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TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 25—FEDERAL EMPLOYEES' PAY REGULATIONS

SALARY RETENTION

Paragraph (c) of § 25.403 is amended and paragraph (d) is added and § 25.411 is added as set out below.

§ 25.403 Definitions. * * *

(c) "Reclassification" means any classification action lowering the grade of the employee's position during his incumbency of such position without a material change in duties or responsibilities during the two years immediately preceding the classification action.

(d) "Material change" means either an actual change in duties or responsibilities sufficient in and of itself to warrant a different position grade, or an actual basic change in the nature of the duties or responsibilities although such change is not sufficient to warrant a different grade.

§ 25.411 Appeals—(a) *General.* Any employee reduced in grade and compensation by reason of classification action under the Classification Act of 1949, as amended, may appeal to the Civil Service Commission from the administrative determination of his employing agency that he is not entitled to the salary retention benefits of this subpart. This appeal right shall in no way restrict existing appellate rights under Part 22 of this chapter or section 501 (b) of the Classification Act of 1949, as amended.

(b) *Agency notification.* Whenever an agency effects the reduction in grade and compensation of an employee by reason of classification action under the Classification Act of 1949, as amended, such employee shall be advised in writing of the applicability or nonapplicability of the salary retention benefits of this subpart. When it is administratively determined within an agency that an employee is not entitled to the salary retention benefits of this subpart, the agency shall advise the employee in writ-

ing of his right to appeal such administrative determination to the Commission as prescribed in this section.

(c) *Time limit.* (1) An appeal under this section may be submitted at any time after the employee's receipt of the administrative determination to deny the salary retention benefits of this subpart, but not later than thirty (30) days after the effective date of the reduction in grade and compensation: *Provided,* That when there is a right to appeal the position classification to the agency under established administrative procedures, the time limit on an appeal under this section shall be not later than thirty (30) days after the final decision by the agency on the administrative position-classification appeal.

(2) The time limit may be extended in the discretion of the Commission upon a showing by the employee that he was not notified of his right of appeal or of the time limitation on such an appeal and was otherwise unaware of that right or that time limitation, or that circumstances beyond his control prevented him from filing the appeal within the prescribed period.

(d) *Where to appeal.* An appeal from an employee whose position is located in the metropolitan area of Washington, D. C., or outside of the continental limits of the United States (except Alaska, Guam, Hawaii, Puerto Rico, and the Virgin Islands) shall be submitted to the Director, Bureau of Inspections and Classification Audits, U. S. Civil Service Commission, Washington 25, D. C. An appeal from any other employee whose position is located elsewhere shall be submitted to the Director of the appropriate Civil Service region.

(e) *Form and contents of appeal.* The appeal shall be in writing and shall set forth the reasons why the agency's administrative determination is considered erroneous and the reasons why the salary retention benefits are considered applicable. In addition, the appeal shall identify the appellant, the employing agency, and the reclassification action to which the appeal relates.

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CFR SUPPLEMENTS

(As of January 1, 1957)

The following Supplements are now available:

Title 17 (\$0.60)

Title 26, Parts 170-182 (\$0.35)

Previously announced: Title 3, 1956 Supp. (\$0.40); Title 7, Parts 900-959 (\$0.50); Title 18 (\$0.50); Title 21 (\$0.50); Title 26, Parts 1-79 (\$0.35), Parts 80-169 (\$0.50), Parts 183-299 (\$0.30).

Order from Superintendent of Documents, Government Printing Office, Washington 25, D. C.

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CODIFICATION GUIDE

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(f) *Commission action—initial appeal.* The Commission shall make such inquiry or investigation as it determines to be necessary to ascertain the facts concerning the classification action upon which to base a salary retention decision. The decision of the Commission office that makes the initial adjudication of an appeal filed under this section shall be in writing and copies thereof shall be submitted to the employee, his designated representative, and to the agency concerned. Each decision shall inform the parties of their right of further appeal to the Board of Appeals and Review, U. S. Civil Service Commission, Washington 25, D. C., within fourteen (14) days after receipt of the initial decision.

(g) *Agency action.* It is mandatory for the agency to take the corrective action recommended by the Director, Bureau of Inspections and Classification Audits or the regional director, unless further appeal is made to the Board of Appeals and Review.

(h) *Commission action—appellate review.* (1) When an employee or employing agency elects to appeal from the decision of the Commission office making the initial adjudication of an appeal under this section, such appeal shall be made to the Board of Appeals and Review, U. S. Civil Service Commission, Washington 25, D. C. (hereinafter referred to as the Board).

(2) Such an appeal must be filed within fourteen (14) days of the date of receipt of the decision of the Commission's initial adjudicating office. This time limit may be extended, in the discretion of the Board, only upon a showing that circumstances beyond the control of the appellant prevented the filing of the appeal within the prescribed period.

(3) The appeal shall be in writing and shall set forth the basis for the appeal.

(4) The Board will review the entire record of the case and all relevant written representations. In its discretion, the Board may afford the parties an opportunity to appear personally and present oral arguments and representations.

(5) The decision of the Board shall be transmitted to the employee, the employee's designated representative, and to the employing agency.

(i) *Finality of decision.* The decision on an appeal to the Board shall be final. There is no further right to appeal. A recommendation for corrective action by the Board is mandatory and must be complied with by the agency. When corrective action is required, the agency shall report to the Board promptly that such action has been taken.

(j) *The Commissioners.* The Commissioners may, in their discretion, when, in their judgment, such action appears warranted by the circumstances, reopen and reconsider any previous decision.

(k) *Special procedures.* (1) A preference eligible employee who elects to appeal a reduction in rank and compensation by reason of classification action under Part 22 of this chapter may not simultaneously prosecute an appeal under this section. In such case, the salary retention appeal provided in this section shall be joined with the appeal provided in Part 22 of this chapter and the case will be processed and adjudicated as a Part 22 appeal.

(2) An employee who elects to appeal a reduction in grade and compensation by reason of classification action under section 501 (b) of the Classification Act of 1949, as amended, within the thirty (30) day time limit prescribed in paragraph (c) of this section may not simultaneously prosecute an appeal under this section. In such case, the salary retention appeal provided in this section shall be joined with the position-classification appeal under section 501 (b) and the case will be processed and adjudicated as a position-classification appeal: *Provided,* That such joining of appeals will in no case deprive an employee or an employing agency of the right of appellate review of the salary retention issue pursuant to paragraph (h) of this section.

(3) The time limitation prescribed in paragraph (c) of this section is not applicable to any employee who sustains, or has sustained, a reduction in grade and compensation by reason of classification action under the Classification Act of 1949, as amended, between July 1, 1954, and April 28, 1957. Appeals from

such employees will be accepted at any time prior to May 28, 1957.

(Sec. 1101, 63 Stat. 971; 5 U. S. C. 1072)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] WM. C. HULL,
Executive Assistant.

[F. R. Doc. 57-1437; Filed, Feb. 25, 1957; 8:48 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 6645]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

FURS BY KENT ET AL.

Subpart—*Advertising falsely or misleadingly*: § 13.30 *Composition of goods*: Fur Products Labeling Act; § 13.73 *Formal regulatory and statutory requirements*: Fur Products Labeling Act; § 13.155 *Prices: Comparative; fictitious marking; usual as reduced, special, etc.*; § 13.175 *Quality of product or service*. Subpart—*Invoicing products falsely*: § 13.1108 *Invoicing products falsely*: Fur Products Labeling Act. Subpart—*Misbranding or mislabeling*: § 13.1190 *Composition*: Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements*: Fur Products Labeling Act. Subpart—*Neglecting, unfairly or deceptively, to make material disclosure*: § 13.1852 *Formal regulatory and statutory requirements*: Fur Products Labeling Act. Subpart—*Using misleading name*: Goods: § 13.2280 *Composition*: Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; sec. 8, 65 Stat. 179; 15 U. S. C. 45, 69f) [Cease and desist order, Furs By Kent (York, Pa.) et al., Docket 6645, Feb. 13, 1957]

In the Matter of Furs by Kent, a Corporation, P. Wiest's Sons, a Corporation, and Meyer Kimmelman and Anthony DeRito, Individually and as Officers of Furs by Kent

This proceeding was heard by a hearing examiner on the complaint of the Commission charging two corporations with place of business in York, Pa., with violating the Fur Products Labeling Act through misrepresenting the quality and price of certain fur products on tags and labels, on invoices, and in newspaper advertisements; and through failing in other respects to comply with requirements of the act.

Following entry of an agreement for a consent order, the hearing examiner made his initial decision and order to cease and desist which became on February 13 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That respondents, Furs by Kent, a corporation, and its officers, P. Wiest's Sons, a corporation, and its officers, and Meyer Kimmelman and Anthony DeRito, individually and as officers of Furs by Kent, and respondents' agents, representatives, and employees, directly

or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising, offering for sale, transportation or distribution of fur products in commerce, or in connection with the sale, advertising, offering for sale, transportation or distribution of fur products which have been made in whole or in part of fur which had been shipped and received in commerce, as "commerce", "fur", and "fur products" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding fur products by:

1. Representing on labels attached to fur products, or in any other manner, that certain amounts are the regular and usual prices of fur products when such amounts are in excess of the prices at which such products are usually and customarily sold by respondents in the recent regular course of their business.

2. Falsely or deceptively labeling or otherwise identifying any such product as to the name or names of the animal or animals that produced the fur from which such product was manufactured;

3. Failing to affix labels to fur products showing:

a. The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

b. That the fur product contains or is composed of used fur, when such is the fact;

c. That the fur product contains or is composed of bleached, dyed, or artificially colored fur, when such is the fact;

d. That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is a fact;

e. The name, or other identification issued and registered by the Commission, of one or more persons who manufactured such fur product for introduction into commerce, introduced it into commerce, sold it in commerce, advertised or offered it for sale in commerce, or transported it in commerce;

f. The name of the country of origin of any imported furs used in the fur product.

4. Setting forth on labels attached to fur products:

a. Required information in abbreviated form;

b. Non-required information mingled with required information;

c. Required information in handwriting.

B. Falsely or deceptively invoicing fur products by:

1. Failing to furnish invoices to purchasers of fur products showing:

a. The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

b. That the fur product contains or is composed of used fur, when such is a fact;

c. That the fur product contains or is composed of bleached, dyed, or artificially colored fur, when such is a fact;

d. That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is a fact;

e. The name and address of the person issuing such invoices;

f. The name of the country of origin of any imported furs contained in the fur product.

2. Setting forth required information in abbreviated form.

3. Failing to show the item number or mark of fur products on the invoices pertaining to such products, as required by rule 40 of the rules and regulations.

C. Falsely or deceptively advertising fur products, through the use of any advertisement, representation, public announcement, or notice which is intended to aid, promote or assist, directly or indirectly, in the sale or offering for sale or fur products, and which:

1. Fails to disclose:

a. The name or names of the animal or animals producing the fur or furs contained in the fur products as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

b. That the fur products contain or are composed of bleached, dyed, or otherwise artificially colored fur, when such is a fact;

c. That the fur products are composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact.

2. Represents directly or by implication:

a. That respondents' regular price of any fur product is any amount which is in excess of the price at which respondents have regularly or customarily sold or offered for sale in good faith, fur products of like grade and quality in the recent regular course of their business;

b. That prices are wholesale prices or below wholesale prices, when such is not a fact.

3. Makes use of comparative prices or percentage savings claims unless such compared prices or claims are based upon the current market value of the fur products or upon a bona fide compared price at a designated time.

4. Makes representations and pricing claims of the nature referred to in C2 hereof, unless full and adequate records disclosing the facts upon which claims and representations are based are maintained.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: February 13, 1957.

By the Commission.

[SEAL] ROBERT M. PARRISH,
Secretary.

[F. R. Doc. 57-1428; Filed, Feb. 25, 1957; 8:47 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

[25 CFR Part 141]

PROCEDURE FOR DETERMINATION OF ASSESSMENTS FOR ADDITIONAL CONSTRUCTION COSTS AND FOR COLLECTION THEREOF

Pursuant to section 4 (a) of the Administrative Procedure Act of June 11, 1946 (60 Stat. 238), and authority contained in the Act of Congress approved August 1, 1914, and March 7, 1928 (38 Stat. 583, and 45 Stat. 210, as amended August 7, 1956 (60 Stat. 867); 25 U. S. C. 385, 387), notice is hereby given of intention to add a new § 141.4a under Part 141 of Title 25, Code of Federal Regulations, to read as follows:

§ 141.4a *Assessment and collection of additional construction costs.* (a) Upon the completion of the construction of an Indian irrigation project, or unit thereof, subsequent to the determination of the partial per acre construction assessment rate heretofore fixed pursuant to § 141.4, the Secretary of the Interior or his authorized representative shall determine such additional construction cost and distribute that cost on a per acre basis against all of the irrigable lands of the project, or unit thereof, and $\frac{1}{40}$ th of such per acre additional construction cost thus determined shall be assessed and collected annually from the non-Indian landowner of the project, or unit, thereof. The first installment shall be due and payable on November 15 of the year following the completion of such additional construction work or, if such additional construction work on the project, or unit thereof, has heretofore been completed, and the per acre annual rate determined, the first installment of the additional construction cost to be repaid by such non-Indian landowners shall be due and payable on November 15 of the year following the date of the publication of this order in the FEDERAL REGISTER. This annual per acre rate shall be in addition to, and run concurrently with, the existing per acre construction rate assessed annually under § 141.4.

(b) Project lands in Indian ownership are not subject to assessment for their proportionate share of the per acre construction cost of the project, or unit thereof, until after the Indian title to the land has been extinguished. At that time the total annual per acre assessment rate against non-Indian lands of the project, or unit thereof, shall be assessed against the former Indian lands for each and every acre of irrigable land to which water can be delivered through the project works, beginning on November 15 of the year following the extinguishment of the Indian title to the land and on November 15 of each year thereafter over a forty year period. In cases where the Indian title to project land has heretofore been extinguished, the assessment rate shall be due and payable

on November 15 of the year following the publication of this order in the FEDERAL REGISTER.

All interested persons are hereby given opportunity to submit views, data and arguments in writing to the Commissioner, Bureau of Indian Affairs, Washington 25, D. C., within fifteen (15) days from the date of the publication of this notice in the FEDERAL REGISTER.

FRED G. AANDAHL,
Acting Secretary of the Interior.

FEBRUARY 19, 1957.

[F. R. Doc. 57-1422; Filed, Feb. 25, 1957; 8:45 a. m.]

Bureau of Reclamation

[43 CFR Part 404]

WATER APPLICATION, COLUMBIA BASIN PROJECT, WASHINGTON

NOTICE OF PROPOSED RULE MAKING

The Department of the Interior proposes to issue regulations relating to determination of eligibility of farm units to receive water on the Columbia Basin Project, Washington, being constructed and operated by the Bureau of Reclamation.

Under the proposed regulations the owner, or contract purchaser if there is one, of a farm unit on the Columbia Basin Project must personally certify before two witnesses on the application form that he is the owner or contract purchaser of only one farm unit on the project for which water is available. This limitation is pursuant to section 2 (b) (iii) of the Columbia Basin Project Act (16 U. S. C. 835). The execution of this application would be a condition precedent to a determination, by the Project Manager for the Bureau of Reclamation, of the eligibility of the farm unit to receive water during the 1957 irrigation season.

All persons who are interested are invited to submit written comments, suggestions, or objections with respect to the proposed regulations to the Solicitor, Department of the Interior, Washington 25, D. C., or the Project Manager, Bureau of Reclamation, Ephrata, Washington, within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

FRED G. AANDAHL,
Acting Secretary of the Interior.

FEBRUARY 18, 1957.

PART 404—WATER APPLICATION, COLUMBIA BASIN PROJECT, WASHINGTON

§ 404.1 *Determination of eligibility.* The owner, or contract purchaser if there is one, of a farm unit on the Columbia Basin Project shall furnish the Project Manager of the Bureau of Reclamation as early as practicable an application for water executed by him before two wit-

nesses. The form will be supplied by the Project Manager. The application shall state, unless the applicant is the owner of more than one farm unit eligible for water under the exceptions in subsections 2 (b) (iii) and 2 (b) (iv) of the Columbia Basin Project Act and he has so indicated in writing on the back thereof, that the farm unit is the only farm unit on the project that the applicant owns or is purchasing either in his own name or in the name of another for which water is available. Such statement shall be a condition precedent to a determination by the Project Manager of the eligibility of the farm unit to receive water during the 1957 irrigation season under the provisions of the Columbia Basin Project Act and the recordable contracts.

[F. R. Doc. 57-1451; Filed, Feb. 25, 1957; 8:45 a. m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 19]

CHEESES; PROCESSED CHEESES; CHEESE FOODS; CHEESE SPREADS; AND RELATED FOODS; DEFINITIONS AND STANDARDS OF IDENTITY

FINAL ORDER IN RE ESTABLISHMENT OF A DEFINITION AND STANDARD OF IDENTITY FOR PARTIALLY CREAMED CHEESE

In the matter of establishing a definition and standard of identity for a food to be known as partially creamed cottage cheese:

By virtue of the authority vested in the Secretary of Health, Education, and Welfare by the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055, as amended 68 Stat. 54, 70 Stat. 919; 21 U. S. C. 341, 371) and upon the basis of substantial evidence received at the public hearing held pursuant to the notice published in the FEDERAL REGISTER (21 F. R. 430, 841), no exceptions to the proposed order published in the FEDERAL REGISTER of January 10, 1957 (22 F. R. 223) having been filed, the following order is promulgated:

*Findings of fact.*¹ 1. Of the soft uncured cheeses for which standards have been set under the Federal Food, Drug, and Cosmetic Act, cottage cheese is lowest in milk fat content. It normally contains from $\frac{1}{10}$ percent to $\frac{3}{10}$ percent of milk fat, but it may sometimes have $\frac{5}{10}$ percent or slightly more of milk fat, depending upon how closely the skim milk was separated. The standard for cottage cheese limits its moisture content to not more than 80 percent. (R. 56, 71-72, 88, 192; Ex. 14, 16; 21 CFR 19.525)

¹The citations following each finding of fact refer to the pages of the transcript of testimony and the exhibits received in evidence at the hearing.

2. Creamed cottage cheese is a soft uncured cheese for which a standard has been set under the Federal Food, Drug, and Cosmetic Act. It contains somewhat more milk fat than cottage cheese. Creamed cottage cheese is a composite dairy food made by mixing with cottage cheese a fluid component consisting of pasteurized cream or a pasteurized mixture of cream and milk or skim milk or both. The identity standard for creamed cottage cheese provides that the milk fat furnished by the fluid component shall amount to not less than 4 percent by weight of the finished product and that the finished product contains not more than 80 percent of moisture. Insofar as it can be determined from the record, creamed cottage cheese outsells cottage cheese by a wide margin. (R. 15, 27, 46, 49-51, 54-56, 91-92, 108, 110, 117-118, 151-153; Ex. 7, 14, 15, 16; 21 CFR 19.530)

3. About 1953, there began to appear in the retail markets of California and perhaps other States a soft uncured cheese manufactured in a manner similar to creamed cottage cheese, but which did not meet the milk-fat content requirement of the creamed cottage cheese standard of identity. The fluid component of this cheese differed from the fluid component of creamed cottage cheese in that it consisted largely of concentrated skim milk and was lower in milk fat and higher in nonfat solids. This cheese had a texture, taste, and appearance similar to creamed cottage cheese. Its milk fat content was around 2 percent. (R. 10, 12, 18, 39, 42-43, 49, 73-74, 79-80, 84-86, 89, 92, 94, 98-99, 103, 114, 154-158, 161-162, 165; Ex. 10, 11, 17)

4. In 1955, California and Oregon set standards of identity, under the name "Partially creamed cottage cheese" for the article described in finding 3. The California standard, which was incorporated in a State statute, describes the fluid component as "cream, milk, skim milk, concentrated milk, dried milk, concentrated skim milk, nonfat dry milk solids, or other constituents derived from milk, water." This law further provides: "Such cream or product or mixture is used in such quantity that the milk fat added thereby is not less than 0.5 percent, nor more than 2 percent by weight of the finished partially creamed cottage cheese." The Oregon standard was established as a State regulation. It states that, "Partially Creamed Cottage Cheese is cheese made by the cottage cheese process, the finished product of which shall contain not more than 80 percent moisture and not less than 0.5 percent or more than 2 percent milk fat." The Oregon regulation permits the use of up to 0.5 percent of "wholesome edible stabilizer." It is silent with respect to the fluid component, and its moisture and milk fat requirements might be met without using any fluid component.

The proposal upon which the hearing was held was that the standard for partially creamed cottage cheese adopted by the California legislature should be followed as a basis for the adoption of a definition and standard of identity under the Federal Food, Drug, and Cosmetic Act. Under that proposal a prod-

uct complying with the standard might be made to which the fluid component would add only 1/2 percent of milk fat. There was testimony that such a product is manufactured to some extent and is not easily distinguished from a product to which the fluid component added around 1.8 percent milk fat. A product prepared to contain the minimum milk fat required by the proposed standard would be essentially cottage cheese with condensed skim milk. (R. 10, 31-35, 42-44, 47-48, 55-56, 82, 85, 94, 108, 110, 114-115; Ex. 8, 9)

5. Creamed cottage cheese, partially creamed cottage cheese, and cottage cheese with condensed skim milk possess few characteristics by which they can be distinguished from each other by ordinary consumers. Persons who participated in taste tests were unable to tell creamed cottage cheese from a partially creamed cottage cheese containing about 2 percent added milk fat. A product prepared by adding three parts of condensed skim milk to seven parts of cottage cheese was taste-tested, and the results indicated that only about one-half of the tasters could distinguish the cottage cheese with condensed skim milk from creamed cottage cheese. (R. 73-89, 151-157; Ex. 16, 17)

6. Nutritionally, cottage cheese, cottage cheese with condensed skim milk, partially creamed cottage cheese, and creamed cottage cheese are low-fat, low-calorie cheeses. All contain 80 percent or slightly less water. Cottage cheese and cottage cheese with condensed skim milk have about one-half of 1 percent or less of milk fat and approximately 14 percent protein. The caloric value of cottage cheese and cottage cheese with condensed skim milk is about 77 calories per 100 grams. The partially creamed cottage cheese marketed in California at the time of investigation had about 2 percent or less of milk fat and about 14.3 percent of protein and a caloric value of approximately 90 calories per 100 grams. Creamed cottage cheese has slightly more than 4 percent of milk fat and about 13 percent of protein; its caloric value is about 102 calories per 100 grams. There is little evidence in the record from which the significance of these figures as they relate to human diet can be determined. However, there are references to servings of "1/4 pound," "1/2 cup," "3 oz.," and "4 oz." Allowing for two servings, this amounts to about 1/2 pound daily in the diets of those who eat such cheeses regularly. The difference in caloric value and protein content of creamed cottage cheese and partially creamed cottage cheese, at a daily rate of consumption of 1/2 pound, would be about 27 calories and 3 grams of protein per day. The differences are too small to be nutritionally significant. (R. 16-17, 51-52, 54-56, 102, 151-152, 173-176, 182-185; Ex. 6, 12-16)

7. Notwithstanding these insignificant differences in caloric and protein content, the sale of partially creamed cottage cheese has been promoted by representations in labeling which emphasize such terms as "slender," "low calories," "low fat," "high protein," "slim," "diet-aid," "calorie controlled," and similar

terms so as to exaggerate the small difference in caloric value and protein and milk-fat content between this article and creamed cottage cheese. These representations fail to reveal that partially creamed cottage cheese has a higher milk-fat content and caloric value than cottage cheese. (R. 57-60, 74, 85, 92, 99, 105-108, 131-133, 147-148, 161-163, 193, 196, 199; Ex. 10-13)

8. From the point of view of dairy economics, the constituents of creamed cottage cheese and partially creamed cottage cheese are milk fat, nonfat solids of milk, and water. Of these, milk fat is the most expensive. Partially creamed cottage cheese is cheaper to manufacture than creamed cottage cheese because it is lower in milk-fat content. The two witnesses who testified on this point were agreed that, on the basis of current prices in California, the manufacturing cost for partially creamed cottage cheese is about 1/2 cent per pound less than for creamed cottage cheese. Yet the prices actually charged by California retail stores show, that, for the samples purchased, partially creamed cottage cheese was priced about 2 cents higher per pound than creamed cottage cheese. This additional cost factor results from the sales promotion based on the claimed lower caloric value and high-protein content. (R. 51, 74-75, 96-97, 110-112, 114, 140-150; Ex. 12-15)

Conclusion. Upon consideration of the whole record and the foregoing findings of fact, it is concluded:

1. That the evidence of record at the hearing does not establish that the promulgation of a regulation setting a definition and standard of identity for partially creamed cottage cheese would promote honesty and fair dealing in the interest of consumers, but on the contrary indicates that such a standard would facilitate the marketing of a product claimed to have low caloric value and higher protein content, when in fact the differences in fat and protein in the new product would be insignificant from a nutrition standpoint.

2. That a standard for cottage cheese with condensed skim milk would seem to be more logical for the uses for which partially creamed cottage cheese has been promoted in California, but the present record does not furnish an adequate basis for adopting a standard for such food.

Wherefore, it is ordered. That the regulations in Part 19, Title 21, of the Code of Federal Regulations be not amended to establish a definition and standard of identity for a food to be known as "partially creamed cottage cheese."

Effective date. No purpose would be served by specifying some future date upon which this order would be declared to become effective, because the order makes no change in regulations. Accordingly, this order is effective upon publication in the FEDERAL REGISTER.

Dated: February 19, 1957.

[SEAL]

M. B. FOLSOM,
Secretary.

[F. R. Doc. 57-1434; Filed, Feb. 25, 1957; 8:48 a. m.]

NOTICES

DEPARTMENT OF COMMERCE

Federal Maritime Board

FREDERIC HENJES, JR., INC., AND
R. G. HOBELMANN & Co., Inc.

NOTICE OF AGREEMENT FILED FOR APPROVAL

Notice is hereby given that the following described agreement has been filed with the Board for approval pursuant to section 15, Shipping Act, 1916 (39 Stat. 733; 46 U. S. C. 814):

Agreement No. 8201 between Frederic Henjes, Jr., Inc., New York, New York and R. G. Hobelmann & Co., Inc., Baltimore, Maryland, is a cooperative working arrangement between the parties under which they perform freight forwarding services for each other.

Interested parties may inspect this agreement and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D. C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement, and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: February 19, 1957.

By order of the Federal Maritime Board.

GEO. A. VIEHMANN,
Assistant Secretary.

[F. R. Doc. 57-1429; Filed, Feb. 25, 1957;
8:47 a. m.]

ATOMIC ENERGY COMMISSION

[Docket No. F-28].

AMF ATOMICS, INC.

NOTICE OF PROPOSED ISSUANCE OF FACILITY EXPORT LICENSE

Please take notice that the Atomic Energy Commission proposes to issue, on Form AEC-250, facility export license XR-4 described below unless within 15 days after publication of this notice in the FEDERAL REGISTER, a request for a formal hearing is filed with the Commission in the manner prescribed by § 2.102 (b) of the Commission's rules of practice (10 CFR Part 2).

1. Pursuant to section 104 (c) of the Atomic Energy Act of 1954 and Title 10, CFR, Chapter I, Part 50, "Licensing of Production and Utilization Facilities," and upon findings that (a) the reactor proposed to be exported is a utilization facility; (b) the issuance of a license for the export thereof is within the scope of and is consistent with the terms of an agreement for cooperation with West Germany; and (c) the issuance of an export permit to AMF Atomics will not be inimical to the common defense and security and to the health and safety of the public, the Atomic Energy Commission has issued a license to AMF Atomics, Inc., 261 Madison Avenue, New York 17, N. Y., for the export of a one

megawatt pool-type research reactor described in the "Technical Discussion" accompanying a letter from AMF Atomics, Inc., dated June 29, 1956, and incorporated in its application filed August 20, 1956. The reactor is to be exported to Land Bayern, Federal Republic of Germany and will be erected at the Laboratorium fuer Technische Physik de Technischen Hochschule Muenchen near Munich, Germany.

2. The license will be subject to the following conditions:

(a) Neither the license nor any right under the license shall be assigned or otherwise transferred in violation of the provisions of the Atomic Energy Act of 1954.

(b) The license will be subject to the right of recapture or control reserved by section 108 of the Atomic Energy Act of 1954, and to all other provisions of the act, now or hereafter in effect, and to all rules and regulations of the United States Atomic Energy Commission.

(c) The license will be effective as of the date of issuance thereof and shall expire on December 31, 1957, unless sooner terminated.

Dated at Washington, D. C., this 18th day of February 1957.

For the Atomic Energy Commission.

H. L. PRICE,
Director.

Division of Civilian Application.

[F. R. Doc. 57-1421; Filed, Feb. 25, 1957;
8:45 a. m.]

[Docket Nos. 50-53, F-32].

AEROJET-GENERAL NUCLEONICS

NOTICE OF APPLICATIONS FOR UTILIZATION FACILITY LICENSES

Please take notice that Aerojet-General Nucleonics has filed applications for utilization facility licenses as follows:

Docket No. 50-53, Aerojet-General Nucleonics, San Ramon, California, on February 12, 1957, filed an application under section 104c of the Atomic Energy Act of 1954 for a license to construct, possess and operate at its San Ramon site twelve nuclear reactors (Serial Nos. 109 through 120) designed to operate at 100 milliwatts and which, after operational tests, are to be sold or leased to properly licensed institutions.

Docket No. F-32, Aerojet-General Nucleonics, San Ramon, California, on February 12, 1957, filed an amendment to its application for a license to construct, possess and operate three 100-milliwatt nuclear reactors at its San Ramon site. Aerojet-General Nucleonics in its amended application requested authorization to operate one of the reactors (Serial No. 103) at a power level of five watts. The applicant plans to retain this reactor at San Ramon for experimentation and tests of the reactor system at power levels up to five watts.

Copies of both applications are available for public inspection in the AEC Public Document Room located at 1717 H Street NW., Washington, D. C.

Dated at Washington, D. C., this 19th day of February 1957.

For the Atomic Energy Commission:

FRANK K. PITTMAN,
Deputy Director,
Division of Civilian Application.

[F. R. Doc. 57-1436; Filed, Feb. 25, 1957;
8:48 a. m.]

[Docket No. F-26]

LOCKHEED AIRCRAFT CORPORATION

NOTICE OF PROPOSED ISSUANCE OF CONSTRUCTION PERMIT

Please take notice that the Atomic Energy Commission proposes to issue a construction permit to Lockheed Aircraft Corporation substantially in the form set forth below unless within fifteen (15) days after publication in the FEDERAL REGISTER a request for a formal hearing is filed with the Commission in the manner prescribed by § 2.102 (b) of the Commission's rules of practice (10 CFR Part 2). There is annexed a Memorandum submitted by the Division of Civilian Application which summarizes the principal features of the proposed critical experiments facility and the principal factors considered in reviewing the application for a license. For further details see the application for license at the Commission's Public Document Room, 1717 H Street NW., Washington, D. C.

Construction permit. The Lockheed Aircraft Corporation, (hereinafter "Lockheed") on June 20, 1956, filed its application for a Class 104 license, defined in Section 50.21 of Part 50, "Licensing of Production and Utilization Facilities", Title 10, Chapter I, CFR, to construct and operate a critical experiments facility (hereinafter "the facility"). On July 20, 1956, and September 26, 1956, Lockheed filed revisions to its license application. The original application together with said revisions is hereinafter referred to as "the application."

The Atomic Energy Commission (hereinafter "the Commission") has found that:

A. The facility will be a utilization facility as defined in the Commission's regulations contained in Title 10, Chapter I, CFR, Part 50, "Licensing of Production and Utilization Facilities."

B. Lockheed proposes to utilize the facility in the conduct of research and development activities of the types specified in Section 31 of the Atomic Energy Act of 1954.

C. Lockheed is financially qualified to construct and operate the reactor in accordance with the regulations contained in the Title 10, Chapter I, CFR.

D. Lockheed is technically qualified to design and construct the reactor.

E. Lockheed has submitted sufficient information to provide reasonable assurance that a facility of the type proposed can be constructed and operated at the proposed location without undue risk to the health and safety of the public and that additional

information required to complete its application will be supplied.

F. The issuance of a construction permit to Lockheed will not be inimical to the common defense and security and to the health and safety of the public.

Pursuant to the Atomic Energy Act of 1954 (hereinafter "the Act") and Title 10, CFR, Chapter I, Part 50, "Licensing of Production and Utilization Facilities," the Commission hereby issues a construction permit to Lockheed to construct the facility as a utilization facility. This permit shall be deemed to contain and be subject to the conditions specified in Sections 50.54 and 50.55 of said regulations; is subject to all applicable provisions of the Act and rules, regulations and orders of the Commission now or hereafter in effect; and is subject to any additional conditions specified or incorporated below.

A. The earliest date for the completion of the facility is March 31, 1957. The latest date for completion of the facility is September 30, 1957. The term "completion date" as used herein means the date on which construction of the facility is completed except for the introduction of the fuel material for the initial critical experiment.

B. The site proposed for the location of the facility is the location in Palo Alto, California, specified in the application.

C. The type of facility authorized for construction is a critical experiments facility designed primarily for testing reactor cores at near zero power levels.

D. At such time as this construction permit is converted into a license to operate the facility, such license will incorporate—as one of its conditions—a requirement that no critical experiment may be conducted in the facility until a description of the experiment and a Hazards Summary Report shall have been submitted to the Commission and the Commission shall have specifically authorized the experimental activity.

This permit is subject to submittal by Lockheed to the Commission (by proposed amendment of the application) of additional information required to complete its Hazards Summary Report and a finding by the Commission that the final design provides reasonable assurance that the health and safety of the public will not be endangered by operation of the facility in accordance with the specified procedures.

Upon completion (as defined in Paragraph "A" above) of the construction of the facility in accordance with the terms and conditions of this permit, upon the filing of any additional information needed to bring the original application up to date, and upon finding that the facility authorized has been constructed in conformity with the application as amended and in conformity with the provisions of the act and of the rules and regulations of the Commission, and in the absence of any good cause being shown to the Commission why the granting of a license would not be in accordance with the provisions of the act, the Commission will issue a Class 104 license to Lockheed pursuant to section 104c of the act, which license shall expire December 31, 1962.

Dated at Washington, D. C., this 19th day of February 1957.

For the Atomic Energy Commission,

H. L. PRICE,
Director,

Division of Civilian Application.

MEMORANDUM

PART I—LOCATION AND DESCRIPTION

The Missiles Systems Division of Lockheed Aircraft Corporation has filed an application with the Commission for a license to construct a critical assembly facility at Palo Alto, California. The site of this proposed facility is a 22 acre plot on the Stanford

University industrial research property obtained on a long term lease as the location of a permanent research laboratory for Lockheed. The plot, 1,600 feet long and 570 feet wide, lies 2 miles southeast of the Stanford Campus. A series of residences are on the east side of the plot, at a distance of approximately 500–600 feet from the assembly location. In the future other residences and some industrial structures may be built somewhat closer.

This area of California is well known for its earthquake history. For this reason, the proposed structure will be built to the California Code, which requires that structures be able to withstand 0.2g lateral acceleration. Prevailing winds are in the northeast and southwest direction.

The proposed critical assembly building is to be an underground, reinforced concrete structure. It will be 150 feet from the nearest property line, 445 feet from the main research building and 40 feet from the nearest building, the nuclear physics building in which the control room for the critical facility will be located. Except for an entrance tunnel and two small service and storage rooms, the underground building consists only of the assembly room, 45- x 25- x 15-foot (17 feet underground), in which the "critical assembly machine", enclosed in a steel pressure vessel (capable of withstanding 200 psi) 7 feet in diameter and 11½ feet long, is located. All critical experiments will be performed inside this pressure vessel.

The assembly building is to be built in such way that the doors in the entrance tunnel, the penetrations for facilities, etc., will be "leak-tight", though the degree of "leak-tightness" has not been stated. The building will have its own ventilation system with filters and monitoring equipment. The ventilation system will be turned off during critical experiments.

In general plan, critical experiments will be performed by loading respective halves of the fuel material assembly within the "assembly machine", on separate supports having a 2 foot spacing between them, one of which can be moved by remote control toward the other, so that the two halves are joined into one assembly by an operator who is 40 feet away in the above-ground control room. The separated halves are hand loaded to a pre-chosen dimension, the pressure tank is closed, everybody withdraws from the assembly room which is then sealed shut, the ventilation is turned off, and, from a remote point, the two halves are brought together.

When the two halves are joined, a right circular cylinder, having a diameter of approximately 12 inches and a variable height (determined by the particular experiment) will be formed. Several series of experiments are proposed, in which enriched uranium will be used with beryllium as moderator and reflector. Interest will center largely in studies of the critical mass with varying core composition and of temperature coefficient of reactivity up to 500° C. Various types of assemblies will be investigated. In one, for example the core will be composed of fully enriched uranium metal foil interspersed between layers of beryllium metal. A layer of beryllium, 2 inches thick will surround the fuel core in both series. The beryllium reflector, in turn, will be surrounded by quadrant insulation jackets containing heating elements and cooling tubes.

In the core assemblies, safety, shim and control rods (1 each) are vertically positioned along the axis of the cylinder, in a suitably hollowed-out cylindrical channel in the fuel and moderator plates of the assembly. Each rod is composed of the same fuel plus moderator materials as comprise the core. The control-rod is about 1.75-inch diameter, 24 inches long, has a value of about 0.5 percent reactivity, is inserted into the assembly from below, and is coaxial, (in-

side) both the shim and the safety rod. The shim rod is 5 inches in diameter, with a 1.75-inch axial hole (to accommodate the control rod), 12 inches long, has a reactivity value of about 1 percent, and also is inserted from below; it extends only halfway through the assembly. The safety rod has dimensions and reactivity value similar to those of the shim rod, but is inserted from above into the channel jointly shared with the shim rod. Thus, upon full insertion of all 3 rods, a solid structure of fuel and moderator exists throughout the core cylinder. Complete withdrawal of all rods, leaves a 5-inch axial hole in the assembly and removes about 2½ percent reactivity. Final design will include electromagnetic releases, compressed springs or counter weight withdrawal mechanism, so that, in case of failures automatic rod withdrawal will occur.

PART II—HAZARDS ANALYSES

In conceptual plan, this proposed facility possesses several safety features which have not been customarily provided in critical facilities. The underground, sealed assembly building, and the sealed pressure tank for containing the experiments themselves, constitute distinct assets to the safety of the project, as does the fact that no persons are permitted in the assembly building during performance of critical experiments.

On the other hand, unfavorable aspects derive from certain nuclear and mechanical features of the somewhat unfamiliar material in the core. For example, neutrons in these experiments will not be fully thermalized, hence nuclear behavior will not coincide with that of more familiar thermal neutron systems. It should be noted, however, that limited experience in conducting epi-thermal experiments has indicated no undue problems from the standpoint of safety. Also, if beryllium should be inadvertently vaporized, serious poisoning hazard through ingestion could develop. Work on Be-U alloys is currently in progress and should lead to alloys less susceptible to vaporization than those now available. We believe the safety risk involved in these uncertainties is more than offset by the adequacy of containment provided for this facility.

As in other critical experimentation facilities, the inventory of fission products accumulated during normal operations will be sufficiently small that their accidental release would constitute no hazard outside the assembly building. What must be guarded against is the occurrence of a nuclear excursion which would produce and release hazardous amounts of fission products and, concomitantly, other materials having hazardous amounts of fission products and, concomitantly, other materials having hazardous properties such as, in this case, vaporized beryllium.

The mechanical hydraulic, thermal and electrical systems comprising and controlling the critical assembly machine have not been evaluated to the extent necessary to permit a confident estimate of the magnitude of credible accidents. Nor have we finally determined the nature and sequence of events in a nuclear incident, which would terminate the excursion. Hence, final appraisal of credible accidents which could occur in the facility is not made at this time.

On the other hand it can now be stated with confidence that experiments of the type proposed can be performed with safety in a facility possessing the general features of the one proposed. Hence it can be concluded that details of the facility can be designed and completed in such way that there is reasonable assurance that performance of the proposed experiments will not endanger the health and safety of the public.

Before approval is given to perform any series of experiment, the ones now visualized or others to be proposed in the future, de-

tailed attention will be given by the AEC to insure that adequate provisions are incorporated to prevent release of fission products or other harmful materials to the atmosphere. In particular, the details of the mechanism which would terminate a nuclear excursion, and the amount of energy released during the excursion must be analysed. Further, procedures will be examined to insure that possibilities of inadvertent criticality when the pressure vessel is not closed, e. g., during loading, are guarded against.

PART III—TECHNICAL QUALIFICATIONS

The proposed activities will be conducted by the Missile Systems Division of the Lockheed Aircraft Corporation. The education, training, and experience of the personnel responsible for the design and operation of the facility are considered adequate to insure safe operation.

PART IV—FINANCIAL QUALIFICATIONS

Current assets of Lockheed at December 25, 1955, were \$250 million, while Current Liabilities were \$165 million, equivalent to a current ratio of 1.5. Sales increased from \$237 million in 1951 to \$674 million in 1955. In the same period its net profit after taxes increased from \$5.8 to \$17.3 million. At December 25, 1955, Lockheed had \$299 million in total assets of which stockholders' equity represented \$98 million or 32.7 percent. Long-term debt matures well into the future and amounted to \$30 million or 10 percent of total assets.

PART V—CONCLUSIONS

Based upon the above considerations, it is concluded that:

a. There is reasonable assurance that a facility of the general type proposed can be constructed and operated at the proposed site without undue risk to the health and safety of the public.

b. The applicant is technically and financially qualified to engage in the proposed activities.

Dated at Washington, D. C., this 19th day of February 1957.

For the Division of Civilian Application.

H. L. PRICE,
Director.

[F. R. Doc. 57-1435; Filed, Feb. 25, 1957;
8:48 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-9111]

F. S. WOODFORD ET AL.

NOTICE OF APPLICATION AND DATE OF HEARING

FEBRUARY 19, 1957.

Take notice that F. S. Woodford, et al. (Applicant), with principal place of business at Harrisville, West Virginia, on July 6, 1955, filed an application pursuant to section 7 (b) of the Natural Gas Act for permission to abandon the sale in interstate commerce to Hope Natural Gas Company of natural gas for resale, all as more fully represented in the application which is on file with the Commission and open for public inspection.

Applicant seeks permission and approval of the Commission to abandon the sale to Hope of natural gas produced from acreage located in Grant District, Ritchie County, West Virginia.

In the application it is represented that pursuant to the terms of its sales contract with Hope, Applicant is to deliver natural gas for the life of the well and for so long as gas is produced therefrom in paying quantities. It is further represented that the volume of gas available for delivery has declined to the point where it is no longer feasible to continue production from the well, and that applicant and Hope entered into a Cancellation Agreement dated June 3, 1955, providing for the termination of the service.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on March 28, 1957, at 9:30 a. m., e. s. t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before March 12, 1957. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL]

J. H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1423; Filed, Feb. 25, 1957;
8:45 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-11465]

HUMPHREYS COUNTY UTILITY DISTRICT

NOTICE OF APPLICATION

FEBRUARY 19, 1957.

Take notice that The Humphreys County Utility District, a municipal corporation organized under the laws of Tennessee and located at Waverly, Tennessee, filed on November 13, 1956, pursuant to section 7 (a) of the Natural Gas Act, an application as supplemented on January 14, 1957, for an order directing Tennessee Gas Transmission Company (Tennessee Gas) to establish physical connection of its transportation facilities with the facilities of applicant's proposed natural gas system, and to sell natural gas to applicant for distribution and resale to the public in the area of Hum-

phreys County, Tennessee, all as more fully described in the application on file with the Commission and open to public inspection. Applicant's service area includes the towns of McEwen, Waverly, New Johnsonville, Tennessee City, and rural areas adjacent to its system.

Applicant proposes to construct and operate facilities consisting of a four-inch line extending from Tennessee Gas' transmission pipeline at a point south of Dickson, Tennessee near its crossing of State Highway No. 48 thence northwest along county roads to U. S. Highway No. 70; thence west along said Highway No. 70 to McEwen and Waverly. From Waverly a two-inch line will follow the said highway to New Johnsonville. At the corporate limits of the municipalities to be served, regulating stations will be built and within the service areas will be laid distribution lines to supply present and future potential customers. Customers adjacent to the larger lines will be served directly from transmission facilities.

The estimated total cost of the project is \$736,900, which will be financed by Applicant through the sale of revenue bonds. The estimated annual and peak day gas requirements in Mcf for the first 3 years of operations are as follows:

Year	Annual	Peak day
1	94,767	1,211
2	117,076	1,515
3	131,214	1,715

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before March 8, 1957.

[SEAL]

J. H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1424; Filed, Feb. 25, 1957;
8:45 a. m.]

[Docket Nos. G-9509, G-9592]

FOREST OIL CORP.

NOTICE CONSOLIDATING PROCEEDINGS FOR PURPOSES OF HEARING AND FIXING DATE OF HEARING

FEBRUARY 19, 1957.

By order issued October 19, 1955, in Docket No. G-9509, and by order issued November 2, 1955, in Docket No. G-9592, the Commission suspended and deferred the use of certain increased rates for sales of natural gas by Forest Oil Corporation to United Fuel Gas Company, pending a hearing upon a date to be fixed by notice from the Secretary, concerning the lawfulness of the proposed increased rates.

It is appropriate and in the public interest that the proceedings in Docket Nos. G-9509 and G-9592 be consolidated for purposes of hearing.

Take notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal

Power Commission by the Natural Gas Act, particularly sections 4, 5, 14, 15 and 16, and the Commission's rules of practice and procedure, a hearing will be held commencing on March 25, 1957, at 10 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved and the issues presented in these consolidated proceedings.

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)).

[SEAL] J. H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1430; Filed, Feb. 25, 1957;
8:47 a. m.]

[Docket No. G-9553 etc.]

H. L. HUNT

NOTICE CONSOLIDATING PROCEEDINGS FOR
PURPOSES OF HEARING AND FIXING DATE OF
HEARING

FEBRUARY 19, 1957.

In the matters of H. L. Hunt; Docket No. G-9553, Docket No. G-11038, Docket No. G-11069.

By order issued September 30, 1955, in Docket No. G-9553, and by orders issued August 13, 1956, in Docket Nos. G-11038 and G-11069, the Commission suspended and deferred the use of certain increased rates for sales of natural gas by H. L. Hunt to Texas Eastern Transmission Corporation, pending a hearing upon a date to be fixed by notice from the Secretary, concerning the lawfulness of the proposed increased rates.

It is appropriate and in the public interest that the proceedings in Docket Nos. G-9553, G-11038, and G-11069 be consolidated for purposes of hearing.

Take notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by the Natural Gas Act, particularly sections 4, 5, 14, 15 and 16, and the Commission's rules of practice and procedure, a hearing will be held commencing on March 25, 1957, at 10 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved and the issues presented in these consolidated proceedings.

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)).

[SEAL] J. H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1431; Filed, Feb. 25, 1957;
8:47 a. m.]

[Docket No. G-9557 etc.]

SUN OIL CO.

NOTICE CONSOLIDATING PROCEEDINGS FOR
PURPOSES OF HEARING AND FIXING DATE
OF HEARING

FEBRUARY 19, 1957.

In the matters of Sun Oil Company; Docket Nos. G-9557, G-9647, G-11287, G-11288, G-11354 and G-11513.

No. 38—2

By order issued October 28, 1955, in Docket No. G-9557, by order issued November 15, 1955, in Docket No. G-9647, by orders issued October 26, 1956, in Docket Nos. G-11287 and G-11288, by order issued October 31, 1956, in Docket No. G-11354, and by order issued November 23, 1956, in Docket No. G-11513, the Commission suspended and deferred the use of certain increased rates for sales of natural gas by Sun Oil Company to United Fuel Gas Company, Texas Eastern Transmission Company, Texas Gas Pipe Line Corporation and Standard Oil Company of Texas, pending a hearing upon a date to be fixed by notice from the Secretary, concerning the lawfulness of the proposed increased rates.

It is appropriate and in the public interest that the proceedings in Docket Nos. G-9557, G-9647, G-11287, G-11288, G-11354, and G-11513 be consolidated for purposes of hearing.

Take notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by the Natural Gas Act, particularly sections 4, 5, 14, 15 and 16, and the Commission's rules of practice and procedure, a hearing will be held commencing on March 25, 1957, at 10 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved and the issues presented in these consolidated proceedings.

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)).

[SEAL] J. H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1432; Filed, Feb. 25, 1957;
8:48 a. m.]

[Docket No. G-3501]

PHILLIPS PETROLEUM Co.

NOTICE OF APPLICATION AND DATE OF
HEARING

FEBRUARY 19, 1957.

Take notice that Phillips Petroleum Company (Applicant), a Delaware corporation with its principal place of business in Bartlesville, Oklahoma, filed on September 27, 1954, an application for a certificate of public convenience and necessity, pursuant to section 7 (c) of the Natural Gas Act, authorizing Applicant to continue the sale of natural gas in interstate commerce from the production of its Plymouth Lease in the West Nueces Bay Field, Nueces County, Texas, to United Gas Pipe Line Company for resale, all as more fully represented in the application which is on file with the Commission and open to public inspection.

By an amendment filed on August 29, 1955, to the aforesaid application, Applicant seeks authorization, pursuant to section 7 (b) of the act, to abandon the aforesaid service. The request for such authorization is contained in a letter from Applicant dated August 26, 1955 which was filed on August 29, 1955, as indicated. A certificate of public con-

venience and necessity has not been issued to date authorizing the aforesaid sale.

In support thereof, Applicant states that its FPC Gas Rate Schedule No. 169 provides in part that all the gas shall be delivered thereunder at a pressure sufficient to enter United's gathering line against the varying working pressures maintained therein and that the well-head pressure of the Plymouth No. 1 well declined continuously until the point was reached that such well was no longer able to produce into United's system and therefore the well was plugged and abandoned on May 5, 1955.

This matter is one that should be disposed of promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on March 28, 1957, at 9:30 a. m., e. s. t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before March 12, 1957. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL] J. H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1438; Filed, Feb. 25, 1957;
8:48 a. m.]

[Docket No. G-9525]

DAVIS-KELLY OIL Co.

NOTICE OF APPLICATION AND DATE OF
HEARING

FEBRUARY 19, 1957.

Take notice that Davis-Kelly Oil Company (Applicant), a partnership with its principal place of business in Morgantown, West Virginia, filed on October 21, 1955, an application for permission to abandon service, pursuant to section 7 (b) of the Natural Gas Act, as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the application which is on file with the Commission and open for public inspection.

Applicant seeks to abandon the sale of natural gas in interstate commerce to

Hope Natural Gas Company for resale. Such sale was authorized, from production by Applicant on certain acreage located in the Grant District, Ritchie County, West Virginia, by the Commission's order issued July 13, 1955, in Docket No. G-5569.

Applicant states that the sale was for the life of the well or as long as gas was produced in paying or marketable quantities; that the volume of gas available for delivery has declined to the point where it is no longer economically feasible to continue the operation; that the volume of gas delivered during the last month of operation was 5 Mcf; that Hope is willing to terminate this sale; and that Applicant and Hope have entered into a Cancellation Agreement dated September 26, 1955, providing for the termination of this sale.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on March 28, 1957, at 9:30 a. m., e. s. t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such application: *Provided, however*, That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure here provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before March 12, 1957. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL]

J. H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1439; Filed, Feb. 25, 1957;
8:49 a. m.]

[Docket No. G-10015]

F. KIRK JOHNSON

NOTICE OF APPLICATION AND DATE OF
HEARING

FEBRUARY 19, 1957.

Take notice that F. Kirk Johnson (Applicant), an individual with his principal place of business in Fort Worth, Texas, filed on February 28, 1956, an application for permission to abandon service pursuant to section 7 (b) of the Natural Gas Act, as hereinafter described, subject to the jurisdiction of the Commission, all

as more fully represented in the application which is on file with the Commission and open for public inspection.

Applicant seeks to abandon the sale of natural gas in interstate commerce to Kansas-Nebraska Natural Gas Company, Inc. (Kansas-Nebraska) for resale. Such sale of natural gas was authorized pursuant to section 7 (c) of the Natural Gas Act from production from a State Lease located in Frenchman's Creek Field, Logan County, Colorado, by order of the Commission issued March 14, 1955, in Docket No. G-4123.

Applicant states that the only producing well on the aforesaid lease is unable to deliver natural gas against the pressure of Kansas-Nebraska's pipeline system; that this well was making in excess of 5,000 gallons of water and only 50 Mcf of gas per day on its last test; and that the revenues from the sale of such gas is less than the operating expenses incurred in the production thereof.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on March 28, 1957, at 9:30 a. m., e. s. t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such application: *Provided, however*, That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before March 12, 1957. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL]

J. H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1440; Filed, Feb. 25, 1957;
8:49 a. m.]

VETERANS ADMINISTRATION

DELEGATION OF AUTHORITY TO AUTHORIZE ALLOWANCES FOR EMPLOYEES WHO ARE NOTARIES PUBLIC

In the Delegations of Authority, a new section 8 is added as follows:

SEC. 8. *Delegation of authority to authorize allowances for Veterans Administration employees who are notaries public.* (a) Employees occupying or act-

ing in the positions designated in paragraph (b) of this section are authorized to designate those employees who are required to serve as notaries public in connection with the performance of official business and to pay an allowance for the costs therefor not to exceed the expense required to be incurred by them in order to obtain their commission from and after January 1, 1955, pursuant to the Notaries Public Expense Act of 1955 (Pub. Law 681, 84th Cong., approved July 11, 1956; 70 Stat. 519).

(b) Designated positions:

Deputy Administrator;
Chief Benefits Director;
Chief Insurance Director;
Chief Medical Director;
General Counsel;
Managers of district offices, regional offices, hospitals, domiciliarys, and centers.

[SEAL]

H. V. HIGLEY,
Administrator of Veterans Affairs.

[F. R. Doc. 57-1427; Filed, Feb. 25, 1957;
8:46 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 24NY-3842]

HAPPY DOLLAR Co.

ORDER TEMPORARILY SUSPENDING EXEMPTION, STATEMENT OF REASONS THEREFOR, AND NOTICE OF OPPORTUNITY FOR HEARING

FEBRUARY 19, 1957.

I. Richard Culver Ott as "The Happy Dollar Company", a proposed limited partnership to be formed in the State of New York, having filed with the Commission on November 8, 1954, a Notification on Form 1-A which was thereafter amended, relating to a proposed offering of pre-formation limited partnership interests in an amount not to exceed \$250,000, for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of section 3 (b) thereof and Regulation A, promulgated thereunder; and

II. The Commission having been advised that the terms and conditions of said Regulation A have not been complied with in that the issuer has failed to file Form 2-A reports of sales, as required by Rule 224 of Regulation A;

III. It is ordered, Pursuant to Rule 223 (a) of the general rules and regulations under the Securities Act of 1933, as amended, that the exemption under Regulation A be, and it hereby is temporarily suspended.

Notice is hereby given that any person having any interest in the matter may file with the Secretary of the Commission a written request for hearing; that, within 20 days after receipt of such request, the Commission will, or at any time upon its own motion may, set the matter down for hearing at a place to be designated by the Commission for the purpose of determining whether this order of suspension should be vacated or made permanent, without prejudice, however, to the consideration and presentation of additional matters at the hearing; and that notice of the time and

place for said hearing will be promptly given by the Commission.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 57-1426; Filed, Feb. 25, 1957;
8:46 a. m.]

[File No. 70-3559]

INDIANA & MICHIGAN ELECTRIC CO.

NOTICE OF FILING REGARDING THE ISSUANCE
OF SHORT TERM NOTES TO BANKS

FEBRUARY 19, 1957.

Notice is hereby given that Indiana & Michigan Electric Company ("Indiana"), a public-utility subsidiary of American Gas and Electric Company, a registered holding company, has filed an application with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("act") and has designated section 6 (b) of the act and Rule U-50 (a) (2) promulgated thereunder as applicable to the proposed transactions.

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

Indiana has established a line of credit with each of the following banking institutions under which it proposes to borrow from time to time prior to December 31, 1957 not in excess of \$16,500,000:

Irving Trust Company, New York, N. Y.....	\$3,250,000
Mellon National Bank & Trust Co., Pittsburgh, Pa.....	3,250,000
Guaranty Trust Co. of New York, New York, N. Y.....	3,250,000

First National City Bank of New York, New York, N. Y.....	\$2,000,000
Manufacturers Trust Co., New York, N. Y.....	2,000,000
Continental Illinois National Bank & Trust Co. of Chicago, Chicago, Ill.....	1,000,000
Bankers Trust Co., New York, N. Y.....	875,000
The Hanover Bank, New York, N. Y.....	875,000
	<hr/> 16,500,000

Of the \$16,500,000 proposed to be borrowed, Indiana has, as of December 31, 1956, borrowed \$5,000,000 and has issued its notes in evidence thereof. This amount and additional borrowings of \$5,700,000 will be exempted from the provisions of section 6 (a) by the first sentence of section 6 (b) of the act.

Indiana now requests approval for additional borrowings under the above line of credit in an amount not to exceed \$5,800,000, such borrowings to be evidenced by notes to be dated as of the date of such borrowings and to mature not more than 270 days after the date of issuance. The notes are to bear interest at the then current prime rate, which is presently 4 percent per annum, and may be prepaid from time to time, in whole or in part, without premium.

The proceeds from the issuance of the notes will be used by Indiana to pay part of the costs of its construction program which, it is presently estimated will amount to \$35,000,000 in 1957. All of Indiana's notes payable to banks outstanding at the time of its next permanent financing will be paid off from the proceeds of such financing which is presently expected to be effected prior to December 31, 1957.

It is estimated that the expenses to be incurred by Indiana will not exceed

\$1,000, exclusive of the issuance taxes which may be paid to the State of Indiana. No fees, commissions or other expenses are to be paid except that routine services incident to the proposed transactions will be performed by the service company of the American system.

The application states that the proposed transaction will be expressly authorized by the Public Service Commission of Indiana in which State Indiana is organized and doing business. No other State commission and no Federal commission other than this Commission has jurisdiction over the proposed transaction.

Notice is further given that any person may, not later than March 6, 1957 at 5:30 p. m., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said filing which he desires to controvert, or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, the application, as filed or as it may hereinafter be amended, may be granted as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may grant exemption from its rules as provided in Rules U-20 (a) and U-100 or take such other action as it may deem appropriate.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 57-1425; Filed, Feb. 25, 1957;
8:46 a. m.]

