Departmental Order No. 2515 of April 7, 1949 (14 F. R. 1937), I hereby revoke Departmental Order of March 18, 1908, insofar as said order affects the following described land: *Provided, however*, That such revocation shall not affect the withdrawal of any other lands by said order or affect any other orders withdrawing or reserving the land hereinafter described.

BOISE MERIDIAN, IDAHO

T. 8 S., R. 25 E.,
Sec. 1, SW $\frac{1}{4}$ SW $\frac{1}{4}$.

The above area aggregates 40.0 acres.

G. W. LINEWEAVER,
Assistant Commissioner.

I concur. The records of the Bureau of Land Management will be noted. The land is being released from withdrawal to permit the issuance of patent on a homestead entry allowed June 18, 1904.

WILLIAM PINCUS,
Assistant Director,
Bureau of Land Management.

APRIL 24, 1953.

[F. R. Doc. 53-3779; Filed, Apr. 29, 1953; 8:45 a. m.]

FEDERAL POWER COMMISSION

[Docket Nos. G-1781, G-2055]

UNITED FUEL GAS Co.

ORDER OMITTING INTERMEDIATE DECISION,
AND FIXING TIME FOR FILING BRIEFS AND
ORAL ARGUMENT

On April 14, 1953, upon conclusion of the taking of evidence, Staff counsel moved that "the matters involved" in

the above-consolidated proceedings "be certified to the Commission for the issuance by the Commission of a tentative decision."

Counsel for United Fuel objected to Staff counsel's motion which has been certified to the Commission for action.

On the previous day, April 13, 1953, United Fuel Gas Company (United Fuel) filed a motion requesting that Docket No. G-1781 be immediately referred to the Commission for final determination. In support of the motion, counsel for United Fuel stated that "the principal reason for this motion and in the background I mentioned most recently—is that time is definitely of the essence."

The record reveals, and the Commission being aware of the state of its docket and of the Presiding Examiner's assignments, that the Examiner in this case is not available immediately or for some time in the future for the preparation of an intermediate decision in these proceedings.

Section 4 (e) of the Natural Gas Act provides, in part, that the Commission shall give preference to cases such as these proceedings and further provides that they shall be decided "as speedily as possible."

The Commission finds:

(1) The record in these proceedings shows that the tentative decision procedure contemplated by Staff counsel's motion will not meet the urgency of the case, and that such record shows that due and timely execution of its functions imperatively and unavoidably requires that the intermediate decision be omitted in the above-docketed proceedings.

(2) Good cause exists and it is desirable and in the public interest to fix the time for filing briefs and to grant oral argument on the matters involved in these proceedings and on the motion filed April 13, 1953, as hereinafter ordered.

The Commission orders:

(A) The intermediate decision procedure in these proceedings be and the same is hereby omitted.

(B) Oral argument be had before the Commission on May 13, 1953, at 10:00 a. m. upon the motion filed by United Fuel and upon all matters involved in these proceedings, in the Hearing Room of the Federal Power Commission, 1900 Pennsylvania Avenue NW., Washington, D. C., and all parties to these consolidated proceedings may file briefs on or before May 11, 1953.

(C) Parties who desire to participate in the oral argument shall notify the Commission on or before May 4, 1953, of their intention to participate together with their request for allotment of time.

(D) The Examiner is hereby directed to certify to the Commission the entire record in these proceedings.

Adopted: April 23, 1953.

Issued: April 24, 1953.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-3782; Filed, Apr. 29, 1953; 8:46 a. m.]

[Docket Nos. G-2070, G-2096]

ALABAMA-TENNESSEE NATURAL GAS CO.

ORDER PROVIDING FOR HEARING AND
CONSOLIDATING PROCEEDINGS

By order issued April 8, 1953, in Docket No. G-2070, the Commission directed that a public hearing be held commencing on May 25, 1953, in Washington, D. C., concerning the lawfulness of the rates, charges classifications, and services contained in Alabama-Tennessee Natural Gas Company's (Alabama-Tennessee) FPC Gas Tariff, Original Volume No. 1, as amended by Third Revised Sheet No. 4 and First Revised Sheets Nos. 5, 6, and 7 to said tariff.

Said tariff sheets, providing for an increase in the rates and charges to Alabama-Tennessee's interstate wholesale customers, were suspended by order of the Commission issued September 16, 1952, and became effective on February 18, 1953, upon motion of Alabama-Tennessee and in accordance with the provisions of section 4 (e) of the Natural Gas Act, subject to refund and the submission by Alabama-Tennessee and approval by the Commission of a satisfactory bond. Said bond was accepted for filing by the Commission on March 12, 1953.

By order issued December 2, 1952, in Docket No. G-2096, the Commission suspended Original Sheets Nos. 7-A and 7-B to Alabama-Tennessee's FPC Gas Tariff, Original Volume No. 1, providing for a change in its single general service Rate Schedule G-1 by instituting a penalty of \$10.00 per Mcf of gas taken without prior approval in excess of 1 percent over the contracted maximum daily delivery obligation. By said order, the Commission ordered a hearing to be held at a time and place to be fixed by further order of the Commission, and permitted Alabama-Tennessee to file said Original Sheets Nos. 7-A and 7-B in accordance with § 154.66 (c) of the Commission's rules.

Due notice of the aforementioned orders has been given, including publication in the FEDERAL REGISTER, on December 6, 1952, of the order issued on December 2, 1952, in Docket No. G-2096 (17 F. R. 11131) and on April 14, 1953, of the order issued April 8, 1953, in Docket No. G-2070 (18 F. R. 2090)

The Commission finds: It is necessary and desirable in the public interest, in carrying out the provisions of the Natural Gas Act, and good cause exists, to consolidate the above-entitled proceedings for purpose of hearing, and order that a hearing be held, all as hereinafter provided and ordered.

The Commission orders:

(A) A public hearing be held on the same date and at the same place heretofore ordered by the Commission by its order issued April 8, 1953, at Docket No. G-2070, concerning the lawfulness of Alabama-Tennessee's FPC Gas Tariff, Original Volume No. 1, as proposed to be amended by the aforesaid Original Sheets Nos. 7-A and 7-B heretofore permitted to be filed in Docket No. G-2096.

(B) The aforesaid proceedings in Docket Nos. G-2070 and G-2096 be and the same are hereby consolidated for the purpose of hearing.

(C) The provisions of paragraphs (B) and (C) of said order issued April 8, 1953, in Docket No. G-2070, pertaining to burden of proof and specification of procedure, respectively, shall apply in connection with the matters involved and the issues raised by the aforesaid Original Sheets Nos. 7-A and 7-B.

(D) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f))

Adopted: April 23, 1953.

Issued: April 24, 1953.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-3783; Filed, Apr. 29, 1953;
8:46 a. m.]

[Docket No. G-2085]

NORTHERN NATURAL GAS CO.

NOTICE OF OPINION NO. 247 AND ORDER

APRIL 24, 1953.

Notice is hereby given that on April 23, 1953, the Federal Power Commission issued its opinion and order entered April 2, 1953, vacating order to show cause (17 F. R. 10478-9) and terminating investigation in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-3780; Filed, Apr. 29, 1953;
8:46 a. m.]

[Docket No G-2153]

MISSISSIPPI RIVER FUEL CORP.

ORDER FIXING DATE OF CONFERENCE

On April 10, 1953, pursuant to the opinion, judgment and mandate of the United States Court of Appeals for the Third Circuit, issued in Mississippi River Fuel Corporation v. Federal Power Commission, No. 10,868, ---- F. 2d ----, Mississippi River Fuel Corporation (Mississippi) resubmitted to the Commission the increased rates and other tariff changes originally tendered to the Commission on April 30, 1952, and rejected by the Commission's order issued May 29, 1952. Also, on April 10, 1953, Mississippi moved to put the aforesaid increased rates and other tariff changes into immediate effect.

The Commission, concurrently with this order, has herein entered this date an order making effective the aforesaid increased rates under bond and subject to refund and providing for hearing, to be convened May 14, 1953, concerning the lawfulness of the rates, charges, classifications and services, subject to the jurisdiction of the Commission, as set forth in the aforesaid proposed tariff changes.

The said hearing is to be convened in Washington, D. C., and immediately recessed from day to day until the conference sessions provided for by the instant order can be concluded, at which time the hearing will be reconvened to receive in the record the results of such conference. If such conference results in a proposed settlement of the issues involved, then the hearing record thus made is to be certified immediately to the Commission for appropriate action; and if, in the alternative, the said conference results in no proposed settlement and such fact is reported on the hearing record, then the hearing is to be recessed subject to further order of the Commission. The aforesaid order concurrently entered herein is hereby referred to and made a part hereof by reference.

On April 20, 1953, Mississippi filed herein a request in writing "that a pre-hearing conference be held with the hope of reaching a settlement of the matters involved in this current rate filing [aforesaid resubmittal of April 10, 1953] and * * * settlement of all rate matters which Mississippi River Fuel Corporation is involved with the Commission in certain court proceedings."

The Commission finds: It is appropriate and in the public interest in carrying out the provisions of the Natural Gas Act, and good cause exists, to convene, in response to the request by Mississippi River Fuel Corporation, a conference as hereinafter ordered to afford an opportunity for adjustment and settlement of all issues involved in this proceeding, together with all rate matters in which Mississippi is involved with the Commission in certain court proceedings.

The Commission orders:

(A) A conference be held, commencing on May 14, 1953, at 10:30 a. m., e. d. s. t., in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., for the purpose, and concerning the matters, hereinbefore referred to; and, upon conclusion of the conference, the results thereof be made a matter of record as provided for by paragraph (C) of the Commission's order concurrently entered herein making effective increased rates under bond and subject to refund and providing for hearing.

(B) The participants in the conference provided for by Paragraph (A) hereof shall include Mississippi River Fuel Corporation, Commission Staff Representatives, interested State Commissions that have filed notices of intervention herein, and Mississippi's utility customers and any other interested persons that have filed timely petitions of intervention herein and have been granted permission to intervene.

Adopted: April 23, 1953.

Issued: April 24, 1953.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-3785; Filed, Apr. 29, 1953;
8:47 a. m.]

[Docket No. G-2153]

MISSISSIPPI RIVER FUEL CORP.

ORDER MAKING EFFECTIVE INCREASED RATES UNDER BOND AND SUBJECT TO REFUND AND PROVIDING FOR HEARING

On April 30, 1952, pursuant to the provisions of Part 154 of the Commission's general rules and regulations (18 CFR Part 154) governing the filing of changes in rates or charges under section 4 (d) of the Natural Gas Act, Mississippi River Fuel Corporation (Mississippi) tendered for filing proposed changes in its FPC Gas Tariff, Original Volume No. 1, together with data allegedly supporting such changes as required by the general rules and regulations.¹ By these changes Mississippi proposed to increase, effective June 1, 1952, its then effective tariff rates and charges to its purchasers² of natural gas for resale in interstate commerce, and to change its then existing tariff in several other respects. Mississippi thereby proposed to increase at that time its rates and charges about 25 percent annually, or approximately \$3,400,000, based on estimated sales for the 12-month period commencing June 1, 1952, for firm and interruptible service, and to change the form of its firm service rate schedule from a two-part rate with billing demand based upon maximum daily volume of gas purchased during the month, but not less than the maximum daily volume purchased during the next preceding 11 months, to a two-part rate with billing demand based upon the contract demand which Mississippi designated as a "stated demand"

Such proposed increase was in addition to an annual increase of approximately \$3,100,000 then being collected under bond, subject to refund, and then pending decision in the Matter of Mississippi River Fuel Corporation, Docket No. G-1641. Subsequently the Commission, by its Opinion No. 234 and order issued August 4, 1952 in Docket No. G-1641, held that no part of the \$3,100,000 was justified and ordered refunds of the increase which had been collected under bond. Based on estimated sales for the 12-month period beginning June 1, 1952, the proposed increase in rates embodied in the tariff changes tendered on April 30, 1952 was about 53 percent, or ap-

proximately \$6,500,000 annually, in excess of the rates which were reinstated as reasonable by the Commission's aforesaid Opinion No. 234 and order in Docket No. G-1641.³

The Commission, by order issued May 29, 1952, rejected Mississippi's April 30, 1952, proposed tariff changes.⁴ Upon review pursuant to section 19 (b) of the Natural Gas Act, upon petition of Mississippi, the United States Court of Appeals for the Third Circuit issued on February 9, 1953, its opinion, judgment and mandate in Mississippi River Fuel Corporation v. Federal Power Commission, No. 10,868, ____ F. 2d ____, vacating the Commission's order of May 29, 1952, and remanding the cause to the Commission for further proceedings "consistent with the authorization and direction" of the Court's opinion. The Court's opinion, in pertinent part, said:

"... we think the Commission has no right to prevent the petitioner from putting its proposed new schedules into effect at once under the procedure which the statute authorizes the proponent of a new tariff to follow after the end of a five month suspension. To this end, the Commission shall accept again the original papers filed by the petitioner on April 30, 1952, or duplicates thereof. Immediately upon such resubmission the petitioner shall be privileged to make its proposed new schedules effective by filing such a motion for that purpose as is authorized and required by section 4 (e) of the Natural Gas Act, subject to the right of the Commission forthwith to direct and give notice of a hearing upon the new schedules and to safeguard customers of petitioner in the payment of the new tariffs pending the outcome of such hearing by requiring petitioner to file such bond as is contemplated and authorized by section 4 (e).

On April 9, 1953, that Court denied a motion by Mississippi for modification of the opinion to permit Mississippi to make the increase in rates effective as of June 1, 1952, without restriction.

On April 10, 1953, pursuant to the aforesaid opinion, judgment and mandate of the Court of Appeals, Mississippi

³The various rates referred to may be summarized as follows:

	Proposed in G-1641	Reinstated in G-1641	Proposed in G-2153
Firm service—Rate schedule.....	F-1	F-1	G-1
Demand charge per month, per Mcf.....	\$1.69	\$1.12	\$2.69
Commodity charge per Mcf.....	0.15	0.13	0.15
Interruptible service—Rate schedule.....	I-1	I-1	I-1
Charge per Mcf.....	\$9.15	\$9.14	\$9.15

⁴Copies of the tariff changes prepared on April 30, 1952, were submitted to Mississippi's customers and interested State regulatory commissions, all of which were afforded, prior to the May 29, 1952, order, an opportunity to submit written comments. The responses, as filed and referred to in that order, included protests to the proposed tariff changes, objecting to, among other things, the increased rates proposed, the proposed change to a contract-demand type of rate, and the proposed penalty provisions for gas taken in excess of contracted or stated demands. Such responses included, also, requests for suspension of and hearing upon the said tariff proposals.

submitted to the Commission the proposed increased rates and other tariff changes, and moved to put them into immediate effect.

On April 20, 1953, Mississippi requested that the Commission convene a conference of all interested persons, including its utility customers and interested State regulatory commissions, to provide an opportunity for the submission and consideration of proposals for the settlement of, inter alia, all issues involved in this proceeding. By order entered concurrently herein the Commission has provided for such a conference. Since such conference will afford an opportunity for considering and possibly achieving a settlement of the issues involved in this proceeding, the Commission will not require Mississippi to submit a bond until 60 days from the date of issuance of this order.

Upon consideration of Mississippi's resubmittal on April 10, 1953, of its proposed tariff changes and the accompanying data originally tendered on April 30, 1952, the motion filed herein on April 10, 1953, the Commission's aforesaid order of May 29, 1952, the said opinion, judgment and mandate of the United States Court of Appeals for the Third Circuit, filed February 9, 1953, together with that Court's supplemental opinion filed April 9, 1953, and all other matters of record herein and of which official notice is hereby taken, including, inter alia, the Commission's order entered concurrently herein, its findings and order issued September 2, 1952, as amended, in the Matter of Mississippi River Fuel Corporation, et al., Docket No. G-1231, et al., and its Opinion No. 234 and order issued August 4, 1952, in the Matter of Mississippi River Fuel Corporation, Docket No. G-1641, the Commission finds:

(1) The aforesaid motion filed on April 10, 1953 by Mississippi River Fuel Corporation to make the increased rates and charges and other tariff changes effective as of that date, pursuant to the aforesaid opinion, judgment and mandate of the United States Court of Appeals for the Third Circuit, should be granted as hereinafter ordered.

(2) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter, as hereinafter provided and ordered, upon a hearing pursuant to sections 4, 15 and 16 of the Natural Gas Act concerning the lawfulness of the rates, charges, classifications and services, as set forth in Mississippi River Fuel Corporation's FPC Gas Tariff, Original Volume No. 1, as amended by Original Sheets Nos. 52 and 25, First Revised Sheets Nos. 5, 14 and 15, Second Revised Sheets Nos. 4 and 6, and Third Revised Sheet No. 1, of the said Tariff.

(3) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act and in the public interest to require that Mississippi River Fuel Corporation: (a) Refund, with interest at the rate of 6 percent per annum, to those entitled thereto, any portion of the increased rates or charges found by the Commission in this proceeding not justified; (b) bear all expense of any such required refunding; (c) keep ac-

¹The proposed changes were embodied in tariff sheets entitled as Third Revised Sheet No. 1, superseding Second Revised Sheet No. 1; Second Revised Sheet No. 4, superseding First Revised Sheet No. 4; First Revised Sheet No. 5, superseding Original Sheet No. 5; Original Sheet No. 5a; Second Revised Sheet No. 6, superseding First Revised Sheet No. 6; First Revised Sheets Nos. 14 and 15, superseding Original Sheets Nos. 14 and 15; and Original Sheet No. 25.

²Mississippi's utility customers, at that time, included: Arkansas Louisiana Gas Company; City of Altheimer, Arkansas; Fort Smith Gas Corporation; Illinois Power Company; Laclede Gas Company, MidSouth Gas Company; Missouri Natural Gas Company; Public Utilities Company, Crossett, Arkansas; and Union Electric Power Company. In the meantime, service to the Village of Dupou, Illinois, and St. Charles Gas Corp. has been provided for by the Commission's order issued September 2, 1952, as amended, in the Matter of Mississippi River Fuel Corporation, et al., Docket Nos. G-1281, et al.

curate accounts in detail of all amounts received by reason of the increased rates and charges made effective on April 10, 1953, specifying by whom and in whose behalf all such amounts were paid; (d) report promptly the same to the Commission monthly for each billing period; and (e) furnish a corporate bond satisfactory to the Commission in the amount and conditioned as hereinafter ordered.

(4) It is appropriate and in the public interest in carrying out the provisions of the Natural Gas Act, and good cause exists, to convene the hearing hereinafter ordered and, immediately after appearances of the parties have been entered, to recess said hearing from day to day pending conclusion of the conference provided for by the order concurrently entered herein, and to reconvene the hearing at the conclusion of the conference, as hereinafter ordered.

The Commission orders:

(A) Pursuant to the aforesaid opinion, judgment and mandate of the United States Court of Appeals for the Third Circuit in *Mississippi River Fuel Corporation v. Federal Power Commission*, No. 10,868 ---- F 2d ---- Original Sheets Nos. 5a and 25, First Revised Sheets Nos. 5, 14 and 15, Second Revised Sheets Nos. 4 and 6, and Third Revised Sheet No. 1, of *Mississippi River Fuel Corporation's FPC Gas Tariff*, Original Volume No. 1, be and the same are hereby made effective as of April 10, 1953, subject to the terms and conditions of this order.

(B) Pursuant to Sections 4, 15 and 16 of the Natural Gas Act, the aforesaid opinion, judgment and mandate of the United States Court of Appeals for the Third Circuit in *Mississippi River Fuel Corporation v. Federal Power Commission*, No. 10,868, ---- F 2d ----, and the Commission's general rules and regulations including rules of practice and procedure (18 CFR Chapter I) a public hearing be held on May 14, 1953, at 10 a. m. (e. d. s. t.) in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington D. C. concerning the lawfulness of the rates, charges, classifications and services, subject to the jurisdiction of the Commission, as set forth in *Mississippi River Fuel Corporation's FPC Gas Tariff*, Original Volume No. 1, as amended by Original Sheets Nos. 5a and 25, First Revised Sheets Nos. 5, 14 and 15, Second Revised Sheets Nos. 4 and 6, and Third Revised Sheet No. 1, of the said Tariff.

(C) The hearing provided for by paragraph (B) hereof shall, as soon as the same has been convened and appearances of parties entered, be recessed from day to day until the conclusion of the conference provided for by the Commission's order entered concurrently herewith in this proceeding; whereupon, the hearing shall be reconvened to receive in the record the results of such conference; and, if such results include a proposed settlement of the issues in this proceeding, to which all parties hereto, including Commission staff counsel, express agreement or interpose no objection, then the hearing record thus made shall be forthwith certified to the Commission for appropriate action on

the proposed settlement; and if, in the alternative, the conference results in no proposed settlement being reached, then the hearing herein shall be forthwith recessed subject to further order of the Commission.

(D) *Mississippi River Fuel Corporation* shall: (1) Refund, to those entitled thereto, any portion of the increased rates and charges made effective as of April 10, 1953, found by the Commission in this proceeding not justified, with interest at the rate of 6 percent per annum from the date of payment to *Mississippi River Fuel Corporation* until refunded; (2) bear all costs of any such refunding; (3) keep accurate accounts in detail of all amounts received by reason of the increased rates and charges for each billing period, specifying by whom and in whose behalf such amounts were paid; (4) submit to the Commission monthly reports (5 copies) in writing and under oath, showing for each billing period the names of the purchasers, the maximum demands, billing demands, volumes delivered, and other billing determinants, of natural gas sales to each of such purchasers and the revenues resulting therefrom, as computed under the rates in effect prior to April 10, 1953 and under the rates allowed by this order to become effective under bond, together with the differences in the revenues so computed; and (5) within sixty days from the date of the issuance of this order, unless otherwise ordered, execute and file with the Secretary of the Commission a corporate bond, satisfactory to the Commission, in the amount and conditioned as set out in paragraph (E) hereof.

(E) The said corporate bond of *Mississippi River Fuel Corporation*, its surety and its successors and assigns, jointly and severally, shall be held and firmly bound unto the Federal Power Commission for the use and benefit of those entitled thereto, in the sum of \$650,000; and said bond shall contain the following provisions:

The condition of this obligation is such that:

Whereas, *Mississippi River Fuel Corporation* (herein called "*Mississippi*") on April 30, 1952, tendered for filing with the Federal Power Commission (herein called "*the Commission*") its Original Sheets Nos. 5a and 25, First Revised Sheets Nos. 5, 14 and 15, Second Revised Sheets Nos. 4 and 6, and Third Revised Sheet No. 1, of its FPC Gas Tariff, Original Volume No. 1, inter alia, increasing the effective rates and charges, subject to the jurisdiction of the Commission, to *Mississippi's* interstate wholesale customers as shown by the said tariff sheets; and

Whereas, by order issued May 29, 1952, the Commission rejected *Mississippi's* aforesaid proposed tariff sheets. Upon review pursuant to Section 19 of the Natural Gas Act, upon petition of *Mississippi*, the United States Court of Appeals for the Third Circuit issued on February 9, 1953, its opinion, judgment and mandate in *Mississippi River Fuel Corporation v. Federal Power Commission*, No. 10,868, — F. 2d — vacating the Commission's order of May 29, 1952, and remanding the cause to the Commission for further proceedings consistent with the authorization and direction of the Court's opinion; and

Whereas, *Mississippi* on April 10, 1953, pursuant to the aforesaid opinion, judgment

and mandate of the United States Court of Appeals for the Third Circuit, resubmitted to the Commission the aforesaid Original Sheets Nos. 5a and 25, First Revised Sheets Nos. 5, 14 and 15, Second Revised Sheets Nos. 4 and 6, and Third Revised Sheet No. 1, of the aforesaid FPC Gas Tariff, Original Volume No. 1, and at the same time filed with the Commission a motion to put into immediate effect the increased rates and charges and other tariff changes contained in the aforesaid tariff sheets; and

Whereas, the Commission in response to the aforesaid resubmittal of, and motion to make effective, said tariff sheets, on April 23, 1953, adopted its order: (1) providing that the Commission enter, as therein provided, upon a hearing pursuant to, inter alia, section 4 of the Natural Gas Act concerning the lawfulness of the rates, charges, classifications and services, subject to the jurisdiction of the Commission, as set forth in *Mississippi's* aforesaid Tariff as amended by the aforesaid tariff sheets; (2) making the aforesaid tariff sheets effective as of April 10, 1953, subject to *Mississippi's* furnishing a bond in the sum of six hundred and fifty thousand dollars (\$650,000), satisfactory to the Commission; and (3) requiring that *Mississippi* refund any portion of the increased rates and charges made effective as of April 10, 1953, found by the Commission in Docket No. G-2153 not justified; and

Whereas, a hearing has not been held and the proceeding has not been concluded, and *Mississippi*, pursuant to the provisions of section 4 (e) of the Natural Gas Act and the aforesaid opinion, judgment and mandate of the United States Court of Appeals for the Third Circuit, having on April 10, 1953 resubmitted the aforesaid tariff sheets to the Commission and filed a motion to make the changes in the said tariff sheets effective as of April 10, 1953;

Now, therefore, if *Mississippi* shall, in conformity with the terms and conditions of the order adopted April 23, 1953, by the Federal Power Commission in Docket No. G-2153, well and truly repay at such times and in such amounts to the persons entitled thereto, and in such manner as may be required by the final order of the Commission in said proceeding, subject to court review thereof, any portion of such rates and charges collected by *Mississippi* after April 10, 1953, as such final order may find not justified, together with interest thereon at the rate of 6 percent per annum from the date of payment thereof to *Mississippi* until refunded, and shall otherwise comply with the provisions of the Natural Gas Act relating thereto, then this obligation shall be void, otherwise to remain in full force and effect.

(F) Upon execution by *Mississippi* of such bond and upon approval of such bond, evidenced by letter addressed to *Mississippi* by the Secretary of the Commission, the rates, charges, classifications and services set forth in the aforesaid Original Sheets Nos. 5a and 25, First Revised Sheets Nos. 5, 14 and 15, Second Revised Sheets Nos. 4 and 6, and Third Revised Sheet No. 1, of its FPC Gas Tariff, Original Volume No. 1, shall be effective as of April 10, 1953, subject to further orders of the Commission in this proceeding.

(G) Petitions to intervene may be filed with the Commission in accordance with its rules of practice and procedure (18 CFR 1.8) on or before May 6, 1953.

(H) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)), notices of intervention by such

commissions to be filed on or before May 6, 1953.

Adopted: April 23, 1953.

Issued: April 24, 1953.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-3784; Filed, Apr. 29, 1953;
8:47 a. m.]

[Project No. 659]

CRISP COUNTY, GEORGIA

NOTICE OF ORDER WAIVING PENALTY FOR DELINQUENCY IN PAYMENT OF ANNUAL CHARGES

APRIL 24, 1953.

Notice is hereby given that on April 24, 1953, the Federal Power Commission issued its order entered April 21, 1953, waiving penalty for delinquency in payment of annual charges in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-3781; Filed, Apr. 29, 1953;
8:46 a. m.]

FEDERAL TRADE COMMISSION

[File No. 21-447]

PORTRAIT PHOTOGRAPHIC INDUSTRY

NOTICE OF HEARING AND OF OPPORTUNITY TO PRESENT VIEWS, SUGGESTIONS, OR OBJECTIONS

Opportunity is hereby extended by the Federal Trade Commission to any and all persons, partnerships, corporations, organizations, or other parties, including consumer groups, affected by or having an interest in the proposed trade practice rules for the portrait photographic industry, to present to the Commission their views concerning said rules, including such pertinent information, suggestions, or objections as they may desire to submit, and to be heard in the premises. For this purpose they may obtain copies of the proposed rules upon request to the Commission. Such views, information, suggestions, or objections may be submitted by letter, memorandum, brief, or other communication, to be filed with the Commission not later than May 22, 1953. Opportunity to be heard orally will be afforded at the hearing beginning at 9:30 a. m., d. s. t., May 22, 1953, in the North Ball Room of the Conrad Hilton Hotel, Chicago, Illinois, to any such persons, partnerships, corporations, organizations, or other parties who desire to appear and be heard. After due consideration of all matters presented in writing or orally, the Commission will proceed to final action on the proposed rules.

The industry is engaged in the taking, developing, and printing of photographs of human beings and in the sale of enlargements or duplicates thereof, as well as in the sale of frames or other accessories therefor sold in combination with such photographs. The rules to be established through these proceedings will not, however, be applicable to the

taking, developing, printing, or sale of motion pictures or photographs for such commercial uses as theater exhibition, television broadcast, or for appearance in newspapers, magazines, books, sales promotional literature, etc.

Issued: April 27, 1953.

By the Commission.

[SEAL] D. C. DANIEL,
Secretary.

[F. R. Doc. 53-3786; Filed, Apr. 29, 1953;
8:49 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 54-188]

EASTERN UTILITIES ASSOCIATES

NOTICE OF FILING OF AMENDMENT TO REORGANIZATION PLAN

APRIL 24, 1953.

On December 18, 1952, the Commission issued its findings and opinion and order approving Step 2 of Amended Reorganization Plan No. 4, as amended, filed by Eastern Utilities Associates ("EUA") a registered holding company, pursuant to section 11 (e) of the Public Utility Holding Company Act of 1935 (the "act"). On February 10, 1953, upon application of the Commission at the request of EUA, the United States District Court for the District of Massachusetts entered an order approving and enforcing said Step 2 (the "Plan"). On April 17, 1953, the Court, upon petition of EUA, entered an order which, among other things, granted leave to EUA to file with the Commission an amendment to the Plan.

On April 20, 1953, EUA filed such an amendment to the Plan with the Commission. All interested persons are referred to said amendment, which is on file in the offices of the Commission for the provisions of the amendment, which are summarized below.

Under the Plan and under EUA's Amended Declaration of Trust, its Board of Trustees would consist of 11 trustees. The plan had a provision for the selection of the initial board of trustees and the date on which such board would take office. The Court designated February 27, 1953, as the Plan's effective date. The Plan provided that if, before the effective date, the Commission had approved a board of trustees nominated by EUA or agreed upon among the security holders of EUA, such board was to take office on the effective date. If an initial board had not been approved by the Commission on or before the effective date, EUA was required to put into operation the procedure for the nomination and election of a board by shareholders set forth in an exhibit to the Plan.

Prior to the effective date, EUA submitted a list of persons to serve as its initial board of trustees. There was a clear absence of substantial agreement as to the board among the participants in this proceeding and on February 26, 1953, the Commission, by order, withheld approval of such board (Holding Company Act Release No. 11733).

Under the proposed amendment to the Plan, EUA will amend its Amended Declaration of Trust to increase the number of its trustees from eleven to fifteen. The proposed initial board of trustees will consist of the following persons:

Jay B. Angelino
Leeds Burchard
Fowell M. Cabot
W. Kent Cochran
Eneo Curtin
Jay Samuel Hartt
Lucius T. Hill
Percy Hodgson

Warren Motley
Guido E. Perera
Clarence C. Reed
George M. Shannon
Charles K. Shaw
Phillip M. Warren
Henry A. Wood, Jr.

The amendment further proposes that no annual meeting of shareholders (normally held in April) will be held in 1953. By stipulation, the participants in this proceeding have agreed to the enlargement of the board to fifteen members, the designation of the above named persons as the members of the initial board, and the omission of the annual meeting of shareholders in 1953. In all other respects the Plan, which is in process of consummation pursuant to the Commission and Court orders of December 13, 1952, and February 10, 1953, respectively, remains unchanged.

EUA requests that the Commission apply to the United States District Court for the District of Massachusetts for a supplemental order enforcing and carrying out the terms and provisions of the Plan, as amended by said amendment.

Notice is given that any person may, not later than May 11, 1953, at 2:30 p. m. e. s. t., request the Commission in writing that a hearing be held on such matters before a hearing officer of the Commission, stating thereon the reasons for such request and the nature of his interest, and the issues of law or fact raised by said Amendment 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, 425 Second Street NW., Washington 25, D. C. At any time after May 11, 1953, said Amendment as filed or as modified, and the Plan as amended thereby, may be approved, provided the Commission finds the Plan, as so amended, necessary and fair and equitable to all persons affected thereby.

It is ordered, That the Secretary of the Commission shall mail a copy of this notice by registered mail to Eastern Utilities Associates, The Massachusetts Department of Public Utilities, the Federal Power Commission and to all parties and persons who have been permitted to participate in this proceeding and that notice be given to all other interested persons by general release of the Commission and by publication of this notice in the FEDERAL REGISTER:

It is further ordered, That Eastern Utilities Associates shall mail a copy of this notice to all of its shareholders of record, at least 10 days prior to May 11, 1953.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 53-3780; Filed, Apr. 23, 1953;
8:48 a. m.]

[File No. 70-3035]

KINGSPORT UTILITIES, INC.

ORDER REGARDING BANK BORROWINGS

APRIL 24, 1953.

Kingsport Utilities, Inc. ("Kingsport") an electric utility subsidiary of American Gas and Electric Company, a registered holding company, having filed a declaration and an amendment thereto pursuant to the Public Utility Holding Company Act of 1935 ("act") particularly sections 6 (a) and 7 thereof regarding the following proposed transactions which are more fully set forth in the declaration, as amended:

Kingsport proposes to enter into an agreement with two New York banking institutions pursuant to which Kingsport may borrow amounts not to exceed \$1,250,000, from time to time, prior to December 31, 1954. The notes to be issued by Kingsport in evidence of such borrowings will be dated as of the date of said borrowings and will in no event mature in more than 270 days after the date of issuance.

It is expected that the initial borrowings will be made in the aggregate amount of \$100,000 on or about May 1, 1953. The notes evidencing such initial borrowings will bear interest at the then current prime credit rate which is currently 3 percent per annum. Subsequent borrowings will be made from time to time and will bear interest at the then current prime credit rate.

The declaration states that Kingsport agrees that if the prime credit rate at the time of the issuance of any of the notes proposed to be issued is in excess of 3¼ percent per annum, it will, at least five days prior to such subsequent borrowings, file an amendment to the declaration setting forth the amount of such borrowing and the annual rate of interest thereon. Kingsport also agrees that if the prime credit rate at the time of renewal of any of the notes proposed to be issued is in excess of 3¼ percent per annum, it will, at least five days prior to such renewal, file an amendment to its declaration setting forth the annual rate of interest on the renewal notes. Kingsport requests upon the filing of such amendment or amendments that the same become effective five days after the filing thereof provided no action is taken with respect thereto within said five days by the Commission.

Kingsport will use the proceeds from such bank borrowings to finance, in part, its construction program which is estimated in the aggregate amount of \$1,437,000 for the years 1953 and 1954.

Said declaration having been filed on March 30, 1953, an amendment thereto having been filed on April 10, 1953, notice of said filing having been given in the form and manner required by Rule U-23 promulgated pursuant to said act, the Commission not having received a request for a hearing within the time specified in said notice, or otherwise, and the Commission not having ordered a hearing thereon; and the Commission observing no basis for adverse findings, and deeming it appropriate to permit said declaration, as amended, to become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, and subject to the terms and conditions contained in Rule U-24, that said declaration, as amended, be, and the same hereby is, permitted to become effective forthwith.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.[F. R. Doc. 53-3786; Filed, Apr. 29, 1953;
8:47 a. m.]

[File No. 70-3038]

BEVERLY GAS AND ELECTRIC CO. ET AL.

NOTICE OF FILING AND NOTICE OF AND ORDER FOR HEARING REGARDING SEPARATION OF GAS AND ELECTRIC PROPERTIES; MERGER OF VARIOUS COMPANIES AND ISSUANCE OF SECURITIES IN CONNECTION THEREWITH; AND SALE OF ELECTRIC LINES AND EQUIPMENT

APRIL 24, 1953.

In the matter of Beverly Gas and Electric Company, Gloucester Electric Company, Gloucester Gas Light Company, Salem Electric Lighting Company, Salem Gas Light Company, North Shore Gas Company, Essex County Electric Company, New England Power Company, New England Electric System; File No. 70-3038.

Notice is hereby given that New England Electric System ("NEES") a registered holding company, and its public utility subsidiary companies, Beverly Gas and Electric Company ("Beverly") Gloucester Electric Company ("Gloucester Electric") Gloucester Gas Light Company ("Gloucester Gas") Salem Electric Lighting Company ("Salem Electric") Salem Gas Light Company ("Salem Gas") and New England Power Company ("NEPCO") and the newly organized companies, North Shore Gas Company ("North Shore Gas") and Essex County Electric Company ("Essex County Electric") have filed a joint application-declaration with this Commission, pursuant to the Public Utility Holding Company Act of 1935 ("act") Applicants-declarants have designated sections 6, 7, 9, 10, and 12 of the act and Rules U-42, U-43, U-44 and U-45 promulgated thereunder as applicable to the proposed transactions.

All interested persons are referred to said application-declaration which is on file in the offices of this Commission for a statement of the transactions therein proposed, which are summarized as follows:

The public utility subsidiary companies (other than NEPCO) mentioned above have outstanding only one class of stock, namely, common stock, all owned by NEES except as follows: Beverly, 36.54 percent; Gloucester Electric, 6.23 percent; Salem Electric, 0.55 percent; and Salem Gas, 6.18 percent.

Applicants-declarants (other than NEPCO) have entered into an agreement which provides for the merger of the gas operations of the operating companies into a single gas company and for the merger of their electric opera-

tions into a single electric company. In order to effect the mergers, Beverly will transfer its gas properties to North Shore Gas and will reduce its capital stock to reflect the disposition of its gas properties. Thereupon, Gloucester Gas and Salem Gas will merge into North Shore Gas, and Beverly, Gloucester Electric and Salem Electric will merge into Essex County Electric.

Concurrently with the above transactions, North Shore Gas will issue 198,984 shares of common stock, \$10 par value, and Essex County Electric will issue 393,777 shares of common stock, \$10 par value, to the common stockholders of the companies being merged in exchange for their holdings in said companies. NEES will offer public stockholders a cash alternative to the exchanges of stock. The terms of the exchange proposal and the alternative cash offer are as follows:

For each share of—	Exchange proposal		Alternative cash offer per share
	Shares of North Shore Gas	Shares of Essex County Electric	
Beverly common stock, \$25 par value.....	1.1	2.1	\$97.00
Gloucester Electric common stock, \$25 par value.....	-----	3.0	90.00
Salem Electric common stock, \$50 par value.....	-----	3.0	90.00
Salem Gas common stock, \$10 par value.....	1.5	-----	22.00

The alternative cash offer will remain open for 60 days after the consummation date of the proposed mergers. No fractional shares will be issued by North Shore Gas or Essex County Electric in connection with the exchange proposals but, in lieu thereof, scrip certificates will be issued representing fractional shares to which a stockholder may be entitled. The holder of such scrip certificates may at any time within one year following the consummation date of the mergers surrender to North Shore Gas or Essex County Electric scrip certificates aggregating one or more full shares and receive in exchange therefor from North Shore Gas or Essex County Electric a stock certificate, together with a new scrip certificate for any additional fractional share called for. After the period of one year from the consummation date of the mergers, the scrip certificates will be void.

Upon consummation of the mergers, NEES will own, exclusive of shares which may be acquired through cash offers, 174,303 shares (87.60 percent) of the common stock of North Shore Gas and 351,818 shares (89.34 percent) of the common stock of Essex County Electric. NEES proposes to record its investments in North Shore Gas and Essex County Electric in an aggregate amount equal to its presently recorded investments in the common stock of the companies being merged; and will record at the cash cost thereof the shares acquired from public stockholders pursuant to the alternative cash offer.

The agreement provides that North Shore Gas will assume all indebtedness of Gloucester Gas, Salem Gas and that

portion of Beverly's indebtedness allocated to the gas department. Said total indebtedness, at December 31, 1952, aggregated \$4,790,000 and consisted of \$1,000,000 First Mortgage Bonds, \$790,000 of ten-year installment notes, \$1,795,000 of notes payable to banks under a credit agreement and \$1,205,000 of indebtedness to NEES. Essex County Electric will assume the indebtedness of Beverly (after allocation to the gas department) and of Gloucester Electric and Salem Electric, which, at December 31, 1952, aggregated \$2,070,000 and consisted of \$930,000 of short-term notes payable to banks and \$1,140,000 of notes payable to NEES. North Shore Gas and Essex County Electric will issue new short-term notes in substitution for the advances and short-term notes assumed in the mergers, the new notes to have the same maturity and rate of interest. North Shore Gas will also execute a new supplemental indenture and will enter into a new credit agreement with The National City Bank of New York, which agreement provides for borrowings, from time to time, on or before December 31, 1953, of an amount not exceeding \$2,200,000 at an interest rate of 3.33 percent per annum.

Immediately following the electric merger, NEPCO proposes to sell to Essex County Electric, and Essex County Electric proposes to purchase, certain 23 KV electric lines and related equipment and materials and supplies. The purchase price, to be paid in cash, will be the net book value of the lines and related equipment plus the cost of materials and supplies as at the closing date. Said amount at December 31, 1952, aggregated about \$2,090,000. In connection with said purchase of lines and related equipment, Essex County Electric proposes to borrow \$2,060,000 from banks and to evidence such borrowings by the issuance of short-term notes due six months from the date of issue and bearing interest at the prime rate at the time of borrowing. It is stated that the prime interest rate at the present time is 3 percent per annum. In case the prime interest rate should exceed $3\frac{1}{4}$ percent per annum at the time such borrowings are made, Essex County Electric will file an amendment setting forth pertinent details at least five days prior to the execution of said note or notes, and asks that such amendment become effective without further order of the Commission at the end of the five day period unless the Commission shall have notified the company to the contrary within said period.

As a result of the proposed merger of the gas properties, the capital structure of North Shore Gas will consist of \$1,000,000 (11.5 percent) of First Mortgage Bonds, \$3,790,000 (43.4 percent) of notes and advances payable, and \$3,931,328 (45.1 percent) of common equity and the capital structure of Essex County Electric will, after the proposed electric merger and the purchase of electric lines, consist of \$4,130,000 (35.7 percent) of notes and \$7,435,469 (64.3 percent) of common equity.

It is represented that the Department of Public Utilities of the Commonwealth

of Massachusetts has jurisdiction over the acquisition of utility properties by North Shore Gas and Essex County Electric, the acquisition by Essex County Electric of certain electric lines and related equipment and supplies, and the issue of securities by North Shore Gas and Essex County Electric, including scrip certificates. Incidental services in connection with the proposed transactions will be performed, at actual cost, by New England Power Service Company, an affiliated service company. The cost to applicants-declarants of such services is estimated at \$27,000. Total expenses are estimated at \$41,590.

It appearing to the Commission that it is appropriate in the public interest and in the interest of investors and consumers that a public hearing be held with respect to said application-declaration, and that said application-declaration should not be granted or permitted to become effective except pursuant to further order of this Commission:

It is ordered, That a hearing on said application-declaration, pursuant to the applicable sections of the act and the rules thereunder, be held on May 26, 1953, at 10 a. m., at the offices of the Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C., in such room as may be designated on that date by the hearing room clerk in Room 193. Any person desiring to be heard, or otherwise wishing to participate, in the proceedings shall file with the Secretary of the Commission on or before May 25, 1953, a written request relative thereto as provided by Rule XVII of the Commission's rules of practice:

It is further ordered, That Edward C. Johnson or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearing in such matter. The officer so designated is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said act and to a hearing officer under the Commission's rules of practice.

The Division of Public Utilities of the Commission having advised the Commission that it has made a preliminary examination of the application-declaration and that, upon the basis thereof, the following matters and questions are presented for consideration, without prejudice to its specifying additional matters or questions upon further examination:

1. Whether the proposed issuances of securities by North Shore Gas and Essex County Electric satisfy the standards of the act, particularly section 6 (b) or section 7 thereof;

2. Whether the terms and conditions of the security issues, including scrip certificates, by North Shore Gas and Essex County Electric are in any way detrimental to the public interest or the interests of investors or consumers;

3. Whether the proposed transfer of the Beverly gas properties to North Shore Gas and the transfers of utility properties incident to the mergers, and the proposed sale by NEPCO of certain electric lines and equipment to Essex County Electric meet the standards of sections 12 (d) and 12 (f) of the act;

4. Whether the exchange proposal and the alternative cash offer by NEES for the shares of the public stockholders of the companies participating in the mergers are in all respects fair and reasonable and are in conformance with the applicable standards of the act;

5. Whether the proposed acquisition of securities by NEES meets the requirements of the applicable provisions of the act, particularly section 10 thereof;

6. Whether the accounting entries proposed to be recorded in connection with the proposed transactions are proper, conform to sound accounting principles and meet the standards of the act and rules and regulations thereunder;

7. Generally, whether the proposed transactions are in all respects in the public interest and in the interest of investors and consumers and consistent with all applicable requirements of the act and rules and regulations thereunder, and if not, what modifications or terms and conditions should be required or imposed to meet such requirements:

It is further ordered, That particular attention be directed at said hearing to the foregoing matters and questions:

It is further ordered, That the Secretary of this Commission shall serve notice of the aforesaid hearing by mailing copies of this notice and order by registered mail to New England Electric System, Beverly Gas and Electric Company, Gloucester Electric Company, Gloucester Gas Light Company, Salem Electric Lighting Company, Salem Gas Light Company, North Shore Gas Company, Essex County Electric Company, New England Power Company, the Department of Public Utilities of the Commonwealth of Massachusetts and the Federal Power Commission, and that notice shall be given to all other persons by a general release of this Commission which shall be distributed to the press and mailed to persons on the mailing list of this Commission for releases under the act; and that further notice be given to all persons by publication of a copy of this notice and order in the FEDERAL REGISTER:

It is further ordered, That New England Electric System shall mail a copy of this notice and order to each of the stockholders of the companies being merged (in so far as the identity of such security holders is known) at least 10 days prior to the hearing date on this application-declaration; and New England Electric System shall enclose therewith a statement that this application-declaration may be amended without further notice thereof to such security holders, unless ordered to do so by the Commission, except that any security holder requesting New England Electric System to give him notice of further amendments shall be given such notice by the company.

By the Commission.

[SEAL]

ORVAL L. DUBOIS,
Secretary.

[P. R. Doc. 52-3783; Filed, Apr. 23, 1953; 8:48 a. m.]

[File No. 70-3039]

MALDEN AND MELROSE GAS LIGHT CO. ET AL.

NOTICE OF FILING AND NOTICE OF AND ORDER FOR HEARING REGARDING SEPARATION OF GAS AND ELECTRIC PROPERTIES; MERGER OF VARIOUS COMPANIES AND ISSUANCE OF SECURITIES IN CONNECTION THEREWITH; AND SALE OF ELECTRIC LINES AND EQUIPMENT

APRIL 24, 1953.

In the matter of Malden and Melrose Gas Light Company, Malden Electric Company, Suburban Gas and Electric Company, Arlington Gas Light Company, New England Power Company, New England Electric System; File No. 70-3039.

Notice is hereby given that New England Electric System ("NEES") a registered holding company, and its public utility subsidiary companies, Malden and Melrose Gas Light Company ("Malden Gas") Malden Electric Company ("Malden Electric") Suburban Gas and Electric Company ("Suburban Gas"), Arlington Gas Light Company ("Arlington Gas") and New England Power Company ("NEPCO") have filed a joint application-declaration with this Commission, pursuant to the Public Utility Holding Company Act of 1935 ("act"). Applicants-declarants have designated sections 6, 7, 9, 10, and 12 of the act and Rules U-42, U-43, U-44 and U-45 promulgated thereunder as applicable to the proposed transactions.

All interested persons are referred to said application-declaration which is on file in the offices of this Commission for a statement of the transactions therein proposed, which are summarized as follows:

The public utility subsidiary companies (other than NEPCO) mentioned above have outstanding only one class of stock, namely, common stock, all owned by NEES except as follows: Suburban Gas, 2.08 percent; Malden Electric, 6.56 percent; and Malden Gas, 2.56 percent.

Applicants-declarants (other than NEPCO) have entered into an agreement relating to the proposed merger of the gas operations of the operating companies into a single gas company, and the proposed merger of their electric operations into a single electric company. In connection with said mergers, Malden Gas will change its name to Mystic Valley Gas Company ("Mystic Valley Gas") and Malden Electric Company will change its name to Suburban Electric Company ("Suburban Electric") In order to effect the mergers, Suburban Gas will transfer its gas properties and gas business to Mystic Valley Gas and will reduce its capital stock to reflect the disposition of its gas properties. Thereupon, Arlington Gas will merge into Mystic Valley Gas, and Suburban Gas will merge into Suburban Electric.

Concurrently with the above transactions, Mystic Valley Gas will increase its common stock by 124,412 shares, \$25 par value, which will be issued to the stockholders of Suburban Gas and Arlington Gas in exchange for their common stock investments in those companies. Suburban Electric will increase its common stock by 43,852 shares, \$25 par value,

which will be issued to stockholders of Suburban Gas. It is stated that the presently outstanding stocks of Malden Gas and Malden Electric will be unaffected by the mergers and the stockholders of those companies will continue to hold the same number of shares of the enlarged Mystic Valley Gas and Suburban Electric companies. NEES will offer public stockholders a cash alternative to the exchange of stock. The terms of the exchange proposal and the alternative cash offer are as follows:

For each share of—	Exchange proposal		Alternative cash offer per share
	Shares of Mystic Valley Gas	Shares of Suburban Electric	
Suburban Gas common stock, \$25 par value.....	0.5	0.5	\$52.50
Malden Electric common stock, \$25 par value.....		1.0	80.00
Malden Gas common stock, \$25 par value.....	1.0		25.00

The alternative cash offer will remain open for 60 days after the consummation date of the proposed mergers. No fractional shares will be issued by Mystic Valley Gas or Suburban Electric in connection with the exchange proposals but, in lieu thereof, scrip certificates will be issued representing fractional shares to which a stockholder may be entitled. The holder of such scrip certificates may at any time within one year following the consummation date of the mergers surrender to Mystic Valley Gas or Suburban Electric scrip certificates aggregating one or more full shares and receive in exchange therefor from Mystic Valley Gas or Suburban Electric a stock certificate, together with a new scrip certificate for any additional fractional share called for. After the period of one year from the consummation date of the mergers, the scrip certificates will be void.

Upon consummation of the mergers, NEES will own, exclusive of shares which may be acquired through cash offers, 371,957 shares (98.04 percent) of the common stock of Mystic Valley Gas and 174,676 shares (94.51 percent) of the common stock of Suburban Electric. NEES proposes to record its investments in Mystic Valley Gas and Suburban Electric in an aggregate amount equal to its presently recorded investments in the common stocks of the companies participating in the mergers; and will record at the cash cost thereof the shares acquired from public stockholders pursuant to the alternative cash offer.

The agreement provides that Mystic Valley Gas will assume all indebtedness of Arlington Gas and that portion of indebtedness allocated to the gas department of Suburban Gas. Said total indebtedness to be assumed at December 31, 1952, aggregated \$3,520,000 and consisted of \$890,000 of ten-year installment notes, \$1,785,000 of notes payable to The National City Bank of New York under a credit agreement and \$845,000 of notes payable to The First National Bank of Boston. Suburban Electric will assume the indebtedness of Suburban Gas (after

allocation to the gas department) which, at December 31, 1952, amounted to \$430,000 of short-term notes payable to banks. Upon the consummation of the mergers, Mystic Valley Gas will enter into a new credit agreement with The National City Bank of New York, which agreement will provide for borrowings from time to time and on or before December 31, 1953 of an amount not exceeding \$6,000,000 at an interest rate of 3¼ percent per annum. Suburban Electric will issue new notes in substitution for notes of Suburban Gas allocated to the electric department, the new notes to have the same maturity and rate of interest.

Immediately following the electric merger, NEPCO proposes to sell to Suburban Electric, and Suburban Electric proposes to purchase, certain 23 KV electric lines and related equipment and materials and supplies. The purchase price, to be paid in cash, will be the net book value of the lines and related equipment plus the cost of materials and supplies as at the closing date. Said amount at December 31, 1952 aggregated about \$761,000. In connection with said purchase of lines and related equipment, Suburban Electric proposes to borrow \$735,000 from banks and to evidence such borrowings by the issuance of short-term notes due six months from the date of issue and bearing interest at the prime rate at the time of borrowing. It is stated that the prime interest rate at the present time is 3 percent per annum. In case the prime interest rate should exceed 3¼ percent per annum at the time such borrowings are made, Suburban Electric will file an amendment setting forth pertinent details at least five days prior to the execution of said note or notes, and asks that such amendment become effective without further order of the Commission at the end of the five day period unless the Commission shall have notified the company to the contrary within said period.

As a result of the proposed merger of the gas properties, the capital structure of Mystic Valley Gas will consist of \$7,520,000 (40.1 percent) of notes and \$11,241,935 (59.9 percent) of common equity and the capital structure of Suburban Electric will, after the proposed electric merger and the purchase of electric lines, consist of \$2,665,000 (22.0 percent) of notes and \$9,445,610 (78.0 percent) of common equity.

It is represented that the Department of Public Utilities of the Commonwealth of Massachusetts has jurisdiction over the acquisition of utility properties by Mystic Valley Gas and Suburban Electric, the acquisition by Suburban Electric of certain electric lines and related equipment and supplies, and the issue of securities by Mystic Valley Gas and Suburban Electric, including scrip certificates. Incidental services will be performed, at actual cost, by New England Power Service Company, an affiliated service company. The cost to applicants-declarants of such services is estimated at \$22,000. Total expenses are estimated at \$29,190.

It appearing to the Commission that it is appropriate in the public interest

and in the interest of investors and consumers that a public hearing be held with respect to said application-declaration, and that said application-declaration should not be granted or permitted to become effective except pursuant to further order of this Commission:

It is ordered, That a hearing on said application-declaration, pursuant to the applicable sections of the act and the rules thereunder, be held on May 26, 1953, at 2 p. m., at the offices of the Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C., in such room as may be designated on that date by the hearing room clerk in Room 193. Any person desiring to be heard, or otherwise wishing to participate, in the proceedings, shall file with the Secretary of the Commission on or before May 25, 1953, a written request thereto as provided by Rule XVII of the Commission's rules of practice:

It is further ordered, That Edward C. Johnson or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearing in such matter. The officer so designated is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said act and to a hearing officer under the Commission's rules of practice.

The Division of Public Utilities of the Commission having advised the Commission that it has made a preliminary examination of the application-declaration and that, upon the basis thereof, the following matters and questions are presented for consideration, without prejudice to its specifying additional matters or questions upon further examination:

1. Whether the proposed issuances of securities by Mystic Valley Gas and Suburban Electric satisfy the standards of the act, particularly section 6 (b) or section 7 thereof;

2. Whether the terms and conditions of the security issues, including scrip certificates, by Mystic Valley Gas and Suburban Electric are in any way detrimental to the public interest or the interests of investors or consumers;

3. Whether the proposed transfer of the Suburban Gas properties to Mystic Valley Gas and the transfers of utility properties incident to the mergers, and the proposed sale by NEPCO of certain electric lines and equipment to Suburban Electric meet the standards of sections 12 (d) and 12 (f) of the act;

4. Whether the exchange proposal and the alternative cash offer by NEES for the shares of the public stockholders of the companies participating in the mergers are in all respects fair and reasonable and are in conformance with the applicable standards of the act;

5. Whether the proposed acquisition of securities by NEES meets the requirements of the applicable provisions of the act, particularly section 10 thereof;

6. Whether the accounting entries proposed to be recorded in connection with the proposed transactions are proper, conform to sound accounting principles and meet the standards of the act and rules and regulations thereunder;

7. Generally, whether the proposed transactions are in all respects in the public interest and in the interest of investors and consumers and consistent with all applicable requirements of the act and rules and regulations thereunder, and if not, what modifications or terms and conditions should be required or imposed to meet such requirements:

It is further ordered, That particular attention be directed at said hearing to the foregoing matters and questions:

It is further ordered, That the Secretary of this Commission shall serve notice of the aforesaid hearing by mailing copies of this notice and order by registered mail to New England Electric System, Malden and Melrose Gas Light Company, Malden Electric Company, Suburban Gas and Electric Company, Arlington Gas Light Company and New England Power Company, the Department of Public Utilities of the Commonwealth of Massachusetts and the Federal Power Commission, and that notice shall be given to all other persons by a general release of this Commission which shall be distributed to the press and mailed to persons on the mailing list of this Commission for releases under the act; and that further notice be given to all persons by publication of a copy of this notice and order in the FEDERAL REGISTER.

It is further ordered, That New England Electric System shall mail a copy of this notice and order to each of the stockholders of the companies being merged (in so far as the identity of such security holders is known) at least 10 days prior to the hearing date on this application-declaration; and New England Electric System shall enclose therewith a statement that this application-declaration may be amended without further notice thereof to such security holders, unless ordered to do so by the Commission, except that any security holder requesting New England Electric System to give him notice of further amendments shall be given such notice by the company.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 53-3788; Filed, Apr. 29, 1953;
8:48 a. m.]

[File No. 70-3049]

SOUTHWESTERN GAS AND ELECTRIC Co.
NOTICE OF FILING REGARDING PROPOSAL TO
INCREASE AUTHORIZED PREFERRED AND
COMMON STOCK AND AN ORDER AUTHORIZING
SOLICITATION OF PROXIES

APRIL 24, 1953.

Notice is hereby given that a declaration has been filed with this Commission, pursuant to the Public Utility Holding Company Act of 1935 ("act"), by Southwestern Gas and Electric Company ("Southwestern Gas"), a subsidiary of Central and South West Corporation, a registered holding company. Declarant designates sections 6 (a), 7 and 12 (e) of the act and Rule U-62 promulgated thereunder as applicable to the proposed transactions.

All interested persons are referred to the declaration on file in the office of this Commission for a statement of the transactions therein proposed, which are summarized as follows:

Southwestern Gas proposes to amend its Certificate of Incorporation to increase its authorized \$100 par value preferred stock from 125,000 shares to 200,000 shares, and to increase its authorized \$10 par value common stock from 2,000,000 shares to 2,500,000 shares. Declarant states that the purpose of the proposed transactions is to provide additional authorized shares of preferred and common stock which the company may issue and sell from time to time in financing its contemplated long-term construction program. In this connection it is stated that Southwestern Gas' 1953-1954 construction program will require the expenditure of approximately \$23,700,000, and it is contemplated that the necessary new money will be procured by the issuance and sale of \$5,000,000 of preferred stock and \$1,000,000 of common stock in 1953, and \$8,000,000 of bonds and \$1,000,000 of common stock in 1954. (Issuance and sale of said \$1,000,000 of common stock in 1953 has heretofore been approved by this Commission; File No. 70-3026.)

Declarant also states that the affirmative vote of a majority in interest of the Preferred Stock and of the Common Stock is required for the adoption of the proposed amendment increasing the authorized Preferred Stock; and that the affirmative vote of a majority in interest of the Common Stock only is required for the adoption of the proposed amendment increasing the authorized Common Stock. All of declarant's presently outstanding Common Stock is held by its parent, Central and South West Corporation. The company proposes, beginning on or about April 23, 1953, to solicit proxies from its preferred stockholders to be voted in favor of such proposal to increase the number of authorized shares of preferred stock of the company.

The fees and expenses to be incurred and paid in connection with the solicitation of proxies are estimated at not to exceed \$1,000, and include no legal fees (all legal services to be rendered herein being covered by retainer) and not to exceed \$100 of service company fees.

Declarant requests the Commission to permit the declaration to become effective, forthwith, insofar as it relates to the proposed solicitation of proxies.

The Commission having examined the declaration and the proxy material proposed to be used in connection with the solicitation of proxies, and finding that the provisions of the act and the rules and regulations promulgated thereunder in respect of the solicitation of proxies have been satisfied, and deeming it appropriate in the public interest, and in the interest of investors and consumers to grant declarant's request and permit the declaration to become effective, forthwith, insofar as it relates to the solicitation of proxies:

It is ordered, That the declaration, insofar as it relates to the proposed solicitation of proxies, be, and it hereby is,

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permitted to become effective, forthwith.

It is further ordered, That this order shall become effective upon its issuance.

Notice is further given that any interested person may, not later than May 11, 1953, at 5:30 p. m., e. s. t. (or e. d. t., if then effective in the District of Columbia) request the Commission in writing that a hearing be held in respect of the proposal to amend the Certificate of Incorporation, stating the reasons for such

request, the nature of his interest, and the issues, if any, of fact or law which he desires to controvert, or he may request that he be notified if the Commission orders a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after May 11, 1953, said declaration, as filed or as amended, may be permitted to become effective as

provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rules U-20 (a) and U-100 thereof.

By the Commission.

[SEAL]

ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 53-3787; Filed, Apr. 20, 1953;
8:48 a. m.]