11-10-93
Vol. 58 No. 216
Pages 59639-59930

federal register

Wednesday
November 10, 1993

Briefings on How To Use the Federal Register
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FEDERAL REGISTER Published daily, Monday through Friday, (not published on Saturdays, Sundays, or on official holidays), by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, under the Federal Register Act (49 Stat. 500, as amended; 44 U.S.C. Ch. 15) and the regulations of the Administrative Committee of the Federal Register (1 CFR Ch. I). Distribution is made only by the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

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FOR: Any person who uses the Federal Register and Code of Federal Regulations.

WHO: The Office of the Federal Register.

WHAT: Free public briefings (approximately 3 hours) to present:

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2. The relationship between the Federal Register and Code of Federal Regulations.
3. The important elements of typical Federal Register documents.
4. An introduction to the finding aids of the FR/CFR system.

WHY: To provide the public with access to information necessary to research Federal agency regulations which directly affect them. There will be no discussion of specific agency regulations.

NEW YORK, NY

WHEN: November 23, 9:00 am—12:00 pm

WHERE: National Archives—Northeast Region, 201 Varick Street, 12th Floor, New York, NY

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WASHINGTON, DC

(two briefings)

WHEN: November 30 at 9:00 am and 1:30 pm

WHERE: Office of the Federal Register, 7th Floor Conference Room, 800 North Capitol Street NW, Washington, DC (3 blocks north of Union Station Metro)

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Rules and Regulations

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This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 532

RIN 3206-AF61

Prevailing Rate Systems; Champaign, Illinois, NAF Wage Area

AGENCY: Office of Personnel Management.

ACTION: Interim rule with request for comments.

SUMMARY: The Office of Personnel Management is issuing an interim regulation to abolish the Champaign, Illinois, Federal Wage System Nonappropriated Fund (NAF) wage area for pay-setting purposes. With the scheduled closing of Chanute Air Force Base (AFB) in August 1993, the only NAF employees remaining in the Champaign wage area will be those located in Vermilion County, Illinois. This regulation assigns Vermilion County, Illinois, to the Marion, Indiana, NAF wage area.

DATES: This interim rule becomes effective on October 1, 1993. Comments must be received by December 10, 1993.

ADDRESSES: Send or deliver comments to Barbara L. Fiss, Assistant Director for Compensation Policy, Personnel Systems and Oversight Group, U.S. Office of Personnel Management, room 6H31, 1900 E Street NW., Washington, DC 20415.

FOR FURTHER INFORMATION CONTACT: Paul Shields, (202) 606-2848.

SUPPLEMENTARY INFORMATION: The Champaign NAF wage area is composed of three Illinois counties. Champaign County is the sole survey area county; Ford and Vermilion Counties comprise the area of application. With the closing of the host activity, Chanute AFB, in August 1993, there are no NAF employees in Champaign County. The Department of Defense (DOD) has also reported that there are no longer any active NAF facilities in Ford County. There will remain in the wage area only the eight NAF employees in Vermilion County (at the Department of Veterans Affairs Danville, Illinois, Medical Center). Because this does not meet the minimum of 26 NAF employees required to establish a wage area, Vermilion County must be defined as an area of application to an existing wage area.

The provisions of 5 CFR 532.219 list the following criteria for consideration when two or more counties are to be combined to constitute a single wage area:

(1) Proximity of largest activity in each county;

(2) Transportation facilities and commuting patterns; and

(3) Similarities of the counties in:

(i) Overall population;

(ii) Private employment in major industry categories; and

(iii) Kinds and sizes of private industrial establishments.

These criteria are discussed below.

The Department of Veterans Affairs Medical Center in Danville, Vermilion County, Illinois, is closest (129 km (80 miles)) to Fort Benjamin Harrison in Marion County, Indiana, the survey area for the Marion, Indiana, NAF wage area. Distances from Danville, Illinois, to the survey host activities of the other surrounding wage areas are Glenview Naval Air Station, Cook County, 212 km (132 miles); Scott Air Force Base, St. Clair County, 258 km (160 miles); and Rock Island Arsenal, Rock Island County, 287 km (178 miles).

Transportation facilities consist of Interstate highways providing access from Danville to each of the nearby wage areas. However, the most direct route is Interstate 74 from Danville to Indianapolis, Indiana, in Marion County, the location of Fort Benjamin Harrison.

An analysis of commuting patterns indicates that 31,548 workers live and work within Vermilion County. No residents of the wage areas under consideration commute to work in Vermilion County. Less than 1 percent of Vermilion County residents (56) commute to work in only one of the four closest NAF wage areas, Cook County.

In overall population, Vermilion County, population 88,257, is most similar to Rock Island County, population 148,723, and least similar to Cook County, population 5,105,067. In terms of private industry employment in major industry categories, Vermilion County (16,039 employees) much more closely resembles Rock Island County (37,242 employees) and St. Clair County (43,684) and least resembles the much larger Cook County (1,381,552 employees). Vermilion County, is also more similar to the smaller Rock Island and St. Clair Counties and least similar to the much larger Cook County in terms of kinds and sizes of private industry establishments. In summary, both proximity and transportation facilities favor assigning Vermilion County to the Marion, Indiana, wage area. Commuting patterns reflect no significant commuting between Vermilion County and the surrounding wage areas. Vermilion County more closely resembles the population and industry in the two smaller counties, Rock Island and St. Clair, and has little in common with the much larger Cook County. On balance, the criteria favor definition of Vermilion County to the Marion, Indiana, wage area.

In addition to the criteria required by regulations, attention must also be given to the effects of planned DOD base closures in surrounding areas. The most recent information available indicates that the Rock Island Arsenal will be realigned in 1995, and Glenview Naval Air Station, Cook County, Illinois, will be closed at a date yet to be determined. Two bases in the Marion, Indiana, wage area are scheduled to be closed—Fort Benjamin Harrison in September 1996, and Grissom Air Force Base in 1994. Fort Benjamin Harrison, with 574 FWS NAF employees, is located in Marion County, the survey area, and Grissom Air Force Base, with 135 FWS NAF employees, is located in the area of application, Miami County. While Fort Benjamin Harrison, the host activity for the Marion wage area, is on the list of planned base closures, an action listed for planning purposes more than 3 years in the future is not sufficient reason to rule out the Marion wage area in the current process of assigning Vermilion County to an area of application.

The Federal Prevailing Rate Advisory Committee reviewed this request and recommended approval by consensus.

Pursuant to 5 U.S.C. 553(b)(3)(B), I find that good cause exists for waiving the general notice of proposed

rulemaking. Also, pursuant to section 553(d)(3) of title 5, United States Code, I find that good cause exists for making this rule effective in less than 30 days. The notice is being waived and the regulation is being made effective in less than 30 days to avoid the expenditure of resources needed to prepare for the required October 1993 survey of the Champaign, Illinois, NAF wage area.

E.O. 12291, Federal Regulation

I have determined that this is not a major rule as defined under section 1(b) of E.O. 12291, Federal Regulation.

Regulatory Flexibility Act

I certify that these regulations will not have a significant economic impact on a substantial number of small entities because they will affect only Federal agencies and employees.

List of Subjects in 5 CFR Part 532

Administrative practice and procedure, Government employees, Wages.

Office of Personnel Management.

Lorraine A. Green,

Deputy Director.

Accordingly, OPM is amending 5 CFR part 532 as follows:

PART 532—PREVAILING RATE SYSTEMS

1. The authority citation for part 532 continues to read as follows:

Authority: 5 U.S.C. 5343, 5346; § 532.707 also issued under 5 U.S.C. 552.

Appendix B to Subpart B of Part 532—[Amended]

2. In appendix B to subpart B, the listing for the state of Illinois is amended by removing the entry for Champaign.

3. Appendix D to subpart B is amended by (1) removing the wage area list for Champaign, Illinois, and (2) revising the list for Marion, Indiana, to read as follows:

Appendix D to Subpart B of Part 532—Nonappropriated Fund Wage and Survey Areas

* * * * *

Indiana

Marion

Survey area

Indiana:
Marion
Area of application: Survey area plus:

Illinois

Vermilion[1]

Indiana

Allen
Grant
Martin
Miami

* * * * *

[1] Effective date March 4, 1994.

[FR Doc. 93-27644 Filed 11-9-93; 8:45 am]
BILLING CODE 6325-01-M

FEDERAL ELECTION COMMISSION

11 CFR Chapter I

[Notice 1993-27]

Federal Elections

AGENCY: Federal Election Commission.

ACTION: Ratification of regulations.

SUMMARY: The Commission is ratifying its regulations at 11 CFR Chapter I. These regulations implement the Federal Election Campaign Act of 1971, as amended (the Act or FECA), the Presidential Election Campaign Fund Act, the Presidential Primary Matching Payment Account Act, and other statutes pertaining to the Commission's proceedings. This action is in response to an opinion in the court case, *FEC* v. *NRA Political Victory Fund, et al.*

DATES: The ratification of 11 CFR Chapter I relates back to the effective dates previously announced for each of the rules in 11 CFR Chapter I. This action is effective November 4, 1993.

FOR FURTHER INFORMATION CONTACT: Ms. Susan E. Propper, Assistant General Counsel, 999 E Street NW., Washington, DC 20463, (202) 219-3690 or (800) 424-9530.

SUPPLEMENTARY INFORMATION: On October 22, 1993, the Court of Appeals for the DC Circuit issued an opinion in *FEC* v. *NRA Political Victory Fund, et al.*, No. 91-5360, slip op. at 2 (D.C. Cir. Oct. 22, 1993), in which it held that the composition of the Commission, which included the Clerk of the House of Representatives and the Secretary of the Senate as *ex officio* members, violates the Constitution's requirement of separation of powers. On October 26, 1993, the Commission reconstituted itself as a body of six voting members subject to further judicial action.

In light of these events, the Commission is issuing this notice to alert the regulated community that the Commission is expressly ratifying its regulations and forms. The NRA decision concerned an enforcement action, and did not specifically address previous rulemakings or forms. Thus, ratification of 11 CFR Chapter I may not be legally required or necessary. Nevertheless, the Commission is ratifying the current regulations to notify candidates, political committees and the general public that they should expect to operate under the same regulations that were in effect before the NRA decision was issued. Similarly, an explicit ratification of the forms will let those who have reporting obligations under the FECA know that they should continue to use the same forms and follow the same procedures and time frames for filing reports.

Ratification does not change any of the provisions of the regulations or the forms. Instead, it adopts and confirms the Commission's previous decisions promulgating the forms and regulations, and relates back to the time when those previous decisions became effective. Please note, however, that the rulemakings in progress will continue. Several rules implementing the Sunshine Act, the Freedom of Information Act, and the FECA disclosure provisions contain references to the *ex officio* members of the Commission. During such time as there are no *ex officio* members, those references have no effect.

The Commission's ratification of its regulations and forms is consistent with the procedural requirements set forth in the FECA, the Administrative Procedure Act (the APA), 5 U.S.C. 552 *et seq.*, and the Regulatory Flexibility Act, 5 U.S.C. 605(b). Section 438(d) of title 2, United States Code, and 26 U.S.C. 9009(c) and 9039(c) require that any rule or regulation prescribed by the Commission to carry out the provisions of titles 2 and 26 of the United States Code be transmitted to the Speaker of the House of Representatives and the President of the Senate 30 legislative days before they are finally promulgated, together with a detailed explanation and justification. Similarly, 2 U.S.C. 438(d) requires the Commission to transmit forms and a detailed explanation and justification of them to Congress for 10 legislative days prior to prescribing them. Inasmuch as the title 2 and title 26 rules and FEC forms that the Commission would ratify have already undergone the requisite legislative periods, it is not necessary for them to be retransmitted to Congress for another 30 or 10 legislative days, respectively.

Similarly, ratification of 11 CFR chapter I is consistent with the APA provisions regarding notice and comment, and a delay in the effective date. The Commission has already followed these procedural requirements when the rules were initially promulgated. In addition, this is a

situation which qualifies for the good cause exemption to these requirements, given that these procedures are "impracticable, unnecessary, or contrary to the public interest." 5 U.S.C. 553(b)(B). Ratification of the Commission's regulations falls within the APA's good cause exception for several reasons. Notice, comment, and a delayed effective date are impracticable and contrary to the public interest as these procedures would inevitably result in a lengthy period of uncertainty during which time candidates, political committees, contributors and others would have insufficient guidance, and many of the FEC's programs would be significantly disrupted. Thus, there is a need to clarify the status of the regulations as promptly as possible. It is certainly true that such ratification responds to a circumstance beyond the Commission's control, namely the NRA decision. The effect of ratification may be limited in duration to the time necessary to resolve the NRA decision. Moreover, notice, comment and a delayed effective date are unnecessary because the Commission has already provided notice, received public comment and published identical final rules in the **Federal Register** and the Code of Federal Regulations. Given that there would be no changes in the Commission's rules or forms at this point, affected parties do not need time to get ready to operate under the ratified rules.

The Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, requires agencies to consider the potential impact of regulations on small businesses and small entities. It requires either the preparation of initial and final regulatory flexibility analyses or a certification of no significant economic impact on a substantial number of small entities. *Id.* The Commission has complied with these requirements in promulgating its regulations. Accordingly, nothing further is required if 11 CFR Chapter I is ratified.

Additional information regarding the ratification of 11 CFR Chapter I may be found in Agenda Document #93–94.

Dated: November 5, 1993.

Scott E. Thomas,

Chairman, Federal Election Commission.

[FR Doc. 93–27673 Filed 11–9–93; 8:45 am]

BILLING CODE 6715–01–M

[Notice 1993–28]

11 CFR Parts 100 and 114

Definition of "Member" of a Membership Association

AGENCY: Federal Election Commission.

ACTION: Final rule; Announcement of effective date.

SUMMARY: On August 30, 1993 (58 FR 45770), the Commission published the text of revised regulations defining who is a "member" of a membership association. These regulations implement provisions of the Federal Election Campaign Act of 1971, as amended. The Commission announces that these rules are effective as of November 10, 1993.

EFFECTIVE DATE: November 10, 1993.

FOR FURTHER INFORMATION CONTACT: Ms. Susan E. Propper, Assistant General Counsel, 999 E Street NW., Washington, DC 20463, (202) 219–3690 or toll free (800) 424–9530.

SUPPLEMENTARY INFORMATION: Section 438(d) of title 2, United States Code, requires that any rule or regulation prescribed by the Commission to implement title 2 of the United States Code be transmitted to the Speaker of the House of Representatives and the President of the Senate thirty legislative days prior to final promulgation. The revisions to 11 CFR Parts 100 and 114 were transmitted to Congress on August 25, 1993. Thirty legislative days expired in the Senate on October 26, 1993, and in the House of Representatives on November 2, 1993.

Announcement of Effective Date: 11 CFR 100.8(b)(4)(iv), 114.1(e), and 114.7(k), as published at 58 FR 45770, are effective as of November 10, 1993.

Dated: November 5, 1993.

Scott E. Thomas,

Chairman, Federal Election Commission.

[FR Doc. 93–27672 Filed 11–9–93; 8:45 am]

BILLING CODE 6715–01–M

[Notice 1993–29]

11 CFR Parts 102 and 110

Multicandidate Political Committees

AGENCY: Federal Election Commission.

ACTION: Final rule; announcement of effective date.

SUMMARY: On August 16, 1993 (58 FR 42172), the Commission published the text of revised regulations governing multicandidate political committees. These regulations implement provisions of the Federal Election Campaign Act of 1971, as amended. The Commission announces that these rules are effective as of January 1, 1994. The Commission's new forms implementing the reporting provisions of these regulations will also take effect on January 1, 1994.

EFFECTIVE DATE: January 1, 1994.

FOR FURTHER INFORMATION CONTACT: Ms. Susan E. Propper, Assistant General Counsel, 999 E Street NW., Washington DC 20463, (202) 219–3690 or toll free (800) 424–9530.

SUPPLEMENTARY INFORMATION: Section 438(d) of title 2, United States Code, requires that any rule or regulation prescribed by the Commission to implement title 2 of the United States Code be transmitted to the Speaker of the House of Representatives and the President of the Senate thirty legislative days prior to final promulgation. The revisions to 11 CFR parts 102 and 110 were transmitted to Congress on August 3, 1993. Thirty legislative days expired in the Senate on October 20, 1993, and in the House of Representatives on October 27, 1993.

Section 438(d) also requires that any form prescribed by the Commission be transmitted to the Speaker of the House of Representatives and the President of the Senate ten legislative days before final promulgation. New FEC Form 1M and revisions to FEC Form 3X, implementing the reporting provisions of these regulations, were transmitted to Congress on August 3, 1993. The ten day legislative review period for the forms expired in the Senate on September 15, 1993, and in the House on September 22, 1993. Therefore, the Commission may now prescribe these new forms.

Prior to the promulgation of these rules, a committee informed the Commission that it had qualified as a multicandidate committee by checking the appropriate box on the first regularly-scheduled Report of Receipts and Disbursements (FEC Form 3X) due after this status was achieved. Any committee that so notified the Commission prior to the effective date of these rules need not file a Form 1M.

Announcement of Effective Date

11 CFR 102.2(a)(3) and 110.2(a)(2), as published at 58 FR 42172, are effective as of January 1, 1994. New and revised forms implementing the reporting provisions of these regulations are also effective as of January 1, 1994.

Dated: November 5, 1993.

Scott E. Thomas,

Chairman, Federal Election Commission.

[FR Doc. 93–27671 Filed 11–9–93; 8:45 am]

BILLING CODE 6715–01–M

11 CFR Part 112

[Notice 1993–30]

Federal Elections

AGENCY: Fedral Election Commission.

ACTION: Policy statement on advisory opinion precedent.

SUMMARY: The Commission will give its past advisory opinions, issued under 11 CFR part 112, the same precedential effect as existed before the decision of the D.C. Circuit Court of Appeals on October 22, 1993. Further information on this statement is provided in the supplementary information which follows.

DATES: The policy statement covers all advisory opinions whether issued before or after October 22, 1993.

FOR FURTHER INFORMATION CONTACT: N. Bradley Litchfield, Associate General Counsel, 999 E Street NW., Washington, DC 20463, (202) 219–3690 or (800) 424–9530.

SUPPLEMENTARY INFORMATION: On October 22, 1993, the Court of Appeals for the D.C. Circuit issued an opinion in *FEC* v. *NRA Political Victory Fund, et al.*, No. 91–5360, slip op. at 2 (D.C. Cir. Oct. 22, 1993), in which it held that the composition of the Commission, which included the Clerk of the House of Representatives and the Secretary of the Senate as *ex officio* members, violates the Constitution's requirement of separation of powers. On October 26, 1993, the Commission reconstituted itself as a body of six voting members subject to further judicial action.

In light of these events, the Commission issues this Policy Statement to alert the regulated community that the Commission will give its advisory opinions the same effect as precedent that would have been given before the NRA decision. The Statement was adopted by the Commission on November 4, 1993, by a vote of 5–0. The statement, FEC Policy Statement: Continuing Effect of Advisory Opinions, provides as follows:

Having recently reconstituted itself as a 6 member body, the Federal Election Commission continues to regard previously issued advisory opinions as reflecting its duly authorized interpretation and application of the Federal Election Campaign Act of 1971, as amended; chapters 95 and 96 of title 26, United States Code; and of regulations prescribed under those statutes, to the specific transactions and activities set forth in those advisory opinions. The Commission will give its advisory opinions the same precedential effect as would be accorded to them prior to the recent decision of the D.C. Circuit Court of Appeals in *FEC* v. *National Rifle Association Political Victory Fund, et al.*

Additional information regarding the Policy Statement may be found in Agenda Document #93–95, dated November 3, 1993.

Dated: November 5, 1993.

Scott E. Thomas,

Chairman, Federal Election Commission.

[FR Doc. 93–27670 Filed 11–9–93; 8:45 am]

BILLING CODE 6715–01–M

11 CFR Part 201

[Notice 1993–26]

Ex Parte Communications

AGENCY: Federal Election Commission.

ACTION: Revised interim rules.

SUMMARY: The Federal Election Commission is revising its interim rules for handling outside communications made to Commissioner offices in connection with public funding, Commission audits, litigation, rulemaking proceedings and advisory opinions. In general, these communications are prohibited, in the case of public funding, audits and litigation; and are to be made part of the public record, in the case of rulemaking proceedings and advisory opinions.

DATES: Effective Date: These rules are effective on November 10, 1993.

Comments: The Commission will accept comments on these rules received on or before December 10, 1993, and may re-evaluate them in light of these comments.

ADDRESSES: Comments must be in writing and addressed to: Ms. Susan E. Propper, 999 E Street, NW., Washington, DC 02463.

FOR FURTHER INFORMATION CONTACT: Ms. Susan E. Propper, Assistant General Counsel, (202) 219–3690 or (800) 424–9530.

SUPPLEMENTARY INFORMATION: The Federal Election Commission is revising its interim rules for handling ex parte communications made in connection with public funding, Commission audits, litigation, rulemaking proceedings and the advisory opinion process. The revised rules complement those found at 11 CFR 7.15 and 111.22, which prohibit these communications in connection with Commission enforcement actions.

On December 9, 1992, the Commission issued interim rules on this topic. 57 FR 58133. The rules are codified at 11 CFR part 201.

While these rules became effective on the date of publication, the Commission provided a 30-day comment period and announced that the rules might be revised to reflect comments received during this time. Five comments were received in response to this publication.

In addition, the Commission held a public hearing on the interim rules on April 1, 1993. Three witnesses testified at this hearing.

The revised rules reflect these comments and testimony, as well as the Commission's further consideration of its practices and experience. The Commission is still considering these rules and therefore is publishing this revised version as a second set of interim rules. However, while operating under the current interim rules, the Commission realized that certain aspects of those rules were having some unintended consequences in areas such as litigation.

The revised interim rules prohibit substantive communications made by persons outside the agency to any Commissioner or member of a Commissioner's staff in connection with public funding, ongoing Commission audits, and litigation. Ex parte communications may be made to Commissioners in connection with rulemaking proceedings and advisory opinions, but they are to be made part of the public record. Finally statements made in public forums and inquiries as to the status of open proceedings are explicitly exempted from the definition of ex parte communications.

The Commission believes that these rules are necessary to avoid the possibility of prejudice, real or apparent, to the public interest. To maintain public confidence in agency proceedings, it is important that efforts to influence official actions be regulated in this manner.

The revised rules apply to communications made to Commissioners and all individuals serving under their personal supervision. The Commission also plans to consider recommendations for internal guidelines in this area for communications by Commissioners and Commission employees. References in the interim rules to ex officio Commissioners and their Special Deputies have been deleted following the D.C. Circuit's opinion in *FEC* v. *NRA Political Victory Fund*, No. 91–5360 (D.C. Cir., October 22, 1993). Should this decision be reversed, the Commission will consider what further action is necessary.

Discussion of Revised Interim Rules

Section 201.1. Purpose and Scope

This section summarizes the contents of this revised part.

Section 201.2. Definitions

This section defines the various terms used in this part.

Paragraph (a)(1) of the former rules defined "ex parte communication" for purposes of Commission audits and litigation, while paragraph (a)(2) defined the term in the context of agency rulemakings and advisory opinions. These definitions have been combined into paragraph (a) of the revised rules, which defines an "ex parte communication" as any written or oral communication made to a Commissioner or a member of a Commissioner's staff by any person outside the agency, concerning substantive Commission action in the public funding process, or any ongoing Commission audit, litigation matter, rulemaking, or pending advisory opinion request.

Paragraph (a) of the former rules further defined ex parte communications to include any written or oral substantive communication made *by* any Commissioner or any member of a Commissioner's staff to any person outside the agency. On reflection, the Commission has decided that these classes of communications should be handled differently, and that the rules themselves should be limited to incoming communications seeking to influence Commission action. Accordingly, references to outgoing communications found in the interim rules have been deleted. However, the Commission will be considering an internal agency directive that will govern outgoing communications by Commissioners and members of Commissioner's staffs.

Paragraph (b) is new, and for the first time provides a definition of what is not an ex parte communication.

One commenter suggested that, since the purpose of these rules is to regulate private, off-the-record contacts, the interim rules be amended to exclude statements made in a public forum. The Commission agrees, and therefore in paragraph (b)(1) has excluded public statements made at public conferences and similar events by any person from the definition of ex parte communication.

Paragraph (b)(2) excludes procedural status discussions of open proceedings that are intended to influence and do not have the effect of influencing Commission consideration under all circumstances covered by these rules. The former rules had required that such inquiries be referred to the appropriate staff person.

Paragraph (c) defines "Commissioner" as an individual appointed by the President to the Federal Election Commission pursuant to 2 U.S.C. 437c(a).

Paragraph (d) defines "Commissioner's staff" to include all individuals working under the personal supervision of a Commissioner, including executive assistants and executive secretaries.

Section 201.3. Public Financing, Audits and Litigation

Ex parte communications made in connection with public financing, audits, and litigation are generally prohibited. However, the prohibition regarding litigation has been narrowed to cover only those communications that relate to a pending Commission decision on a particular case, such as whether to settle or appeal. This change will permit Commissioners to respond to inquiries regarding court decisions, apart from matters requiring further Commission deliberations. Since this is discussed in the section's introductory matter, paragraph (b)(3), which formerly dealt with this topic, has been deleted.

The former rules prohibited ex parte communications in connection with Commission audits. In addition, the Commission specifically invited comments on whether broader rules should be adopted that would apply from the time a candidate or committee sought eligibility to receive federal matching funds.

While none of the commenters or witnesses specifically addressed this point, the Commission has decided that the same circumstances that justify the imposition of a total ban on ex parte communications in connection with Commission audits are also present throughout the matching fund process. Questions that arise in connection with eligibility for funding are potentially as sensitive as those that arise in the subsequent audit. The fact that committees applying for public funds know in advance that their records will be audited increases the possibility that contacts made during the eligibility process will impact on the subsequent audit.

Paragraph (b)(1) states that this ban applies from the time a candidate or committee initiates proceedings to participate in the matching fund process. In the case of presidential candidates and committees, this occurs when a primary election candidate submits to the Commission the letter required by 11 CFR 9033.1(a), or presidential and vice presidential candidates submit the letter required by 11 CFR 9003.1(a)(1). The ban applies to committees seeking convention funding from the date on which a committee registers with the Commission as required by 11 CFR 9008.12(a)(1) or 9008.12(b)(1). In each instance the ban remains in effect until the start of the audit process, which is subject to its own ban.

The Commission is required to audit the records of any presidential campaign that receives payments from the Presidential Election Campaign Fund. 26 U.S.C. 9007(a), 9009(b), 9038(a), 9039(b). If a party receives funding for its presidential nominating convention, the Commission is required to audit the records of the party's convention committee. The Commission is also required to audit the records of all convention host committees. 26 U.S.C. 9008 (g) and (h), 11 CFR 9008.9.

Paragraph (b)(2)(i) states that, for all public financing audits, the prohibition on ex parte communications begins when the Commission sends a letter to the committee asking that it make a pre-inventory check of its records prior to the commencement of audit fieldwork by the Commission. Commissioners' offices will be provided with contemporaneous copies of these letters.

The prohibition on audits of all publicly funded committees extends until the end of the audit process. This occurs when the Commission issues a final audit report ["FAR"], if the report does not contain a repayment determination. If the FAR contains a repayment determination, the process ends when the United States Treasury receives the final repayment check from the committee, or when the Commission authorizes suit to pursue the repayment.

The Commission is also authorized under its general administrative authority, 2 U.S.C. 438(b), to conduct audits for cause of any political committee that is required to file campaign finance reports under the Federal Election Campaign Act's general reporting requirement, 2 U.S.C. 434.

Under paragraph (b)(2)(ii), when an audit is conducted pursuant to 2 U.S.C. 438(b), the prohibition on ex parte communications takes effect when the Commission's staff circulates a document for Commission approval containing a proposed referral to undertake an audit, and extends until the Commission publicly issues the final audit report. If the matter is referred to the Office of General Counsel and there is reason to believe that a violation has occurred, the prohibition on ex parte communications made in connection with an enforcement matter,

found at 11 CFR 111.22, becomes applicable.

Paragraph (c)(1) states that a Commissioner or member of a Commissioner's staff who receives a prohibited communication shall attempt to prevent the communication. If the Commissioner or staff member is unsuccessful in this effort, he or she shall advise the person making the communication that it will not be considered.

Under paragraph (c)(2), if the Commissioner or staff member is unable to prevent the communication, he or she shall prepare a statement setting forth the substance and circumstances of the communication as soon after the communication as is reasonably possible, but no later than three business days after its receipt, unless special circumstances make this impracticable, or prior to the next Commission discussion of the matter, whichever is earlier. The term "special circumstances" includes such situations as illness and travel that can prevent more timely filing.

The statement must be delivered to the Designated Agency Ethics Official for placement in the file of the public finance matter, litigation case or audit. A copy of written comments must be filed with the Designated Agency Ethics Official within the same time period. This is similar to the Commission's existing rules regarding enforcement matters.

The new and former rules interrelate so that, if an audit or enforcement matter leads to litigation, the ban on ex parte communications extends from the start of the audit or enforcement action through the conclusion of any related litigation. The ban applies to both written and oral communications.

Paragraph (c) of the former rules required a Commissioner or member of a Commissioner's staff who received a request for the procedural status of an audit or litigation case to refer the inquiry to the appropriate Commission staff. This paragraph has been deleted, and its subject matter addressed in paragraph (b)(3) of section 201.2, *supra*. As already noted, that paragraph allows responses to such inquiries in ongoing proceedings.

Section 201.4. Rulemaking Proceedings and Advisory Opinion Requests

The Commission encourages members of the public to state their views on rulemakings and advisory opinion requests in writing, during the public comment period on each such matter. Communications prior to the start of a rulemaking proceeding or the receipt of an advisory opinion request are also welcome.

All comments received ruing the public comment period for a rulemaking or advisory opinion request are made part of the public record. The Commission believes that this approach should also be taken with regard to ex parte communications received during or after a public comment period, so that all persons will have equal notice of the information before the Commission.

Paragraph (a) provides that a Commissioner or member of a Commissioner's staff who receives written comments on a rulemaking or advisory opinion once the rulemaking or advisory opinion process has started shall transmit the communication to the Commission Secretary as soon after the communication as is reasonably possible, but no later than three business days after receipt unless special circumstances make this impracticable; or prior to the next Commission discussion of the matter, whichever is earlier. If a Commissioner or member of a Commissioner's staff has a discussion that would qualify as an ex parte communication regarding a rulemaking proceeding or advisory opinion during the pertinent time period, he or she shall, within the same time frame, summarize the conversation in writing and transmit this summary to the Commission Secretary.

All such communications and/or summaries become part of the public record. The term "special circumstances" will be applied under this section in the same manner as under section 201.3(c)(2), *supra*.

As previously noted, the former rules governed all ex parte communications both made and received by Commissioners and members of their staffs. However, some commenters discussing advisory opinions and the rulemaking process argued that ex parte communications with the potential to influence Commission action are generally those communications made *to* decision-makers, and not *by* them. Further, some argued that Commission officials should be encouraged to solicit outside comments on these matters, so as to become as well informed as possible regarding the merits of different positions. The Commission believes this point is well taken, and will consider addressing it as part of the agency directive governing ex parte communications by Commissioners and members of Commissioners' staffs.

The Commission notes, however, that substantive responses to communications by Commissioners are covered by these rules under all circumstances. For example, if a Commissioner contacts a person to request that that person provide views on a pending rulemaking, that contract would not be considered an ex parte communication nor would a statement by a Commissioner indicating his or her own views on the matter. However, any substantive response by the other party would trigger application of the rules; and any written response would have to be included on the public record (either from the commenter or the Commissioner).

One commenter suggested that the Commission shift the responsibility for summarizing an oral communication covered by this section to the outside party. However, the Commission believes that handling this internally will help insure timely summaries.

Some commenters suggested that those making oral ex parte communications be given an opportunity to review the summary of their comments before this is placed on the public record. The Commission believes that this would unnecessarily slow the disclosure process. The fact that the summaries are made part of the public record means that they will be readily available to any interested party.

Under paragraph (b)(1), the applicable period for rulemaking proceedings begins on the date a petition for rulemaking is circulated to Commissioners' offices, or the date on which a proposed rulemaking document is first placed on an agenda of a Commission public meeting. It extends through the conclusion of the rulemaking. This can occur at different times, depending on the course of a particular rulemaking: e.g., when a rulemaking petition is denied; when the reconsideration process regarding a petition is concluded; when final rules are promulgated after transmittal to Congress; or when the Commission concludes its consideration of any congressional action relating to a pending rule.

Under paragraph (b)(2), the rules apply in the case of advisory opinions from the time a request for an advisory opinion is circulated to Commissioners' offices, through the date the opinion is issued. The disclosure requirements also apply during any reconsideration of an advisory opinion, and any discussion of reconsideration.

Section 201.5 Sanctions

Some commenters suggested that the Commission add language on possible actions against those who violate these provisions. The Commission agrees that this is appropriate, and has therefore created a new section, 11 CFR 201.5, for

this purpose. The new section provides that a person who becomes aware of a possible violation shall notify the Designated Agency Ethics Official in writing of the facts and circumstances of the alleged violation. The Designated Agency Ethics Official shall recommend to the Commission the appropriate action to be taken, and the Commission shall determine the appropriate action by at least four votes.

Certification of No Effect Pursuant to 5 U.S.C. 605(b) [Regulatory Flexibility Act]

The attached interim regulations will not have a significant economic impact on a substantial number of small entities. The basis for this certification is that no small entities are impacted under these rules.

List of Subjects in 11 CFR Part 201

Administrative practice and procedure.

For the reasons set out in the preamble, part 201 of subchapter B, chapter I of title 11 of the Code of Federal Regulations is revised to read as follows:

PART 201—EX PARTE COMMUNICATIONS

Sec.
201.1 Purpose and Scope
201.2 Definitions
201.3 Public Funding, Audits and Litigation
201.4 Rulemaking Proceedings and Advisory Opinions
201.5 Sanctions

Authority: 2 U.S.C. 437d(a)(8), 437f, 438(a)(8), 438(b); 26 U.S.C. 9007, 9008, 9009(b), 9038, 9039(b).

§ 201.1 Purpose and scope.

This part prescribes procedures for handling ex parte communications made in connection with public funding, Commission audits, litigation, rulemaking proceedings and the advisory opinion process. Rules governing such communications made in connection with Commission enforcement actions are found at 11 CFR 111.22, while provisions setting forth employee responsibilities under the Commission's Standards of Conduct rules are found at 11 CFR 7.15.

§ 201.2 Definitions.

As used in this part:

(a) *Ex parte communication* means any written or oral communication by any person outside the agency to any Commissioner or any member of a Commissioner's staff which imparts information or argument regarding prospective Commission action or potential action concerning:

(1) Any candidate or committee applying for or participating in the public funding process, or

(2) Any ongoing audit, or

(3) Any pending litigation matter, or

(4) Any pending rulemaking, or

(5) Any pending advisory opinion request.

(b) Ex parte communications does not include the following communications.

(1) Statements by any person publicly made in a public forum; or

(2) Statements or inquiries by any person limited to the procedural status of an open proceeding involving an application for public funding, a rulemaking, an advisory opinion request, an audit being conducted pursuant to 26 U.S.C. 9007 (a) and (b), 9008 (g) and (h), or 9038 (a) and (b), or a litigation matter.

(c) *Commissioner* means an individual appointed by the President to the Federal Election Commission pursuant to 2 U.S.C. 437c(a).

(d) *Commissioner's staff* means all individuals working under the personal supervision of a Commissioner including executive assistants and executive secretaries.

§ 201.3 Public funding, audits and litigation: Ex parte contacts prohibited.

(a) In order to avoid the possibility of prejudice, real or apparent, to the public interest in Commission decisionmaking during the public funding process, in audits undertaken by the Commission, and in any litigation to which the Commission is a party, no person outside the agency shall make or cause to be made to any Commissioner or any member of any Commissioner's staff any ex parte communication regarding any candidate or committee's eligibility for or entitlement to public funding; any audit; or any pending or prospective Commission decision regarding litigation, including whether to initiate, settle, appeal, or seek certiorari, or any other decision concerning a litigation matter; nor shall any Commissioner or member of any Commissioner's staff entertain any such ex parte communications.

(b) The requirements of this section apply:

(1) In the case of public funding, from the time a primary election candidate submits to the Commission the letter required by 11 CFR 9033.1(a), Presidential and Vice Presidential candidates submit to the Commission the letter required by 11 CFR 9003.1, or a committee seeking convention funding registers with the Commission as required by 11 CFR 9008.12(a)(1) or 9008.12(b)(1), until the start of the audit process.

(2) (i) In the case of an audit undertaken pursuant to 26 U.S.C. 9007 (a) and (b), 9008 (g) and (h), or 9038 (a) and (b), from the date of the Commission's letter to a presidential campaign committee, a convention committee, or a host committee asking that it make a pre-inventory check of its records, prior to the commencement of audit fieldwork by the Commission, through the end of the audit process; and

(ii) In the case of an audit undertaken pursuant to 2 U.S.C. 438(b), from the date the Commission's staff circulates a document for Commission approval containing a proposed referral to undertake an audit, until the Commission publicly issues the final audit report.

(c)(1) A Commissioner or member of a Commissioner's staff who receives an oral ex parte communication concerning any matters addressed in paragraph (a) or (b) of this section shall attempt to prevent the communication. If unsuccessful in preventing the communication, the Commissioner or staff member shall advise the person making the communication that he or she will not consider the communication and shall, as soon after the communication as is reasonably possible but no later than three business days after the communication, unless special circumstances make this impracticable; or prior to the next Commission discussion of the matter, whichever is earlier, prepare a statement setting forth the substance and circumstances of the communication, and deliver the statement to the Designated Agency Ethics Official for placement in the file of the matching fund request, audit or litigation case.

(2) A Commissioner or member of a Commissioner's staff who receives a written ex parte communication concerning any Commission action or potential action concerning any candidate or committee's eligibility for or entitlement to public funding, or any audit, or any prospective Commission decision or action concerning any pending litigation case, during the period described in paragraph (b) of this section shall, as soon after the communication as is reasonably possible but no later than three business days after the communication, unless special circumstances make this impracticable; or prior to the next Commission discussion of the matter, whichever is earlier, deliver a copy of the communication to the Designated Agency Ethics Official for placement in the file of the audit or litigation case.

§ 201.4 Rulemaking Proceedings and Advisory Opinions: Ex Parte Contacts Reported.

(a) A Commissioner or member of a Commissioner's staff who receives an ex parte communication concerning any rulemaking or advisory opinion during the period described in paragraph (b) of this section shall, as soon after the communication as is reasonably possible but no later than three business days after the communication unless special circumstances make this impracticable, or prior to the next Commission discussion of the matter, whichever is earlier, provide a copy of a written communication or a written summary of an oral communication to the Commission Secretary for placement in the public file of the rulemaking or advisory opinion. The Commissioner or staff member shall advise any person making an oral communication that a written summary of the conversation will be made part of the public record.

(b) The requirements of paragraph (a) of this section apply:

(1) In the case of a rulemaking proceeding, from the date a petition for rulemaking is circulated to Commissioners' offices, or the date on which a proposed rulemaking document is first circulated to the Commission or placed on an agenda of a Commission public meeting, through final Commission action on that rulemaking.

(2) In the case of an advisory opinion, from the date a request for an advisory opinion is circulated to Commissioner's offices through the date on which the advisory opinion is issued, and during any period of reconsideration pursuant to 11 CFR 112.6.

§ 201.5 Sanctions.

Any person who becomes aware of a possible violation of this part shall notify the Designated Agency Ethics Official in writing of the facts and circumstances of the alleged violation. The Designated Agency Ethics Official shall recommend to the Commission the appropriate action to be taken. The Commission shall determine the appropriate action by at least four votes.

Dated: November 1, 1993.

Scott E. Thomas,

Chairman, Federal Election Commission.

[FR Doc. 93-27252 Filed 11-9-93; 8:45 am]

BILLING CODE 6715-01-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 25

[Docket No. NM-79, Special Conditions No. 25-ANM-78]

Special Conditions: Boeing Model 777 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final special conditions.

SUMMARY: These special conditions are issued for the Boeing Model 777 airplane. This airplane will have novel and/or unusual design features when compared to the state of technology envisioned in the airworthiness standards of part 25 of the Federal Aviation Regulations (FAR). These special conditions contain the additional safety standards which the Administrator considers necessary to establish a level of safety equivalent to that provided by the airworthiness standards of part 25.

EFFECTIVE DATE: December 10, 1993.

FOR FURTHER INFORMATION CONTACT: Bob McCracken, FAA, Flight Test and Systems Branch, ANM-111, Transport Airplane Directorate, Aircraft Certification Service, 1601 Lind Avenue SW., Renton, Washington 98055-4056; telephone (206) 227-2118.

SUPPLEMENTARY INFORMATION:

Background

On June 18, 1990, the Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124-2207, applied for a type certificate for the new Model 777 airplane. The Model 777 is a long range, transport category airplane powered by two Pratt & Whitney 4073A, Rolls-Royce RB211-Trent 870, or General Electric GE90-B3 engines with 73,500, 71,200, and 74,500 lb. thrust ratings, respectively. The overall length of the Model 777 is 209 feet, the height is 61 feet, and the wingspan is 198 feet. The airplane has a seating capacity in a typical three class configuration of 305 to 328 passengers, or 375 to 400 passengers in a two configuration. The Model 777 has a maximum takeoff weight of 535,000 lbs., a maximum landing weight of 445,000 lbs., a maximum operating altitude of 43,100 ft., and a range of 4,200 nautical miles in a two class configuration or 6,600 nautical miles in a three class configuration.

Type Certification Basis

Under the provisions of § 21.17, Boeing must show that the Model 777 airplane meets the applicable provisions of part 25, as amended by Amendments 25-1 through 25-71. Boeing has also elected to comply with most of part 25 as amended by Amendment 25-77. The type certification basis for the Model 777 is, therefore: Part 25 through Amendment 25-77, except for § 25.571(e)(1), which remains at Amendment 25-71 level; parts 34 and 36, each as amended at the time of certification. Boeing may also elect to comply with subsequent part 25 requirements to facilitate operators' compliance with corresponding part 121 requirements. The certification basis may also include other special conditions that are not relevant to these special conditions.

If the Administrator finds that the applicable airworthiness regulations (i.e., part 25 as amended) do not contain adequate or appropriate safety standards for the Model 777 airplane because of novel and/or unusual design features, special conditions are prescribed under the provisions of § 21.16.

Special conditions, as appropriate, are issued in accordance with § 11.49 after public notice, as required by §§ 11.28 and 11.29(b), effective October 14, 1980, and become part of the type certification basis in accordance with § 21.17(a)(2).

Model 777 Design Features

The structure of the Model 777 is generally of conventional design and construction, but with considerable use of composite materials. Elements of the primary structure (the fin and horizontal tail) are constructed of composites, as are some elements of secondary structure, including the elevators, rudders, flaps, spoilers, ailerons, engine cowls, and main deck floor beams.

The Model 777 utilizes a combination of multiple computer channels and redundant sensors which channel command signals to various control surface actuators in response to programmed control laws. This control architecture, referred to as fly-by-wire (FBW), provides closed loop command to move servo-actuators for the elevators, ailerons, rudder, spoilers, horizontal stabilizer, slats and flaps, and engine power levers. In the unlikely event of simultaneous failure of all digital computers or signalling, a direct control path from the pilot's controllers to the surface actuators is provided through simple analog circuitry.

Hydraulic power for the flight control system is provided by three independent hydraulic systems. Functions are shared among these systems to ensure airplane control in the event of loss of one or two systems. The three systems are pressurized by

variable displacement pumps driven from the engine accessory gearboxes. In addition, the left and right systems have one electrically driven demand pump. The center system can be pressurized by two electrically driven hydraulic pumps. This system also has two air driven demand pumps which use air from the airplane pneumatic system. A ram air turbine (RAT) is also available to provide hydraulic power for the primary flight controls served by the center system.

Normal electrical power is supplied by two integrated drive generators, one on each engine. An electrical generator powered by an auxiliary power unit (APU) is also available. Backup electrical power is available to selected airplane alternating current (AC) busses from two variable speed constant frequency generators, one of which is mounted on each engine. The main direct current (DC) system can also receive power from the backup generators. Primary power for the FBW system is provided by dedicated permanent magnet generators in each of the two backup generator units. The FBW system can alternately receive power from the main DC system or the standby DC system. The standby DC system is powered by a RAT-driven AC generator, which can provide a source of standby electrical power that is not time limited. The RAT is deployed automatically upon loss of all normal and backup AC power sources. A manual deploy feature is available to the flightcrew should the RAT fail to deploy automatically.

The engine control system consists of dual channel, full authority, digital engine controls (FADEC) mounted on the fan case of each engine. The FADEC's are interfaced with the various airplane systems to provide redundant control of the engines through a "hard-wired" throttle angle resolver system. In addition, the throttles move in proportion to commanded changes in engine power, and in the event of a total failure of the engine indicating and crew alerting system (EICAS), analog rotor speeds are available to determine engine power levels. Each FADEC provides gas generator control, engine limit protection, power management, input to the thrust reverser system, and engine parameter inputs for the flight deck displays.

Control inputs are made through conventional flight deck control wheels, columns, and rudder pedals. The flight instruments are displayed on six liquid crystal flat panel displays. Two flat panel displays are mounted directly in front of both the pilot and copilot and display primary flight instruments and navigational information. The other two flat panel displays are located in the center of the instrument panel and display engine parameters, warnings, and system diagnostics.

The type design of the Model 777 contains novel and/or unusual design features not envisioned by the applicable Part 25 airworthiness standards and therefore special conditions are considered necessary.

Discussion of Comments

Notice of Proposed Special Conditions No. SC–93–2–NM for the Boeing Model 777 series airplanes was published in the **Federal Register** on March 10, 1993 (58 FR 13216).

Some of the comments received were of an editorial or clarifying nature and have been incorporated where appropriate. A discussion of the remainder of the comments follows, corresponding to the special conditions as proposed in Notice SC–93–2–NM.

General Comments

One commenter recommends the addition of a special condition that requires physical separation of control/hydraulics and other essential systems to prevent multi-system losses. Another commenter states that there have been concerns regarding an electrical fire disabling the flight control computers on a fly-by-wire airplane, and favors placing redundant computers in different electronic bays. In addition, it is suggested that special fire detection and protection systems be required for the electronic bays. This second commenter suggests adding a special condition that requires physical separation of redundant flight control computers and fire detection/protection in each flight control computer electronic bay. The FAA concurs with the commenters in that these concerns need to be addressed, but does not concur that a special condition is needed. Compliance with the requirements of § 25.1309 of the FAR must be demonstrated, and issues such as those addressed by these commenters are considered under this rule.

One commenter recommends that a backup flight control system be required to provide control capability in the event of a total electrical power loss. The FAA acknowledges that loss of all electrical power systems may be catastrophic in an aircraft utilizing an electronic flight control system. For this reason, Special Condition No. 1, "Operation without normal Electrical Power", is adopted as part of this rulemaking action. Compliance with the requirements of this special condition requires a demonstration that the airplane can continue safe flight and landing with inoperative normal and auxiliary power unit generated power (which excludes the battery and any other standby electrical source). The FAA does not concur that a special condition requiring a backup flight control system is appropriate when compliance with the requirements of Special Condition No. 1 will ensure that power to the primary control system is available.

Special Condition No. 1, "Operation Without Normal Electrical Power"

Other than the comments noted in the above section addressing *General Comments*, there were no comments received on this proposed special condition and it is adopted as proposed.

Special Condition No. 2, "Command Signal Integrity"

One commenter suggests that there should be an indication of how much signal corruption can be tolerated while still being able to maintain desired gain and phase margins. The same commenter notes that the last statement in paragraph (b) of the proposed special condition does not specify a frequency range for "minor instabilities," and states that this contradicts the previous statement that no sustained oscillations must occur over the operating frequency range. In summary, the commenter requests that "The 'minor instabilities' or 'small amplitude undamped oscillations' terms should be better defined to explain where oscillations can exist and not affect system performance (i.e., they are tolerable), versus where they are intolerable." The FAA would find it difficult to define the pass/fail limit of signal corruption that may be tolerated. An ultimate design would be no residual oscillations at any frequency. Clearly, there is an amplitude level below which the instabilities or oscillations have an insignificant effect on the aerodynamic loop or any component in that loop. The special condition has been written to define the design goal rather than the design detail. Failures resulting from signal corruption that have an effect on system performance will be addressed during the certification process through review of the applicant's proposed certification plan. Any such failures that could result in a hazardous condition will be addressed by the FAA through review of system description and failure analysis documents, ground tests, flight tests, and piloted simulation. This special condition is adopted as proposed.

Special Condition No. 3, "Protection From Lightning and Unwanted Effects of High Intensity Radiated Fields (HIRF)"

One commenter states that paragraph (a) of this special condition should address the unique design considerations of extensive composite materials and the "internal" lightning environment that can be created when a lightning strike burns through the composite and arcs into aircraft wiring. The FAA does not concur. A definition of the lightning environment is provided in the preamble to the special condition on lightning. It is the responsibility of the airplane designer to ensure that the systems and equipment installed in the airplane are adequately protected against the lightning environment regardless of the materials used to construct the airplane.

The same commenter states that the criticality relating to HIRF should be discussed as lightning criticality is and recommends the addition of a paragraph (b)(2) in parallel with (a)(2) in this regard. The commenter also states that the loss of an essential function due to HIRF could have the same impact on the safety level of the airplane as the loss of an essential function due to lightning. For this reason, the commenter believes that electrical and electronic systems that perform essential functions should be HIRF-protected and lightning-protected to an equivalent extent. The FAA is continuing to study this issue and may consider regulatory action in this regard in the future. Until this issue is decided, the FAA has determined that protection requirements for HIRF for systems that perform critical functions should be required; incorporation of HIRF protection requirements for systems performing essential functions will not be considered at this time. Influencing this decision is the determination by the FAA that the likelihood of encountering a lightning strike is greater than that of encountering HIRF.

This commenter also notes that the action integral value of the multiple stroke is different than the one specified in Advisory Circular (AC) 20–136. The FAA concurs. This is a typographical error, and the value for the action integral should be 0.062, as specified in the AC. The value for the action integral has been changed accordingly.

The commenter also notes that the general discussion following the wave form chart concerning HIRF protection is limited to digital avionics systems only and recommends that the wording be revised to address all critical electrical/electronic systems, such as FADEC. The FAA concurs that HIRF protection should be applicable to all electrical/electronic systems that perform critical functions, and has revised the discussion of this special condition accordingly. The proposed special condition related to HIRF is applicable to "each electrical and electronic system that performs critical functions * * *".

The commenter also requests that in the second paragraph following the wave form chart, the requirements for the pass/fail criteria and the operational mode of the system under test should be clearly identified, i.e., whether the system under test is allowed to be upset. The commenter believes that the mode of system operation during HIRF testing should be specified, as well as the basis of test procedures (i.e., Section 20, Radio Technical Commission for Aeronautics RTCA/DO160C, and/or Society of Automotive Engineers (SAE) Subcommittee AE4R documents). While the FAA does not concur that this level of detail is needed in the actual special condition, the acceptability of the test procedures identified in the RTCA and SAE documents referenced by the commenter has been added in the discussion following the special condition. In addition, it should be noted that pass/fail criteria, system operating modes during testing, and the test procedures will be contained in the certification test plan and approved by the FAA prior to the tests being conducted.

This special condition is adopted with the changes noted above.

Special Condition No. 4, "Effect of Flight Control Systems on Structures"

One commenter recommends that subparagraph (c)(1)(iii) of this special condition be revised to read, "Nothwithstanding subparagraph (1) of this paragraph, failures of the system that result in forced structural vibrations (oscillatory failures) where the system cannot be alleviated or turned off must not produce peak loads * * *." The commenter believes that this change harmonizes the content of the special condition with similar Joint Airworthiness Requirements (JAR). The FAA does not concur. The change proposed by the commenter does not meet the harmonization goal because it does not consider the peak loads that produce detrimental deformation of primary structure before the system can be turned off. It is important that the oscillatory loads do not damage primary structure either before or after the system is turned off. The FAA is working to resolve this issue as part of an ongoing effort to achieve harmonization of the FAR/JAR.

The commenter also proposes eliminating subparagraph (d)(3) of this special condition since, according to the commenter, the requirements of this paragraph are more than adequately defined in subparagraph (d)(2). The FAA does not concur. Subparagraph (d)(2) applies to all structural considerations, including aeroelasticity and loads, while subparagraph (d)(3) addresses only structural loads and provides specific minimum design criteria.

The special condition is adopted as proposed.

Special Condition No. 5, "Design Maneuver Requirements"

One commenter notes that proposed subparagraph (c)(1) of this special condition specifies that, in computing tail loads for yaw maneuvers, the yaw rate may be assumed to be zero. The commenter questions whether zero yawing velocity will give the worst case loads for the type of inputs described (maximum pedal input as a step-time function). If not, the commenter believes the yaw rate should be considered along with other dynamics, as appropriate. The FAA does not concur. The assumption that the initial yaw rate is zero does not represent a change from the current requirements of the FAR. There is nothing novel or unusual in the design of the Model 777 that would require special consideration in this regard. This special condition is therefore adopted as proposed.

Special Condition No. 6, "Limit Engine Torque Loads for Sudden Engine Stoppage"

One commenter states that the wording in paragraph (b)(3) of this special condition is confusing relative to the actual ultimate load, and recommends that the last sentence of that subparagraph be revised to read, "The loads specified above must be multiplied by a factor of 1.25 to determine the required strength of the adjacent wing and fuselage structure." The FAA agrees that this paragraph may be confusing to some and has revised the wording slightly for clarity. The 1.25 factor alone does not indicate whether this is a limit condition or an ultimate load condition when applied to the wing and fuselage. There are several places in the regulations where factors are applied to a given load to define a limit load condition. The limit load thus defined will require a safety factor of 1.5 to obtain ultimate loads. Where an ultimate load is specified, no other factor is required.

One commenter expresses concern regarding the deformation that may

occur in the support structure following an engine seizure, and requests that the FAA specify that either the resulting deformation will not result in an aerodynamic drag increase, or that the adverse aerodynamic effects are accounted for. The FAA does not concur. There is not expected to be a significant drag increase associated with the amount of deformation allowed in the support structure resulting from the seizure event. Yielding in the wing or fuselage local structure would not be permitted for either loading condition.

Boeing, the applicant, comments that the 777 engine installations are larger, but not significantly different, than those on previously certified transports, and the current regulations are sufficient and appropriate for the 777 design. Therefore, they contend that there is no need for a special condition. The FAA does not agree. The regulatory requirement that addresses design criteria to deal with engine torque effects resulting from sudden engine stoppage was developed in CAR 4b.216(a)(4) in 1957 (Amendment 4b–6) and was promulgated into § 25.361. Those criteria were developed for turbojet and low by-pass ratio turbofan engine installations. The new generation of large high-bypass turbofan engines being developed for the Model 777 have very large fans that produce failure modes and torque loads that were not envisioned when the regulatory criteria was developed in 1957. Compliance with the current standards for "engine torque" may be difficult and even then may not result in an acceptable level of safety. The FAA has determined that the new generation of large turbofan engines provides a design challenge sufficiently different from that envisioned in 1957 to justify issuance of a special condition to establish appropriate design standards.

Instead of commenting on the specific provisions of the proposed special condition, Boeing offers its interpretation of the applicable regulatory requirement. Boeing proposes to comply with certain aspects of the limit load conditions defined in § 25.361(b), by considering only certain types of engine failures such as a compressor jam or an engine surge at maximum continuous thrust, or maximum acceleration of the engine. Boeing states that "it is expected that these events will occur often enough to warrant the application of a 1.5 safety factor." Boeing proposes not to include engine seizure caused by fan blade failures in this category because these are "rare events." However, notwithstanding the requirement to include engine seizure under the limit load provisions (1.5 factor of safety) of § 25.361, Boeing proposes to treat the load produced by an engine seizure (fan blade failure) condition as an ultimate load that "will be defined to comply with § 25.571(e)," Damage-tolerance (discrete source) evaluation." It adds that "these would be rare or worst case failure conditions such as fan blade failure at the engine maximum rotational operating speed (redline rpm)." Boeing believes this is consistent with the requirements of part 33 which treat all failure conditions as ultimate load events. Boeing contends that the separation and treatment of engine malfunction and failure events into two categories as described above is "conservative."

The FAA neither concurs with Boeing's interpretation of the current airworthiness requirements nor agrees that its proposed criteria are conservative. The airworthiness regulations do not permit compliance in the manner proposed by Boeing. The provisions of § 25.361(b) require that malfunctions and structural failures such as compressor jamming be treated as limit load conditions. Fan blade failures, which may produce engine rotor seizure, are structural failures as well and have always been treated as limit road events under the current rule. A multiplying factor of 1.5 to obtain ultimate loads for this condition for the engine mount and supporting structure is required by the provisions of § 25.303.

In regard to subparagraph (b)(3) of the proposed special condition that addressed the structural design criteria for the engine strut-to-wing interface, Boeing comments further that additional protection may also be provided to the adjacent wing and fuselage structure by incorporation of additional design features such as structural fuses in the strut-to-wing interface. Boeing states that "these fuses prevent the failure of wing and fuselage primary structure in the event of an overload." The FAA does not agree with the principle that structural fuses could be used in lieu of adequate structural strength to carry the expected load. Structural fuses, however, may play a useful role in protecting critical structures from loads that are outside the design envelope of the airplane. The engine seizure event is considered within the design envelope of the airplane. It has been demonstrated in service that fuse pins that are designed to fail under a predicted load in a certain direction will not always fail as predicted when subjected to a load acting in a different direction.

The FAA has determined that the current regulation does not permit compliance in the manner proposed by Boeing since Boeing proposes to use reduced factors of safety for certain engine failure modes. However, this special condition provides a reduction in the safety factor required by the current airworthiness regulations for the engine mounts and supporting structure. The level of safety is maintained by allowing for energy absorption through deformation in the engine mounts and supporting structure and by providing additional structural design criteria for primary wing and fuselage support structure.

In addition, the FAA has made some nonsubstantive clarifying changes to the wording of this special condition to more accurately reflect the intent.

Special Condition No. 6 is adopted with the changes noted above.

Special condition No. 7, "Flight Characteristics Compliance via Handling Qualities Rating Method"

One commenter notes that if the control laws provide neutral longitudinal stability, this special condition must address §§ 25.173 and 25.175. The FAA does not concur. The proposed Model 777 control laws do not provide "neutral static stability" as suggested by the commenter. The manufacturer's goal is for the handling qualities of this airplane to be similar to current generation Boeing airplanes, including the current positive longitudinal stability characteristics. Because Boeing intends to comply with §§ 25.173 and 25.175 of the FAR, special conditions are not required in this area.

The commenter also states that "This Special Condition lacks a matrix of flight conditions/atmospheric conditions/flight envelopes to be evaluated by means of flight testing and/or simulation, a definition of "performance criteria," and a definition of the Model 777 control laws. The FAA does not concur that these elements need to be added to the special condition. At the level of a rule, this special condition does provide the primary matrix elements required to be considered for compliance, i.e., airplane state, atmospheric disturbance level, and flight envelope. For advisory material to assist Boeing in demonstrating compliance with this special condition, the FAA has prepared more detailed interpretations of the matrix elements, including handling qualities tasks. For the purposes of this special condition, the term "performance criteria" refers to a level of handling qualities characteristics, for common scenarios and failure conditions, comparable to airplanes already certified to current part 25 standards. As noted above, more

detailed guidance has been prepared by the FAA to assist the applicant in understanding appropriate performance criteria for demonstrating compliance with this special condition. The intent of this special condition is not to define the control laws of the Model 777, or any other airplane. This special condition defines the minimum flight characteristics requirements for an airplane equipped with an electronic flight control system, as generally described in the "Model 777 Design Features" section of the notice. Unlike some other fly-by-wire airplanes, special conditions are not required for the Model 777 in the areas of static-longitudinal/lateral-directional stability, hard flight envelope limiting, or on the use of side stick controllers, because this airplane does not have such design features. Consequently, discussions of the Model 777 design are limited to the area and scope necessary to address the portions of the current part 25 requirements that are not adequate for this particular airplane design.

Special Condition No. 7 is adopted as proposed.

Special Condition No. 8, "Electronic Flight Control System: Control Surface Awareness"

One commenter believes that this special conditions is in the response to concerns following the A–320 flight control degradation caused by damaged control surfaces that occurred in France. The FAA disagrees. This special condition was applied to the Airbus Model A–320 series airplanes prior to certification and has been applied to all "fly-by-wire" (FBW) part 25 certification programs since that time. This special condition was not generated as the result of any specific air transport incident/accident; rather, it was written as a general requirement to prevent the flight controls from becoming adversely "saturated" (near fully authority without flightcrew awareness).

The commenter goes on to state that, "In past generation aircraft using either mechanical or hydraulic control, a lack of aircraft response was readily apparent to the pilot. Pilots had learned through experience what would be the aircraft response following a given input * * *. The basic philosophy is that technological improvements should result in greater capabilities but never a decrease in capability. In the case of degraded control effectiveness, the pilot is probably not aware of the deflection the computer is calling for in order to get a desired response. This is in essence a decrease in capability and calls for compensating factors." The FAA does not occur. The Model 777 flight control system in the roll and yaw axes comprises a surface position command system rather than a rate command system. Like current generation airplanes with hydraulic flight controls, any degradation in the flight control system would be immediately seen in terms of decreased aircraft response to a given control input. Because pilot familiarity with expected roll/yaw response will remain as it is today, there is no decrease in capability and no compensating factors are required. In the pitch axis, the Model 777 has a command augmentation control law using only pitch rate feedback. If the commanded pitch control deflection does not achieve the scheduled pitch rate, the FBW control will continue to increase elevator deflection until it has, or until the elevator reaches its maximum deflection. Therefore, the pilot will achieve the desired (normal) reaction to the control input unless the elevator reaches a limit. If the probability of this condition occurring is greater than extremely improbable, the required control surface awareness warning would indicate to the pilot that an adverse control surface saturation is about to occur. In other words, the airplane response is not "normal." It should be emphasized that through the use of this special condition, the FAA has asked for control surface awareness only where it is needed. If the need for this capability cannot be shown for any likely operating condition, then the lack of such capability should not be seen as a decrease in capability. Fly-by-wire does allow other types of advances, such as envelope limiting, the lack of which are not seen as "decreased capability" in conventional control airplanes certified in the FBW era.

The commenter further states, "We think that the modern flight control computers are smart enough to know what aircraft response should occur following a given input. Hence, we would like to see a SC which requires a continuous comparison of expected versus actual response. In addition an annunciation should be given to the pilot whenever the input/response is not as expected." The FAA does not concur. Although flight control computers may be "smart enough" to be self-monitoring in terms of aircraft response versus control input in a controlled environment, this would be an extremely difficult task in the flight environment. To operate properly in the flight environment, the flight control computer must be able to predict an expected response to a given control input, anywhere in the flight envelope, with any combination of the following variables: Speed, altitude, center of gravity, power setting, landing gear/flap/spoiler configuration, and potential degraded system status (hydraulic system failure, one engine inoperative, etc.). The effects of environmental conditions (gust upset, turbulence etc.) must also be accounted for in determining a "proper response." All of the above would need to be accomplished while keeping nuisance warnings to an absolute minimum, including the case of control surface saturation due to the flightcrew commanding full control input.

The commenter also recommends that the FAA "Change the SC to require the flight control computer to continuously monitor the aircraft response versus the pilot input and annunciate any discrepancy." The FAA does not concur. To require such a capability would introduce a significant increase in system complexity, cost, and exposure to additional potential failure modes. This capability is not necessary due to the system architecture of the Model 777. The added complexity would not add significantly to the attainment of the intent of this special condition, and the FAA has determined that this change in the special condition is inappropriate for this airplane.

Special Condition No. 8 is adopted as proposed.

Conclusion

This action affects only certain unusual or novel design features on one model series of airplanes. It is not a rule of general applicability and affects only the manufacturer who applied to the FAA for approval of these features on the airplane.

List of Subjects in 14 CFR Part 25

Aircraft, Aviation safety, Federal Aviation Administration, Reporting and recordkeeping requirements.

The authority citation for these special conditions is as follows:

Authority: 49 U.S.C. app 1344, 1348(c), 1352, 1354(a), 1355, 1421 through 1431, 1502, 1651(b)(2); 42 U.S.C. 1857f–10, 4321 et seq.; E.O. 11514; and 49 U.S.C. 106(g).

The Special Conditions

Accordingly, the following special conditions are issued as part of the type certification basis for the Boeing Model 777 series airplanes.

1. *Operation Without Normal Electrical Power.* In lieu of compliance with § 25.1351(d), it must be demonstrated by test, or combination of test and analysis, that the airplane can continue safe flight and landing with

inoperative normal engine and APU generator electrical power (electrical power sources excluding the battery and any other standby electrical sources). The airplane operation should be considered at the critical phase of flight and include the ability to restart the engines and maintain flight for the maximum diversion time capability being certified.

The emergency electrical power system must be designed to supply:

1. Electrical power required for immediate safety, which must continue to operate without the need for crew action following the loss of the normal engine (which includes APU power) generator electrical power system.

2. Electrical power required for continued safe flight and landing.

3. Electrical power required to restart the engines.

2. *Command Signal Integrity.* In addition to compliance with § 25.671 of the FAR:

(a) It must be shown that the Primary Flight Control System (PFCS) signals cannot be altered unintentionally, or that the altered signal characteristics are such that:

(1) Stable gain and phase margins must be maintained for all aerodynamically closed loop systems, excluding pilot in the loop control.

(2) Sufficient pitch, roll, and yaw control power must be available to provide control for continued safe flight and landing, considering all the malfunctions that are not extremely improbable.

(3) The effect of spurious signals on the systems which are included in the aerodynamic loop must not result in unacceptable transients or degradation of the airplane's performance. Specifically, signals that would cause a significant uncommanded motion of a control surface actuator must be readily detected and deactivated or the surface motion must be arrested by other means in a satisfactory manner. Small amplitude residual system oscillations may be acceptable.

(4) The change of mode in one of the flight critical control systems must not be greater than 10^{-5}/flt. hr. This applies to the primary flight control systems. A change of mode can be caused by an automatic switching from the normal (i.e., full-up system) to the secondary mode. The effects of latent failures must be considered in demonstrating compliance with this special condition.

(b) It must be demonstrated that uncommanded sustained oscillations, the result of coupling between electronic or electrical command signals, and the motion of the mechanical actuator drive system together with the interfacing structural components, do not occur over the spectrum of operating frequencies. The effects of minor instabilities may be acceptable provided they are thoroughly investigated, documented, and understood.

3. *Protection From Lightning and Unwanted Effects of High Intensity Radiated Fields (HIRF).*

a. *Lightning Protection.* (1) Each electrical and electronic system that performs critical functions must be designed and installed to ensure that the operation and operational capability of these systems to perform critical functions are not adversely affected when the airplane is exposed to lightning.

(2) Each essential function of electrical or electronics systems or installations must be protected to ensure that the function can be recovered in a timely manner after the airplane has been exposed to lightning.

(b) *Protection From Unwanted Effects of High-Intensity Radiated Fields (HIRF).* Each electrical and electronic system that performs critical functions must be designed and installed to ensure that the operation and operational capability of these systems to perform critical functions are not adversely affected when the airplane is exposed to high-intensity radiated fields external to the airplane.

(c) The following definitions apply with respect to these special conditions:

Critical Function. Functions whose failure would contribute to or cause a failure condition that would prevent the continued safe flight and landing of the airplane.

Essential Functions. Functions whose failure would contribute to or cause a failure condition that would significantly impact the safety of the airplane or the ability of the flightcrew to cope with adverse operating conditions.

Discussion

Lightning: To provide a means of compliance with these special conditions, clarification of the threat definition for lightning is needed. The following "threat definition," based on FAA Advisory Circular 20–136, Protection of Aircraft Electrical/Electronic Systems Against the Indirect Effects of Lightning, dated March 5, 1990, is proposed as a basis to use in demonstrating compliance with the lightning protection special condition.

The lightning current waveforms (Components A, D, and H) defined below, along with the voltage waveforms in Advisory Circular (AC) 20–53A, will provide a consistent and reasonable standard which is acceptable for use in evaluating the effects of lightning on the airplane. These waveforms depict threats that are external to the airplane. How these threats affect the airplane and its systems depend upon their installation configuration, materials, shielding, airplane geometry, etc. Therefore, tests (including tests on the completed airplane or an adequate simulation) and/or verified analyses need to be conducted in order to obtain the resultant internal threat to the installed systems. The electronics systems may then be evaluated with this internal threat in order to determine their susceptibility to upset and/or malfunction.

To evaluate the induced effects to these systems, three considerations are required:

1. *First Return Stroke:* (Sever Strike—Component A, or Restrike—Component D). This external threat needs to be evaluated to obtain the resultant internal threat and to verify that the level of the induced currents and voltages is sufficiently below the equipment "hardness" level.

2. *Multiple Stroke Flash:* (½ Component D). A lightning strike is often composed of a number of successive strokes, referred to as multiple strokes. Although multiple strokes are not necessarily a salient factor in damage assessment, they can be the primary factor in a system upset analysis. Multiple strokes can induce a sequence of transients over an extended period of time. While a single event upset of input/output signals may not affect system performance, multiple signal upsets over an extended period of time (2 seconds) may affect the systems under consideration. Repetitive pulse testing and/or analysis needs to be carried out in response to the multiple stroke environment to demonstrate that the system response meets the safety objective. This external multiple stroke environment consists of 24 pulses and is described as a single Component A followed by 23 randomly spaced restrikes of ½ magnitude of Component D (peak amplitude of 50,000 amps). The 23 restrikes are distributed over a period of up to 2 seconds according to the following constraints: (1) The minimum time between subsequent strokes is 10 ms, and (2) the maximum time between subsequent strokes is 200 ms. An analysis or test needs to be accomplished in order to obtain the resultant internal threat environment for the system under evaluation.

3. *Multiple Burst:* (Component H). In-flight data-gathering projects have shown bursts of multiple, low

amplitude, fast rates of rise, short duration pulses accompanying the airplane lightning strike process. While insufficient energy exists in these pulses to cause physical damage, it is possible that transients resulting from this environment may cause upset to some digital processing systems.

The representation of this interference environment is a repetition of short duration, low amplitude, high peak rate of rise, double exponential pulses which represent the multiple bursts of current pulses observed in these flight data gathering projects. This component is intended for an analytical (or test) assessment of functional upset of the system. Again, it is necessary that this component be translated into an internal environmental threat in order to be used. This "Multiple Burst" consists of 24 random sets of 20 strokes each, distributed over a period of 2 seconds. Each set of 20 strokes is made up of 20 repetitive Component H waveforms distributed within a period of one millisecond. The minimum time between individual Component H pulses within a burst is 10μs, the maximum is 50μs. The 24 bursts are distributed over a period of up to 2 seconds according to the following constraints: (1) the minimum time between subsequent strokes is 10 ms, and (2) the maximum time between subsequent strokes is 200 ms. The individual "Multiple Burst" Component H waveform is defined below.

The following current waveforms constitute the "Severe Strike" (Component A) "Restrike" (Component D), "Multiple Stroke" (½ Component D), and the "Multiple Burst" (Component H).

These components are defined by the following double exponential

equation: $i(t)=I_o(e^{-at}-e^{-bt})$

where:

t=time in seconds,

i=current in amperes, and

		Severe strike (component A)	Restrike (component D)	Multiple stroke (½ component D)	Multiple burst (component H)
I_o, amp	=	218,810	109,405	54,703	10,57
a, sec^{-1}	=	11,354	22,708	22,708	187,19
b, sec^{-1}	=	647,265	1,294,530	1,294,530	19,105,10

This equation produces the following characteristics;

I_{peak}	=	200 KA	100 KA	50 KA	10 KA
and,					
$(di/dt)_{max}$(amp/sec)	=	1.4×10^{11} @t=0+sec	1.4×10^{11} @t=0+sec	0.7×10^{11} @t=0+sec	2.0×10^{11} @t=0+sec
di/dt, (amp/sec)	=	1.0×10^{11} @t=.5μs	1.0×10^{11} @t=.25μs	0.5×10^{11} @t=.25μs	
Action Integral (amp^2 sec)	=	2.0×10^6	0.25×10^6	0.0625×10^6	

HIRF: With the trend toward increased power levels from ground based transmitters, plus the advent of space and satellite communication, coupled with electronic command and control of the airplane, the immunity of critical electrical/electonic systems (such as the EFIS, ADC, and AHRS) to HIRF must be established.

It is not possible to precisely define the HIRF to which the airplane will be exposed in service. There is also uncertainty concerning the effectiveness of airframe shielding for HIRF. Furthermore, coupling of high-intensity radiated fields to cockpit installed equipment through the cockpit window apertures is undefined. Based on surveys and analysis of existing HIRF emitters, an adequate level of protection exists when compliance with the HIRF protection special condition is shown with either paragraphs 1 or 2 below:

1. A minimum threat of 100 volts per meter peak electric field strength from 10 KHz to 18 GHz.

a. The threat must be applied to the system elements and their associated wiring harnesses without the benefit of airframe shielding.

b. Demonstration of this level of protection is established through system tests and analysis. (Bench tests conducted in accordance with Section 20, Radio Technical Commission for Aeronautics RTCA/D0160C, and Society of Automotive Engineers (SAE) Subcommittee AE4R documents have been found to be acceptable.)

2. A threat external to the airframe of the following field strengths for the frequency ranges indicated.

Frequency	Peak (V/M)	Average (V/M)
10–100 KHz	50	50
100–500	60	60
500–2000	70	70
2–30 MHz	200	200
30–70	30	30
70–100	30	30
100–200	150	33
200–400	70	70
400–700	4020	935
700–1000	1700	170
1–2 GHz	5000	990
2–4	6680	840
4–6	6850	310
6–8	3600	670
8–12	3500	1270
12–18	3500	360
18–40	2100	750

The envelope given in paragraph 2 above is a revision to the envelope used in previously issued special conditions in other certification projects. It is based on new data and SAE AE4R subcommittee recommendations. This revised envelope includes data from Western Europe and the U.S. It will also be adopted by the European Joint Aviation Authorities.

4. *Effect of Flight Control Systems on Structures.*

(a) *General.* For airplanes equipped with flight control systems, autopilots, stability augmentation systems, and load alleviation systems that directly, or as a result of a failure, affect its structural performance, the influence of these systems and their failure conditions shall be taken into account in showing compliance with Subparts C and D of part 25 of the Federal Aviation Regulations (FAR).

(b) *System fully operative.* With the system fully operative, the following apply:

(1) Limit loads must be derived for all normal operating configurations of the systems from all the deterministic limit conditions specified in subpart C of part 25, taking into account any special behavior of such systems, associated functions or any effect on the structural performance of the airplane that may

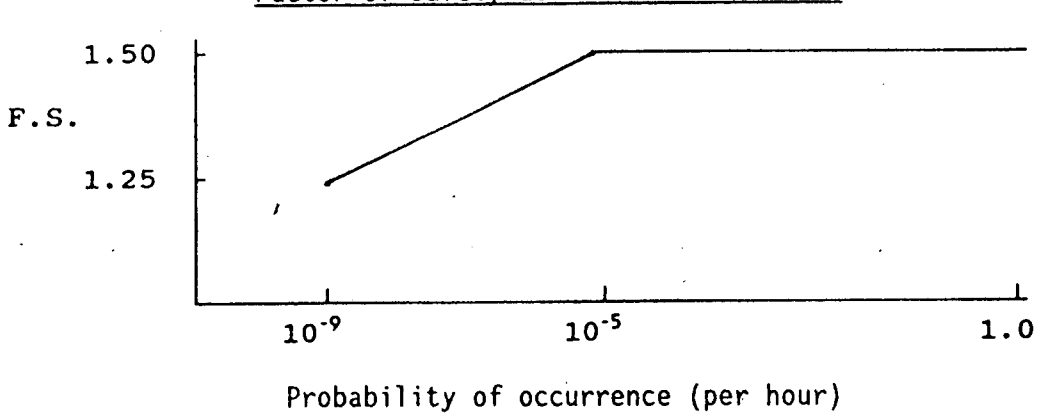
occur up to the limit loads. In particular, any significant non-linearity (rate of displacement of control surface, thresholds, or any other system non-linearities) must be accounted for in a realistic and conservative way when deriving limit loads from limit conditions.

(2) The airplane must meet the strength requirements of Part 25 (Static strength, residual strength), using the specified factors to derive ultimate loads from the limit loads defined above. The effect of non-linearities must be investigated beyond limit conditions to ensure that the behavior of the systems present no anomalies compared to the system behavior below limit conditions.

(3) The airplane must meet the aeroelastic stability requirements of § 25.629.

(c) *System in a failure condition.* For any system failure condition not shown to be extremely improbable, the following apply:

(1) *At the time of occurrence.* Starting from 1g level flight conditions, a realistic scenario, including pilot corrective actions, must be established to determine the loads occurring at the time of failure, and immediately after failure, until the airplane is stabilized. The airplane must be able to withstand these loads, multiplied by an appropriate factor of safety, related to the probability of occurrence of the failure. These loads should be considered ultimate loads for this evaluation. The factor of safety is defined as follows:



(i) The loads must also be used in the damage tolerance evaluation required by § 25.571(b), if the failure condition is probable. The loads should be considered as ultimate loads for the damage tolerant evaluation.

(ii) Freedom from flutter and divergence must be shown at speeds up to V_D or 1.15 V_C, whichever is greater. However, at altitudes where the speed is limited by Mach number, compliance need be shown only up to M_D, as defined by § 25.335(b). For failure conditions that result in speed increases beyond V_C/M_C, freedom from flutter and divergence must be shown to increased speeds so that the above margins are maintained.

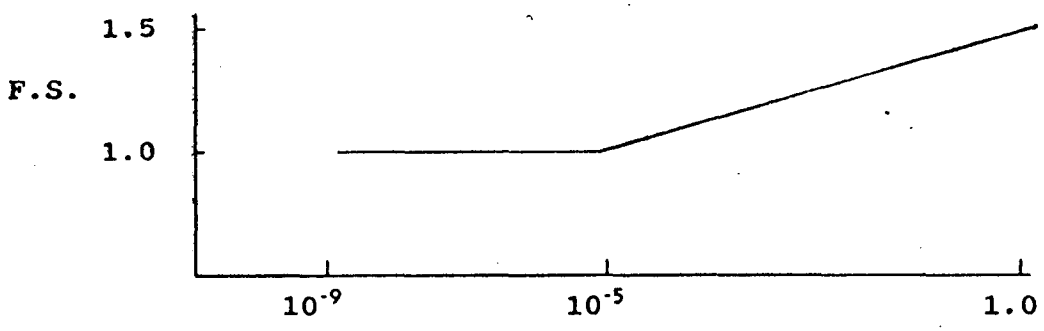
(iii) Notwithstanding subparagraphs (1) of this paragraph, failures of the system that result in forced structural vibrations (oscillatory failures) must not produce peak loads that could result in permanent deformation of primary structure.

(2) *For the continuation of the flight.* For the airplane in the failed configuration and considering any appropriate flight limitations, the following apply:

(i) Static and residual strength must be determined for loads induced by the failure condition if the loads could continue to the end of the flight. These loads must be combined with the deterministic limit load conditions specified in Subpart C of Part 25.

(ii) For static strength substantiation, each part of the structure must be able to withstand the loads in subparagraph (2)(i) of this paragraph multiplied by a factor of safety depending on the probability of being in this failure state. The factor of safety (F.S.) is defined as follows:

Factor Of Safety for Continuation of Flight



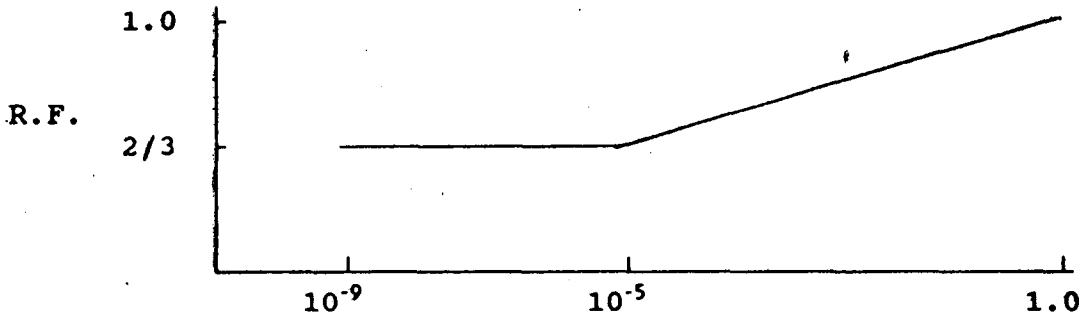
Q_j — Probability of being in failure state j

$Q_j = T_j * P_j$ where:
T_j=Average time spent in failure condition
P_j=Probability of occurrence of failure mode

Note: If P_j is greater than 10^{-3} per flight hours, then a safety factor of 1.5 must be used.

(iii) For residual strength substantiation as defined in § 25.571(b), structures affected by failure of the system, and with damage in combination with the system failure, a reduction factor may be applied to the residual strength loads of § 25.571(b). However, the residual strength level must not be less than the 1–g flight load combined with the loads introduced by the failure condition, plus two-thirds of the load increments of the conditions specified in § 25.571(b) applied in both positive and negative directions (if appropriate). The reduction factor (R.F.) is defined as follows:

Residual Strength Reduction Factor

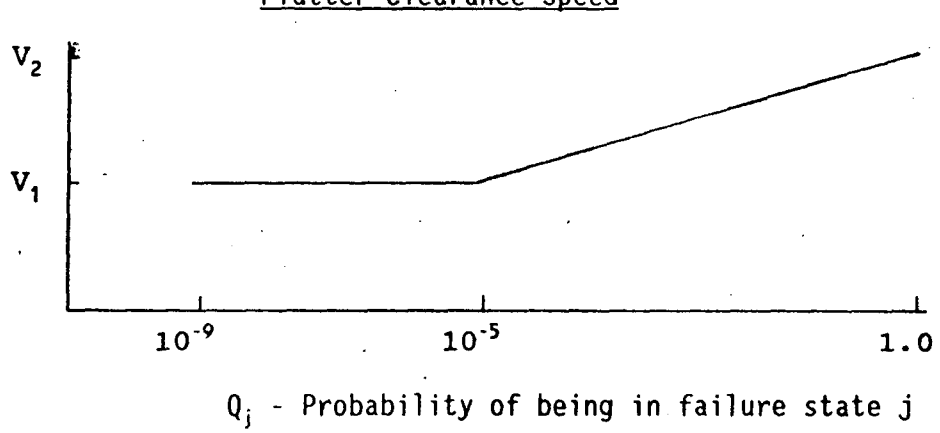


Q_j - Probability of being in failure state j

$Q_j = T_j * P_j$ where:
T_j=Average time spent in failure condition
P_j=Probability of occurrence of failure mode

Note: If P is greater than 10^{-3} per flight hour, then a safety factor of 1.0 must be used.

(iv) Freedom from flutter and divergence must be shown up to a speed determined by the following figure:



V_1=V_D or 1.15V_C whichever is greater.
V_2=Flutter clearance speed required for normal (unfailed) conditions by § 25.629.
Q_j=T_j*P_j where:
T_j=Average time spent in failure condition
P_j=Probability of occurrence of failure mode

Note: If P_j is greater than 10^{-3}, then the flutter clearance speed must not be less than V_2.

(v) Freedom from flutter and divergence must also be shown up to V_1, as depicted in the above figure, for any probable system failure condition, combined with any damage required or selected for investigation by § 25.571(b).

(vi) If the time likely to be spent in the failure condition is not small compared to the damage propagation period, or if the loads induced by the failure condition may have a significant influence on the damage propagation, then the effects of the particular failure condition must be addressed and the corresponding inspection intervals adjusted to adequately cover this situation.

(vii) If the mission analysis method is used to account for continuous turbulence, all the systems failure conditions associated with their probability must be accounted for in a rational or conservative manner in order to ensure that the probability of exceeding the limit load is not higher than the prescribed value of the current requirement.

(d) *Warning considerations.* For system failure detection and warning, the following apply:

(1) Before flight, the system must be checked for failure conditions, not shown to be extremely improbable, that would degrade the structural capability below the level specified in paragraph (b) of this special condition. The crew must be made aware of these failures, if they exist, before flight.

(2) The existence of any failure condition during flight that could significantly affect the structural capability of the airplane, and for which the associated reduction in airworthiness can be minimized by suitable flight limitations, must be signaled to the crew in accordance with § 25.1322.

(3) During flight, any failure condition not shown to be extremely improbable, in which the safety factor existing between the airplane strength capability and loads induced by the deterministic limit conditions of subpart C of part 25 is reduced to 1.3 or less, must be signaled to the crew if appropriate procedures and limitations can be provided so that the crew can take action to minimize the associated reduction in airworthiness during the remainder of the flight.

(e) *Dispatch with failure conditions.* If the airplane is to be dispatched with a failed system that would reduce the structural performance, then operational limitations must be provided whose effects combined with those of the failure condition allow the airplane to meet the structural requirements as described in paragraph (b) of this special condition. Subsequent system failures must also be considered.

The following definitions are applicable to this special condition.

Structural performance: Capability of the airplane to meet the requirements of part 25.

Flight limitations: Limitations that can be applied to the airplane flight conditions following an in flight failure and that are included in the flight manual (e.g., speed limitations, avoidance of severe weather conditions, etc.).

Operational limitations: Limitations, including flight limitations, that can be applied to the airplane operating conditions before dispatch (e.g., payload limitations).

Probabilistic terms: The probabilistic terms (probable, improbable, extremely improbable) used in this special condition should be understood as defined in AC 25.1309–1A.

Failure condition: The term failure condition is defined in AC 25.1309–1A; however, this special condition applies only to system failure conditions that have a direct impact on the structural performance of the airplane (e.g., failure conditions that induce loads or change the response of the airplane to inputs such as gusts or pilot actions).

5. *Design Maneuver Requirements.*

(a) *Pitch maneuvering loads.* In addition to the requirements of § 25.331(c), it must be established that pitch maneuver loads induced by the system itself (e.g., abrupt changes in orders made possible by electrical rather than mechanical combination of different inputs) are acceptably accounted for.

(b) *Roll maneuver loads.* In lieu of compliance with § 25.349(a), the following conditions, speeds, spoiler and aileron deflections (except as the deflections may be limited by pilot effort) must be considered in combination with an airplane load factor of zero, and two-thirds of the positive maneuvering factor used in design. In determining the required aileron and spoiler deflections, the torsional flexibility of the wing must be considered in accordance with § 25.301(b).

(1) Conditions corresponding to steady rolling velocities must be

investigated. In addition, conditions corresponding to maximum angular acceleration must be investigated. The investigation must include the maximum possible aileron and spoiler deflections commanded by the electronic flight control system, using the most adverse system tolerances. For the angular acceleration conditions, zero rolling velocity may be assumed in the absence of a rational time history investigation of the maneuver.

(2) At V_A, sudden full deflection of a cockpit roll control up to the limit is assumed. The position of the cockpit roll control must be maintained until a steady roll rate is achieved and then must be returned suddenly to the neutral position.

(3) At V_C, the cockpit roll control must be moved suddenly and maintained so as to achieve a rate of roll not less than that obtained in paragraph (2), above.

(4) At V_D, the cockpit roll control must be moved suddenly and maintained so as to achieve a rate of roll not less than one-third of that obtained in paragraph (2), above.

(5) It must be established that roll maneuver loads induced by the system itself (e.g., abrupt changes in orders made possible by electrical rather than mechanical combination of different inputs) are acceptably accounted for.

(c) *Yaw maneuver loads.* In lieu of compliance with § 25.351(a), the airplane must be designed for loads resulting from the conditions specified in subparagraphs (a) and (b) of this paragraph. Unbalanced aerodynamic moments about the center of gravity must be reacted in a rational and conservative manner considering the principal masses furnishing the reacting inertial forces. Physical limitations of the aircraft from the cockpit yaw control device to the control surface deflection, such as control stop position, maximum power and displacement rate of the servo controls, or control law limiters, may be taken into account.

(1) Maneuvering. At speeds from V_{MC} to V_D, the following maneuvers must be considered. In computing the tail loads, the yawing velocity may be assumed to be zero.

(i) With the airplane in unaccelerated flight at zero yaw, it is assumed that the cockpit yaw control device (pedal) is suddenly displaced to the maximum deflection, up to the limit, or by a 300 pound rudder pedal force, whichever is less.

(ii) With the cockpit yaw control device (pedal) deflected as specified in subparagraph (i) of this paragraph, it is assumed that the airplane yaws to the resulting side slip angle (beyond the static side slip angle).

(iii) With the airplane yawed to the static sideslip angle with the cockpit yaw control deflected as in subparagraph (i) of this paragraph, it is assumed that the cockpit yaw control device is returned to neutral.

(iv) It must be established that yaw maneuver loads induced by the system itself (e.g., abrupt changes in orders made possible by electrical rather than mechanical combination of different inputs) are acceptably accounted for.

6. *Engine Torque Loads.* In lieu of compliance with § 25.361(b), compliance with the following must be shown:

(a) The engine mounts and local supporting structure must be designed to withstand each of the following:

(1) The maximum torque load imposed by—

(i) Sudden deceleration of the engine due to a malfunction that could result in a temporary loss of power or thrust capability, and that could cause a shutdown due to vibrations; and

(ii) The maximum acceleration of the engine.

(2) The maximum torque load imposed by sudden engine stoppage due to a structural failure, including fan blade failure.

(b) The load derived from the condition defined in paragraph (a)(2) of this special condition is considered an ultimate load when applied to engine mounts. The load is multiplied by a factor of 1.25 to obtain ultimate loads when applied to the adjacent wing and fuselage supporting structure.

7. *Flight Characteristics Compliance via Handling Qualities Rating Method.* In lieu of compliance with § 25.672(c), a handling qualities rating system will be used for evaluation of electronic flight control system (EFCS) configurations resulting from single and multiple failures not shown to be extremely improbable. The handling qualities ratings are:

Satisfactory: Full performance criteria can be met with routine pilot effort and attention.

Adequate: Adequate for continued safe flight and landing; full or specified reduced performance can be met, but with heightened pilot effort and attention.

Controllable: Inadequate for continued safe flight and landing, but controllable for return to a safe flight condition, safe flight envelope and/or reconfiguration so that the handling qualities are at least Adequate.

Handling qualities will be allowed to progressively degrade with failure state, atmospheric disturbance level, and flight envelope. Specifically within the normal flight envelope, the pilot-rated handling qualities must be satisfactory/adequate in moderate atmospheric disturbance for probable failures, and must not be less than adequate in light atmospheric disturbance for improbable failures.

8. *Electronic Flight Control System: Control Surface Awareness.* In addition to compliance with §§ 25.143, 25.671, and 25.672, when a flight condition exists where, without being commanded by the crew, control surfaces are coming so close to their limits that return to the normal flight envelope and (or) continuation of safe flight requires a specific crew action, a suitable flight control position annunciation shall be provided to the crew, unless other existing indications are found adequate or sufficient to prompt that action.

Note: The term suitable also indicates an appropriate balance between nuisance and necessary operation.

Issued in Renton, Washington, on October 29, 1993.

Darrell M. Pederson,

Assistant Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 93–27687 Filed 11–9–93; 8:45 am]

BILLING CODE 4910–13–M

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14 CFR Part 71

[Airspace Docket No. 93–AAL–6]

Revocation of Jet Routes J–237 and J–238 and VOR Federal Airways V–500 and V–525; AK

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This action revokes two Jet Routes, J–237 and J–238, and two Federal Airways, V–500 and V–525, in the State of Alaska. The Department of the Navy has decommissioned the Amchitka Very High Frequency Omnidirectional Range/Tactical Air Navigation (VORTAC) facility and terminated all activities at Amchitka Island. This action revokes these airways and jet routes that were predicated on the Amchitka VORTAC.

EFFECTIVE DATE: 0901 u.t.c. January 6, 1994.

FOR FURTHER INFORMATION CONTACT: Norman W. Thomas, Airspace and Obstruction Evaluation Branch (ATP–240), Airspace-Rules and Aeronautical Information Division, Air Traffic Rules and Procedures Service, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591; telephone: (202) 267–9230.

SUPPLEMENTARY INFORMATION:

The Rule

This amendment to part 71 of the Federal Aviation Regulations revokes two Jet Routes, J–237 and J–238, and two Federal Airways, V–500 and V–525. The Department of the Navy has decommissioned the Amchitka VORTAC and terminated all activities at Amchitka Island. This action revokes these airways and jet routes that were predicated on the Amchitka VORTAC. Since this action: (1) Reduces the need for continuous issuance of Notices to Airmen concerning the usability of the routes, (2) reduces chart clutter by removing the unused routes from the charts, and (3) simplifies flight plan filing by pilots by only depicting usable routes on the charts, I find that notice and public procedure under 5 U.S.C. 553(b) are unnecessary because this action is a minor technical amendment in which the public would not be particularly interested. Jet routes are published in Paragraph 2004 and Alaskan VOR Federal airways are published in Paragraph 6010(b) of FAA Order 7400.9A dated June 17, 1993, and effective September 16, 1993, which is incorporated by reference in 14 CFR 71.1 (58 FR 36298; July 6, 1993). The Jet routes and Alaskan VOR Federal airways listed in this document will be removed subsequently from the Order.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) Is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Amendment

In consideration of the foregoing, the Federal Aviation Administration amends 14 CFR part 71 as follows:

PART 71—[AMENDED]

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. app. 1348(a), 1354(a), 1510; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389; 49 U.S.C. 106(g); 14 CFR 11.69.

§71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9A, Airspace Designations and Reporting Points, dated June 17, 1993, and effective September 16, 1993, is amended as follows:

Paragraph 2004—Jet Routes

* * * * *

J–237 [Removed]

J–238 [Removed]

* * * * *

Paragraph 6010(b)—Alaskan VOR Federal Airways

* * * * *

V–500 [Removed]

* * * * *

V–525 [Removed]

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Issued in Washington, DC, on November 2, 1993.

Harold W. Becker,

Manager, Airspace-Rules and Aeronautical Information Division.

[FR Doc. 93–27685 Filed 11–9–93; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 101

[Docket Nos. 85N–0061, 91N–0098, 91N–0099, and 91N–0100]

RIN 0905–AB67, 0905–AD08

Food Labeling; Health Claims: General Requirements; Fiber-Containing Fruits, Vegetables, and Grain Products and Cancer and Coronary Heart Disease; Fruits and Vegetables and Cancer; and Folic Acid and Neural Tube Defects; Technical Amendment; Correction

AGENCY: Food And Drug Administration, HHS.

ACTION: Final rule; correction.

SUMMARY: The Food and Drug Administration (FDA) is correcting a final rule that appeared in the **Federal Register** of August 18, 1993 (58 FR 44036). The document responded to technical comments that the agency received and corrected inconsistencies and unintended technical consequences of the regulations for use of health claims in food. The document was published with an error. This document corrects that error.

FOR FURTHER INFORMATION CONTACT: Joyce J. Saltsman, Center for Food Safety and Applied Nutrition (HFS–165), Food and Drug Administration, 200 C St. SW., Washington, DC 20204, 202–205–5916.

In FR Doc. 93–19447 appearing on page 44036 in the **Federal Register** of Wednesday, August 18, 1993, the following correction is made:

On page 44038, in the second column, in the fourth line from the bottom, "8 milligrams" is corrected to read "0.8 milligrams".

Dated: November 4, 1993.

Michael R. Taylor,

Deputy Commissioner for Policy.

[FR Doc. 93–27625 Filed 11–9–93; 8:45 am]

BILLING CODE 4160–01–F

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 8482]

RIN 1545–AQ90

Method Changes for Capitalization and Inclusion in Inventory of Certain Costs; Hearing

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Rescheduling of public hearing on a revenue procedure; change of date to submit requests to speak and outlines of oral comments.

SUMMARY: This document reschedules the date of a public hearing on a revenue procedure, and changes the date to submit requests to speak and outlines of oral comments for the public hearing relating to required method changes for capitalization and inclusion in inventory of certain costs. Taxpayers were invited to comment regarding the approach for implementing required method changes in Treasury Decision 8482.

DATES: The public hearing will be held on Tuesday, November 30, 1993, beginning at 1 p.m. Requests to speak and outlines of oral comments must be received by Tuesday, November 16, 1993.

ADDRESSES: Requests to speak and outlines of oral comments should be submitted to: Internal Revenue Service, P.O. Box 7604, Ben Franklin Station,

Attn: CC:DOM:CORP:T:R, (IA–64–91), room 5228, Washington, DC 20044.

FOR FURTHER INFORMATION CONTACT: Carol Savage of the Regulations Unit, Assistant Chief Counsel (Corporate), (202) 622–8452 or (202) 622–7190 (not toll-free numbers).

SUPPLEMENTARY INFORMATION: A notice of public hearing appearing in the **Federal Register** for Friday, October 29, 1993 (58 FR 58101), announced that a public hearing on a revenue procedure would be held on Monday, December 6, 1993, at 1 p.m. in the Internal Revenue Auditorium, Seventh Floor, 7400 Corridor, Internal Revenue Service Building, 1111 Constitution Avenue, NW., Washington, DC, and that requests to speak and outlines of oral comments be received by Monday, November 22, 1993. The notice of public hearing for the related proposed regulations (IA–64–91) was published simultaneously at 58 FR 58145. The requests for comments regarding the approach for implementing required method changes (TD 8482) and the proposed regulations relating to accounting for costs incurred in producing property and acquiring property for resale (IA–64–91) were published on Monday, August 9, 1993 (58 FR 42198) and (58 FR 42263), respectively. See rescheduling of the public hearing for IA–64–91 elsewhere in this issue of the **Federal Register**.

The date for the public hearing is rescheduled for Tuesday, November 30, 1993, beginning at 1 p.m. The requests to speak and outlines of oral comments must be received by Tuesday, November 16, 1993.

All other details with respect to the previously published documents remain the same.

Dale D. Goode,

Federal Register Liaison Officer, Assistant Chief Counsel (Corporate).

[FR Doc. 93–27654 Filed 11–9–93; 8:45 am]

BILLING CODE 4830–01–U

DEPARTMENT OF DEFENSE

Office of the Secretary

32 CFR Part 311

[Administrative Instruction 81]

OSD Privacy Program

AGENCY: Office of the Secretary of Defense, DOD.

ACTION: Final rule.

SUMMARY: This is an administrative change. On October 13, 1993, at 58 FR 52948, the Office of the Secretary of Defense deleted an exempt system of records, DWHS P26, Protective Service File. Therefore, the exemption rule is being removed from 32 CFR part 311.

EFFECTIVE DATE: November 10, 1993.

FOR FURTHER INFORMATION CONTACT: Mr. Dan Cragg at (703) 697–2501.

SUPPLEMENTARY INFORMATION: Executive Order 12866. The Director, Administration and Management, Office of the Secretary of Defense has determined that this Privacy Act rule for the Department of Defense does not constitute 'significant regulatory action'. Analysis of the rule indicates that it does not have an annual effect on the economy of $100 million or more; does not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; does not materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; does not raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in Executive Order 12866 (1993).

Regulatory Flexibility Act of 1980. The Director, Administration and Management, Office of the Secretary of Defense certifies that this Privacy Act rule for the Department of Defense does not have significant economic impact on a substantial number of small entities because it is concerned only with the administration of Privacy Act systems of records within the Department of Defense.

Paperwork Reduction Act. The Director, Administration and Management, Office of the Secretary of Defense certifies that this Privacy Act rule for the Department of Defense imposes no information requirements beyond the Department of Defense and that the information collected within the Department of Defense is necessary and consistent with 5 U.S.C. 552a, known as the Privacy Act of 1974.

This is an administrative change. On October 13, 1993, at 58 FR 52948, the Office of the Secretary of Defense deleted an exempt system of records. Therefore, the exemption rule is being removed from 32 CFR part 311.

List of subjects in 32 CFR part 311

Privacy.

Accordingly, the Office of the Secretary of the Defense amends 32 CFR part 311 as follows:

1. The authority citation for 32 CFR part 311 continues to reads as follows:

Authority: Pub. L. 93–579, 88 Stat 1896 (5 U.S.C. 552a).

2. Section 311.7 is amended by removing and reserving paragraph (c)(1).

§ 311.7 Procedures for exemptions.

* * * * *

(c) * * *

(1)[Reserved.]

* * * * *

Dated: November 3, 1993.

L. M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 93–27495 Filed 11–9–93; 8:45 am]

BILLING CODE 5000–04–F

COPYRIGHT ROYALTY TRIBUNAL

37 CFR Parts 301 and 311

[Docket No. 92–3–DART]

Digital Audio Recording Technology Act; Implementation; Correction

AGENCY: Copyright Royalty Tribunal.

ACTION: Correction to final regulations.

SUMMARY: This document contains corrections to the final regulations (rule document 93–25499) which were published Monday, October 18, 1993 (58 FR 53822). The regulations were to implement the Digital Audio Recording Technology Act (Audio Home Recording Act).

EFFECTIVE DATE: November 10, 1993.

FOR FURTHER INFORMATION CONTACT: Michael Ray, Copyright Royalty Tribunal, 1825 Connecticut Avenue, NW., suite 918, Washington, DC 20009, (202) 606–4400.

SUPPLEMENTARY INFORMATION: In rule document 93–25499 beginning on page 53822 in the issue of Monday, October 18, 1993, make the following correction:

1. On page 53826, in the first column, in the fifth full paragraph, "5. Part 311 is added to read as follows:" should read "5. Part 311 is revised as follows:"

Dated: November 4, 1993.

Cindy Daub,

Chairman.

[FR Doc. 93–27612 Filed 11–9–93; 8:45 am]

BILLING CODE 7410–09–M

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 36

RIN 2900–AG19

Loan Guaranty: Direct Loans to Native American Veterans on Trust Lands

AGENCY: Department of Veterans Affairs.

ACTION: Interim final regulations.

SUMMARY: The Department of Veterans Affairs (VA) is amending its regulations

for VA direct loans to implement the requirements of section 8 of the Veterans Home Loan Program Amendments of 1992, Public Law 102–547, which established a pilot program to make direct housing loans to qualified Native American veterans.

DATES: These regulatory amendments are effective November 10, 1993. Comments must be received on or before January 10, 1994.

ADDRESSES: Interested persons are invited to submit written comments, suggestions or objections regarding this proposal to the Secretary of Veterans Affairs (271A), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420. All written comments received will be available for public inspection in room 170, Veterans Services Unit, at the above address between the hours of 8 a.m. and 4:30 p.m., Monday through Friday (except holidays), until January 20, 1994.

FOR FURTHER INFORMATION CONTACT: Judith A. Caden, Assistant Director for Loan Policy (264), Loan Guaranty Service, Veterans Benefits Administration, Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, (202) 233–3042.

SUPPLEMENTARY INFORMATION: VA is amending its Loan Guaranty regulations for VA direct loans to implement the requirements of section 8 of the Veterans Home Loan Program Amendments of 1992, Public Law 102–547, which established a pilot program to make direct housing loans to Native American veterans. The purpose of this pilot program is to permit qualifying veterans to purchase, construct, or improve dwellings on trust lands. Because of the short authorization period established for this pilot program, these regulations are being published as interim final regulations, effective upon publication. Public comments are invited. Changes will be considered based upon the comments received and on practical experience running this program.

Native American trust lands and reservations present a unique set of problems with regard to financing the purchase of a home because mortgage lenders typically require that the home buyer obtain an ownership interest in the land being purchased. However, since trust lands are generally held by Native American tribes or on behalf of Native Americans by the United States Government, it is not possible for an individual homeowner residing on trust land to "own" the land on which his or her residence is located. Private lenders are thus often reluctant to lend money to potential homebuyers who cannot convey a clear ownership interest in the land as security for the loan.

For this reason, Public Law 102–547 established a pilot program through September 30, 1997, for VA direct loans to Native American veterans residing on trust lands. Under the terms of this program, Native American veterans eligible for VA loan guaranty benefits may use their eligibility to qualify for a loan made by VA to purchase, construct, or improve a home on trust land. Native American veterans may qualify for loans of up to $80,000, provided their tribal organization has entered into a Memorandum of Understanding (MOU) with VA setting forth provisions regarding conveyance of a meaningful interest in the property to the veteran and to VA, providing access to the property by VA and/or its designated servicers, to provide for the disposition of the property in the event of foreclosure, and such other matters as may be necessary to implement this program.

In accordance with the requirements of Public Law 102–547, VA is amending 38 CFR 36.4500 and 26.4501 and is creating a new § 36.4527, setting forth the requirements of the VA Native American Direct Loan Program.

38 CFR 36.4500 is being amended to add a new reference to 38 U.S.C. sections 36.3731 through 36.3764, inclusive. These statutes authorize the establishment of the Native American Veteran Direct Loan Program.

38 CFR 36.4501 is being amended to add new definitions of "Meaningful Interest", "Native American", "Native American Veteran", "Tribal Organization", and "Trust Land". Additional changes are made to this section to amend the authorization citations in the definitions of "Loan" and of "Period of more than 180 days".

The new section, 38 CFR 36.4527, sets forth, in regulatory form, the requirements of this new program. These include the requirement that VA and the tribal organization execute and have in place a Memorandum of Understanding (MOU) before VA may make a direct loan to any Native American veteran under the jurisdiction of the tribal organization. This new section also requires that the MOU provide for the acquisition by the veteran of a meaningful interest in the lot and/or dwelling located on trust land and that the Native American veteran obtaining a direct loan conveys to VA his or her meaningful interest as security for the loan. In addition, the tribal organization and veteran must permit VA or its representatives access to the trust land in order to evaluate the advisability of the loan, to monitor any purchase or construction made with the proceeds of the loan, to protect the property from vandalism and the elements, and to otherwise service the loan.

Under the terms of this new program, VA is charged with the responsibility of establishing minimum requirements for planning, construction and/or improvement of any home acquired through a direct loan. VA is also authorized to establish the rate of interest for these loans.

The Native American veteran-borrower will be responsible for paying loan closing expenses, including a loan fee, which may be included in the loan amount, a processing fee to any party who processes the loan on behalf of VA, and other costs or expenses normally paid by a purchaser incident to loan closing.

The tribal organization will be responsible for establishing property foreclosure and disposition requirements in event of default, by which the Native American veteran who obtained the loan will have his or her interest in the land and the improvements terminated. These requirements must be included in the MOU.

These regulations will only affect Native American veterans who reside or who wish to reside on trust lands. They will not affect the majority of veterans who are ineligible for obtaining a loan to acquire property on trust lands. Similarly, these regulations will have no impact on program participants because they are not involved at any stage of the direct loan process. Since VA will make direct loans to qualified veterans no lenders, brokers, or other participants in the VA Loan Guaranty Program will be affected by these regulations. For these reasons, the Secretary hereby certifies that these regulations will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, title 5, United States Code, sections 601–612. Pursuant to U.S.C. 605(b), these regulations are exempt from the initial and final regulatory analysis requirements of sections 603 and 604.

The Catalog of Federal Domestic Assistance Program numbers are 64.114, 64.118, and 64.119.

List of Subjects in 38 CFR Part 36

Condominiums, Handicapped, Housing loan programs—housing and community development, Manufactured homes, Veterans.

Approved: September 10, 1993.

Jesse Brown,

Secretary of Veterans Affairs.

For the reasons set out in the preamble, 38 CFR part 36 is amended as set forth below:

PART 36—LOAN GUARANTY

1. The authority citation for part 36 §§ 36.4500 through 36.4600 continues to read as follows:

Authority: Sections 36.4500 to 36.4600 issued under 38 U.S.C. 501.

2. In § 36.4500, paragraph (b) is redesignated as paragraph (c) and a new paragraph (b) is added to read as follows:

§ 36.4500 Applicability.

* * * * *

(b) Sections 36.4501 and 36.4527, which concern direct loans to Native American veterans shall be applicable to loans made by the Department of Veterans Affairs pursuant to 38 U.S.C. sections 3761 through 3764.

* * * * *

3. In § 36.4501, the introductory paragraph, add ", 3762" after 3711; in paragraph (j), after 3711, add "or 3762"; paragraph (o) is removed; remove all paragraph designations and place the definitions in alphabetical order; and add new definitions of "Meaningful interest", "Native American", "Native American veteran", "Period of more than 180 days", "Tribal Organization", and "Trust Land", and the authority citation is revised to read as follows:

§ 36.4501 Definitions.

* * * * *

Meaningful interest means a leasehold estate or other interest in trust land and any improvements thereon which permits the use, occupancy and enjoyment of that land and any improvements by the grantee. This interest must be capable of being conveyed (1) as security for a loan made under 38 CFR 36.4527, (2) by the grantee to a third party subject to the approval of the tribal organization and the Secretary or designee, and (3) by the Secretary or other foreclosing mortgagee, subject to the provisions of a memorandum of understanding entered into by the Secretary or designee, the tribal organization, and the Bureau of Indian Affairs.

Native American means:

(1) An Indian, as defined in section 4(d) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(d));

(2) A native Hawaiian, as defined in section 201(a)(7) of the Hawaiian Homes Commission Act of 1920, (Public Law 67–34, 42 Stat. 108);

(3) An Alaska Native within the meaning provided for the term 'Native' in section 3(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(b)); and

(4) A Pacific Islander, within the meaning of the Native American Programs Act of 1974 (42 U.S.C. 2991 *et seq.*)

Native American veteran means any veteran who is a Native American.

Period of more than 180 days means 181 or more calendar days of continuous active duty.

* * * * *

Tribal organization has the same meaning given in section 4(l) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(1)) and includes the Department of Hawaiian Homelands, in the case of native Hawaiians, and such other organizations as the Secretary may prescribe.

Trust land means any land that:

(1) Is held in trust by the United States for Native Americans;

(2) Is subject to restrictions on alienation imposed by the United States on Indian lands (including native Hawaiian homelands);

(3) Is owned by a Regional Corporation or a Village Corporation, as such terms are defined in section 3(g) and 3(j) of the Alaska Native Claims Settlement Act, respectively (43 U.S.C. 1602(g), (j)); or

(4) Is on any island in the Pacific Ocean if such land is, by cultural tradition, communally-owned land, as determined by the Secretary.

(Authority: 38 U.S.C. 3761–3764)

4. Add a new § 36.4527, as follows:

§ 36.4527 Direct housing loans to Native American veterans on trust lands.

(a) The Secretary may make a direct housing loan to a Native American veteran if:

(1) The Secretary has entered into a memorandum of understanding with respect to such loans with the tribal organization that has jurisdiction over the veteran; and

(2) The memorandum is in effect when the loan is made and will remain in effect until the maturity of the subject loan.

(b) (1) Subject to paragraph (b)(2) of this section, each memorandum of understanding entered into by the Secretary with a tribal organization shall provide for the following:

(i) That each Native American veteran who is under the jurisdiction of the tribal organization and to whom the Secretary makes a direct loan under th section

(A) Holds, possesses, or acquires using the proceeds of the loan a meaningful interest in a lot and/or dwelling that is located on trust land; and

(B) Will purchase, construct, or improve a dwelling on the lot using th proceeds of the loan.

(ii) That each Native American veteran obtaining a direct loan under this section will convey to the Secreta by an appropriate instrument the interest referred to in paragraph (A) as security for the direct loan or, if the laws of the tribal organization do not allow the veteran to convey the meaningful interest to the Secretary, tl memorandum of understanding may authorize the tribe to serve as Trustee for the Secretary for purposes of protecting the interest of the Secretary as lender.

(iii) That the tribal organization and each Native American veteran obtainii a direct loan under this section will permit the Secretary or his or her designee to enter upon the trust land c that organization or veteran for the purposes of carrying out such actions the Secretary or his or her designee determines may be necessary:

(A) To evaluate the advisability of tl loan; and

(B) To monitor any purchase, construction, or improvements carried out using the proceeds of the loan.

(C) To protect the improvements fro vandalism and the elements,

(D) To make property inspections in conjunction with loan servicing, financial counseling, foreclosure, acquisition, management, repair, and resale of the secured interest.

(iv) That the tribal organization has established standards and procedures that authorize the grantee to legally establish the interest conveyed by a Native American veteran pursuant to subsection (B) and terminate all intere of the veteran in the land and improvements, including:

(A) Procedures for foreclosing the loan in the event of a default;

(B) Procedures for acquiring possession of the veteran's interest in the property; and

(C) Procedures for the resale of the property interest and/or the dwelling purchased, constructed, or improved using the proceeds of the loan.

(v) That the tribal organization agree to such other terms and conditions wit respect to the making of direct loans tc Native American veterans under the jurisdiction of the tribal organization a the Secretary and the tribal organizatic may negotiate in order to ensure that

direct loans made under this section are made in a responsible and prudent manner.

(2) The Secretary, or his or her designee, may only enter into a memorandum of understanding with a tribal organization under this section if the Secretary, or designee, determines that the memorandum provides for standards and procedures necessary to reasonably protect the financial interests of the United States.

(c)(1) Except as otherwise provided in this paragraph, and notwithstanding the provisions of section 36.4503 of this title, the principal amount of any loan made under this section may not exceed $80,000. The original principal amount of any loan made under this section shall not exceed an amount which bears the same ratio to $80,000 as the amount of the guaranty to which the veteran would be entitled under 38 U.S.C. 3710 at the time the loan is made bears to $36,000.

(2) The Secretary may make loans which exceed the amount specified in paragraph (c)(1) of this section in geographic areas in which the Secretary has determined that housing costs are significantly higher than average housing costs nationwide. The Secretary shall determine the maximum loan amounts in such areas. The original principal amount of any such loan shall not exceed an amount which bears the same ratio to the maximum loan amount established by the Secretary as the amount of the guaranty to which the veteran would be entitled under 38 U.S.C. 3710 at the time the loan is made bears to $36,000.

(3) Loans made under this section shall bear interest at a rate determined by the Secretary after considering yields on comparable mortgages in the secondary market, including bid and ask prices on mortgage-backed securities guaranteed by the Government National Mortgage Association (GNMA).

(4) The minimum requirements for planning, construction, improvement, and general acceptability relating to any direct loan made under this section shall be consistent with the administrative property standards established for loans made or guaranteed under title 38, U.S.C., chapter 37.

(d) Notwithstanding the provisions of § 36.4504(b), for loans made under this section, the Native American veteran-borrower shall pay the following loan closing costs to the parties indicated:

(1) A loan fee of 1.25 percent of the total loan amount (2 percent for Reservists who qualify under the provisions of 38 U.S.C. 3701(b)(5)) to the Department of Veterans Affairs. All or part of such fee may be paid in cash at loan closing or all or part of the fee may be included in the loan without regard to the reasonable value of the property or the maximum loan amount. In computing the fee, the Department of Veterans Affairs will disregard any amount included in the loan to enable the borrower to pay such fee.

(2) The fee described in paragraph (d)(1) of this section shall not be collected from a veteran who is receiving compensation (or who but for the receipt of retirement pay would be entitled to receive compensation) or from a surviving spouse described in § 3701(b)(2) of title 38 U.S.C.

(3) If the Secretary designates a third party to process the loan package on VA's behalf, a processing fee to that third party not to exceed $300 plus the actual cost of any credit report required.

(4) Costs or expenses normally paid by a purchaser or mortgagee incident to loan closing including but not limited to the following:

(i) Fees of the Department of Veterans Affairs designated appraisers and compliance inspectors;

(ii) Recording fees or other charges incident to recordation;

(iii) That portion of assessments and other similar items for the current year chargeable to the borrower; and

(iv) Hazard insurance premiums, if such insurance is available.

(5) Charges or costs payable by the Native American veteran-borrower, except for the loan fee described in paragraph (d)(1) of this section, shall be paid in cash and may not be paid out of the proceeds of the loan. No service or brokerage fee shall be charged against the Native American veteran-borrower by any third party for procuring a direct loan.

(e) (1) The credit underwriting standards of 38 CFR 36.4337 shall apply to loans made under this section except to the extent the Secretary determines that they should be modified on account of the purpose of the program to make available housing to Native American veterans living on trust lands.

(2) The Secretary shall determine the reasonable value of the leasehold or other property interest that will serve as security for a loan made under this section in accordance with § 37.4519, of this chapter, unless the Secretary determines that such requirements are impractical to implement in a geographic area, on particular trust lands, or under circumstances specified by the Secretary.

(f) In connection with the origination of any loan under this section, the Secretary may make advances in cash to provide for repairs, alterations, and improvements and to meet incidental expenses of the loan transaction.

(g) Loans made under this section shall be amortized under a generally recognized plan which provides for equal monthly installments consisting of principal and interest, except for the final installment, which may not be in excess of two times the regular monthly installment. The limitation on the amount of the final installment shall not apply in the case of any loan extended, ballooned and/or reamortized.

(h) The Secretary may:

(1) Take any action that the Secretary determines to be necessary for the custody, management, and protection of properties and the realization or sale of investments under the VA Native American Direct Loan Program;

(2) Determine any necessary expenses and expenditures and the manner in which such expenses and expenditures shall be incurred, allowed, and paid;

(3) Employ, utilize, and compensate persons, organizations, or departments or agencies (including departments and agencies of the United States) designated by the Secretary to carry out necessary functions, including but not limited to loan processing and servicing activities, appraisals, and property inspections.

(i) Notwithstanding any requirement, condition, or limitation stated in or imposed by any provision of this regulation, the Under Secretary for Benefits, or the Director, Loan Guaranty Service, within the limitations and conditions prescribed by the Secretary, may execute memoranda of understanding, make determinations concerning the maximum direct loan amount as provided in paragraph (c) of this section, and take such supplementary administrative action as may be necessary or appropriate to relieve any undue prejudice to a debtor, or other person, which might otherwise result, provided such action shall not impair the vested rights of any person affected thereby. If such a requirement, condition, or limitation is of an administrative or procedural nature, such action may be taken by any employee authorized to act under paragraph (j) of this section.

(j) (1) Except as hereinafter provided, each employee of the Department of Veterans Affairs appointed to, or otherwise lawfully filling, any position designated in paragraph (j)(2) of this section is hereby delegated authority, within the limitations and conditions prescribed by law, to exercise the powers and functions of the Secretary with respect to the making of loans and the rights and liabilities arising therefrom, including, but not limited to

the collection or compromise of amounts due, in money or other property, the extension, rearrangement, or sale of loans, and the management and disposition of secured or unsecured notes and other property. In connection with direct loans made and held by the Department of Veterans Affairs, such designated employees may take any action which they are authorized to consent to or approve in respect to guaranteed loans under § 36.4342. Incidental to the exercise and performance of the powers and functions hereby delegated, each such employee is authorized to execute and deliver (with or without acknowledgment) for, and on behalf of, the Secretary such certificates, forms, conveyances, and other instruments as may be appropriate in connection with the acquisition, ownership, management, sale, transfer, assignment, encumbrance, rental, or other disposition of real or personal property or of any right, title, or interest therein, including, but not limited to, contracts of sale, installment contracts, deeds, leases, bills of sale, assignments, and releases; and to approve disbursements to be made for any purpose authorized by 38 U.S.C. chapter 37.

(2) Designated positions:

Under Secretary for Benefits
Deputy Under Secretary for Benefits
Director, Loan Guaranty Service
Director, Medical and Regional Office Center
Director, VA Regional Office and Insurance Center
Director, Regional Office
Loan Guaranty Officer
Assistant Loan Guaranty Officer

The authority hereby delegated to employees of the positions designated in this paragraph may, with the approval of the Under Secretary for Benefits, be redelegated.

(3) Nothing in this section shall be construed to authorize any such employee to exercise the authority vested in the Secretary under 38 U.S.C. 501(a) or 3703(a)(2) or to sue or enter appearance for and on behalf of the Secretary or confess judgment against the Secretary in any court without the Secretary's prior authorization.

(4) Each Regional Office, Regional Office and Insurance Center, and Medical and Regional Office Center shall maintain and keep current a cumulative list of all employees of that Office or Center who, since May 1, 1980, have occupied the positions of Director, Loan Guaranty Officer, and Assistant Loan Guaranty Officer. This list will include each employee's name, title, date the employee assumed the position, and the termination date, if applicable, of the employee's tenure in such position. The list shall be available for public inspection and copying at the Regional Office, or Center, during normal business hours.

(Authority: 38 U.S.C. 3761–3764)

[FR Doc. 93–27461 Filed 11–8–93; 8:45 am]
BILLING CODE 8320–01–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 180

[OPP–300305; FRL–4649–2]

RIN No. 2070–AC18

2-Methyl-4-Isothiazolin-3-One and 5-Chloro-2-Methyl-4-Isothiazolin-3-One; Tolerance Exemptions

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: This document modifies 40 CFR 180.1001(d) by changing entries for 2-methyl-4-isothiazolin-3-one and 5-chloro-2-methyl-4-isothiazolin-3-one to clarify the term "final solution." The Rohm & Haas Co. requested this change.

EFFECTIVE DATE: Effective on November 10, 1993.

FOR FURTHER INFORMATION CONTACT: Connie Welch, Registration Support Branch, Registration Division (H7505C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460, 703/308-8320

SUPPLEMENTARY INFORMATION: In the Federal Register of September 7, 1988 (53 FR 34511), EPA granted an exemption from the requirement of a tolerance under § 180.1001(d) for 2-methyl-4-isothiazolin-3-one and 5-chloro-2-methyl-4-isothiazolin-3-one. This exemption included at limit of "0.00022% (or 2.25 ppm) in the formulation." The Agency's calculated maximum expected residue was based upon a concentration of 2-methyl-4-isothiazolin-3-one and 5-chloro-2-methyl-4-isothiazolin-3-one of 2.25 ppm in the final solution applied to growing crops.

Because of confusion concerning what the term "formulation" means, Rohm & Haas Co., Independence Mall West, Philadelphia, PA 19105, filed a petition (PP 3E4189) with EPA requesting an amendment to the exemption entry under § 180.1001(d) to change the limit to "not more than 0.0022% (22.5 ppm) in the formulation; not more than 0.00022% (2.25 ppm) in the final solution applied to growing crops." In the Federal Register of July 28, 1993 (58 FR 40426), EPA issued a notice of receipt of the petition. No comments were received in response to the notice. Therefore, the corrected tolerance exemption is established as set forth below.

List of Subjects in 40 CFR Part 180

Environmental protection, Administrative practice and procedure, Agricultural commodities, Pesticides and pests, Recording and recordkeeping requirements.

Dated: October 22, 1993.

Douglas D. Campt,
Director, Office of Pesticide Programs.

Therefore, part 180 is amended as follows:

PART 180—[AMENDED]

1. The authority citation for part 180 continues to read as follows:

Authority: 21 U.S.C. 346a and 371.

2. Section 180.1001(d) is amended by revising the entries for 5-chloro-2-methyl-4-isothiazolin-3-one (in combination with 2-methyl-4-isothiazolin-3-one) and 2-methyl-4-isothiazolin-3-one (in combination with 5-chloro-2-methyl-4-isothiazolin-3-one), to read as follows:

§ 180.1001 Exemptions from the requirement of a tolerance.

* * * * *

(d) * * *

Inert ingredients	Limits	Uses
* *	* * *	* *
5-Chloro-2-methyl-4-isothiazolin-3-one (in combination with 2-methyl-4-isothiazolin-3-one).	Not more than 0.0022% (22.5 ppm) in the formulation; 0.00022% (or 2.25 ppm) in the final solution applied to growing crops.	Preservative

Inert ingredients	Limits	Uses
* *	* * *	* *
2-Methyl-4-isothiazolin-3-one (in combination with 5-chloro-2-methyl-4-isothiazolin-3-one).	Not more than 0.0022% (22.5 ppm) in the formulation; 0.00022% (or 2.25 ppm) in the final solution applied to growing crops..	Preservative
* *	* * *	* *

* * * * *

[FR Doc. 93-27273 Filed 11-9-93; 8:45 am]
BILLING CODE 6560-50-F

40 CFR Part 185

[OPP-300237A; FRL-4188-7]

RIN No. 2070-AC18

Dichlorvos; Revocation of Food Additive Tolerance

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: This document revokes the food additive regulation for residues of the pesticide dichlorvos (2,2-dichlorovinyl dimethyl phosphate), also known as DDVP, in or on packaged or bagged nonperishable processed food 120 days after the publication of this document. This action is being taken because the Agency has determined that this food additive regulation is inconsistent with the Delaney Clause in section 409 of the Federal Food, Drug, and Cosmetic Act.

EFFECTIVE DATE: This regulation becomes effective March 10, 1994.

ADDRESSES: Written objections, requests for a hearing, and/or requests of stays identified by document control number, [OPP-300237A], must be submitted to: Hearing Clerk (1900), Environmental Protection Agency, Rm. 3708, 401 M St., SW., Washington, DC 20460. A copy of any objections, hearing requests, or other related documents filed with the Hearing Clerk should be submitted to: OPP Docket, Rm. 1132, Crystal Mall #2, 1921 Jefferson Davis Hwy., Arlington, VA, 22202

FOR FURTHER INFORMATION CONTACT: By mail: Niloufar Nazmi, Special Review and Reregistration Division (7508W), Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. Office location and telephone number: Special Review Branch, Crystal Station #1, 3rd Floor, Rm. WF31L1, 2800 Jefferson Davis Hwy., Arlington, VA, (703)-308-8028.

SUPPLEMENTARY INFORMATION:

I. Introduction

Dichlorvos (DDVP) is an insecticide registered under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) for use on a number of sites, including a variety of food crops, stored and processed foods, as well as for domestic use in and around homes and in commercial, institutional, and industrial buildings.

A food additive regulation of 0.5 part per million (ppm) for residues of dichlorvos in or on packaged or bagged nonperishable processed food has been established under section 409 of the Federal Food, Drug, and Cosmetic Act (FFDCA) and is codified in 40 CFR 185.1900.

A petition submitted to the Agency in May 1989 by the State of California, Natural Resource Defense Council, Public Citizen, AFL-CIO, and several individuals requested that EPA revoke food additive regulations for a number of chemicals, one of which was dichlorvos. The petitioners claimed that these regulations violated the Delaney Clause in section 409 of the FFDCA. The Delaney Clause provides that a food additive regulation may not be approved for a food additive if it "is found to induce cancer when ingested by man or animal, or if it is found, after tests which are appropriate for the evaluation of the safety of food additives, to induce cancer in man or animal, * * *." (21 U.S.C. 348(c)).

In responding to the petition, EPA interpreted the Delaney Clause as subject to an exception for pesticide uses which posed no greater than a *de minimis* cancer risk (56 FR 7750, Feb. 25, 1991). Although EPA concluded that several of the challenged regulations met this *de minimis* standard, EPA found that the dichlorvos food additive regulation did not. Therefore, in the Federal Register of October 3, 1991 (56 FR 50190), EPA proposed to revoke the food additive for packaged or bagged nonperishable processed food. Several comments were received in response to the notice of proposed revocation. These comments are presented in this document along with EPA's responses.

Subsequent to the issuance of the proposal to revoke the dichlorvos food additive regulation, the Court of Appeals for the Ninth Circuit rejected EPA's *de minimis* interpretation. *Les v. Reilly*, 968 F.2d 985 (9th Cir. 1992), cert. denied, 113 S. Ct. (1993). That decision became effective in March 1993.

II. Responses to Comments

A. AMVAC Chemical Corp.

EPA received extensive comments from AMVAC Chemical Corp., the holder of the FIFRA registration for the manufacturing product dichlorvos. Each of AMVAC's comments, however, concerns the magnitude of the risk posed by dichlorvos and its attendant benefits. Because the Court's holding in *Les v. Reilly* renders such issues irrelevant in determining whether a section 409 regulation is permissible under the Delaney Clause, EPA believes no response is necessary. Nonetheless, for the completeness of the record, EPA's responses to comments are provided below.

1. *Comment.* AMVAC claims that EPA's change in position between its initial response to the California petition and its Final Order regarding the level of risk posed by dichlorvos was insufficiently justified. AMVAC also believes that EPA inappropriately relied on a reexamination of data and instead should have waited for submission of new data. AMVAC cited two judicial decisions requiring administrative agencies to provide an explanation of the basis for any change in existing regulations or policies. (See *Motor Vehicles Manufacturers' Association v. State Farm Mutual Automobile Insurance Co.*, 463 U.S. 29 (1983) (recision of rule held arbitrary and capricious where Agency did not present an adequate basis and explanation); *Pacific Legal Foundation v. Department of Transportation*, 593 F.2d 1338 (D.C. Cir. 1979), cert. denied, 444 U.S. 830 (1979) (revision of rule upheld where sufficient explanation provided by Agency)).

Response. EPA agrees that when an administrative agency adopts a change in course by revoking a rule it must supply a "reasoned analysis." (See *Rust v. Sullivan*, 111 S. Ct. 1759, 1769 (1991); *Chevron USA, Inc. v. NRDC*, 467 U.S. 837, 862-864 (1984)). However, in the present situation EPA did not change a position which had the status of a final rule, but merely changed a preliminary decision in an ongoing administrative process. EPA's initial decision that the risk posed by dichlorvos might be *de minimis* was in an order to which objections were filed pursuant to procedures in the FFDCA, 21 U.S.C. 348(f). EPA changed its decision regarding the level of risk posed by dichlorvos based on a reexamination of the relevant data in response to the objections filed.

In any event, EPA's change in position was adequately explained in the proposed rule to revoke dichlorvos. EPA's original position was that new residue data were likely to show that the risk posed by dichlorvos was *de minimis*. The basis for this position was that the existing risk estimate was made using tolerance levels as the measure of residue levels in foods and that "tolerance residue levels generally overestimate likely dietary exposure." (55 FR 17568, April 25, 1990). EPA changed its position following a reexamination of the residue data used to establish the tolerance. (56 FR 7775, Feb. 25, 1991). That reexamination showed that dichlorvos residues may exceed the tolerance, and thus the tolerance may have been established at too low a level. Accordingly, EPA concluded that "the current risk estimate may be understated." *Id.* Thus, EPA changed its position because an examination of the data on dichlorvos residues showed that EPA's initial general assumption concerning the relationship between tolerance levels and actual residues was not necessarily accurate for dichlorvos.

2. *Comment.* AMVAC stated that because EPA has "no conclusive evidence" showing that the risks of dichlorvos are greater than *de minimis*, there is not sufficient evidence in the record to support EPA's decision.

Response. First, the burden of showing the safety of a food additive regulation lies with the proponent of the regulation to allow the additive in food (40 CFR 179.91; *Environmental Defense Fund v. Department of Health, Education, and Welfare*, 428 F.29 1083, 1092 n.27 (D.C. Cir. 1970)). Second, the risk posed by dichlorvos when assessed at the tolerance level (the legal level) exceeds a *de minimis risk*. Data for the aerosol application indicate the potential for over-tolerance residues, and this has been substantiated by over-tolerance dichlorvos residues found in two treated samples in a recent market basket study conducted by AMVAC in late 1992. Thus, the record in this case adequately supports EPA's decision.

3. *Comment.* AMVAC stated that because EPA examined the benefits involved in pesticide usage in adopting a *de minimis* exception to the Delaney Clause, EPA is required to consider the benefits of an individual pesticide in applying the *de minimis* exception.

Response. On several occasions, courts have expressly rejected the argument that application of a *de minimis* exception allows the balancing of risks and benefits. *Public Citizen v. Federal Trade Commission*, 869 F.29 1541, 1557 (D.C. Cir. 1989); *Alabama Power Co. v. Costle*, 636 F.29 323, 361 (D.C. Cir. 1979). EPA's consideration of benefits in the context of deciding whether or not to interpret the Delaney Clause as containing a *de minimis* exception was not inconsistent with those decisions. EPA considered the benefits of pesticides and Congressional views of those benefits in evaluating whether a *de minimis* exception was consistent with the legislative design for the regulation of pesticides. Legislative design is one of several factors relevant to whether a statute allows for a *de minimis* exception. *Alabama Power*, 636 F.2d at 360.

EPA has not considered the benefits of a pesticide in determining whether the risks posed by a particular use falls within the *de minimis* exception to the Delaney Clause.

4. *Comment.* AMVAC states that EPA should consider less burdensome alternatives including lowering the permissible tolerance level and changing dichlorvos use patterns prior to revoking the dichlorvos food additive regulation. As authority for this proposition, AMVAC cites *Corrosion Proof Fittings v. EPA*, 947 F.2d 1201 (5th Cir. 1991).

Response. The cited case involved the Toxic Substances Control Act, which contains explicit statutory language relating to least burdensome alternatives. *Id.* at 1214-1215. This matter involves the application of a *de minimis* exception to an otherwise zero-risk provision. There is no statutory requirement in the Delaney Clause to consider less burdensome alternatives. Moreover, as noted above, interpreting a statute as containing a *de minimis* risk exception does not give EPA the authority to consider cost factors in applying such a *de minimis* exception to determine if there is a less burdensome alternative. To the extent EPA is under an obligation to consider whether different use patterns would present a *de minimis* risk, the lack of data on residue levels at different use rates precludes such consideration.

5. *Comment.* AMVAC believes that residue levels of dichlorvos are significantly lower than those assumed by EPA in its risk assessment. AMVAC states that the residue data that the Agency relied on are "outdated" because the aerosol application used does not reflect current methods of application. AMVAC cited two reasons why over-tolerance residues occurred: (1) the inefficient (old) method of atomization and (2) the nonvolatility of the solvents used in the (old) formulation compared to the volatile solvents currently used.

Response. The level of dichlorvos used in the risk assessment for estimating exposure due to dietary intake of treated processed commodities, packaged and bagged, may overestimate the actual residues in these food items. However, when the dietary risk was estimated, the only residue data available to the Agency were those purportedly "outdated" data to which AMVAC alluded. As noted below, the additional residue data submitted to the Agency in late 1991 are limited in size and scope and therefore were not used. The Agency can only base its decisions on the data at hand.

6. *Comment.* To support its contention that residue levels of dichlorvos are significantly lower, AMVAC submitted the results of a market basket survey. Food products were exposed to dichlorvos from as few as one treatment to as many as 11 treatments (average of 2.5 treatments per commodity). Treatment frequency varied from once per week to once every 5 or 6 weeks (average treatment internal of 3.45 weeks). AMVAC asserted that the residue levels observed should represent the maximum levels that could be found in commercial facilities and that the average values would be at least an order of magnitude lower.

Response. Currently, the product labels permit an unspecified number of aerosol treatments. It also specifies no waiting period for treated commodities to be shipped and sold after treatment. Market basket samples were collected days after treatment. Thus, the residue levels observed in the treated processed commodities do not necessarily reflect the maximum label use conditions. In addition, AMVAC's submission contained adequate analytical data only for a few types of processed commodities permitted on the product label. The Agency is not convinced that the dietary exposure estimates should

be revised based upon this weak data base.

7. *Comment.* AMVAC contends that the Agency incorporated dichlorvos residue reduction factors only for rice, wheat, barley, rye, and possibly oats containing foods in its dietary exposure assessment, but allowance for residue reduction was not made for any of the several dried fruits, sugar products, or soybean products. AMVAC believes that, based on the hydrolytic instability of dichlorvos, the Agency should allow for residue reduction in packaged and bagged processed agricultural commodities that are cooked before consumption.

Response. The Agency agrees that some reduction in residues occurs with cooking and, as the registrant points out, some reduction factors were used for cooked rice and other small grains. However, no further adjustments in the exposure assessment will be made until data on processing/cooking factors are submitted, reviewed, and found valid.

8. *Comment.* AMVAC estimated the percent of site treated (bagged or packaged, nonperishable processed food) to be about 0.7 percent, an order of magnitude below EPA's estimate. It used two assumptions that account for its lower estimate: (1) the percent of processed food packaged in materials susceptible to dichlorvos residues, and (2) the percent of foodstuffs present on the day of treatment. In referring to "materials susceptible to dichlorvos residues," AMVAC appears to mean packaging material which allows dichlorvos to penetrate the package, resulting in residues. AMVAC contends that glass and metal containers would not result in residues.

Response. EPA's estimate of site treated was 7.5 percent. That figure was based on a survey of food processors which showed that, on average, 7.5 percent of food processors used dichlorvos. Significantly, the greatest use was by processors of grains and sugars (20 percent), the two commodities which represent the majority of the estimated risk of dichlorvos.

EPA has serious reservations about whether the 7.5-percent figure is adequately supported by the above-noted survey. The food additive regulation for dichlorvos in question covers bagged and packaged nonperishable processed food. Such food could be exposed to dichlorvos in several locations—in a food-processing plant, in a dry grocery warehouse, or in a food-handling establishment such as a supermarket. The survey of food processors purports to measure only usage in food-processing plants.

Based on figures submitted by AMVAC concerning the pounds of dichlorvos applied and the total cubic feet of warehouses and processing plants nationwide, the percent of site treated would be in the range of 5 to 10 percent. AMVAC, however, has contended that the percent of site treated should be reduced by the percentage of foods in dry grocery warehouses which are in metal or glass containers and by the percent of food likely to be in the warehouse on the day of treatment.

AMVAC contends that glass and metal containers would protect foods from exposure to dichlorvos. Even assuming that is true, EPA finds AMVAC's analysis to be flawed. Although admitting that the percentage of foods in glass and metal "is difficult to determine" and that it could obtain little or no data on the issue, AMVAC estimated that 90 percent of the food in warehouses is packaged in glass or metal containers. AMVAC reached this conclusion through use of a U.S. Department of Commerce survey of manufacturers that reports the dollar value of products by industry. AMVAC appears to have divided the dollar value of products for industries which produce food which could be in flexible packaging, as opposed to glass or metal, by the dollar value of products for industries which could have products in food warehouses to compute a percentage of food in warehouses which could be in flexible packaging. According to AMVAC, this calculation showed 20 percent of the food in warehouses could be in flexible packaging. AMVAC further reduced this percentage by half because AMVAC reasoned that not all of this food would be in flexible packaging. AMVAC's basis for this latter reduction is not clear.

AMVAC's proposed reduction of the percent of site treated to reflect AMVAC's estimate of the percent of food in warehouses which is in flexible packaging fails to take into account that EPA, in deriving a risk estimate for dichlorvos, only included those commodities in its exposure assessment which EPA judged to be likely to be packaged in bags and packages. Certainly, some of the commodities selected by EPA are packaged in glass or metal containers as well as in more flexible materials. However, EPA has no data to make a computation of the percentage breakdown between the various container types, and AMVAC's information is certainly not commodity specific. Moreover, as mentioned above, the two commodities which account for the bulk of the risk in the dichlorvos risk estimate are sugar and processed grains, two commodities which EPA believes are generally packaged in flexible materials.

EPA finds AMVAC's proposed reduction of the percent of site treated by the likelihood of a food being in the warehouse on the day the warehouse is treated with dichlorvos to be similarly unsubstantiated. AMVAC calculated that only 4.8 percent of the food in warehouses is present on the day of treatment. Whether or not that figure is correct, AMVAC has not adequately documented its assumption that only food present on the day of treatment is susceptible to dichlorvos residues. AMVAC suggests that residues from past treatments of dichlorvos dissipate and do not contaminate food introduced after the treatments. This maybe true, but the data to substantiate that assumption have not been submitted to EPA. For all of the above reasons, EPA concludes there is no reason to lower its estimate of the percent of crop treated by dichlorvos.

B. Other Comments

1. *Comment.* Three commenters (Millers' National Federation, Grocery Manufacturers' Association (GMA), and National Food Processors Association) stated that it was not good policy to take an action which would render foods which are legally treated with pesticides as adulterated. GMA argued that EPA's action would hurt consumer confidence in the safety of the food supply and EPA should withdraw the proposed revocation or bar the use of dichlorvos entirely.

Response. EPA agrees the best policy is to act consistently under the various regulatory provisions. This policy concern, however, does not justify leaving the DDVP regulation in place. In any event, EPA plans, under FIFRA, to cancel products containing dichlorvos on packaged and bagged nonperishable processed foods.

2. *Comment.* Two commenters (Millers' National Federation and American Spice Trade Association) objected to the revocation of this dichlorvos food additive regulation on the grounds that it would disrupt Integrated Pest Management (IPM) programs causing greater quantities of less effective pesticides to be used at the expense of the environment and the user.

Response. EPA supports the use of IPM programs, but does not believe the effect of this revocation on such programs is an appropriate consideration under the Delaney Clause.

III. Order

EPA has concluded that this food additive regulation must be revoked because DDVP induces cancer in animals and the Delaney Clause bars the establishment of regulations for such pesticides. DDVP has been shown in a 2-year bioassay in Fischer 344 rats to cause statistically significant increases, with a positive dose-related trend, in leukemia in males at 2 dose levels. (Ref. 1) The results of this study show that DDVP induces cancer in animals. In its weight of the evidence evaluation, EPA considered the historical evidence on leukemia in Fischer 344 rats (Ref. 2), other tumors reported in the study involving Fischer 344 rats, several additional cancer studies in mice and rats (Ref. 3), results of the transplantable rat mononuclear cell leukemia model (Ref. 4), mutagenicity data (Ref. 5), and structure activity information (Ref. 6). Much of this information supports EPA's conclusion that results of the Fischer 344 rat study are significant and, to the extent any of the information did not confirm the results of that rat study, none of that information is of such weight that it affects EPA's determination that the increased incidence of leukemia in male rats was the result of exposure to the test compound.

IV. Timing of Order

EPA proposed to make this revocation take effect 120 days after the revocation decision is final and published in the **Federal Register**. This proposal took into consideration that dichlorvos may still be legally used on packaged and bagged nonperishable processed foods under FIFRA. Processed foods treated with dichlorvos will necessarily become adulterated as a result of the revocation of the dichlorvos food additive regulation, even though the use of dichlorvos when it was applied was consistent with both the FIFRA registration and the FFDCA regulation. The 120-day period was chosen because EPA had preliminary data indicating that dichlorvos residues would be nondetectable after 60 days.

Two commenters (Millers' National Federation and American Spice Trade Association) urged EPA to delay the revocation for 2 years—the period of time necessary for all food treated prior to the revocation decision to clear the market. They argued that EPA should not rely on preliminary data on degradation in establishing the effective date. EPA shares the concerns of these commenters, but believes that the 120-day period is reasonable given that it is twice the length of time that the preliminary data suggest is needed for the degradation of residues. Accordingly, this order contains as an effective date for the revocation 120 days from the publication of this rule.

V. Procedural Matters

A. Filing of Objections and Requests for Hearings

Any person adversely affected by this final rule may file written objections to the final rule, and may include with any such objection a written request for an evidentiary hearing on the objection. Such objections must be submitted to the Hearing Clerk on or before December 10, 1993. Regulations applicable to objections and requests for hearings are set out at 40 CFR parts 178 and 179. Those regulations require, among other things, that objections specify with particularity the provisions of the final rule objected to, the basis for the objections, and the relief sought. Additional requirements as to the form and manner of the submission of objections are set out at 40 CFR 178.25. The Administrator will respond as set forth in 40 CFR 178.30, 178.35 and/or 178.37 to objections that are not accompanied by a request for evidentiary hearing. A person may include with any objection a written request for an evidentiary hearing on the objection. A hearing request must include a statement of the factual issues on which a hearing is requested, the requestor's contentions on each such issue, and a summary of any evidence relied upon by the objector. Additional requirements as to the form and manner of submission of requests for an evidentiary hearing are set out at 40 CFR 178.27. Under 40 CFR 178.32(c), the Administrator, where appropriate, will make rulings on any issues raised by an objection if such issues must be resolved prior to determining whether a request for an evidentiary hearing should be granted. The Administrator will respond to requests for evidentiary hearings as set forth in 40 CFR 178.30, 178.32, 178.35, 178.37, and/or 179.20. Under 40 CFR 178.32(b), a request for an evidentiary hearing on an objection will be granted if the objection and request have been properly submitted and if the Administrator determines that the material submitted show: (1) There is a genuine and substantial issue of fact for resolution at a hearing; (2) there is a reasonable possibility that available evidence identified by the requestor would, if established, resolve one or more of such issues in favor of the requestor; and (3) resolution of one or more of the factual issues in the manner sought by the person requesting the hearing would be adequate to justify the action requested. Any person wishing to comment on any objections or requests for a hearing may submit such comments to the Hearing Clerk on or before December 27, 1993.

B. Effective Date and Stays of Effective Date

This final rule shall become effective March 10, 1993. A person filing objections to this final rule may submit with the objections a petition to stay the effective date of this final rule. Such stay petitions must be submitted to the Hearing Clerk on or before December 10, 1993. A copy of the stay request filed with the Hearing Clerk shall be submitted to the Office of Pesticide Programs Docket room. A stay may be requested for a specific time period or for an indefinite time period. The stay petition must include a citation to this final rule and the specific food additive regulation(s) as to which the stay is sought, the length of time for which the stay is requested, and a full statement of the factual and legal grounds upon which the petitioner relies for the stay. If a petition for a stay is submitted, EPA will automatically stay the effective date of the final rule as to the particular regulation(s) for which the stay is sought for such time as is required to review the stay petition, if necessary. In determining whether to grant a stay, EPA will consider the criteria set out in the Food and Drug Administration's regulations regarding stays of administrative proceedings at 21 CFR 10.35. Under those rules, a stay will be granted if it is determined that: (1) The petitioner will otherwise suffer irreparable injury; (2) the petitioner's case is not frivolous and is being pursued in good faith; (3) the petitioner has demonstrated sound public policy grounds supporting the stay; and (4) the delay resulting from the stay is not outweighed by public health or other public interests. Under FDA's criteria, EPA may also grant a stay if EPA finds such action is in the public interest and in the interest of justice. If a stay petition is submitted, EPA will publish a notice of receipt in the **Federal Register**, stating that the effective date of this final rule is stayed as to the regulation(s) to which the stay is requested pending EPA consideration of the stay request. Any affected person may submit objections to a stay request to the Hearing Clerk on or before 15 days from the publication in the **Federal Register** of the notice of receipt of a stay request. Any decision lifting the stay will be published in the **Federal Register**.

VI. Other Regulatory Requirements

A. Executive Order 12291

As explained in the proposal published in the **Federal Register** of October 3, 1991 (56 FR 50190), EPA determined, pursuant to the requirements of E.O. 12291, that the revocation of the food additive tolerance is not a major regulatory action, i.e., it will not have an annual effect on the economy of at least $100 million, will not cause a major increase in prices, and will not have a significant adverse effect on competition or the ability of U.S. enterprises to compete with foreign enterprises. The Agency's best judgment is that the total impact of this rule may be as high as $50 million per year.

This rule has been reviewed by the Office of Management and Budget (OMB) as required under section 3 of E.O. 12291.

B. Regulatory Flexibility Act

This rule has been reviewed under the Regulatory Flexbility Act of 1980 (Pub. L. 96-354; 94 Stat. 1164, 5 U.S.C. 601 et seq.), and EPA has determined that it will have a minor economic impact on a small number of small businesses, small governments, or small organizations. The reasons for this conclusion are discussed in the October 3, 1991, proposal.

The Delaney Clause does not give EPA the authority to consider economic impact. Accordingly, I certify that this rule does not require a separate regulatory flexibility analysis under the Regulatory Flexibility Act.

C. Paperwork Reduction Act

This regulatory action does not contain any information collection requirements subject to review by OMB under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

VII. References for DDVP

All references cited in section VII of this preamble are available for viewing in the Office of Pesticide Program's Public Docket under control number 260053C. The docket is located in Rm. 1132, Crystal Mall #2, 1921 Jefferson Davis Hwy., Arlington, VA, telephone: 703-305-5805. The docket is open from 8 a.m. to 4:30 p.m., Monday through Friday, except legal holidays.

Copies of the references without an associated Master Record Identification (MRID) number are available to any person, regardless of affiliation. Disclosure of the references identified by an MRID number are subject to the limitations imposed by section 10 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). Visitors are required to sign an "Affirmation of Non-multinational Status" form prior to viewing any references identified by an MRID number.

Copies of the references also are available by writing to: Freedom of Information Office (A101), U.S. Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. Disclosure of the references under the Freedom of Information Act are subject to the same limitations as outlined above.

References

1. Two-year Gavage Study of Dichlorvos in F344 Rats (Southern Research Institute, Study No. 05049, May 23, 1983, sponsored by the National Toxicology Program), PWG Report, May 30, 1986. MRID 006019.

2. Haseman et al., *JNCI* 75:975-984, 1985.

3. See EPA, Office of Pesticide Programs, "4th Peer Review of Dichlorvos" (9/18/89). PWG Dichlorvos Two Year B6C3F1 Mouse Corn Oil Gavage Study. (Southern Research Institute; Study Numbers: 05049 Test 02. NTP C# 00113B, May 23, 1983; sponsored by National Toxicology Program) PWG May 14, 1986. NTP Technical Report No. 342, "A Review of the Interpretation of the NTP Toxicology and Carcinogenesis Studies of Dichlorvos," June 30, 1988, by John H. Mennear, Ph.D., Professor of Toxicology, Campbell University, Buies Creek, North Carolina.

4. The transcript of the NTP panel of experts meeting of July 14, 1987.

5. See Memorandum, from Judith Hauswirth to George La Rocca, EPA, Office of Pesticide Programs, "First Peer Review of Dichlorvos (DDVP)" (Sept. 25, 1987).

6. Same as item 5 of these references.

List of Subjects in 40 CFR Part 185

Environmental protection, Administrative practice and procedure, Agricultural commodities, Food additives, Pesticides and pests, Reporting and recordkeeping requirements.

Dated: October 22, 1993.

Victor J. Kimm,

Acting Assistant Administrator for Prevention, Pesticides and Toxic Substances.

Therefore, 40 CFR part 185 is amended as follows:

PART 185—[AMENDED]

1. The authority citation for part 185 continues to read as follows:

Authority: 21 U.S.C. 346a and 348.

2. By revising § 185.1900 to read as follows:

§ 185.1900 2,2-Dichlorovinyl dimethyl phosphate.

A tolerance that expires on March 10, 1994, is established as follows: The food additive 2,2-dichlorovinyl dimethyl phosphate may be present as a residue from application as an insecticide on packaged or bagged nonperishable processed food (see: 21 CFR 170.3(j)) in an amount in such food not in excess of 0.5 part per million (ppm). To assure safe use of the insecticide, its label and labeling shall conform to the label and labeling registered by the U.S.Environmental Protection Agency, and the usage employed shall conform to such label and labeling.

[FR Doc. 93-27607 Filed 11-9-93; 8:45 am]

BILLING CODE 6560-50-F

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40 CFR Part 799

[OPPTS-42111C; FRL 4047-2]

RIN 2070-AB94

Office of Water Chemicals; Final Test Rule

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final Rule.

SUMMARY: EPA is issuing a final rule, under section 4 of the Toxic Substances Control Act (TSCA), requiring manufacturers and processors to test four chemical substances for certain health effects. Oral 14-day repeated dose and oral 90-day subchronic toxicity studies are required for each of the following substances: Chloroethane (CAS No. 75-00-3); 1,1-dichloroethane (CAS No. 75-34-3); 1,1,2,2-tetrachloroethane (CAS No. 79-34-5); and 1,3,5-trimethylbenzene (CAS No. 108-67-8). This rule also supports EPA's effort to develop Health Advisories (HAs) for unregulated drinking water contaminants that are monitored under section 1445 of the Safe Drinking Water Act (SDWA). The proposed rule which was published on May 24, 1990 was referred to as the Office of Drinking Water Chemicals proposed test rule.

DATES: This rule shall become effective on December 27, 1993. In accordance with 40 CFR 23.5, this rule shall be promulgated for purposes of judicial review at 1 p.m. eastern daylight time on November 24, 1993.

FOR FURTHER INFORMATION CONTACT: Susan B. Hazen, Director, Environmental Assistance Division (MFT-7408), Office of Pollution

Prevention and Toxics, Rm. E-543B, 401 M St., SW., Washington, DC 20460, (202) 554-1404, TDD: (202) 544-0551.

SUPPLEMENTARY INFORMATION: EPA is issuing a final test rule under section 4(a) of TSCA to require health effects testing of four chemical substances that have been identified as drinking water contaminants by the Office of Water. EPA is not requiring testing under section 4(a)(1)(B) for health effects testing of *n*-propylbenzene (CAS No. 103-65-1) because production is not substantial at this time. The required subacute and subchronic test guidelines were proposed under parts 795 and 798, respectively. EPA, however, has decided to require the same subacute testing according to a guideline under part 798 with modifications.

I. Introduction

A. Test Rule Development Under TSCA

This final rule is part of the overall implementation of section 4 of TSCA, 15 U.S.C. 2601 et seq., which contains authority for EPA to require the development of data relevant to assessing the risk to health and the environment posed by exposure to particular chemical substances or mixtures (chemicals).

Under section 4(a) of TSCA, EPA must require testing of a chemical to develop health or environmental data if the Administrator makes certain findings as described in TSCA under section 4(a)(1)(A) or (B). Detailed discussions of the statutory section 4 findings are provided in EPA's first and second proposed test rules, which were published in the **Federal Register** of July 18, 1980 (45 FR 48510) and June 5, 1981 (46 FR 30300). Additional discussion of the TSCA section 4(a)(1)(B) finding can be found in the final statement of policy which articulates the criteria for making that finding (58 FR 28736, May 14, 1993).

B. Background

On May 24, 1990 (55 FR 21393), EPA proposed oral subacute and subchronic health effects testing under TSCA section 4(a)(1)(B) for the following chemicals:

Chemical name	CAS No.	Docket No.
chloroethane	75-00-3	42111C/42162
1,1-dichloroethane	75-34-3	42111C/42163
1,1,2,2-tetrachloroethane	79-34-5	42111C/42164
n-propylbenzene	103-65-1	42111C/42161
1,3,5-trimethylbenzene	108-67-8	42111C/42165

In evaluating the testing needs for these five substances, EPA considered available published and unpublished information on the production volume, exposure, and toxicity of these substances. The proposed testing was intended to support the efforts of EPA's Office of Water (OW) in developing Health Advisories (HAs) for these substances. The subacute and subchronic tests were proposed to be conducted according to TSCA guidelines under 40 CFR 795.257 and 798.2650; however, EPA has decided that because the provisions of the subacute and subchronic test guidelines are essentially identical except for the exposure period, EPA is requiring both tests to be conducted according to § 798.2650 except for modifications for the subacute test which will specify a shorter exposure period and in other ways make it comparable to the proposed 14-day guideline. EPA has decided not to issue the 14-day subacute test guideline, proposed under § 795.257, as a separate guideline. This decision was an outgrowth of EPA's effort to harmonize its testing guidelines with those of the Organization of Economic Cooperation and Development (OECD) and EPA's decision to eliminate the annual publication of testing guidelines in the Code of Federal Regulations. For ease of discussing the comments received on the proposed 14-day guideline, this guideline will be referenced using the same section number under which it was proposed, i.e. § 795.257.

The Safe Drinking Water Act (SDWA) of 1974, as amended in 1986, provides for the regulation of substances that may cause adverse human health effects and that are known or anticipated to occur in drinking water. Under section 1445 of the SDWA, public water systems are to monitor for a list of unregulated drinking water contaminants, including the substances in this rule. Recently, EPA announced the availability of monitoring data for these substances from nine states (AL, FL, IN, MA, MI, NE, PA, RI and WV). These data showed that chloroethane was present in drinking water in four of the nine states; 1,1-dichloroethane in six of the nine states; 1,1,2,2,-tetrachloroethane in five of the nine; *n*-propylbenzene in two of the nine; and 1,3,5-trimethylbenzene in three of the nine (Ref. 31). These data confirm that these chemicals are present in drinking water. EPA made the data available for public comment on April 20, 1992 (57 FR 14371) and is using these data to further support its exposure finding in this action. Other monitoring data also showed the presence in drinking water of the five substances in this rule (Ref. 10). These data had not been available when the proposed rule was being developed and were presented in a later notice for public comment on July 15, 1991 (56 FR 32292).

In addition to the monitoring requirements in the SDWA for unregulated contaminants, EPA develops HAs for some of them, as well as for some regulated contaminants. HA levels provide guidance to Federal, State, and local officials responsible for protecting health after chemical spills. HA levels suggest acceptable concentrations of the chemical in drinking water; levels that would not be expected to result in an adverse health effect for 1-day, 10-day, longer-term, or lifetime human exposures based on data describing noncarcinogenic endpoints of toxicity, and, where available, data on carcinogenicity. In developing a HA, oral studies in one or more species are used in which the exposure duration is comparable to the HA exposure duration. HAs are intended to inform public health officials of the potential health effects associated with a chemical, as well as the concentration of the chemical that is not expected to cause an adverse effect after exposure of various durations.

II. Public Comment

Comments in response to the proposed test rule for the Office of Drinking Water chemicals were received from the Chemical Manufacturers Association (CMA)(Ref. 1), Dow Chemical Company (Refs. 2 and 3), Eastman Kodak Company (Ref. 4), Halogenated Solvents Industry Alliance (HSIA)(Ref. 5), Monsanto Company (Ref. 6), Shell Oil Company (Ref. 7), Vista Chemical Company (Ref. 8), and Vulcan Chemicals (Ref. 9). No comments were received in response to the notice presenting drinking water monitoring data on July 15, 1991 (56 FR 32292). Comments in response to the notice

announcing the availability of drinking water data on April 20, 1992 (57 FR 14371), were received from Koch Chemical Company (Koch) (Ref. 32), the American Water Works Association (AWWA) (Ref. 33), and the Association of Metropolitan Water Agencies (AMWA) (Ref. 34). These comments and EPA's responses to them are summarized below.

1. *Testing advocated.* The AWWA (Ref. 33) commended EPA in its use of TSCA and data from the SDWA to protect drinking water supplies by requiring testing for development of HAs. The AWWA believes this information is critical for the protection of human health. The AMWA (Ref. 34) commented that it strongly supports the development of national drinking water standards for contaminants which pose a threat to public health and occur in drinking water. AMWA also commented that the drinking water data support the section 4 findings and that it is appropriate to require testing for acute, subacute, and chronic health effects including neurotoxicity and developmental toxicity. The AMWA stated that it strongly supports such testing to help insure the protection of drinking water supplies and public health.

2. *Justification for short-term HAs.* Monsanto Company (Ref. 6) commented that EPA has not provided sufficient justification or rationale for the establishment of HAs, particularly 1–day, 10–day, and Longer-term HAs, in the proposed test rule or in the reference on drinking water health advisories (Ref. 40).

EPA disagrees. In the introduction to the proposed test rule, EPA stated that the HAs are needed to provide guidance to Federal, State, and local officials who are responsible for protecting health after chemical spills or contaminations have occurred. Moreover, this rule does not establish any HAs. HA levels suggest concentrations of a chemical in drinking water that would not be expected to result in an adverse health effect for 1–day, 10–day, longer-term, or lifetime human exposures (55 FR 21393, May 24, 1990). Although described as an unlikely scenario by Monsanto, EPA knows chemical spills may result in transient contamination of drinking water supplies for which short-term exposure criteria are more appropriate than are the usually more stringent chronic-exposure criteria. In fact, there have been numerous instances of drinking water supplies (both ground and surface water) being contaminated as a result of chemical spills and accidents and also some cases where the inlet to drinking water supplies has been shut off because of chemical spills in rivers, e.g., Potomac River (Refs. 41–44) and Ohio River (Refs. 45 and 46). In such instances EPA has provided guidance on the hazards of substances detected in drinking water (Ref. 38), and drinking water professionals have commented on how important this guidance is to them (Ref. 33 and 34). Therefore, EPA believes that the establishment of HAs, including the shorter-term HAs, is justified in general and specifically for the substances in this rule, all of which have been found in drinking water. As stated previously, however, this rule does not itself establish any HAs but rather only requires testing to develop data which EPA may use to develop HAs.

3. *Exposure findings*—a. *Substantial production.* CMA (Ref. 1) commented that EPA did not define substantial production and, along with Monsanto (Ref. 6), commented that EPA did not disclose production volumes because they were Confidential Business Information (CBI). CMA, therefore, suggested EPA use general production ranges to justify its finding for "substantial production." Since these comments were received, EPA has defined what it considers substantial production in the final statement of policy for TSCA section 4(a)(1)(B)(i) findings (58 FR 28736, May 14, 1993). This policy states that aggregate annual production (including imports) in excess of 1 million pounds is considered substantial. By using a 1-million- pound threshold, only the top 11 percent of the chemicals reported on the TSCA inventory are defined as being produced in substantial quantities. Thus, EPA believes it to be a reasonable interpretation of TSCA section 4(a)(1)(B) to consider aggregate annual production in excess of 1 million pounds to constitute "substantial production."

Monsanto (Ref. 6) commented that EPA relied on "obsolete TSCA inventory production information" to support its exposure finding. EPA did not rely only on 1977 TSCA inventory data, but also on the 1986 and 1990 updates of these data and found that chloroethane and 1,1-dichloroethane are produced in volumes over 100 million pounds, and 1,1,2,2-tetrachloroethane and 1,3,5-trimethylbenzene are produced in volumes over 1 million pounds. Because of these production volumes and the reasons set forth in the final statement of policy for TSCA section 4(a)(1)(B)(i) findings, a substantial production finding is made for these four substances. EPA is deferring action on the proposed testing of *n*-propylbenzene under TSCA section 4(a)(1)(B)(i) because production is not substantial at this time. However, because this chemical has been found in drinking water, EPA will monitor future updates of the TSCA inventory data base and will reconsider the need for testing of *n*-propylbenzene at that time. Alternatively, EPA may initiate rulemaking pursuant to sections 8(a) and/or 5(a)(2) of TSCA to monitor for such changes by requiring the notification of the Agency prior to any future manufacture, importation or processing of *n*-propylbenzene.

b. *Substantial release.* Several comments from industry challenged the finding that there is or may be substantial releases of all the subject chemicals. HSIA (Ref. 5) indicated that EPA could not support a finding of potential substantial release for 1,1,2,2-tetrachloroethane since it is a byproduct of the closed system production of methyl chloroform. HSIA concluded that the presence of 1,1,2,2-tetrachloroethane in some ground and surface waters may be due to past land disposal of this chemical which is no longer practiced, and that current environmental contamination should not be used to support a finding of "substantial" environmental release. Vista Chemical Company (Ref. 8) indicated that it is an inadvertent producer of chloroethane, 1,1-dichloroethane, and 1,1,2,2-tetrachloroethane, but that these substances are incinerated and "the potential for environmental releases or public exposure is insignificant." Monsanto (Ref. 6) commented that "in order for EPA to make a finding under the 'enter(s) the environment in substantial quantities' test, there must be a reasonable determination that such is the case."

In the final statement of policy explaining how EPA interprets its legal authority to make TSCA section 4(a)(1)(B)(i) findings, EPA defined substantial release for the majority of chemicals in production as 1 million pounds per year or 10 percent of production, whichever is less (58 FR 28736, May 14, 1993). As stated in the policy, the 1 million pounds per year threshold is based on the existing information EPA has about the releases of existing chemicals. The major source of information EPA has about chemical release is the Toxics Release Inventory (TRI) required under section 313 of the Emergency Planning and Community Right-to-Know Act (EPCRA) and the Pollution Prevention Act of 1990. Section 313 of EPCRA requires that persons who manufacture or process certain listed chemical substances in excess of 25,000 pounds per year or otherwise use chemical substances in

excess of 10,000 pounds per year report releases of listed chemicals to EPA. Because the TRI encompasses only a limited number of chemical substances and categories, and because companies only report once they meet an applicable threshold, TRI does not represent the entire universe of chemicals or releases of chemicals. Nevertheless, EPA has found that only 37 percent of chemicals reported on TRI have releases in excess of 1 million pounds per year. Thus, EPA believes it to be a reasonable interpretation of TSCA section 4(a)(1)(B)(i) to consider releases in excess of 1 million pounds per year to constitute "substantial environmental release." Applying these criteria, a finding of substantial release can be made for chloroethane. According to the TRI, 4.86 million pounds of chloroethane were released to the environment in 1989 (Ref. 11). The quantity of 1,1,2,2-tetrachloroethane released to the environment in 1989 according to TRI was only 41,131 pounds (Ref. 11). There were no TRI data available on 1,1-dichloroethane, n-propylbenzene, or 1,3,5-trimethylbenzene, and additional information on the extent of their release to the environment was not submitted.

CMA (Ref. 1) commented that EPA cannot rely on TRI data alone to support a finding for substantial environmental release, but must combine these data with monitoring and environmental fate data. EPA disagrees with CMA that monitoring and chemical fate data must be considered to make the substantial release finding, and this position was supported by the cumene ruling in *CMA et al. vs. EPA*, 899 F.2d 344 (5th Cir. 1990) (Ref. 39). The TRI data are estimates provided by industry about chemical release and therefore, EPA believes it is reasonable to rely on them. Furthermore, EPA does not interpret the term "enters the environment" to require it to demonstrate persistence or exposure.

Monsanto (Ref. 6) commented that the proposed test rule reported that over 4 million pounds of chloroethane were released to air, but that there was no information on the release to surface waters which, Monsanto believes, should be the primary information considered since surface waters are a source of drinking water. In 1989 4.86 million pounds of chloroethane were released to the environment; of which 71,749 pounds were discharged directly to water. Although a much greater quantity is released to air than is discharged to water, there is, nevertheless, widespread contamination of drinking water by chloroethane. EPA believes that knowledge of how a chemical enters the environment does not in itself predict the ultimate distribution of that chemical in the various environmental media (air, water, land) because a substance may migrate between environmental media. Therefore, EPA believes the total amount of a chemical released to the environment should be the primary consideration in making a finding for substantial release.

c. *Significant or substantial human exposure.* The Association of Metropolitan Water Agencies (AMWA) (Ref. 34) commented that the drinking water data are clearly sufficient to support a finding that there is substantial exposure to the five chemical substances. EPA agrees with this comment, as discussed below in this unit.

CMA (Ref. 1) commented that EPA has not complied with the cumene court ruling which requires EPA to articulate its definition of "substantial exposure" and that the proposed test rule for the OW chemicals did not cite the standards or criteria by which EPA defines the concept of 'substantial or significant' human exposure in section 4(a)(1)(B) of TSCA.

CMA submitted this comment before EPA proposed and finalized its policy statement which articulated its criteria for determining potential substantial exposure under section 4(a)(1)(B) of TSCA. In the final statement of policy published on May 14, 1993 (58 FR 28736), EPA established the criteria for substantial human exposure as 100,000 persons in the general population, 10,000 consumers, or 1,000 workers. EPA believes that the different numerical thresholds for workers, consumers, and the general population are necessary to reflect the inherent differences in each probable exposure scenario (e.g., workers generally are exposed on a more routine or direct basis than consumers, and consumers are generally exposed on a more direct basis than the general public).

Comments on the application of the policy to chloroethane and 1,1,2,2-tetrachloroethane were received from HSIA (Ref. 30). HSIA stated that the application of the proposed policy to these chemicals was generic, based upon total production volume and survey data of disposal sites, and that an attempt should have been made to identify and analyze source, production method, intensity, duration, and/or frequency of exposure. EPA agrees that knowledge of these factors is desirable; however, such knowledge is not required to make the substantial human exposure finding under TSCA section 4(a)(1)(B)(i). These types of data are not usually available and testing should not be rejected simply because these data are nonexistent. Even if detailed exposure data were available, in the absence of reliable health or environmental effects data, it is impossible to determine what exposures are acceptable. Indeed, if adequate health effects data were available, testing would not be necessary.

CMA (Ref. 1) commented that EPA did not cite any data which demonstrated that the OW chemicals have been found in drinking water, but instead relied on groundwater, soil, and surface water monitoring data. CMA indicated that the data presented did not provide the "substantial evidence" required by TSCA to support exposure findings because (1) EPA possesses an extensive database regarding the levels at which various contaminants have been detected in drinking water sources around the country and these have been reviewed in other exposure-based test rules, and (2) EPA should obtain the available monitoring data on these chemicals before it reaches any conclusions about the magnitude of human exposure.

EPA under TSCA must provide "substantial evidence" in the rulemaking record that there is or may be significant or substantial human exposure. The drinking water data which were not available when this test rule was proposed, have since been provided for comment (56 FR 32294, July 15, 1991 and 57 FR 14371, April 20, 1992). The data provided on July 15, 1991, show that all five of these chemicals have been found in drinking water in the United States. This includes community drinking water systems of America's large cities (e.g., Miami, Philadelphia, Cincinnati, Seattle, New Orleans, and Washington, DC), private drinking water wells, and finished drinking water from ground water. The presence of these chemicals in these water supplies alone will result in the exposure of millions of persons and supports the finding of substantial human exposure. The data provided on April 20, 1992, further demonstrated contamination of drinking water by the five chemicals in this rule.

HSIA (Ref. 30) commented that 1,1,2,2-tetrachloroethane is not a commercial product, but an intermediate to which there is no potential for human exposure. Also, HSIA commented that chloroethane is a gas at room temperature and that human exposure would likely be only by inhalation.

The information EPA provided for the two supplemental comment periods, on

which HSIA did not comment, showed that 1,1,2,2-tetrachloroethane and chloroethane have been found in drinking water in many cities and states in the United States (56 FR 32292, July 15, 1991 and 57 FR 14371, April 20, 1992).

CMA (Ref. 1) and Monsanto (Ref. 6) also commented that if EPA examined data concerning physical/chemical properties and environmental fate of these chemicals and evaluated such characteristics as volatility, mobility, and biodegradation, that EPA would conclude that the migration of the OW chemicals to public water supplies as a result of groundwater contamination or surface water spills is an unlikely exposure scenario.

Although EPA agrees with CMA that surface water spills (and other releases) will result in some volatilization of the chemicals, these chemicals have similar Henry's Law constants and volatilization half-lives, and chloroethane has been detected in drinking water taken from surface waters (Ref. 10). Therefore, it is reasonable to assume that all of them could contaminate drinking water if a surface spill or other release occurred. Furthermore, groundwater contamination or releases from hazardous waste or landfill sites also have potential for contaminating drinking water. These chemicals are stable, transportable in groundwater, and have been detected in drinking water obtained from surface and groundwaters (Ref. 10). Therefore, it is EPA's opinion that the physical/chemical properties and environmental fate of these chemicals would suggest that groundwater contamination and surface water spills or other releases could lead to exposure via drinking water.

CMA (Ref. 1) commented that EPA made no effort to link the presence of the OW chemicals in groundwater and surface water to activities conducted at manufacturing and processing sites, a shortcoming they concluded was similar to that which the Fifth Circuit identified in the cumene case. Thus, CMA commented, EPA cannot sustain its exposure finding for the OW chemicals without some evidence linking the activities of their manufacturers and processors with the groundwater and surface water samples on which the Agency relies.

EPA's exposure finding does not depend solely on the presence of these chemicals in ground and surface waters, but also on the positive drinking water monitoring data which EPA made available (56 FR 32229, July 15, 1991 and 57 FR 14371, April 20, 1992). In addition, an exposure finding based on distribution in commerce, use, or disposal, requires both manufacturers and processors to conduct testing under TSCA section 4(b)(3)(B)(iii). It is, therefore, not necessary to specify linkage to one group or another.

Nevertheless, EPA believes that there is little doubt that the presence of the three chlorinated OW chemicals (chloroethane, 1,1-dichloroethane, 1,1,2,2-tetrachloroethane) is a result of industrial activities. These chemicals are not naturally formed. It is well known, as mentioned by many of the commenters, that these chemicals were landfilled before RCRA requirements prevented such activities. The detection of these three chemicals at hazardous waste sites may certainly be due to these past disposal practices; but while the TRI data would suggest that small amounts are still being released to or injected in the ground (Ref. 11), these past and present disposal practices can nonetheless contribute to current and future exposures.

Concerning the other OW chemical, 1,3,5-trimethylbenzene, there is evidence that it is released from non-petroleum manufacturing and processing plants; 1,3,5-trimethylbenzene has been found in effluents from the manufacture of textiles and plastics (Ref. 10). EPA also considers 1,3,5-trimethylbenzene to be released to the environment from the manufacturing, use, and disposal of gasoline (Ref. 10) because it is present in the C9 hydrocarbon fraction in gasoline (50 FR 20662, May 17, 1985). In addition, all four chemicals may be accidentally spilled while in transit.

The Koch Chemical Company (Ref. 32) commented that EPA did not support a finding for substantial human exposure to 1,3,5-trimethylbenzene because the total population exposed to 1,3,5-trimethylbenzene in drinking water in three states (Alabama, Massachusetts, and Rhode Island) did not exceed 200,000 persons.

The drinking water data from these three states indicated that 199,000 persons in the general population were exposed to 1,3,5-trimethylbenzene in drinking water (Ref. 31). EPA's guiding criterion for finding general population exposure substantial under TSCA is 100,000 persons. EPA, therefore, has supported a finding for substantial exposure to 1,3,5-trimethylbenzene.

The Koch Chemical Company (Ref. 32) commented that it and its customers for 1,3,5-trimethylbenzene are in the states of Texas, Kansas, and South Carolina and that there were no drinking water data from these states demonstrating contamination by 1,3,5-trimethylbenzene. Koch, therefore, believes that it should not be required to share in the testing costs of 1,3,5-trimethylbenzene.

EPA did not present data from these three states because they were not available. EPA has made the necessary findings under TSCA section 4(a)(1)(B) to support testing of 1,3,5-trimethylbenzene. Koch, as the largest manufacturer of pure 1,3,5-trimethylbenzene, is subject to this test rule under TSCA section 4(b)(3)(B), and is therefore responsible for its share of the testing costs.

4. *Derive HAs from existing data*—a. *Use of other methods to derive HAs.* CMA (Ref. 1) and the Monsanto Company (Ref.6) recommended that, rather than requiring further data development, EPA consider other methods to derive HAs from existing data, e.g., oral LD50 values and subacute and subchronic inhalation toxicity studies. CMA and the Monsanto Company cited Weil and McCollister (Ref. 12), Weil et al. (Ref. 13), and McNamara (Ref. 14) as authorities for extrapolation of short-term data to long term no-effect levels. CMA and the Monsanto Company proposed the calculation of 1–day HAs using the LD50 divided by 10 as an estimated 1–day No-Observed-Effect-Level (NOEL) and 10–day HAs using the LD50 divided by 20 as an estimated 10–day NOEL. According to CMA and Monsanto, Weil et al. (Ref. 13) found that the LD50 divided by 20 would encompass the No-Observed-Adverse-Effect-Level (NOAEL) or NOEL for a 7–day dosing regimen for 95 percent of the chemicals they evaluated, and Weil et al. (Ref. 13) and McNamara (Ref. 14) found that the LD50 divided by 100 would encompass the NOAEL or NOEL from a 90–day study for 95 percent of the chemicals they evaluated.

While this statement is partially correct, it does not reflect the conclusions of the cited authors as to the usefulness of these relationships in predicting longer-term no-effect levels from LD50 data. In addition, it should be noted that neither Weil and McCollister (Ref. 12), nor Weil et al. (Ref. 13) nor McNamara (Ref. 14) presented any analysis of potential extrapolations from LD50 values to 1–day or 10–day NOELs. Weil et al. (Ref. 13), concluded from data obtained in their laboratory that the relationship between the oral LD50 values and the 90–day minimum effective values (MiEs) was poor and that the relationship between LD50 values and the 7–day MiEs was only somewhat better. Weil et al. (Ref. 13) did not recommend extrapolation from the

LD50 to either the 7 or the 90–day MiE because of the wide spread of LD50/MiE ratios (from 0.2 to >512 for LD50/7–day MiE and from <0.4 to >1,939 for LD50/90–day MiE). McNamara (Ref. 14), analyzing literature data on a greater number of chemicals, found an even greater variability in the relationship between LD50 values and 90–day no-effect levels and also did not recommend extrapolating from LD50 values to a 90–day no-effect level. Furthermore, neither the EPA, nor the National Academy of Science (NAS), has adopted such a method of extrapolation. Guidelines for derivation of EPA drinking water health advisories specifically state that lethality data are not to be used as a basis for these advisories (Ref. 37, page 14). Similarly, the NAS (Ref. 22) stated that it did not use LD50s as a basis for short-term (24–hour or 7–day) drinking water advisories. There may be a huge cost to society either to human health or from requiring expensive and unnecessary treatment or providing alternative drinking water sources if HAs are based on poor methodology.

Vulcan Chemicals (Ref. 9) commented that regulatory agencies have often used data from single-dose 14–day studies, primarily LD50 or LC50 values, but also "some estimate of a no-effect-level," to estimate NOAELs. While adequate dose-effect data from oral single-dose 14–day studies could be appropriate as the basis for a 1–day HA, EPA is not aware of any use of LD50 data to estimate NOAELs by regulatory agencies.

CMA (Ref. 1) and Monsanto (Ref. 6) presented a table of HAs calculated by the EPA as compared with "theoretical HAs" calculated from the LD50 by extrapolating to a NOEL using the above method, and then applying an uncertainty factor of 100. Of the 13 chemicals with 1–day HAs calculated by EPA, the LD50-based HA was lower for 11, and was higher by a factor less than 2 for the remaining two chemicals. Hence, the LD50-based value was usually as protective as the EPA value for the 1–day HA. Of the seven chemicals with 10–day HAs calculated by EPA, however, the LD50-based HA was higher than the EPA HA for four chemicals. For two of these chemicals, the LD50-based HA was higher by a factor of about 2 and for the other two chemicals, the LD50-based HA was higher by a factor of about 10. Hence, this method of estimation is not as protective for the 10–day HA as the EPA value.

CMA (Ref. 1) proposed that EPA establish theoretical HAs based on LD50s and allow manufacturers and processors the option of conducting short-term studies if they found the proposed HA levels unacceptable. In view of the diminished protectiveness of 10–day HAs by the LD50 method, as noted above, EPA concludes that this approach is not acceptable. CMA also suggested that EPA compare the NOAELs identified in 90–day studies to values based on LD50s. The work by Weil et al. (Ref. 13) and McNamara (Ref. 14) addressed this issue, as discussed previously, and concluded that the relationship between LD50 values and 90–day no-effect or minimal effect levels was too poor for the LD50 to be used as a basis for extrapolation to 90–day exposure. Hence, there would appear to be no justification for EPA to adopt this approach. CMA also noted that EPA has established shorter-term HAs based on NOAELs identified in 90–day and lifetime studies, and that EPA should consider doing so for these chemicals, and remove the requirement for the separate 14–day studies from the test rule. While EPA has used this suggested approach as a conservative measure in the absence of short-term exposure data, these HAs may be revised as new data become available.

b. *Chloroethane data.* CMA (Ref. 1), HSIA (Ref. 5) and the Dow Chemical Company (Ref. 2) commented that EPA should use the available short-term and subchronic inhalation toxicity studies (Refs. 15-17) on chloroethane to derive drinking water HAs or should support its apparent conclusion that these data are insufficient as the basis for HAs. To use these data EPA would have to extrapolate from inhalation to oral exposure, which can usually only be justified when adequate pharmacokinetic data for both routes are available and indicate that the fate of the chemical is not strongly route-specific, or when the available toxicity data indicate that toxicity by both routes is similar. For chloroethane, however, pharmacokinetic data for both routes are inadequate and toxicity data for oral exposure are lacking. In addition, the available short-term and subchronic studies do not fully conform to the 14–day repeated-dose and 90–day toxicity test guidelines.

The Dow Chemical Company (Refs. 2 and 3) and HSIA (Ref. 5) commented, based on calculations of theoretical retained inhaled dose and oral dose, that tissue concentrations of chloroethane and its metabolites attained at the high-dose in the inhalation studies would exceed those resulting from drinking water administration at the solubility limit of chloroethane. Because data regarding absorption, distribution, and elimination of chloroethane are not available, such theoretical calculations may have little validity in terms of actual tissue concentrations. EPA agrees with the statement by the Dow Chemical Company (Ref. 2) that "data obtained by routes other than the most relevant should be used with caution and on a case-by-case basis."

Both the Dow Chemical Company (Ref. 3) and HSIA (Ref. 5) mention that a single-exposure inhalation disposition study is being initiated at the Dow Chemical Company to clarify assumptions used in calculating the retained inhalation dose. EPA believes that this objective may be met by the study, but because this study looks only at disposition from inhalation exposure, it cannot be used to predict disposition from the oral route of exposure.

c. *1,1-dichloroethane data.* The Dow Chemical Company (Ref. 2) commented that an NCI gavage study (Ref. 18) and a drinking water study of 1,1-dichloroethene by Klaunig et al. (Ref. 19) were not mentioned in the proposed test rule and should be considered. EPA did evaluate and cite the NCI study (Ref. 18) in the proposed test rule (55 FR 21393 at 21395-6 and 21399, May 24, 1990). This study was considered inadequate for the derivation of 10–day, Longer-Term and Lifetime HAs because the subchronic portion of the study was only 6 weeks in duration and did not include histopathological examinations and because of the high, compound-related mortality in both low-dose and high-dose male rats in the chronic portion of the study. The study by Klaunig et al. (Ref. 19) provides limited information on the toxicity to male mice following 24– and 52–week exposures to 1,1-dichloroethane in drinking water. The protocol falls far short of the proposed subchronic oral toxicity guidelines or the chronic oral toxicity guidelines because only one species and sex were used, only two dose levels were administered, and a limited number of toxicological endpoints were evaluated.

d. *1,1,2,2-tetrachloroethane data.* The Dow Chemical Company (Ref. 2) commented that the two studies of tetrachloroethane by NCI (Ref. 20) and Gohlke et al., (Ref. 21) were rejected by EPA with no explanation of why they were considered inadequate, leaving the reader to infer that they were rejected because of apparent disagreement between the results. EPA pointed out in the proposed test rule that the NCI study (Ref. 20) was considered inadequate for estimating 10–day, Longer-term, and Lifetime HAs because the subchronic range-finding study was only 6 weeks long and did not include histopathological examinations and

because in the chronic study, high compound-related mortality that may have been associated with pneumonia occurred in the female rats at both treatment levels. The Gohlke et al. study (Ref. 21), conducted by gavage in male rats for 2, 4, or 10 days, 6 weeks, and 27 weeks is not consistent with the proposed 14–day oral toxicity test guideline or the subchronic test guideline in terms of number of species and sexes, dose levels, and toxicological endpoints. Furthermore, the reporting of methods and results was inadequate to support evaluation of dose-effect-duration relationships or meaningful comparison with the NCI study (Ref. 20).

e. *1,3,5-trimethylbenzene data.* The Dow Chemical Company (Ref. 2) and the Koch Chemical Company (Ref. 32) commented that EPA did not explain why the prior toxicity studies on commercial C9 solvents, conducted under a section 4 test rule, are inadequate for evaluating the toxicity of 1,3,5-trimethylbenzene. In the proposed test rule for the OW chemicals, EPA indicated that inhalation data on a mixture that may contain as little as 15 percent trimethylbenzenes (actual amount is 8 percent) is not appropriate for evaluating the oral toxicity of pure 1,3,5-trimethylbenzene. Evidence of toxicity from exposure to such a mixture could be due to components of the mixture other than 1,3,5-trimethylbenzene, or to additive or interactive effects of the various mixture components making it unlikely that effects could be attributed to 1,3,5-trimethylbenzene alone. Even if that were the case, extrapolation from inhalation to oral exposure would usually require additional supporting evidence as previously discussed for chloroethane.

5. *Coordination of testing needs with other branches and agencies.* CMA (Ref. 1) and Monsanto Company (Ref. 6) commented that three of the compounds included in the proposed test rule are also the subjects of the Agency for Toxic Substances and Disease Registry (ATSDR) toxicological profiles. These three compounds are chloroethane, 1,1-dichloroethane, and 1,1,2,2-tetrachloroethane. Both CMA and the Monsanto Company recommended that EPA coordinate its testing proposal with ATSDR's data needs. The Monsanto Company further suggested that testing needs and priorities be coordinated through the Interagency Testing Committee (ITC). While the ITC provides one mechanism for coordination of testing, the Office of Pollution Prevention and Toxics (OPPT) can and does take testing recommendations from other branches of EPA or from other agencies and initiates action on these recommendations.

CMA further recommended that EPA defer further rulemaking under section 4 of TSCA until ATSDR completes its identification of priority data needs for the above three chemicals. EPA notes that ATSDR has issued a Toxicological Profile for each of these 3 chemicals in which data needs are identified (Refs. 25, 26, and 27). In addition, in October 1991, ATSDR identified priority data needs for chloroethane (56 FR 52178, October 17, 1991) to be oral toxicity studies with acute (14 days or less) and intermediate (15–365 days) duration exposure. Subsequent communication with ATSDR confirmed that these priority data needs for chloroethane will be satisfied by the testing required in this rule (Ref. 29). ATSDR has not identified priority data needs for 1,1-dichloroethane and 1,1,2,2-tetrachloroethane (Ref. 29), but the ATSDR Toxicological Profiles (Refs. 26 and 27) indicated that oral toxicity studies of intermediate duration are needed. The testing required by this final test rule should satisfy the data needs identified thus far by ATSDR for both these chemicals. ATSDR also lists testing needs in addition to what OW has requested, but it is uncertain when these testing programs will be initiated by ATSDR, NTP, or EPA. Because of this, EPA will not defer rulemaking to require testing which it needs now to develop HAs. Also, ATSDR is required to coordinate with EPA to avoid the conduct of duplicative research (55 FR 11566, March 28, 1990), and therefore, will be aware of EPA's action and will take it into consideration.

CMA (Ref. 1) commented that although the same set of concerns underlies OW's and ATSDR's research agendas with regard to the above three chemicals (i.e., contamination of drinking water from chemicals at hazardous waste sites), there is no indication that OW and ATSDR consulted with each other about the testing that would best meet their common needs. EPA and ATSDR are required to take note of each other's activities. In this case, both agencies simultaneously and independently proposed the same priority testing needs for chloroethane including oral toxicity studies in drinking water for short-term exposure and for subchronic/intermediate exposure (EPA: 55 FR 21393, May 24, 1990 and ATSDR: 56 FR 52178, October 17, 1991). EPA believes the agreement of ATSDR on the needed testing further supports EPA's decision to require these tests. EPA also believes that any duplication of effort which may have occurred will be minimized in the future by relying on the recently developed Master Testing List (Ref. 28) to coordinate testing with ATSDR. It should be noted, however, that the testing needs identified by ATSDR were not an exact duplication of the testing proposed by EPA. ATSDR's concerns extend beyond drinking water exposure to other pathways of oral exposure and to inhalation and dermal exposure, whereas OW's concerns are focused on the effects of these substances as a result of consuming contaminated drinking water.

6. *Proposed testing and test standards.* CMA (Ref. 1), Eastman Kodak (Ref. 4), HSIA (Ref. 5), and Vulcan (Ref. 9) commented that a separate 14–day study should not be conducted to determine a NOAEL or LOAEL that could be extrapolated from a 90–day study. The CMA (Ref. 1), the Monsanto Company (Ref. 6), Vulcan (Ref. 9), and Shell Oil Company (Ref. 7) also commented that 14–day studies are generally used only as range-finding studies for longer term studies and, along with Kodak (Ref. 4), commented that they have little value for regulatory use because of their short duration. In contrast, the Dow Chemical Company (Ref. 2) urged EPA to use results from a routine 2–week probe study to estimate the 10–day HA, and validate the value using data from the 90–day study. Dow further suggested that EPA give manufacturers or processors who find such a 10–day HA unacceptable the option of conducting a 14–day study using a protocol that they would submit for EPA approval.

EPA has attempted to base estimated 10–day HAs on routine probe studies, but uncertainties associated with the results from the usual probe study, even when interpreted in light of findings in an associated 90–day study, diminish the confidence that can be placed in the 10–day HA. Further, uncertainties in the studies would compel EPA to apply higher uncertainty factors, possibly resulting in lower HA values. NOAELs and LOAELs identified from studies suitable for use in determining a Longerterm or Lifetime HA are often lower than those determined in the 14–day study. Extrapolating the NOAEL and/or LOAEL from a 90–day study would likely result in a lower 10–day HA. Low HA values lead to higher clean-up costs and in some cases the use of alternative drinking water sources with additional costs and hardships to the consumer. These uncertainties would not be addressed in a consistent manner by giving the manufacturers/processors the option to perform a 14–

day test when they find an HA "unacceptable" (i.e., too low). Therefore, EPA believes the NOAEL and/or LOAEL from the 14–day study should be used to estimate 1– and 10–day HAs whenever possible.

CMA (Ref. 1) and the Monsanto Chemical Company (Ref. 6) suggested that if a 14–day study is believed necessary, the test animals should be subject only to gross necropsy. EPA believes that for the purposes contemplated by this rule, a 14–day study should be as comprehensive in its examination of endpoints as a 90–day study and should, therefore, histologically examine the same organs and tissues as required in the 90–day study. To do less might result in an important endpoint of toxicity being overlooked. EPA, however, has reconsidered the requirement to do histological analysis of the lungs, kidney and liver of all animals in both the 14–day and 90–day tests. This provision has been modified in this final rule at § 799.5075(c)(1)(i)(B)(*14*) and (2)(i)(B)(*2*) to require that only the lungs be examined in all animals, while the liver and kidney need to be examined in only the high dose animals, and in the lower dose animals only if effects are seen in those organs in the high dose group.

Vulcan Chemicals (Ref. 9) apparently believes that full histopathological examinations were proposed for the satellite group in the 14–day study, but both the proposed 14–day guideline (under § 795.257(e)(11)(vi)) and the final 14–day guideline (under § 798.2650(e)(11)(vi)) specify that only tissue or organs identified as showing effects in the treated groups would have to be examined histopathologically in the satellite groups. The same requirement exists for the 90–day test.

The Shell Chemical Company (Ref. 7) stated that measurements of clinical chemistry and hematology do not appear justified. EPA believes that such measurements are necessary for a complete assessment of potential toxicity. EPA has, however, deleted the requirement to analyze for ornithine decarboxylase and total bilirubin in the 14–day study at § 799.5075(c)(1)(i)(B)(*13*). EPA has also revised its requirement for clinical biochemistry determinations on blood in the 14–day study; these measurements are now recommended, instead of required, to be done twice in the 14–day study, thus making the requirement consistent with the 90–day test guideline.

The Dow Chemical Company (Ref. 2) believed that clarification of both the 14–day and the 90–day test guidelines is needed concerning the clinical chemistry and hematologic parameters to be evaluated in the satellite group. EPA believes that the guideline for the 14–day and 90–day studies is quite clear under § 798.2650(e)(9)(i) where it states that "examinations shall be made on all animals of each sex in each group for rodents [including the satellite groups required by the modifications under § 799.5075(c)(1)(i)(B)(*4*) and (2)(i)(B)(*1*)], and all animals when non-rodents are used as test animals" (i.e., there is no satellite group when non-rodents are used). In other words, clinical chemistry and hematological evaluations must be made on all animals in the studies including, when rodents are used, animals in the satellite groups.

Vulcan Chemicals (Ref. 9) suggested that EPA use the recent NTP protocol for 14–day studies, apparently to show that it is less extensive than the proposed test guideline. EPA observes that the purpose of the NTP 14–day study is limited to range finding, whereas the purpose of the test required by this rule is not only range finding, but also to provide data suitable as the basis for short-term HAs.

CMA (Ref. 1), Eastman Kodak (Ref. 4), and the Shell Oil Company (Ref. 7) objected to the proposed use of five dose levels (instead of three or four) in the 14–day test. CMA and Monsanto (Ref. 6) also objected to the proposed modification of the 90–day test guideline which would require five dose levels be used. Eastman Kodak, apparently unaware of the proposed modification which would require five dose levels in the 90–day study, argued that the 14–day study should have three dose levels to be consistent with the 90–day study. EPA has considered these comments and has decided to require that three dose levels be used in both the 14–day and 90–day tests.

CMA (Ref. 1), HSIA (Ref. 5), the Monsanto Company (Ref. 6), and the Eastman Kodak Company (Ref. 4) commented that if the 14–day repeated-dose oral toxicity guideline cannot be eliminated it should be modified so that it is identical to OECD's 14–day test (Ref. 23), or at a minimum, "consistent" with it. EPA notes that the 14–day guideline is similar to the OECD guideline, with the following exceptions: the TSCA 14–day repeated-dose oral toxicity guideline specifies a greater number of animals per dose level and an ophthalmological examination. EPA is requiring the ophthalmological examination as an additional means to observe the systemic effects of the test chemical and to make the 14–day test consistent with the 90–day test. EPA is also requiring that 20 animals instead of 10 be used at each dose level. The OECD guideline states that "at least 10 animals (5 female and 5 male) should be used at each dose level." Obviously this OECD requirement does not preclude using larger numbers of animals. Other than additional animals and the ophthalmological exam, the protocols, including endpoints of toxicity, are virtually the same.

Vulcan Chemicals (Ref. 9), the Eastman Kodak Company (Ref. 4) and the Dow Chemical Company (Ref. 2) expressed concern about the "excessive" number of animals required by the proposed 14–day guideline. CMA (Ref. 1) stated that EPA must justify the increase in the number of animals in the proposed 14–day guideline. EPA is requiring the 14–day test to satisfy the need for health effects data on which to base short-term HAs. EPA believes the additional animals are necessary to assure that short-term HAs can be based on test results whose statistical validity won't be compromised by a loss of animals during the test. EPA believes the number of animals per dose level is the lowest possible to achieve adequate and reliable results.

The Eastman Kodak Company (Ref. 4) stated that the exposure conditions should be consistent with the subchronic guideline which allows dosing 5 days/week even though the subchronic guideline states a preference for dosing on 7 days/week. Eastman Kodak recommended consistency in the dosing schedule so that the 14–day study can be used to set subchronic dose levels. EPA believes that daily dosing, because it is uninterrupted exposure, is more relevant to drinking water exposure. EPA also believes that dosing for 14 days is useful in setting dose levels for longer duration studies, including studies with a 5 day/week dosing regimen. If Eastman Kodak believes that consistency in dosing is vital to the integrity of these two studies, then the option is available and preferable that dose administration in the subchronic study be conducted 7 days/week instead of 5 days/week.

Vulcan Chemicals (Ref. 9) claimed that when the highest dose in the 14–day protocol is sufficiently high to cause observable toxicity, the lower doses may be too high to allow the determination of a NOAEL. EPA believes that this will not be a problem because the test rule requires that the doses be spaced appropriately so that the lowest dose level produces no evidence of toxicity.

The Eastman Kodak Company (Ref. 4) commented that the age and weight requirements for non-rodent species in the proposed 14–day guideline may be too rigid because of limitations on the

availability of these species and greater variability in their ages and weights. EPA believes that animals will be available and points out that these age and weight requirements are consistent with those already established for the 90–day and chronic oral toxicity studies.

The Eastman Kodak Company (Ref. 4) expressed concern that the specification of drinking water as the preferred route of exposure may not be appropriate for a general 14–day study guideline. EPA notes that the proposed 14–day guideline provided for gavage, dietary or capsule administration in the event that drinking water administration is not feasible.

CMA (Ref. 1) and the Monsanto Company (Ref. 6) claimed that to attain the limit value of 1,000 mg/kg/day as specified for the limit tests in the 90–day and the 14–day test guidelines, a 400–g rat will have to consume 40 ml/day of drinking water containing 10 mg/ml (10,000 mg/L) of the test material. This concentration is above the limits of solubility in water for the selected chemicals.

EPA points out that the 14–day and 90–day test guidelines require that ideally the rats be almost 6 weeks of age or, in any case, no more than 8 weeks of age at the start of the test. Hence, the rats will be smaller than 400 g and will be consuming proportionately larger amounts of water. Nevertheless, the drinking water concentration required to deliver a dose of 1,000 mg/kg/day in the subchronic study would be somewhat higher than the limits of solubility for the most soluble chemicals (chloroethane and 1,1-dichloroethane), about twice as high for 1,1,2,2-tetrachloroethane, and orders of magnitude higher for the least soluble chemical, 1,3,5-trimethylbenzene. Therefore, the limit tests for all four compounds would likely have to be carried out by gavage, which is an alternative offered by the guidelines.

CMA (Ref. 1) and the Monsanto Company (Ref. 6) questioned the relevance of gavage testing to drinking water exposure scenarios. While EPA believes that gavage administration is less desirable, it also believes that results of gavage administration have relevance to assessment of human risk from drinking water exposure, based on considerable experience analyzing results from such studies. Depending on toxic potency, it may be possible to conduct the full three-dose 14–day and 90–day studies for the three more soluble compounds via drinking water. The test guidelines specify only that the highest dose should produce toxic effects, and do not specify the highest dose in mg/kg/day.

Eastman Kodak (Ref. 4) commented that the proposed 14–day guideline should not state a preference for one rodent and one non-rodent species, but rather should be consistent with the subchronic guideline, which allows a choice between a rodent and non-rodent species and does not require two species. EPA notes that the proposed 14–day guideline was consistent with the proposed 90–day subchronic guideline in that both specified testing in two species, preferably (but not required to be) a rodent and non-rodent.

CMA (Ref. 1), the Eastman Kodak Company (Ref. 4), and the Monsanto Company (Ref. 6) objected to the requirement for the use of two species in the 14–day test; Monsanto also objected to the requirement of two species in the 90–day test. CMA and Monsanto argued that the requirement for two species is not necessary to determine the most sensitive species because the most sensitive species can be determined by comparing LD50 values. EPA has reconsidered its proposal to conduct both tests in two species and has decided to require that both tests be conducted in one mammalian species, preferably a rodent, but a non-rodent may be used. EPA believes this decision brings these tests into conformity with similar tests required under TSCA. EPA has also clarified that the same species and strain of animal should be used in both tests. Concerning the most sensitive species, EPA is not aware of any validation of the use of a single-dose LD50 study as a predictor of species sensitivity for longer-term exposure.

The Eastman Kodak Company (Ref. 4) stated that a satellite group should not be required if the 14–day study is being conducted as a range-finding study, but rather should be optional as it is in the subchronic guideline. EPA points out that the 14–day study is not only intended to furnish range-finding information but also to provide a basis for short–term criteria for the protection of human health. Also, if rodents are selected as the test animal, the satellite group is required for the 90–day study (at § 799.5075(c)(2)(i)(B)(*1*)) as well as for the 14–day study to assess reversibility of effects.

CMA (Ref. 1) and the Shell Oil Company (Ref. 7) questioned how data on reversibility, persistence, and delayed occurrence of toxic effects from the satellite groups can be used to calculate HAs and CMA recommended that the requirements for the satellite groups be removed from the test guidelines. EPA uses this information, when available, to aid in deciding whether a given dose level constitutes a NOAEL, LOAEL, or Frank Effect Level (FEL). For example, a mild effect, which was not clearly adverse and which disappeared during the recovery period, would be judged evidence that the dose level was a NOAEL. Conversely, a mild effect, which was not clearly adverse as seen at the end of dosing but which progressed to a slight degenerative change during the post-exposure period, would be judged evidence that the dose level constituted a LOAEL.

CMA (Ref. 1) also suggested that for delayed toxic effects, information that a structurally related chemical produces such effects should be considered to justify a satellite group on a case-by-case basis. EPA believes that this approach would prevent detection of delayed toxicity for some chemicals and that it does not answer the need for information on reversibility and persistence of effects.

7. *Reporting requirements.* The Dow Chemical Company (Ref. 2) stated that EPA should clarify that submission of study plans may occur any time (rather than 45 days or more) prior to initiation of testing, consistent with changes to 40 CFR part 790 (55 FR 18881, May 7, 1990) that became effective June 21, 1990. EPA agrees and has provided clarification in Unit III.E. of this preamble.

8. *Keep the record open for additional data.* The Dow Chemical Company (Ref. 2) believes that additional data may be available now or under development now or in the future. Dow urged EPA to keep the record open for submission of studies that may become available before issuance of the final rule. EPA requested such additional data in the proposed test rule published on May 24, 1990. All additional studies that were submitted or cited were evaluated. The only study cited as in progress (Refs. 3 and 5) is an inhalation pharmacokinetic study of chloroethane, performed by Dow. Even when this study is complete, however, it will not obviate the need for the testing required by this rule because it will not predict or assist in evaluating the toxicity of chloroethane by the oral route.

9. *Economic analysis of proposed rule.* The Monsanto Company (Ref. 6) and CMA (Ref. 1) estimated that the 14–day repeated dose testing proposed by EPA will cost $250,000 for two rodent species or $300,000 for a rodent and a non-rodent species. They did not specify whether this estimate is the cost of the 14–day study for each chemical or for all the chemicals, but did comment that it considered the cost burdensome. In the proposed test rule,

EPA estimated the total testing cost per chemical for the 14– and 90–day studies at $396,130 to $579,590. The probability that this cost would cause an adverse economic impact was considered low (Ref. 35). Also, the cost of the testing program required by this final rule ($219,000 to $328,000) is considerably less than that of the proposed testing, mostly due to reducing the number of species to be tested from two to one, and reducing the number of doses from five to three.

The Koch Chemical Company (Ref. 32) commented that the proposed testing program for 1,3,5-trimethylbenzene would cause a substantial economic impact for its company which would most likely force it to discontinue sales of this chemical in the United States. EPA believes that the economic impact due to the testing of 1,3,5-trimethylbenzene will not be as great as Koch anticipates. First, the cost of the testing program required by this final rule is considerably less than that of the proposed testing as explained above. Second, Koch is mistaken in thinking it is the only manufacturer of 1,3,5-trimethylbenzene. There is another manufacturer of pure 1,3,5-trimethylbenzene and several manufacturers of C9 aromatic hydrocarbons, which contain 1,3,5-trimethylbenzene. The cost of testing 1,3,5-trimethylbenzene would be shared with these manufacturers.

III. Final Testing Requirements

A. Findings

EPA is basing the final health effects testing requirements for chloroethane, 1,1-dichloroethane, 1,1,2;2-tetrachloroethane, and 1,3,5-trimethylbenzene on the authority of section 4(a)(1)(B) of TSCA. EPA finds that: All four of the substances are produced in substantial quantities; chloroethane may enter the environment in substantial quantities; there may be substantial human exposure to all of these substances due to their presence in drinking water; there are insufficient data and experience to reasonably determine or predict the effects on human health from disposal and migration to drinking water resources of all of these substances; and testing is necessary to develop these data.

1. *The substances are produced in substantial quantities.* Production volumes submitted by manufacturers for all of the substances subject to this final test rule are listed on the TSCA section 8(b) Inventory. Manufacturers have submitted information on recent production volumes of these substances but have claimed this information as Confidential Business Information (CBI). EPA has reviewed these data and has found that the current reported production volumes of the four substances are substantial according to the guidance of 1 million pounds per year established in the policy on 4(a)(1)(B) findings (58 FR 28736, May 14, 1993). These substances are chloroethane, 1,1-dichloroethane, 1,1,2,2-tetrachloroethane, and 1,3,5-trimethylbenzene.

2. *Chloroethane may enter the environment in substantial quantities.* EPA finds that chloroethane may enter the environment in substantial quantities. The Toxic Release Inventory (TRI) compiled under section 313 of the Emergency Planning and Community Right-to-Know Act (Ref. 11) lists releases of chloroethane during manufacturing, processing and use. The TRI reports that in 1989, 4.86 million pounds of chloroethane were released to the environment. The TRI data demonstrate that there is substantial release of chloroethane to the environment during manufacture, processing, use, and disposal.

3. *There may be substantial human exposure to the substances.* EPA believes there may be substantial human exposure to these chemical substances due to their presence in drinking water. All four substances have been found in drinking water in the United States (56 FR 32292, July 15, 1991). This includes community drinking water systems of America's large cities (e.g., Miami, Philadelphia, Cincinnati, Seattle, New Orleans, and Washington, DC), private drinking water wells, and finished drinking water from ground water. For the reasons articulated in the "B" policy, EPA has established criteria as guidance for finding human exposure substantial. For the general population, the criterion is a threshold of 100,000 persons who may be exposed to the chemical in question. The population of each of the cities whose drinking water contains the subject chemicals well exceeds 100,000. EPA, therefore, finds that there may be substantial human exposure to these chemicals. Further supporting this finding is monitoring data of public water systems from nine states (AL, FL, IN, MA, MI, NE, PA, RI, and WV) which EPA added to the docket for this rule and solicited comment on (57 FR 14371, April 20, 1992). These data showed that chloroethane was present in drinking water in four of the nine states; 1,1-dichloroethane in six of the nine states; 1,1,2,2-tetrachloroethane in five of the nine states; and 1,3,5-trimethylbenzene in three of the nine states (Ref. 31).

Further supporting this finding is the presence of these chemicals in ground and surface waters in or near hazardous waste disposal sites. Although monitoring data is available for only a portion of the hazardous waste sites in America, chloroethane has been found in or near hazardous waste sites in 17 states; 1,1-dichloroethane in 24 states; 1,1,2,2-tetrachloroethane in 25 states; and 1,3,5-trimethylbenzene in 7 states (Ref. 24). Many of the hazardous waste disposal sites in or near which these chemicals have been found have qualified for inclusion in the National Priorities List (NPL). As explained in the proposed rule, the NPL is a ranking of facilities nationally for remedial action based primarily on the migration score from the Hazardous Ranking System. A migration score is calculated for ground water, surface water and air by ranking the following factors: the population potentially affected, water use, distance to well or water intake, route characteristics that affect contaminant migration, and contaminant characteristics such as quantity, toxicity and persistence. EPA finds that potential for substantial human exposure exists since the subject chemicals are found at NPL and other hazardous waste sites and because many of these sites were chosen out of concern for the potential for contamination of water sources used for drinking water. In addition, many hazardous waste sites are located in highly populated areas and could be the source of the documented drinking water contamination to which millions of people may be exposed.

4. *Insufficient data to determine or predict.* One substance, 1,3,5-trimethylbenzene, has been the subject of a previous TSCA section 4 rule requiring health effects testing. EPA published a final rule on May 17, 1985 (50 FR 20662), requiring mutagenicity, developmental toxicity, neurotoxicity, reproductive effects, and oncogenicity (if triggered) testing of a mixture of five commercial C9 solvents containing only 8 percent 1,3,5-trimethylbenzene. These tests provided sufficient data on the subchronic effects of C9 solvent mixtures. However, the subchronic tests were done by inhalation and did not use pure 1,3,5-trimethylbenzene. EPA has determined that these inhalation data on the mixture are not adequate to determine reliable HAs for drinking water exposures to this substance; subchronic data on the pure substance from an oral route of exposure are needed.

EPA has performed a search of the published literature and health effects data bases for the four substances in this

final rule. The search focused on locating any oral subacute and subchronic toxicity data.

EPA did not locate any oral 14–day subacute or 90–day subchronic toxicity test data for chloroethane. Although 2–year carcinogenicity bioassays in rats and mice via gavage have been performed with 1,1-dichloroethane, and 1,1,2,2-tetrachloroethane (Refs. 18 and 20), EPA has determined that the resulting data are inadequate for estimating reliable 10–Day, Longer-Term, and Lifetime HAs. The subchronic range-finding studies for these bioassays were only 6 weeks long and did not include histopathology. In the rat bioassays, there were also dose-related mortalities that may have been a result of chronic pneumonia, making these test results questionable.

While Gohlke et al. (Ref. 21) observed degeneration in several organs of rats at doses of 3.2 and 8 mg/kg/day 1,1,2,2-tetrachloroethane for 120 days, NCI (Ref. 20) observed no "treatment related" histopathology in rats at doses ranging from 43 to 108 mg/kg/day for 78 weeks. The results of the Gohlke and the NCI studies are not in agreement and, as discussed earlier, neither is considered adequate for risk assessment.

Therefore, under section 4(a)(1)(B)(ii) of TSCA, EPA has determined that there are insufficient data to reasonably predict or determine the effects on human health from the consumption of drinking water contaminated with each substance examined.

5. *Testing is necessary and relevant.* EPA believes that oral, repeated-dose subacute and subchronic testing of chloroethane, 1,1-dichloroethane, 1,1,2,2-tetrachloroethane, and 1,3,5-trimethylbenzene is necessary to determine or predict the effects these substances may have on human health as a result of drinking water exposures. Testing for other endpoints (e.g., mutagenicity, neurotoxicity, reproductive effects, developmental toxicity, and oncogenicity) might also be necessary, but to expedite this rulemaking and obtain the minimal data for establishing HAs, EPA has decided to defer consideration of these endpoints until receipt of data from these tests and monitoring data under section 1445 of the SDWA, or until ATSDR refers these chemicals to EPA for test rules and identifies additional testing needs.

EPA finds under section 4(a)(1)(B)(iii) of TSCA that the data generated from this testing will be relevant in determining whether the disposal and migration to drinking water resources of these substances does or does not present an unreasonable risk of injury to human health. EPA needs these subacute and subchronic data to develop HAs for each of the substances. EPA further believes that the testing of the substances included in this rule will develop the necessary information.

B. Test Standards

On the basis of the findings given in Unit III.A. of this preamble, EPA is requiring health effects testing for chloroethane; 1,1-dichloroethane; 1,1,2,2-tetrachloroethane, and 1,3,5-trimethylbenzene. A 14–day oral subacute and a 90–day oral subchronic study are required for each substance. The studies are to be conducted in accordance with EPA's TSCA Good Laboratory Practice Standards (GLPs) in 40 CFR part 792 and the specific TSCA test guideline in 40 CFR part 798.

EPA is requiring that these four substances undergo subacute and subchronic oral testing according to the TSCA test guideline at 40 CFR 798.2650, as modified by this rule. The studies shall be performed using drinking water as the route of exposure. If this route is not feasible, the substances may be administrated by gavage, in the diet, or in capsules. The tests will be performed with one mammalian species, preferably a rodent, but a non-rodent may be used. A variety of rodent species may be used, but the rat is preferred. The species and strain of animals used in the subacute and subchronic tests should be the same.

EPA is requiring that the above-referenced health effects test guideline, and any modifications to this guideline, be the test standards for testing these substances. Data generated from these tests will assist EPA in setting health standards, specifically Health Advisories. EPA believes that these test methods reflect the current state of the science for testing substances such as these for the specified endpoints.

C. Test Substance

EPA is requiring that each of the four substances tested be at least 99 percent pure. EPA has specified relatively pure substances for testing because it is interested in evaluating the effects attributable to the chemicals themselves. This requirement lessens the likelihood that any effects seen are due to impurities or additives.

D. Persons Required to Test

Section 4(b)(3)(B) of TSCA specifies that the activities for which EPA makes section 4(a) findings (manufacture, processing, distribution in commerce, use, and/or disposal) determine who bears the responsibility for testing. Manufacturers are required to test if the findings are based on manufacturing, which includes importing and production of these substances as a byproduct ("manufacture" is defined in section 3(7) of TSCA to include "import"). Processors are required to test if the findings are based on processing. Both manufacturers and processors are required to test if the exposures causing the potential risk occur during use, distribution in commerce, or disposal.

Because EPA has found that there are insufficient data and experience upon which the health risks from the disposal and migration to drinking water resources of the substances subject to this test rule can reasonably be determined or predicted, EPA is requiring that persons who manufacture, import, and/or process (including inadvertent, byproduct manufacture as defined in 40 CFR 791.3), or who intend to manufacture or process these substances at any time from the effective date of the final test rule to the end of the reimbursement period, be subject to the testing requirements for the particular substance as required by this rule. The end of the reimbursement period will be 5 years after the last final report is submitted, or an amount of time equal to that which was required to develop the data, whichever is longer.

Because TSCA contains provisions to avoid duplicative testing, not every person subject to this rule must individually conduct testing. Section 4(b)(3)(A) of TSCA provides that EPA may permit two or more manufacturers or processors who are subject to this rule to designate one such person or a qualified third person to conduct the tests and submit data on their behalf. Section 4(c) provides that any person required to test may apply to EPA for an exemption from the requirement. EPA promulgated procedures for applying for TSCA section 4(c) exemptions in 40 CFR part 790.

Manufacturers (including importers) subject to this rule are required to submit either a letter of intent to perform testing or an exemption application within 30 days after the effective date of the final test rule. The required procedures for submitting such letters and applications are described in 40 CFR 790.45.

Processors subject to this rule, unless they are also manufacturers, are not required to submit letters of intent or exemption applications, or to conduct testing, unless manufacturers fail to submit notices of intent to test or later fail to sponsor the required tests. EPA expects that the manufacturers will pass an appropriate portion of the costs of

testing on to processors through the pricing of their products or reimbursement mechanisms. If manufacturers agree to perform all the required tests, processors will be granted conditional exemptions automatically. If manufacturers fail to submit notices of intent to test or fail to sponsor all the required tests, EPA will publish a separate notice in the **Federal Register** to notify processors to respond; this procedure is described in 40 CFR 790.48.

EPA is not requiring the submission of equivalence data as a condition for exemption from the required testing for the substances subject to this test rule. As noted in Unit III.C. of this preamble, EPA is interested in evaluating the effects attributable to each of the substances themselves and has specified almost pure substances for testing.

Manufacturers and processors subject to this test rule must comply with the test rule development and exemption procedures in 40 CFR part 790 for single-phase rulemaking.

E. Reporting Requirements

EPA is requiring that all data developed under this rule be reported in accordance with its TSCA GLPs, which appear in 40 CFR part 792.

In accordance with 40 CFR part 790 under single-phase rulemaking procedures, test sponsors are required to submit individual study plans prior to the initiation of each study.

EPA is required by TSCA section 4(b)(1)(C) to specify the time period during which persons subject to a test rule must submit test data. EPA's reporting requirements for each of the test standards are specified as follows:

1. The 14–day, repeated-dose, subacute toxicity study on each substance shall be completed and the final report submitted to EPA within 12 months of the effective date of the final test rule. A progress report on each test shall be submitted 6 months after the effective date of the final test rule, and every 6 months thereafter until the final report is submitted to EPA.

2. The 90–day subchronic toxicity study on each substance shall be completed and the final report submitted to EPA within 15 months of the effective date of the final test rule. A progress report on each test shall be submitted 9 months from the effective date of the final test rule and every 6 months thereafter until the final report is submitted to EPA.

TSCA section 14(b) governs EPA disclosure of all test data submitted pursuant to section 4 of TSCA. Upon receipt of data required by this rule, EPA will publish a notice of receipt in the **Federal Register** as required by section 4(d).

Persons who export a chemical substance or mixture subject to a section 4 test rule are subject to the export reporting requirements of TSCA section 12(b). Final regulations interpreting the requirement of section 12(b) are in 40 CFR part 707. In brief, as of the effective date of this test rule, an exporter of any of the substances listed in this rule must make a one-time report to EPA upon the first export of the compound to any one country. EPA will notify the foreign country about the test rule for the substance.

F. Enforcement Provisions

EPA considers failure to comply with any aspect of a TSCA section 4 rule to be a violation of section 15 of TSCA. Section 15 of TSCA makes it unlawful for any person to fail or refuse to comply with any rule or order issued under section 4. Section 15(3) of TSCA makes it unlawful for any person to fail or refuse to: (1) Establish or maintain records, (2) submit reports, notices, or other information, or (3) permit access to or copying of records required by TSCA or any regulation or rule issued under TSCA.

Additionally, TSCA section 15(4) makes it unlawful for any person to fail or refuse to permit entry or inspection as required by section 11. Section 11 applies to any "establishment, facility, or premises in which chemical substances or mixtures are manufactured, processed, stored, or held before or after their distribution in commerce ..." EPA considers a testing facility to be a place where the chemical is held or stored, and therefore, subject to inspection. Laboratory inspections and data audits will be conducted periodically in accordance with the authority and procedures outlined in TSCA section 11 by duly designated representatives of the EPA for the purpose of determining compliance with this final test rule. These inspections may be conducted for purposes which include verification that testing has begun, that schedules are being met, that reports accurately reflect the underlying raw data, interpretations and evaluations, and to determine compliance with TSCA GLPs and the test standards established in the rule.

EPA's authority to inspect a testing facility also derives from section 4(b)(1) of TSCA, which directs EPA to promulgate standards for the development of test data. These standards are defined in section 3(12)(B) of TSCA to include those requirements necessary to assure that data developed under testing rules are reliable and adequate, and such other requirements as are necessary to provide such assurance. EPA maintains that laboratory inspections are necessary to provide this assurance.

Violators of TSCA are subject to criminal and civil liability. Persons who submit materially misleading or false information in connection with the requirement of any provision of this rule may be subject to penalties which may be calculated as if they never submitted their data. Under the penalty provision of section 16 of TSCA, any person who violates section 15 could be subject to a civil penalty of up to $25,000 for each violation with each day of operation in violation constituting a separate violation. This provision would be applicable primarily to manufacturers or processors that fail to submit a letter of intent or an exemption request and that continue manufacturing or processing after the deadlines for such submissions.

This provision would also apply to processors that fail to submit a letter of intent or an exemption application and continue processing after EPA has notified them of their obligation to submit such documents (see 40 CFR 790.28(b)).

Knowing or willful violations could lead to the imposition of criminal penalties of up to $25,000 for each day of violation, imprisonment for up to 1 year, or both. In determining the amount of penalty, EPA will take into account the seriousness of the violation and the degree of culpability of the violator as well as all the other factors listed in TSCA section 16. Other remedies are available to EPA under section 17 of TSCA, such as seeking an injunction to restrain violations of TSCA section 4.

Individuals as well as corporations could be subject to enforcement actions. Section 15 and 16 of TSCA apply to "any person" who violates various provisions of TSCA. EPA may, at its discretion, proceed against individuals as well as companies themselves. In particular, this includes individuals who report false information or who cause it to be reported. In addition, the submission of false, fictitious, or fraudulent statements is a violation under 18 U.S.C. 1001.

IV. Economic Analysis of Rule

To assess the potential economic impact of this rule, EPA has prepared an economic impact analysis that evaluates the potential for significant economic impact of this testing on industry. The economic analysis estimates the costs of conducting the required testing for each of the four substances and evaluates the

potential for significant adverse economic impact as a result of those costs. The analysis incorporates an impact measure based upon unit test cost as a percent of price.

The total testing cost for each of the four substances is estimated to range from $219,000 to $328,000. To predict the financial decision making practices of manufacturing firms, these costs have been annualized. Annualized costs are compared with annual revenue as an indication of potential impact. The annualized costs represent equivalent constant costs which would have to be recouped each year of the payback period in order to finance the testing expenditure in the first year.

The annualized test costs, using a 7 percent cost of capital over 15 years, range from $24,000 to $36,000. Given that these costs are less than one-tenth of one percent of the annual revenues from sales for each of these four substances, EPA believes that the potential for adverse economic impact resulting from the costs of testing is low.

Refer to the economic analysis contained in the public record for this rulemaking for a complete discussion of test cost estimation and potential for economic impact resulting from these costs (Ref. 36).

V. Availability of Test Facilities and Personnel

Section 4(b)(1) of TSCA requires EPA to consider "the reasonably foreseeable availability of the facilities and personnel needed to perform the testing required under the rule." Therefore, EPA conducted a study to assess the availability of test facilities and personnel to handle the additional demand for testing services created by section 4 test rules. Copies of the study, "Chemical Testing Industry: Profile of Toxicological Testing" PB–82–140773, can be obtained for a fee through the National Technical Information Service, 5285 Port Royal Road, Springfield, VA, 22161. A microfiche copy of this study is also included in the docket for this rule. On the basis of this study, EPA believes that there will be available test facilities and personnel to perform the testing specified in this rule.

VI. Rulemaking Record

EPA has established a public record for this rulemaking proceeding [docket number OPPTS–42111C]. This record includes:

A. Supporting Documentation

(1) **Federal Register** notices pertaining to this rule consisting of:

(a) Notice of proposed rule on Office of Drinking Water chemicals (55 FR 21393, May 24, 1990).

(b) Notice of TSCA section 4(a)(1)(B) final statement of policy (58 FR 28736, May 14, 1993).

(c) Reopening of comment period for ODW chemicals. (56 FR 32292, July 15, 1991).

(d) Additional information supporting TSCA test rule on Office of Water chemicals. (57 FR 14371, April 20, 1992).

(e) Notice of final rule on EPA's TSCA Good Laboratory Practice Standards (54 FR 34034, August 17, 1989).

(f) Notice of interim final rule on consent agreement and test rule development and exemption procedures (51 FR 23706, June 30, 1986).

(g) Notice of final rule on testing consent agreements and test rules (55 FR 18881, May 7, 1990).

(h) Notice of final rule on data reimbursement policy and procedures (48 FR 31786, July 11, 1983).

(i) Notice of priority data needs for 38 Priority Hazardous Substances (56 FR 52178, October 17, 1991).

(j) Notice of final test rule on ethyltoluenes, trimethylbenzenes, and the C9 aromatic hydrocarbon fraction (50 FR 20662, May 17, 1985).

(2) Support Documents: consisting of:

(a) Safe Drinking Water Act, as amended in 1986 (42 U.S.C. 300f).

(b) TSCA test guideline § 798.2650, Oral Toxicity.

(3) Communications before proposal consisting of:

(a) Written public and intra-agency or interagency memoranda and comments.

(b) Records of telephone conversations.

(c) Records or minutes of informal meetings.

(d) Reports—published and unpublished factual materials including "Chemical Testing Industry: Profile of Toxicological Testing."

B. References

(1) Chemical Manufacturers Association (CMA), Washington, DC. Comments on proposed test rule for the Office of Drinking Water chemicals. Submitted to the Office of Pesticides and Toxic Substances (OPTS), U.S. Environmental Protection Agency (USEPA), Washington, DC 20460. (July 23, 1990).

(2) Dow Chemical Company, Midland, Michigan. Comments on proposed test rule for the Office of Drinking Water chemicals. Submitted to OPTS, USEPA, Washington, DC. (July 23, 1990).

(3) Dow Chemical Company, Midland, Michigan. Comments of the Dow ChemicalCompany on Priority Data Needs for Chloroethane, Docket No. ATSDR–18. Submitted to OPTS, USEPA, Washington, DC. (July 23, 1990).

(4) Eastman Kodak Company, Rochester, New York. Comments on proposed test rule for the Office of Drinking Water chemicals. Submitted to OPTS, USEPA, Washington, DC. (July 12, 1990).

(5) Halogenated Solvents Industry Alliance (HSIA), Washington, DC. Comments on proposed test rule for the Office of Drinking Water chemicals. Submitted to OPTS, USEPA, Washington, DC. (July 23, 1990).

(6) Monsanto Company, St. Louis, Missouri. Comments on proposed test rule for the Office of Drinking Water chemicals. Submitted to OPTS, USEPA, Washington, DC. (July 20, 1990).

(7) Shell Oil Company. Comments on proposed test rule for the Office of Drinking Water chemicals. Submitted to OPTS, USEPA, Washington, DC. (July 13, 1990).

(8) Vista Chemical Company, Houston, Texas. Comments on proposed test rule for the Office of Drinking Water chemicals. Submitted to OPTS, USEPA, Washington, DC. (July 20, 1990).

(9) Vulcan Chemicals, Birmingham, AL. Comments on proposed test rule for the Office of Drinking Water chemicals. Submitted to OPTS, USEPA, Washington, DC. (July 20, 1990).

(10) Syracuse Research Corporation, Syracuse, NY. Response to public comments, drinking water chemicals. (September 30, 1990).

(11) USEPA. 1989 Toxic Release Inventory. Printout for 1,1,2,2-tetrachloroethane and chloroethane. (April 22, 1991).

(12) Weil, C.S., and McCollister, D.D. Safety evaluation of chemicals: Relationship between short- and long-term feeding studies in designing an effective toxicity test. *Agricultural and Food Chemistry.* 11(6):486–491. (1963).

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(17) NTP (National Toxicology Program). Toxicology and carcinogenesis studies of chloroethane in F344/N rats and B6C3F1 mice. NTP Technical Report 346. U.S. Department of Health and Human Services, Public Health Service, National Institutes of Health. (1989).

(18) National Cancer Institute (NCI). Bioassay of 1,1-dichloroethane for possible carcinogenicity. NCI/National Toxicology

Program (NTP) TR066. Department of Health Education and Welfare (DHEW) Pub. No. National Institutes of Health (NIH) 78–1316. (1978).

(19) Klaunig, J.E., Ruch, R.J., and Pereira, M.A. Carcinogenicity of chlorinated methane and ethane compounds administered in drinking water to mice. *Environmental Health Perspectives.* 69:89–95. (1986).

(20) NCI. Bioassay of 1,1,2,2-tetrachloroethane for possible carcinogenicity. NCI-CG-TR-27. DHEW Pub. No. (NIH) 78–827. (1978).

(21) Gohlke, R., Schmidt P., and Bahmann, H. 1,1,2,2-Tetrachloroethane and heat stress in animal experiment. Morphological results. *Z Gesamte Hyg Ihre Grenzgeb.* 23(5):278–282. (1977). (In German with English translation).

(22) NAS (National Academy of Sciences). Drinking Water and Health. Volume 3. National Research Council. National Academy Press, Washington, DC. pp. 49–50, 68–69. (1980).

(23) Organization for Economic Cooperation and Development (OECD), Paris, France. OECD Guidelines for testing of chemicals. No 407. "Repeated dose oral toxicity—rodent: 28–day or 14–day study." (May 12, 1981).

(24) Eckel, W. Contract Laboratory Program Sample Management Office, USEPA, Alexandria, VA. 22313. Computer printouts and letter to J. Fisk, Analytical Operations Branch, USEPA, Washington, DC.20460. (June 21, 1988).

(25) Agency for Toxic Substances and Disease Registry (ATSDR). Toxicological Profile for chloroethane. ATSDR/TP–89/07. ATSDR, Atlanta, GA. (December, 1989).

(26) ATSDR. Toxicological Profile for 1,1-dichloroethane. pp. 40–46. ATSDR/TP 90/12. ATSDR, Atlanta, GA. (December 1990).

(27) ATSDR. Toxicological Profile for 1,1,2,2-tetrachloroethane. pp. 34–39. ATSDR/TP–89/22. ATSDR, Atlanta, GA. (December 1989).

(28) USEPA. Master Testing List. Office of Pollution Prevention and Toxics, USEPA, Washington, DC. (December 1, 1992).

(29) ATSDR. Letter from William Cibulas, Research Implementation Branch, to Gary Timm, Chemical Testing Branch, OPPT, USEPA. (January 31, 1992).

(30) HSIA, Washington, DC. Comments on TSCA Section 4(a)(1)(B) proposed statement of policy and reopening of comment period for ODW Chemicals. Submitted to OPTS, USEPA, Washington, DC. (September 13, 1991).

(31) USEPA. Memorandum from James Walasak, Water Supply Technology Branch, to Catherine Roman, Chemical Testing Branch. "Unregulated Contaminant Data." (August 26, 1991).

(32) Koch Chemical Company, Corpus Christi, Texas. Comments on the notice of data availability entitled "Additional information supporting TSCA test rule on Office of Water chemicals." Submitted to the Office of Pollution Prevention and Toxics (OPPT), USEPA, Washington, DC. (May 14, 1992).

(33) American Water Works Association, Washington, DC. Comments on the notice of data availability entitled "Additional information supporting TSCA test rule on Office of Water chemicals." Submitted to the Office of Pollution Prevention and Toxics (OPPT), USEPA, Washington, DC. (May 14, 1992).

(34) Association of Metropolitan Water Agencies, Washington, DC. Comments on the notice of data availability entitled "Additional information supporting TSCA test rule on Office of Water chemicals." Submitted to the Office of Pollution Prevention and Toxics (OPPT), USEPA, Washington, DC. (May 19, 1992).

(35) USEPA. Memorandum from Eileen Neely, Regulatory Impacts Branch, to Steve Ells, Test Rules Development Branch, (April 27, 1989), transmitting economic impact analysis of ODW chemicals proposed test rule. (April 26, 1989).

(36) USEPA. Economic impact analysis of OW chemicals final test rule. (June 10, 1992).

(37) USEPA. "Guidelines for authors of EPA Office of Water Health Advisories for drinking water contaminants." Office of Water. (March 1989).

(38) USEPA. "Ensuring safe drinking water." EPA Journal. pp. 11–13. (September 1985).

(39) CMA (Chemical Manufacturers Association) et al. vs. EPA. 899 F.2d 344(5th Cir. 1990).

(40) USEPA. Office of Drinking Water Health Advisories. "Reviews of Environmental Contamination and Toxicology." ed. G.W. Ware. Vol. 104, pp. 1–8 (1988).

(41) Cohn, D. and Davis, P. "Damage by equipment may have weakened pipeline." The Washington Post, March 30, 1993, pp. A1 and A8.

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(43) Fehr, S.C. and Miller, B. "Spill upsets routine in N.Va." The Washington Post, March 30, 1993, pg. A9.

(44) Cohn, D. and Davis, P. "Firm says less oil recovered." The Washington Post, March 31, 1993, pp. A1 and A16.

(45) The Ohio River Valley Water Sanitation Commission (ORSANCO). "Chronology of ORSANCO Response to a spill." (1990).

(46) ORSANCO. "Assessment of Ohio River water quality conditions, Water years 1988–1989." Ohio River 305(b) Report. 1990.

Confidential Business Information (CBI), while part of the record, is not available for public review. A public version of the record, from which CBI has been deleted, is available for inspection in the TSCA Nonconfidential Information Center (also known as the TSCA Public Docket Office), Rm. G–102, 401 M St. SW., Washington, DC, from 8 a.m. to 12 noon, and 1 p.m. to 4 p.m., Monday through Friday, except legal holidays.

VII. Regulatory Assessment Requirements

A. Executive Order 12291

Under Executive Order 12291, EPA must judge whether a regulation is "major" and therefore subject to the requirement of a Regulatory Impact Analysis. EPA has determined that this test rule is not major because it does not meet any of the criteria set forth in section 1(b) of the Order; i.e., it will not have an annual effect on the economy of at least $100 million, will not cause a major increase in prices, and will not have a significant adverse effect on competition or the ability of U. S. enterprises to compete with foreign enterprises.

This rule was submitted to the Office of Management and Budget (OMB) for review as required by Executive Order 12291. Any written comments from OMB to EPA, and any EPA response to those comments, are included in the rulemaking record.

B. Regulatory Flexibility Act

Under the Regulatory Flexibility Act, 15 U.S.C. 601 et seq., EPA is certifying that this test rule will not have significant impact on a substantial number of small businesses because: (1) They are not likely to perform testing themselves, or to participate in the organization of the testing effort; (2) they will experience only very minor costs, if any, in securing exemption from testing requirements; and (3) they are unlikely to be affected by reimbursement requirements.

C. Paperwork Reduction Act

OMB has approved the information collection requirements contained in this final rule under the provisions of the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq., and has assigned OMB control number 2070–0033.

Public reporting burden for this collection of information is estimated to average 1,083 hours per respondent. The estimates include time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Chief, Information Policy Branch, 2131, U.S. Environmental Protection Agency, 401 M St., SW., Washington, DC 20460; and to the Office of Management and Budget, Paperwork Reduction Project (2070–0033), Washington, DC 20503.

List of Subjects in 40 CFR Part 799

Environmental protection, Chemicals, Hazardous substances, Laboratories, Recordkeeping and reporting requirements, Testing.

Dated: October 22, 1993.

Victor J. Kimm,

Acting Assistant Administrator for Prevention, Pesticides and Toxic Substances.

Therefore, 40 CFR Chapter I, Part 799 is amended as follows:

PART 799—[AMENDED]

1. The authority citation for part 799 continues to read as follows:

Authority: 15 U.S.C. 2603, 2611, 2625.

2. By adding § 799.5075 to subpart D to read as follows:

§ 799.5075 Drinking water contaminants subject to testing.

(a) *Identification of test substance.* (1) Chloroethane (CAS No. 75–00–3), 1,1-dichloroethane (CAS No. 75–34–3), 1,1,2,2-tetrachloroethane (CAS No. 79–34–5), and 1,3,5-trimethylbenzene (CAS No. 108–67–8) shall be tested in accordance with this section.

(2) Chloroethane, 1,1-dichloroethane, 1,1,2,2-tetrachloroethane, and 1,3,5-trimethylbenzene of at least 99 percent purity shall be used as the test substances.

(b) *Persons required to submit study plans, conduct tests, and submit data.* All persons who manufacture (including import and by-product manufacture) or process, or who intend to manufacture or process, the substances listed in paragraph (a) of this section after the effective date of this section to the end of the reimbursement period shall submit letters of intent to test, submit study plans, conduct tests, and submit data, or submit exemption applications as specified in this section, subpart A of this part, and parts 790 and 792 of this chapter for single-phase rulemaking, for the substances they manufacture subject to exclusions contained in § 790.42(a)(2), (a)(4) and (a)(5). These sections provide that processors, persons who manufacture less than 500 kg (1,100 lbs) annually, or persons who manufacture small quantities of the chemical solely for research and development as defined in § 790.42(a)(5) shall not be required to submit study plans, conduct tests and submit data, or submit exemption applications as specified in this section unless directed to do so in a subsequent notice as set forth in § 790.48(b).

(c) *Health effects testing*—(1) *Subacute toxicity*— (i) *Required testing.* (A) An oral 14–day repeated dose toxicity test shall be conducted with each of the substances designated in paragraph (a) of this section in accordance with § 798.2650 of this chapter except for the provisions in § 798.2650(a); (b)(1); (c); (e)(3), (4)(i), (5), (6), (7)(i), (iv), (v), (8)(vii), (9)(i)(A), (B), (11)(v); and (f)(2)(i). Each substance shall be tested in one mammalian species, preferably a rodent, but a non-rodent may be used. The species and strain of the animals used in this test should be the same as those used in the 90–day subchronic test required in paragraph (c)(2)(i) of this section. The tests shall be performed using drinking water. However, if, due to poor stability or palatability, a drinking water test is not feasible for a given substance, that substance shall be administered by either oral gavage, in the diet, or in capsules.

(B) For the purpose of this section, the following provisions also apply:

(*1*) *Purpose.* To assess and evaluate the toxic characteristics of a substance, the determination of subacute toxicity should be carried out after initial information on toxicity has been obtained by acute testing. The 14–day repeated dose oral study provides information on the health hazard likely to arise from repeated short-term exposure by the oral route over a very limited period of time. It has been designed to permit the determination of the no-observed-adverse-effect level and toxic effects associated with continuous or repeated exposure to a test substance for 14 days and to evaluate reversibility, persistence, and delayed occurrence of toxic effects during a 14–day follow-up recovery period. The test is not capable of determining those effects that have a long latency period for development (e.g., carcinogenicity and life shortening). It will provide information on target organs and the possibility of accumulation, and can be used in selecting dose levels for subchronic studies and for establishing safety criteria for short-term human exposure.

(*2*) *Definitions.* Subacute oral toxicity is the manifestation of adverse effect(s) occurring as a result of the repeated daily exposure of experimental animals to a substance by the oral route for 14 days.

(*3*) *Principle of the test method.* The test substance is administered orally in graduated daily doses to several groups of experimental animals, one dose level per group, for a period of 14 days. During the period of administration the animals are observed daily to detect signs of toxicity. Animals which die during the period of administration are necropsied. At the conclusion of the test, all animals, except the satellite group, are necropsied and histopathological examinations are carried out. The satellite group is necropsied after the 14–day recovery period.

(*4*) *Satellite group (Rodent only).* A satellite group of 20 animals (10 animals per sex) shall be treated with the high dose level for 14 days and observed for reversibility, persistence, and delayed occurrence of toxic effects for a post-treatment recovery period of at least 14 days.

(*5*) *Dose levels and dose selection.* In subacute toxicity tests, it is desirable to have a dose response relationship as well as a NOAEL. Therefore, at least 3 dose levels with a control and, where appropriate, a vehicle control (corresponding to the concentration of vehicle at the highest exposure level) shall be used. Doses shall be spaced appropriately to produce test groups with a range of toxic effects. The data should be sufficient to produce a dose-response curve.

(*6*) *Exposure conditions.* The animals are dosed with the test substance every day for 14 days.

(*7*) *Observation period.* All animals shall be observed daily during the 14–day exposure period.

(*8*) *Observation period of satellite group.* Animals in the satellite group scheduled for follow-up observations shall be kept for at least 14 days further without treatment to detect recovery from, or persistence of, and delayed onset of toxic effects and shall be observed daily.

(*9*) *Administration of test substance.* For substances of low toxicity, it is important to ensure that when administered in the drinking water, by gavage, in the diet, or in capsules, the quantities of the test substance involved do not interfere with normal nutrition. When the test substance is administered in the diet, either a constant dietary concentration (ppm) or a constant dose level in terms of the animals' body weight shall be used; the alternative used shall be specified in the final test report.

(*10*) *Time of administration of test substance.* For a substance administered by gavage or capsule, the dose shall be given at approximately the same time each day, and adjusted on day 7 to maintain a constant dose level in terms of animal body weight.

(*11*) *Observation of animals.* At the end of the 14–day exposure period, all survivors, except those in the satellite group, shall be necropsied. All survivors in the satellite group shall be necropsied after a recovery period of at least 14 days.

(*12*) *Hematology determinations.* Certain hematology determinations shall be carried out at least two times during the test period: Just prior to initiation of dosing if adequate historical baseline data are not available (baseline data)

and just prior to terminal sacrifice at the end of the test period. Hematology determinations which are appropriate to all studies are: Hematocrit, hemoglobin concentration, erythrocyte count, total and differential leukocyte count, and a measure of clotting potential such as clotting time, prothrombin time, thromboplastin time, or platelet count.

(13) *Clinical biochemical determinations.* Certain clinical biochemistry determinations on blood should be carried out at least two times: Just prior to initiation of dosing (if adequate historical baseline data are not available) and just prior to terminal sacrifice at the end of the test period. Test areas which are considered appropriate to all studies are: Electrolyte balance, carbohydrate metabolism, and liver and kidney function. The selection of specific tests will be influenced by observations on the mode of action of the substance. Suggested determinations are: Calcium, phosphorus, chloride, sodium, potassium, fasting glucose (with the period of fasting appropriate to the species), serum alanine aminotransferase, serum aspartate aminotransferase, gamma glutamyl transpeptidase, urea nitrogen, albumin, blood creatinine, and total serum protein measurements. Other determinations which may be necessary for an adequate toxicological evaluation include: analyses of lipids, hormones, acid/base balance, methemoglobin, and cholinesterase activity. Additional clinical biochemistry may be employed, where necessary, to extend the investigation of observed effects.

(14) *Histopathology.* Histopathology of the lungs of all animals shall be performed. Special attention to examination of the lungs of rodents shall be made for evidence of infection since this provides a convenient assessment of the state of health of the animals.

(15) *Evaluation of the study results.* The findings of a subacute oral toxicity study should be evaluated in conjunction with the findings of preceding studies and considered in terms of the toxic effects and the necropsy and histopathological findings. The evaluation will include the relationship between the dose of the test substance and the presence or absence, the incidence and severity, of abnormalities, including behavioral and clinical abnormalities, gross lesions, identified target organs, body weight changes, effects on mortality and any other general or specific toxic effects. A properly conducted subacute test should provide a satisfactory estimation of a NOAEL.

(ii) *Reporting requirements.* (A) Each subacute test shall be completed and the final report submitted to EPA within 12 months of the date specified in paragraph (d)(1) of this section.

(B) For each test, a progress report shall be submitted to EPA beginning 6 months after the date specified in paragraph (d)(1) of this section and at 6-month intervals thereafter until the final report is submitted to EPA.

(2) *Subchronic toxicity*—(i) *Required testing.* (A) An oral 90-day subchronic toxicity test shall be conducted with each of the substances designated in paragraph (a) of this section in accordance with § 798.2650 of this chapter except for the provisions in § 798.2650(e)(3), (7)(i), and (11)(v). The tests shall be performed using drinking water. However, if, due to poor stability or palatability, a drinking water test is not feasible for a given substance, that substance shall be administered either by oral gavage, in the diet, or in capsules.

(B) For the purpose of this section, the following provisions also apply:

(1) *Satellite group (Rodent only).* A satellite group of 20 animals (10 animals per sex) shall be treated with the high dose level for 90 days and observed for reversibility, persistence, and delayed occurrence of toxic effects for a post-treatment period of appropriate length, normally not less than 28 days.

(2) *Histopathology.* Histopathology of the lungs of all animals shall be performed. Special attention to examination of the lungs of rodents shall be made for evidence of infection since this provides a convenient assessment of the state of health of the animals.

(ii) *Reporting requirements.* (A) Each subchronic test shall be completed and the final report submitted to EPA within 15 months of the date specified in paragraph (d)(1) of this section.

(B) For each test, a progress report shall be submitted to EPA beginning 9 months after the date specified in paragraph (d)(1) of this section and at 6-month intervals thereafter until the final report is submitted to EPA.

(d) *Effective date.* (1) This section is effective on December 24, 1993.

(2) The guidelines and other test methods cited in this section are referenced as they exist on the effective date of this section.

[FR Doc. 93-27610 Filed 11-9-93; 8:45 am]
BILLING CODE 6560-50-F

DEPARTMENT OF ENERGY

48 CFR Parts 904, 925, 952, and 970

RIN 1991-AB06

Acquisition Regulation; Restrictions on Awards to Foreign Controlled Contractors

AGENCY: Department of Energy (DOE).
ACTION: Interim final rule.

SUMMARY: The Department is amending the Department of Energy Acquisition Regulation (DEAR) to implement section 836 of the Fiscal Year 1993, Defense Authorization Act. That section prohibits award of a contract under a national security program to a company owned by an entity controlled by a foreign government if that company requires access to a proscribed category of information to perform the contract.

DATES: *Effective Date:* This rule will be effective January 10, 1994.

Comments: Written comments must be received by January 10, 1994.

ADDRESSES:

Richard B. Langston, Office of Procurement and Assistance Management (PR-121), Department of Energy, 1000 Independence Avenue, SW., Washington, DC 20585, (202) 586-8247.

Judith A. Sukol, Office of the Assistant General Counsel for Procurement and Finance (GC-34), Department of Energy, 1000 Independence Avenue, SW., Washington, DC 20585, (202) 586-1526.

FOR FURTHER INFORMATION CONTACT: Richard B. Langston at the address above.

SUPPLEMENTARY INFORMATION:

I. Background
II. Public Comments
III. Detailed Changes
IV. Procedural Requirements
A. Regulatory Review
B. Review Under Executive Order 12778
C. Review Under the Regulatory Flexibility Act
D. Review Under the Paperwork Reduction Act
E. Review Under Executive Order 12612
F. National Environmental Policy Act

I. Background

Section 836 of Public Law 102-484 prohibits the award of any DOE contract under a national security program to a company owned by an entity controlled by a foreign government if it is necessary for that company to have access to proscribed information in order to perform the contract.

II. Public Comments

The Department has decided to issue this interpretative rule as an interim

final rule with an opportunity for public comment. Since the rule is an interpretative one in that it merely interprets an existing statute, (specifically, section 836 of the Defense Authorization Act of 1993), DOE is publishing it as an interim final rule, rather than as a proposed rule. However, since it is an "interim" final rule, DOE is allowing for consideration of public comments. Interested persons are invited to participate by submitting data, views, or arguments with respect to the DEAR amendments set forth in this rule. Three copies of written comments should be submitted to the address indicated in the **ADDRESSES** section of this notice. All comments received will be available for public inspection in the DOE Reading Room, 1E-190, Forrestal Building, 1000 Independence Avenue, SW., Washington, DC 20585, between the hours of 9 a.m. and 4 p.m., Monday through Friday, except Federal holidays. All written comments received on or before the date specified in the beginning of this notice and all other relevant information will be considered by DOE before taking final action. Comments received after that date will be considered to the extent that time allows. Any person submitting information which that person believes to be confidential and which may be exempt from public disclosure should submit one complete copy, as well as an additional copy from which the information claimed to be confidential has been deleted. DOE reserves the right to determine the confidential status of the information or data and to treat it according to its determination. The Department's generally applicable procedures for handling information, which have been submitted in a document and may be exempt from public disclosure, are set forth in 10 CFR 1004.11.

The Department has concluded that this interim rule does not involve a substantial issue of fact or law and that the rule should not have a substantial impact on the nation's economy or large numbers of individuals or businesses. Therefore, pursuant to Public Law 95-91, the DOE Organization Act, and the Administrative Procedure Act (5 U.S.C. 553), the Department does not plan to hold a public hearing on this rule.

III. Detailed Changes

A new subpart 904.71 is added to describe a prohibition on contracting with any company owned by an entity controlled by a foreign government if the company will require access to proscribed information to perform the contract. This subpart contains definitions and describes grounds under which the prohibition may be waived by the Secretary of Energy. A new subpart 925.7 is added to provide a notice of this requirement. Part 952 is amended to provide a solicitation provision to be used in solicitations that will require access to proscribed information by the contractor. Part 970 is also amended to apply these changes to management and operating contracts if they require access to proscribed information.

IV. Procedural Requirements

A. Regulatory Review

Today's regulatory action has been determined not to be a "significant regulatory action" under Executive Order 12866, Regulatory Planning and Review," (58 FR 51735, October 4, 1993). Accordingly, today's action was not subject to review, under the Executive Order, by the Office of Information and Regulatory Affairs.

B. Review Under Executive Order 12778

Section 2 of Executive Order 12778 instructs each agency subject to Executive Order 12291 to adhere to certain requirements in promulgating new regulations and reviewing existing regulations. These requirements, set forth in sections 2(a) and 2(b), include eliminating drafting errors and needless ambiguity, drafting the regulations to minimize litigation, providing clear and certain legal standards for affected conduct, and promoting simplification and burden reduction. Agencies are also instructed to make every reasonable effort to ensure that the regulation: specifies clearly any preemptive effect, any effect on existing Federal law or regulation, and any retroactive effect; describes any administrative proceedings to be available prior to judicial review and any provisions for the exhaustion of such administrative proceedings; and defines key terms. DOE certifies that today's proposal meets the requirements of sections 2(a) and 2(b) of Executive Order 12778.

C. Review Under the Regulatory Flexibility Act

This rule was reviewed under the Regulatory Flexibility Act of 1980, Public Law 96-354, which requires preparation of a regulatory flexibility analysis for any rule which is likely to have a significant economic impact on a substantial number of small entities. This rule will have no impact on interest rates, tax policies or liabilities, the cost of goods or services, or other direct economic factors. It will also not have any indirect economic consequences, such as changed construction rates. DOE certifies that this rule will not have a significant economic impact on a substantial number of small entities and, therefore, no regulatory flexibility analysis has been prepared.

D. Review Under the Paperwork Reduction Act

No new information collection or recordkeeping requirements are imposed by this rule. Accordingly, no OMB clearance is required under the Paperwork Reduction Act of 1980 (44 U.S.C. 3501, *et seq.*).

E. Review Under Executive Order 12612

Executive Order 12612, entitled "Federalism," 52 FR 41685 (October 30, 1987), requires that regulations, rules, legislation, and any other policy actions be reviewed for any substantial direct effects on States, on the relationship between the Federal Government and the States, or in the distribution of power and responsibilities among various levels of government. If there are sufficient substantial direct effects, then the Executive Order requires preparation of a federalism assessment to be used in all decisions involved in promulgating and implementing a policy action. This rule will not affect States.

F. National Environmental Policy Act

DOE has concluded that this rule will not represent a major Federal action having significant impact on the human environment under the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. 4321, *et seq.*) (1976) or the Council on Environmental Quality Regulations (40 CFR parts 1500-1508) and, therefore, does not require an environmental impact statement or an environmental assessment pursuant to NEPA.

List of Subjects in 48 CFR Parts 904, 925, 952, and 970

Government procurement.

Issued in Washington, DC, on November 3, 1993.

G.L. Allen,

Acting Deputy Assistant Secretary for Procurement and Assistance Management.

For the reasons set out in the preamble, Chapter 9 of Title 48 of the Code of Federal Regulations is amended as set forth below.

PART 904—ADMINISTRATIVE MATTERS

1. The authority citation for part 904 continues to read as follows:

Authority: 42 U.S.C. 7254; 40 U.S.C. 486(c).

2. A new subpart 904.71, Prohibition on Contracting (National Security Program Contracts), is added as follows:

Subpart 904.71—Prohibition on Contracting (National Security Program Contracts)

904.7100 Scope of subpart.
904.7101 Definitions.
904.7102 Waiver by the Secretary.
904.7103 Solicitation provision and contract clause.

904.7100 Scope of subpart.

This subpart implements section 836 of the Fiscal Year 1993 Defense Authorization Act (Pub. L. 102–484) which prohibits the award of a Department of Energy contract under the national security program to a company owned by an entity controlled by a foreign government if it is necessary for that company to be given access to information in a proscribed category of information in order to perform the contract.

904.7101 Definitions.

Effectively owned or controlled means that a foreign government or an entity controlled by a foreign government has the power, either directly or indirectly, whether exercised or exercisable, to control or influence the election or appointment of the Offeror's officers, directors, partners, regents, trustees, or a majority of the Offeror's board of directors by any means, e.g., ownership, contract, or operation of law.

Entity controlled by a foreign government means any domestic or foreign organization or corporation that is effectively owned or controlled by a foreign government or any individual acting on behalf of a foreign government. See 925.7 for a statement of the prohibition.

Foreign government means any governing body organized and existing under the laws of any country other than the United States and its possessions and trust territories and any agent or instrumentality of that government.

Proscribed information means—

(1) Top Secret information;

(2) Communications Security (COMSEC) information, except classified keys used to operate secure telephone units (STU IIIs);

(3) Restricted Data, as defined in the Atomic Energy Act of 1954, as amended;

(4) Special Access Program (SAP) information; or,

(5) Sensitive Compartmented Information (SCI).

904.7102 Waiver by the Secretary.

(a) The Secretary of Energy may waive this prohibition, pursuant to 10 U.S.C. 2536(b), if the Secretary determines that waiver is essential to the national security interests of the United States. Any request for such a waiver shall address:

(1) Identification of the proposed awardee and description of the foreign ownership;

(2) Description of the procurement and performance requirements;

(3) Description of the national security interests involved and the ways award of the contract would promote those interests;

(4) The availability of other entities to perform the work; and,

(5) A description of alternate means available to satisfy the requirement.

(b) Any request for such a waiver shall be forwarded by the Head of the Contracting Activity to the Office of Clearance and Support, within the Headquarters procurement organization. That office will coordinate such requests with the Program Assistant Secretary, the Office of Intelligence and National Security, the Office of General Counsel, and the Procurement Executive prior to seeking approval of the Secretary.

904.7103 Solicitation provision and contract clause.

(a) Any solicitation, including those under small purchase or other simplified purchase procedures, for a contract under the national security program which will require access to proscribed information shall include the representation at 952.204–73 with its Alternate I.

(b) Any contract, including those awarded under small purchase or other simplified purchase procedures, under the national security program which require access to proscribed information to enable performance, shall include the clause at 952.204–74.

PART 925—FOREIGN ACQUISITION

3. The authority citation for part 925 of chapter 9 continues to read as follows:

Authority: 42 U.S.C. 7254; 40 U.S.C. 486(c).

4. Part 925 is amended by the addition of a new subpart 925.7 and a new section 925.702 to read as follows:

925.7—Restrictions on Certain Foreign Purchases

925.702 Restrictions.

No contract may be awarded to a company owned by an entity controlled by a foreign government if performance of the contract will require access to proscribed information. See 904.71 for additional guidance.

PART 952—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

5. The authority citation for part 952 of Chapter 9 continues to read as follows:

(Authority: 42 U.S.C. 7254; 40 U.S.C. 486(c)).

6. Section 952.204–73 is amended by adding "Alternate I" following paragraph (f) to read as follows:

952.204–73 Foreign ownership, control, or influence over contractor (Representation).

* * * * *

Alternate I December 10, 1993.

If the solicitation is part of the national security program and will require access to proscribed information to enable performance, add the following notice.

Notice

Statute prohibits the award of a contract under a national security program to a company owned by an entity controlled by a foreign government unless a waiver is granted by the Secretary of Energy.

PART 970—DOE MANAGEMENT AND OPERATING CONTRACTS

7. The authority citation for part 970 of Chapter 9 continues to read as follows:

Authority: Sec. 161 of the Atomic Energy Act of 1954.

(42 U.S.C. 2201), sec. 644 of the Department of Energy Organization Act, Pub. L. 95–91 (42 U.S.C. 7254), sec. 201 of the Federal Civilian Employee and Contractor Travel Expenses Act of 1985 (41 U.S.C. 420) and sec. 1534 of the Department of Defense Authorization Act, 1986, Pub. L. 99–145 (42 U.S.C. 7256a), as amended.

8. Section 970.0404–4 is amended by adding paragraph (d) to read as follows:

970.0404–4 Contract clauses.

* * * * *

(d) See 904.71 for guidance concerning the prohibition on award of a DOE contract under a national security program to a company owned by an entity controlled by a foreign government when access to proscribed information is required to perform the contract.

[FR Doc. 93–27597 Filed 11–9–93; 8:45 am]
BILLING CODE 6450–01–P

Proposed Rules

Federal Register
Vol. 58, No. 216
Wednesday, November 10, 1993

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 837

RIN 3206-AD60

Recomputation of Congressional Annuities After Reemployment

AGENCY: Office of Personnel Management.

ACTION: Proposed rule.

SUMMARY: The Office of Personnel Management (OPM) is proposing regulations to establish the method used to add cost-of-living adjustments (COLA's) to recomputed annuities of former Members of Congress who perform additional service after retirement as Members and the method for determining the cap on COLA's as it affects these former Members under the Civil Service Retirement System. These regulations interpret the law on Civil Service retirement as it affects these computations.

DATES: Comments must be received on or before December 10,1993.

ADDRESSES: Send comments to Reginald M. Jones, Jr., Assistant Director for Retirement and Insurance Policy; Retirement and Insurance Group; Office of Personnel Management; P.O. Box 57; Washington, DC 20044; or deliver to OPM, room 4351, 1900 E Street, NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT: Harold L. Siegelman, (202) 606-0299.

SUPPLEMENTARY INFORMATION: Under section 8344(d)(1) of title 5, United States Code, a Member of Congress who is employed in an appointive position subject to Civil Service Retirement System (CSRS) coverage after having retired as a Member or having left Congress with title to a deferred Member annuity is generally eligible for a special annuity computation. The regular provisions for retirees whose annuities continue during reemployment—which allow for a supplemental annuity after a year of reemployment or a fully redetermined annuity after 5 years of reemployment—do not apply to retired Members of Congress. Instead, the provisions for retired Members require any annuity being paid to stop during the reemployment and then allow the existing annuity entitlement to be recomputed after the reemployment ends, with a new high-3 average salary and the additional service credit. By law, the recomputed benefit becomes payable upon separation from the reemployment, or, in the case of a deferred Member annuity entitlement, when the deferred annuity begins.

Section 8340 of title 5, United States Code, allows a COLA on annuities that are "payable" at the time a COLA becomes effective. The newly payable recomputed benefit receives the COLA's that occur after the recomputed annuity becomes payable. Accordingly, these regulations provide that only the COLA's occurring after a section 8344(d)(1) benefit begins will be applied to adjust the annuity rate. These regulations will apply to any section 8344(d)(1) annuities of former Members of Congress who becomes reemployed after publication of final regulations.

A related point involves section 8340(g) of title 5, United States Code, which provides a "cap" on the amount an annuity may be increased by COLA's. For individuals whose pay exceeds the maximum under the General Schedule, OPM is prohibited from adding a COLA if the resulting annuity would exceed the retiree's rate of pay at retirement "increased by the overall annual average percentage adjustments (compounded) it rates of pay of the General Schedule under subchapter I of chapter 53" of title 5, United States Code. Consistent with our policy on applying COLA's to 8344(d)(1) benefits, these regulations state that, in computing the COLA cap on these recomputed Member annuities, we will add salary adjustments after the separation from the appointive position to the final salary of that position to determine the cap. This method of determining the COLA cap will be applied in the same cases to which the bar to retroactive COLA's on annuities will apply.

E.O. 12291, Federal Regulation

I have determined that this is not a major rule as defined under section 1(b) of E.O. 12291, Federal Regulation.

Regulatory Flexibility Act

I certify that this regulation will not have a significant economic impact on a substantial number of small entities because the regulation will only affect former Members of Congress who are reemployed by the Government and their survivors.

List of Subjects in 5 CFR Part 837

Administrative practice and procedure, Claims, Disability benefits, Government employees, Intergovernmental relations, Pensions, Reporting and recordkeeping requirements, Retirement.

U.S. Office of Personnel Management.

James B. King,

Director.

Accordingly, OPM Proposes to amend 5 CFR part 837 as follows:

PART 837—REEMPLOYMENT OF ANNUITANTS

Subpart E—Retirement Benefits on Separation

1. The authority citation for part 837 continues to read as follows:

Authority: 5 U.S.C. 8337, 8344, 8347, 8455, 8456, 8461, and 8468.

2. Section 837.505 is added to read as follows:

§ 837.505 Cost-of-living adjustments on Member annuities.

(a) *Applying cost-of-living adjustments to recomputed Member annuities under CSRS.* A Member annuity benefit that is recomputed under section 8344(d)(1) of title 5, United States Code, which applies to certain former Members who become employed in an appointive position subject to CSRS, will include the cost-of-living adjustments under section 8340 of title 5, United States Code, that are effective after the commencing date of the benefit computed under section 8344(d)(1).

(b) *Limitations on cost-of-living adjustments on recomputed Member annuities under CSRS.* For purposes of determining limitations on cost-of-living adjustments under section 8340(g) of title 5, United States Code, the final (or average) salary of a Member whose benefit has been recomputed under section 8344(d)(1) of title 5, United States Code, which applies to certain former Members who become employed

in an appointive position subject to CSRS, will be increased by adjustments in the rates of the General Schedule under subpart I of chapter 53 of title 5, United States Code, that are effective after the commencing date of the benefit computed under section 8344(d)(1).

[FR Doc. 93-27638 Filed 11-9-93; 8:45 am]
BILLING CODE 6325-01-M

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

12 CFR Part 4

[Docket No. 93-18]

RIN 1557-AA92

Description of Office, Procedures, Public Information; Minority, Women and Individuals With Disabilities-Owned Business Contracting Outreach Program

AGENCY: Office of the Comptroller of the Currency, Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Office of the Comptroller of the Currency (OCC) proposes to amend its regulations regarding the description of its office, procedures, and policies regarding public information to adopt a Minority-, Women- and Individuals with Disabilities-Owned Business Contracting Outreach Program (Outreach Program). This proposed rule is intended to ensure that business concerns owned and controlled by members of minority groups, women and individuals with disabilities are provided the opportunity to participate in the OCC's contracting processes. It also designates the official responsible for implementing the program and its oversight. This action, with respect to minority and women owned businesses, is required by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), and is necessary to promote participation of minority groups and women in contracting programs. The inclusion of individuals with disabilities is consistent with the intent of the Rehabilitation Act of 1973 as amended.

DATES: Comments must be received by January 10, 1994.

ADDRESSES: Comments should be directed to: Communications Division, Office of the Comptroller of the Currency, 250 E Street, SW., Washington, DC 20219, Attention: Docket No. 93-18. Comments will be available for inspection and photocopying at the same location.

FOR FURTHER INFORMATION CONTACT: Mary Ellen Dorsey, Outreach Program Specialist, Acquisitions Branch, (202) 874-5040; Patricia S. Grady, Attorney, Legislative, Regulatory, and International Activities Division, (202) 874-5090, Office of the Comptroller of the Currency.

SUPPLEMENTARY INFORMATION:

Background

The OCC, as the Federal financial regulatory agency responsible for the supervision of the national banking industry, has, since its inception, engaged in the procurement of goods and services necessary for the accomplishment of its duties. Historically, the OCC has awarded a significant number of contracts to Minority and Women Owned Businesses. The OCC Minority-, Women- and Individuals with Disabilities-Owned Business Contracting Outreach Program promotes the participation of these groups in the contracting activities of the OCC.

Section 1216(c) of FIRREA (12 U.S.C. 1833e(c); Pub. L. 101-73), is intended to further the participation of certain designated groups in the OCC's contracting processes. FIRREA requires the OCC and the other Federal financial institutions regulatory agencies (e.g., the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the Resolution Trust Corporation, and the Federal Housing Finance Board) to prescribe regulations to establish and oversee a minority outreach program within each agency. The purpose of the outreach program is to ensure inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, in all contracts entered into by the agency with such persons or entities, public and private, in order to perform functions authorized under any law applicable to such agency.

To ensure that the benefits of the Outreach Program accrue to entities owned by minorities, women and individuals with disabilities, the participants in the Outreach Program must be minorities, women or individuals with disabilities and unconditionally own the business entities participating in the Outreach Program.

The OCC is not required by FIRREA to include individuals with disabilities in its Outreach Program. However, the OCC believes that its proposed inclusion of individuals with disabilities is consistent with the intent of the Rehabilitation Act of 1973 (29 U.S.C. 701 *et seq.*; Pub. L. 93-112) as amended by the Rehabilitation, Comprehensive Service, and Developmental Disabilities Amendments of 1978 (Pub. L. 95-602), and the Rehabilitation Act Amendments of 1986, (Pub. L. 99-506). The OCC believes that by encouraging outreach to individuals with disabilities, it will further the intent of the Rehabilitation Act of 1973 as amended. The definition of the term individual with disabilities is derived from the definition of the term individual with handicaps in the Rehabilitation Act of 1973 as amended.

Comment

Public comment is invited on any aspect of this proposal, particularly the OCC's inclusion of individuals with disabilities in its contracting outreach program.

Executive Order 12866

The OCC has determined that this document is not a significant regulatory action. This rule concerns participation in an Outreach Program for OCC's procurement of goods and services. This regulation is intended to promote participation of minority-, women- and individuals with disabilities-owned businesses in the OCC contracting program. The Outreach Program does not alter the OCC's established procurement process for goods and services and this rule should have no material effects.

Regulatory Flexibility Act

It is hereby certified that this regulation will not have a significant economic impact on a substantial number of small entities. Accordingly, a regulatory flexibility analysis is not required. This regulation is intended to promote participation of minority-, women- and individuals with disabilities-owned businesses, regardless of size, in the OCC contracting program. The Outreach Program does not alter the OCC's established procurement process for goods and services, and this rule should have a beneficial, although not significant, impact on small entities.

List of Subjects in 12 CFR Part 4

Freedom of information, Organization and functions (Government agencies), Reporting and recordkeeping requirements, Women and minority businesses.

Authority and Issuance

For the reasons set forth in the preamble, part 4 of chapter I of title 12 of the Code of Federal Regulations is proposed to be amended as set out below:

PART 4—DESCRIPTION OF OFFICE, PROCEDURES, PUBLIC INFORMATION, CONTRACTING OUTREACH PROGRAMS

1. The part heading for part 4 is revised to read as set forth above.

1a. The authority citation for part 4 is revised to read as follows:

Authority: 5 U.S.C. 552; 12 U.S.C. 1 *et seq.*, 93a and 1833e.

2. Part 4 is amended by designating §§ 4.1 through 4.19 as subpart A and adding a subpart A heading to read as follows:

Subpart A—Office, Procedures, Public Information

3. Part 4 is amended by adding a new subpart B to read as follows:

Subpart B—Minority- Women- and Individuals With Disabilities-Owned Business Contracting Outreach Program; Contracting for Goods and Services

Sec.
4.31 Purpose.
4.32 Definitions.
4.33 Policy.
4.38 Promotion.
4.42 Certification.
4.44 Oversight and monitoring.

Subpart B—Minority- Women- and Individuals With Disabilities-Owned Business Contracting Outreach Program; Contracting for Goods and Services

§ 4.31 Purpose.

Pursuant to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, sec. 1216(c), Pub. L. 101–73, 103 Stat. 183, 529 (12 U.S.C. 1833e(c)) and consistent with the Rehabilitation Act of 1973 as amended (29 U.S.C. 701 *et seq.*), this part establishes the OCC Minority- Women- and Individuals with Disabilities-Owned Business Contracting Outreach Program (Outreach Program). The Outreach Program is intended to ensure that firms owned and operated by minorities, women, and individuals with disabilities are given the opportunity to participate, to the maximum extent possible, in all contracting activities of the OCC.

§ 4.32 Definitions.

(a) *Minority- and/or women-owned (small and large) businesses and entities owned by minorities and women (MWOB or MWOB firm)* means firms at least 51 percent unconditionally-owned by one or more members of a minority group or by one or more women who are citizens of the United States. In the case of publicly-owned companies, at least 51 percent of each class of voting stock must be unconditionally-owned by one or more members of a minority group or by one or more women who are citizens of the United States. In the case of a partnership, at least 51 percent of the partnership interest must be unconditionally-owned by one or more members of a minority group or by one or more women who are citizens of the United States. Additionally, for the foregoing cases, the management and daily business operations must be controlled by one or more such individuals.

(b) *Minority* means any Black American, Native American (means American Indian, Eskimo, Aleut and Native Hawaiian), Hispanic American, Asian-Pacific American, or Subcontinent-Asian American.

(c) *Individual with disabilities-owned (small and large) businesses and entities owned by individuals with disabilities (IDOB or IDOB firm)* means firms at least 51 percent unconditionally-owned by one or more members who are individuals with disabilities and citizens of the United States. In the case of publicly-owned companies, at least 51 percent of each class of voting stock must be unconditionally-owned by one or more members who are individuals with disabilities and citizens of the United States. In the case of a partnership, at least 51 percent of the partnership interest must be unconditionally-owned by one or more members who are individuals with disabilities and citizens of the United States. Additionally, for the foregoing three cases, the management and daily business operations must be controlled by one or more such individuals.

(d) *Individual with disabilities* means any person who has a physical or mental impairment which substantially limits one or more of such person's major life activities, has a record of such an impairment, or is regarded as having such an impairment. It does not include an individual who is currently engaging in the illegal use of drugs nor an individual who has a currently contagious disease or infection and who, by reason of such disease or infection, would constitute a direct threat to the health or safety of other individuals or who, by reason of the currently contagious disease or infection, is unable to perform the duties of the job.

(e) *Unconditional ownership* means ownership that is not subject to conditions or similar arrangements which cause the benefits of the Outreach Program to accrue to persons other than the participating MWOB or IDOB.

§ 4.33 Policy.

The OCC policy is to ensure that MWOB and IDOB firms have the opportunity to participate, to the maximum extent possible, in contracts awarded by the OCC. The OCC awards contracts consistent with the principles of full and open competition and best value acquisition, and with the concept of contracting for agency needs at the lowest practicable cost. The OCC ensures that MWOB and IDOB firms have the opportunity to participate fully in all contracting activities that the OCC enters into for goods and services, whether generated by the headquarters office in Washington, DC, or any other office of the OCC. Contracting opportunities may include small purchase awards, contracts above the small purchase threshold, and delivery orders issued against other governmental agency contracts.

§ 4.38 Promotion.

(a) *Scope.* The OCC, under the direction of the Deputy Comptroller for Resource Management, engages in promotion and outreach activities designed to identify MWOB and IDOB firms capable of providing goods and services needed by the OCC, to facilitate interaction between the OCC and the MWOB and IDOB community, and to indicate the OCC's commitment to doing business with this community. The Outreach Program is designed to facilitate OCC's work with other government agencies to include participation in business promotion events sponsored and attended by minorities, women and individuals with disabilities. Once the OCC has identified prospective participants, it will assist them in understanding the OCC's needs and contracting process.

(b) *Outreach activities.* OCC's Outreach Program includes the following:

(1) Obtaining various lists and directories of MWOB and IDOB firms maintained by government agencies;

(2) Targeting appropriate firms for participation in the OCC's Outreach Program;

(3) Participating in business promotion events comprised of or attended by MWOB and IDOB firms to explain OCC contracting opportunities and obtain names of potential MWOB and IDOB firms;

(4) Ensuring that the OCC contracting staff understands and actively promotes this program; and

(5) Registering MWOB and IDOB firms in the OCC's database to facilitate their participation in the competitive procurement process for OCC contracts. This database is used by OCC

procurement staff to identify firms to be solicited for OCC procurements.

§ 4.42 Certification.

(a) *Objective.* To preserve the integrity and foster the program's objectives, each prospective MWOB or IDOB firm must demonstrate that it meets the ownership and control requirements for participation in the Outreach Program.

(b) *Process-MWOB or MWOB firm.* A prospective MWOB firm may demonstrate its eligibility for participation in the Outreach Program by:

(1) Submitting a valid MWOB certification received from another government agency whose definition of MWOB is substantially similar to that specified in § 4.32(a);

(2) Self-certifying MWOB ownership status by filing with the OCC a completed and signed certification form as prescribed by the Federal Acquisition Regulation, 48 CFR 53.301–129; or

(3) Submitting a valid MWOB certification received from the Small Business Administration.

(c) *Process-IDOB or IDOB firm.* A prospective IDOB firm may demonstrate its eligibility for participation in the Outreach Program by:

(1) Submitting a valid IDOB certification received from another government agency whose definition of IDOB is substantially similar to that specified in § 4.32(c); or

(2) Self-certifying IDOB ownership status by filing with the OCC a completed and signed certification as prescribed in the Federal Acquisition Regulation, 48 CFR 53.301–129, and adding an additional certifying statement to read as follows:

I certify that I am an individual with disabilities as defined in 12 CFR 4.32(d), and that my firm, _____qualifies as an individual with disabilities-owned business or as an individual with disabilities-owned firm as defined in 12 CFR 4.32(c).

§ 4.44 Oversight and monitoring.

The Deputy Comptroller for Resource Management shall appoint an Outreach Program Manager, who shall appoint an Outreach Program Specialist. The Outreach Program Manager is primarily responsible for program advocacy, oversight and monitoring.

Dated: July 2, 1993.

Eugene A. Ludwig,

Comptroller of the Currency.

[FR Doc. 93–27620 Filed 11–9–93; 8:45 am]

BILLING CODE 4810–33–P

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

12 CFR Part 34

[Docket No. 93–10]

RIN 1557–AB34

FEDERAL RESERVE SYSTEM

12 CFR Part 225

[Regulation Y; Docket No. R–0803]

RIN 7100–AB20

FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Part 323

RIN 3064–AB05

DEPARTMENT OF THE TREASURY

Office of Thrift Supervision

12 CFR Parts 545, 563, 564

[Docket No. 93–214]

RIN 1550–AA64

Real Estate Appraisals

AGENCIES: Office of the Comptroller of the Currency, Treasury; Board of Governors of the Federal Reserve System; Federal Deposit Insurance Corporation; and Office of Thrift Supervision, Treasury.

ACTION: Proposed rule; availability of supplemental information.

SUMMARY: On June 4, 1993, the Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System (Board), the Federal Deposit Insurance Corporation (FDIC), and the Office of Thrift Supervision (OTS) (collectively the agencies) published a proposed rule that would amend the agencies' regulations regarding appraisals of real estate pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. One of the proposed amendments was to increase from $100,000 to $250,000 the threshold level at or below which an appraisal is not required pursuant to Title XI.

The agencies are placing supplemental information into the rulemaking record primarily relating to the proposed increase in the threshold level and requesting written comment on those materials as well as on public comments previously received.

DATES: Written comments must be received by December 10, 1993.

ADDRESSES: Please direct comments as indicated below. Documents identified in this notice will be available at the locations for inspection and copying of comments.

Office of the Comptroller of the Currency

Communications Division, Comptroller of the Currency, 9th Floor, 250 E Street, SW., Washington, DC 20219, Attention: Docket No. 93–10. Comments will be available for public inspection and photocopying at the same location.

Board of Governors of the Federal Reserve System

Comments, which should refer to Docket No. R–0803, may be mailed to Mr. William Wiles, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW., Washington, DC 20551. Comments addressed to Mr. Wiles may also be delivered to the Board's mail room between 8:45 a.m. and 5:15 p.m., and to the security control room outside of these hours. Both the mail room and control room are accessible from the courtyard entrance on 20th Street between Constitution Avenue and C Street, NW. Comments may be inspected in room MP–500 [(202) 452–3684] between 9 a.m. and 5 p.m., except as provided in § 261.8 of the Board's Rules Regarding Availability of Information, 12 CFR 261.8.

Federal Deposit Insurance Corporation

Send comments to Hoyle L. Robinson, Executive Secretary, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429. Comments may be hand delivered to room F–402, 1776 F Street, NW., Washington, DC on business days between 8:30 a.m. and 5 p.m. [FAX number (202) 898–3838] Comments will be available for inspection and photocopying in room 7118, 550 17th Street, NW., Washington DC between 9 a.m. and 4:30 p.m. on business days.

Office of Thrift Supervision

Send comments to Director, Information Services Division, Public Affairs, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, Attention Docket No. 93–214. These submissions may be hand delivered to 1700 G Street, NW., from 9 a.m. to 5 p.m on business days; they may be sent by facsimile transmission to FAX number (202) 906–7755. Submissions must be received by 5 p.m. on the day they are due in order to be considered by the OTS. Late-filed, misaddressed or misidentified submissions will not be considered in this rulemaking. Comments will be available for inspection at 1700 G Street, NW, from 1 p.m. until 4 p.m. on business days. Visitors will be escorted

to and from the public reading room at established intervals.

FOR FURTHER INFORMATION CONTACT:

Office of the Comptroller of the Currency

Thomas E. Watson, National Bank Examiner, Office of the Chief National Bank Examiner, (202) 874–5170; or Horace G. Sneed, Senior Attorney, or Stephen Freeland, Attorney, (202) 874–4460, Bank Operations and Assets Division.

Board of Governors of the Federal Reserve System

Rhoger H Pugh, Assistant Director, (202) 728–5883, Stanley B. Rediger, Supervisory Financial Analyst (202) 452–2629, or Virginia M. Gibbs, Supervisory Financial Analyst, (202) 452–2521, Division of Banking Supervision and Regulation; or Gregory A. Baer, Senior Attorney (202) 452–3236 or Christopher Bellini, Attorney (202) 452–3269, Legal Division.

Federal Deposit Insurance Corporation

Robert F. Miailovich, Associate Director, (202) 898–6918, James D. Leitner, Examination Specialist, (202) 898–6790, Division of Supervision; or Walter P. Doyle, Counsel, (202) 898–3682, Legal Division.

Office of Thrift Supervision

Robert Fishman, Senior Program Manager, Credit Risk, Supervision Policy, (202) 906–5672; Deirdre G. Kvartunas, Policy Analyst, Supervision Policy, (202) 906–7933; Ellen J. Sazzman, Counsel (Banking and Finance), Regulations and Legislation Division, Chief Counsel's Office, (202) 906–7133.

SUPPLEMENTARY INFORMATION: On June 4, 1993, the agencies published a proposed rule that would amend the agencies' regulations regarding appraisals of real estate pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. Real Estate Appraisals, 58 FR 31878 (June 4, 1993). The notice of proposed rulemaking requested that comments be provided by July 19, 1993.

The agencies believe the public interest will be served by allowing interested parties to comment on supplemental information relating primarily to the proposed increase in the threshold level from $100,000 to $250,000. Therefore, the agencies invite written comments on: (i) 1992 and 1993 surveys by the Board of its examination staff with respect to the staff's experience with the $100,000 threshold; (ii) comments received by the Board from the Federal Reserve Banks that were not previously included in the public file; (iii) a 1993 survey by the OCC of supervisory examination staff regarding the potential effects of the proposed amendments; (iv) a 1993 survey by the OTS of its senior examination staff regarding the threshold level; (v) a 1993 survey by the FDIC of its senior supervisory staff regarding the proposed amendments; (vi) Thrift Failures: Costly Failures Resulted from Regulatory Violations and Unsafe Practices, General Accounting Office (June 1989); (vii) Bank Regulation: Regulatory Impediments to Small Business Lending Should Be Removed, General Accounting Office (Sept. 1993); (viii) statistics on the size and distribution of small business loans obtained from depository institutions, Federal Reserve 1993, based on the National Survey of Small Business Finances, co-sponsored by the Federal Reserve Board and Small Business Administration (1987); (ix) summary of data obtained from the Consolidated Reports of Condition and Income (Call Reports) for commercial banks, Thrift Financial Reports (TFR), and other industry and government sources; (x) FDIC Quarterly Banking Profiles (1987–1992); and (xi) other material incorporated into the administrative records available for inspection at the agencies. A summary prepared by OCC and OTS staff of the surveys of supervisory examination staff, Call Report and TFR data, and other material is also included in the OCC, OTS, and FDIC records.

The agencies invite written comment on these materials and on the public comments already received on the proposal. Comments should focus on the implications of these materials and public comments for the proposed increase in the appraisal threshold to $250,000, or a different level. The agencies also encourage comments on the applicability of thrift data to commercial bank experience and of commercial bank data to thrift experience. Comments already received in response to the June 4, 1993 notice of proposed rulemaking will be considered in conjunction with comments received in response to this notice.

Dated: October 12, 1993.

Eugene A. Ludwig,

Comptroller of the Currency.

Dated: November 5, 1993.

Jennifer J. Johnson,

Associate Secretary of the Board, Federal Reserve System.

Dated: October 29, 1993.

Hoyle L. Robinson,

Executive Secretary, Federal Deposit Insurance Corporation.

Dated: November 3, 1993.

Jonathan L. Fiechter,

Acting Director, Office of Thrift Supervision.

[FR Doc. 93–27724 Filed 11–9–93; 8:45 am]

BILLING CODES 4810–33–P; 6210–01–P; 6714–01–P; 6720–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 25

[Docket No. NM–89; Notice No. SC–93–5–NM]

Special Conditions: Cessna Aircraft Company, Model 750 (Citation X) Airplane, High Altitude Operation

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed special conditions.

SUMMARY: This notice proposes special conditions for the Cessna Aircraft Company (Cessna), Model 750 (Citation X) airplane. This new airplane will have a novel and unusual design feature associated with an unusually high operating altitude (51,000 feet), for which the applicable airworthiness regulations do not contain adequate or appropriate safety standards. These proposed special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

DATES: Comments must be received by December 27, 1993.

ADDRESSES: Comments on this proposal may be mailed in duplicate to: Federal Aviation Administration, Office of the Assistant Chief Counsel, Attn: Rules Docket (ANM–7), Docket No. NM–89, 1601 Lind Avenue SW., Renton, Washington, 98055–4056; or delivered in duplicate to the Office of the Assistant Chief Counsel at the above address. Comments must be marked "Docket No. NM–89." Comments may be inspected in the Rules Docket weekdays, except Federal holidays, between 7:30 a.m. and 4 p.m.

FOR FURTHER INFORMATION CONTACT: Mark Quam, FAA, Standardization Branch, ANM–113, Transport Airplane Directorate, Aircraft Certificate Service, 1601 Lind Avenue SW., Renton, Washington, 98055–4056; telephone (206) 227–2145.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested person are invited to participate in the making of these proposed special conditions by submitting such written data, views, or arguments as they may desire. Communications should identify the regulatory docket or notice number and be submitted in duplicate to the address specified above. All communications received on or before the closing date for comments will be considered by the Administrator before taking action on this proposal. The proposal contained in this notice may be changed in light of comments received. All comments submitted will be available in the Rules Docket for examination by interested persons, both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerning this rulemaking will be filed in the docket. Persons wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket No. NM–89." The postcard will be date stamped and returned to the commenter.

Background

On October 15, 1991, Cessna Aircraft Company (Cessna), 6030 Cessna Blvd., P.O. Box 7704, Wichita, KS 67277–7704, applied for a new type certificate in the transport airplane category for the Model 750 (Citation X) airplane. The Cessna Model 750 is a T-tail, low swept wing, medium sized business jet powered by two GMA–3007C turbofan engines mounted on pylons extending from the aft fuselage. Each engine will be capable of delivering 6,000 pounds thrust. The flight controls will be powered and capable of manual reversion. The type design of the Cessna Model 750 series airplanes contains a number of novel and unusual design features for an airplane type certificated under the applicable provisions of part 25 of the FAR. Those features include the relatively small passenger cabin volume and a high operating altitude. The applicable airworthiness requirements do not contain adequate or appropriate safety standards for the Cessna 750 series airplanes; therefore, special conditions are necessary to establish a level of safety equivalent to that established in the regulations.

Type Certification Basis

Under the provisions of § 217.17 of the FAR, Cessna must show, except as provided in § 25.2, that the Model 750 (Citation X) meets the applicable provisions of part 25, effective February 1, 1965, as amended by Amendments 25–1 through 25–74. In addition, the proposed certification basis for the Model 750 includes part 34, effective September 10, 1990, plus any amendments in effect at the time of certification; and part 36, effective December 1, 1969, as amended by Amendments 36–1 through the amendment in effect at the time of certification. No exemptions are anticipated. The special conditions that may be developed as a result of this notice will form an additional part of the type certification basis. In addition, the certification basis may include other special conditions that are not relevant to these proposed special conditions.

If the Administrator finds that the applicable airworthiness regulations (i.e., part 25, as amended) do not contain adequate or appropriate safety standards for the Cessna Model 750 because of a novel or unusual design feature, special conditions are prescribed under the provisions of § 21.16 to establish a level of safety equivalent to that established in the regulations.

Special conditions, as appropriate, are issued in accordance with § 11.49 of the FAR after public notice, as required by §§ 11.28 and 11.29, and become part of the type certification basis in accordance with § 21.17(a)(2).

Novel or Unusual Design Feature

The Cessna Model 750 will incorporate an unusual design feature in that it will be certified to operate up to an altitude of 51,000 feet.

The FAA considers certification of transport category airplanes for operation at altitudes greater than 41,000 feet to be a novel or unusual feature because current part 25 does not contain standards to ensure the same level of safety as that provided during operation at lower altitudes. Special conditions have therefore been adopted to provide adequate standards for transport category airplanes previously approved for operation at these high altitudes, including certain Learjet models, the Boeing Model 747, Dassault-Breguet Falcon 900, Canadair Model 600, Cessna Model 650, Israel Aircraft Industries Model 1125, and Cessna Model 560. The special conditions for the Cessna Model 650 are considered the most applicable to the Model 750 and its proposed operation and are therefore used as the basis for the special conditions described below.

Damage tolerance methods are proposed to be used to assure pressure vessel integrity while operating at the higher altitudes, in lieu of the ½-bay crack criterion used in some previous special conditions. Crack growth data are used to prescribe an inspection program that should detect cracks before an opening in the pressure vessel would allow rapid depressurization. Initial crack sizes for detection are determination under § 25.571, as amended by Amendment 25–72. The cabin altitude after failure must not exceed the cabin altitude/time curve limits shown in Figures 3 and 4.

Continuous flow passenger oxygen equipment is certificated for use up to 40,000 feet; however, for rapid decompressions above 34,000 feet, reverse diffusion leads to low oxygen partial pressures in the lungs, to the extent that a small percentage of passengers may lose useful consciousness at 35,000 feet. The percentage increases to an estimated 60 percent at 40,000 feet, even with the use of the continuous flow system. To prevent permanent physiological damage, the cabin altitude must not exceed 25,000 feet for more than 2 minutes. The maximum peak cabin altitude of 40,000 feet is consistent with the standards established for previous certification programs. In addition, at high altitudes the other aspects of decompression sickness have a significant, detrimental effect on pilot performance (for example, a pilot can be incapacitated by internal expanding gases).

Decompression above the 37,000-foot limit depicted in Figure 4 approaches the physiological limits of the average person; therefore, every effort must be made to provide the pilots with adequate oxygen equipment to withstand these severe decompressions. Reducing the time interval between pressurization failure and the time the pilots receive oxygen will provide a safety margin against being incapacitated and can be accomplished by the use of mask-mounted regulators. The proposed special condition, therefore, would require pressure demand masks with mask-mounted regulators for the flightcrew. This combination of equipment will provide the best practical protection for the failures covered by the special conditions and for improbable failures

not covered by the special conditions, provided the cabin altitude is limited.

Conclusion

This action affects only certain unusual or novel design features on one model of airplane. It is not a rule of general applicability and affects only the manufacturer who applied to the FAA for approval of these features on the airplane.

List of Subjects in 14 CFR Part 25

Aircraft, Aviation safety, Federal Aviation Administration, Reporting and recordkeeping requirements.

The authority citation for these special conditions is as follows:

Authority: 49 U.S.C. app. 1344, 1348(c), 1352, 1354(a), 1355, 1421 through 1431, 1502, 1651(b)(2), 42 U.S.C. 1857f–10, 4321 et seq.; E.O. 11514; and 49 U.S.C. 106(g).

The Proposed Special Conditions

Accordingly, the Federal Aviation Administration (FAA) proposes the following special conditions as part of the type certification basis for the Cessna Model 750 (Citation X) series airplanes: Operation to 51,000 feet:

1. Pressure Vessel Integrity

(a) The maximum extent of failure and pressure vessel opening that can be demonstrated to comply with paragraph 4 (Pressurization) of this special condition must be determined. It must be demonstrated by crack propagation and damage tolerance analysis supported by testing that a larger opening or a more severe failure than demonstrated will not occur in normal operations.

(b) Inspection schedules and procedures must be established to assure that cracks and normal fuselage leak rates will not deteriorate to the extent that an unsafe condition could exist during normal operation.

(c) With regard to the fuselage structural design for cabin pressure capability above 45,000 feet altitude, the pressure vessel structure, including doors and windows, must comply with § 25.365(d), using a factor of 1.67 instead of the 1.33 factor prescribed.

2. Ventilation

In lieu of the requirements of § 25.831(a), the ventilation system must be designed to provide a sufficient amount of uncontaminated air to enable the crewmembers to perform their duties without undue discomfort or fatigue, and to provide reasonable passenger comfort during normal operating conditions and also in the event of any probable failure of any system that could adversely affect the cabin ventilating air. For normal operations, crewmembers and passengers must be provided with at least 10 cubic feet of fresh air per minute per person, or the equivalent in filtered, recirculated air based on the volume and composition at the corresponding cabin pressure altitude of not more than 8,000 feet.

3. Air Conditioning

In addition to the requirements of § 25.831, paragraphs (b) through (e), the cabin cooling system must be designed to meet the following conditions during flight above 15,000 feet mean sea level (MSL):

(a) After any probable failure, the cabin temperature-time history may not exceed the values shown in Figure 1.

(b) After any improbable failure, the cabin temperature-time history may not exceed the values shown in Figure 2.

4. Pressurization

In addition to the requirements of § 25.841, the following apply:

(a) The pressurization system, which includes for this purpose bleed air, air conditioning, and pressure control systems, must prevent the cabin altitude from exceeding the cabin altitude-time history shown in Figure 3 after each of the following:

(1) Any probable malfunction or failure of the pressurization system. The existence of undetected, latent malfunctions or failures in conjunction with probable failures must be considered.

(2) Any single failure in the pressurization system, combined with the occurrence of a leak produced by a complete loss of a door seal element, or a fuselage leak through an opening having an effective area 2.0 times the effective area that produces the maximum permissible fuselage leak rate approved for normal operation, whichever produces a more severe leak.

(b) The cabin altitude-time history may not exceed that shown in Figure 4 after each of the following:

(1) The maximum pressure vessel opening resulting from an initially detectable crack propagating for a period encompassing four normal inspection intervals. Mid-panel cracks and cracks through skin-stringer and skin-frame combinations must be considered.

(2) The pressure vessel opening or duct failure resulting from probable damage (failure effect) while under maximum operating cabin pressure differential due to a tire burst, engine rotor burst, loss of antennas or stall warning vanes, or any probable equipment failure (bleed air, pressure control, air conditioning, electrical source(s), etc.) that affects pressurization.

(3) Complete loss of thrust from all engines.

(c) In showing compliance with paragraphs 4(a) and 4(b) of these special conditions (Pressurization), it may be assumed that an emergency descent is made by approved emergency procedure. A 17-second crew recognition and reaction time must be applied between cabin altitude warning and the initiation of an emergency descent.

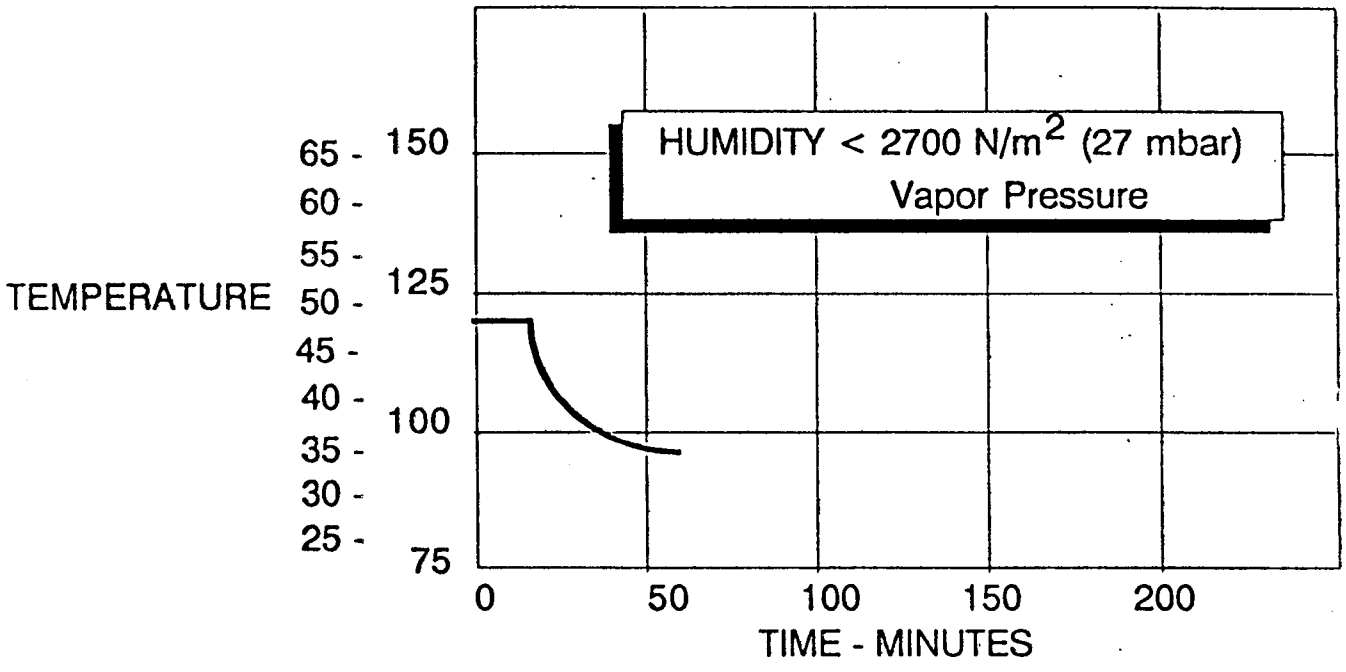
Note: For the flight evaluation of the rapid descent, the test article must have the cabin volume representative of what is expected to be normal, such that Cessna must reduce the total cabin volume by that which would be occupied by the furnishings and total number of people.

5. Oxygen Equipment and Supply

(a) A continuous flow oxygen system must be provided for the passengers.

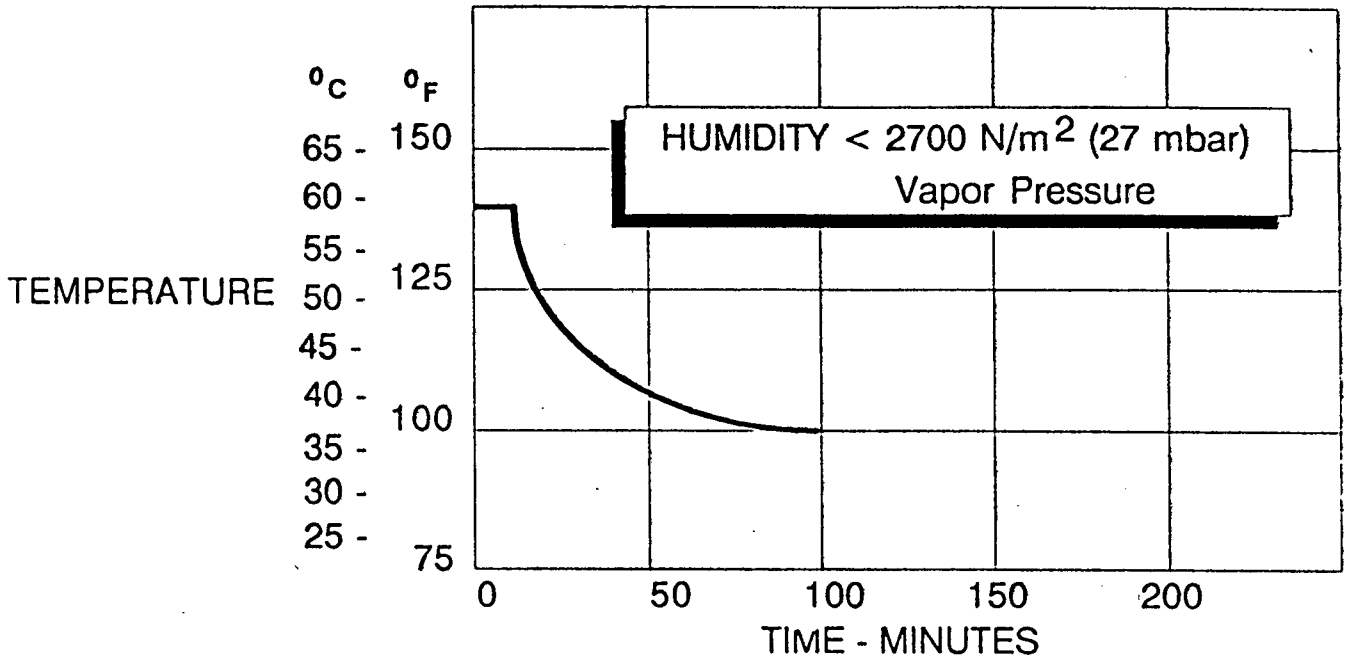
(b) A quick-donning pressure demand mask with mask-mounted regulator must be provided for each pilot. Quick-donning from the stowed position must be demonstrated to show that the mask can be withdrawn from stowage and donned within 5 seconds.

BILLING CODE 4910–13–M



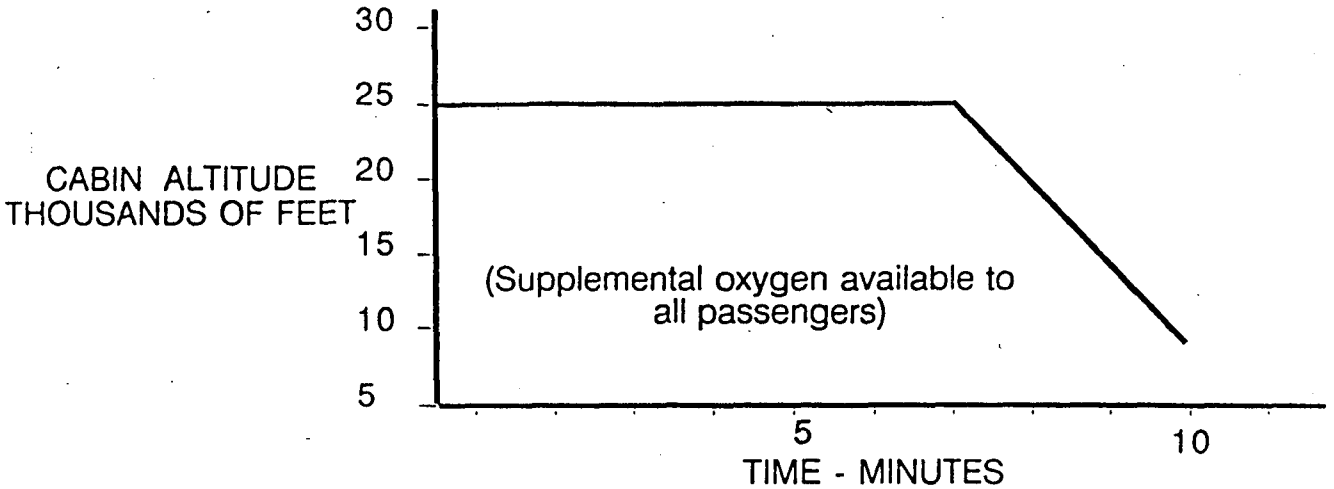
TIME - TEMPERATURE RELATIONSHIP

FIGURE 1



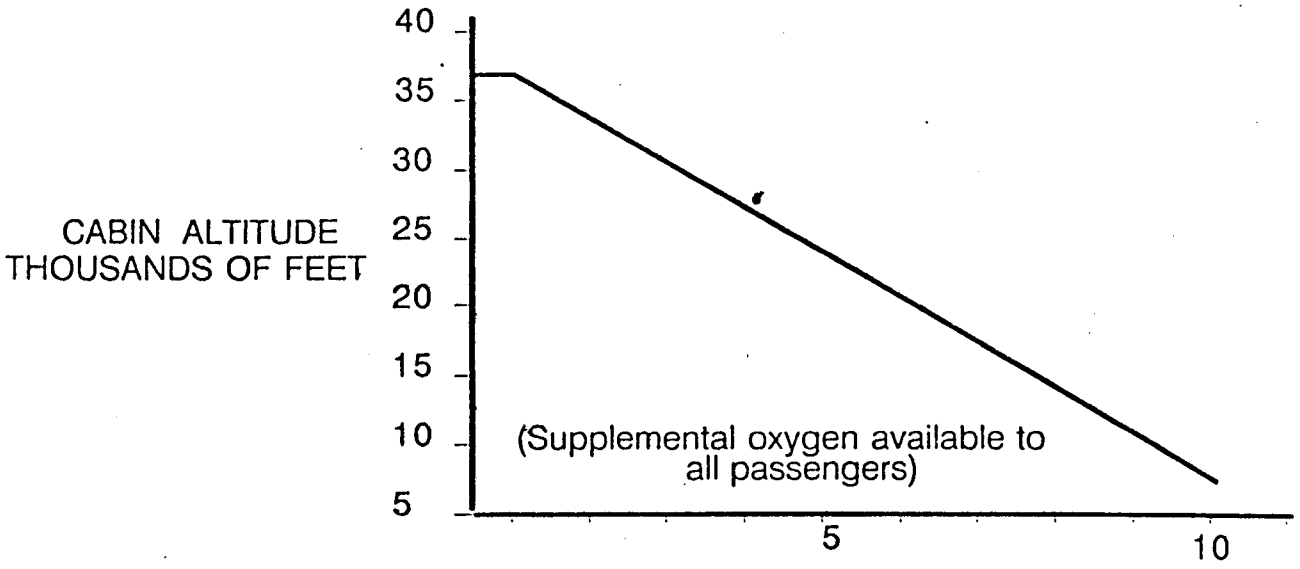
TIME - TEMPERATURE RELATIONSHIP

FIGURE 2



CABIN ALTITUDE - TIME HISTORY
FIGURE 3

NOTE: For figure 3, time starts at the moment cabin altitude exceeds 8,000 feet during depressurization. If depressurization analysis shows that the cabin altitude limit of this curve is exceeded, the following alternate limitations apply: After depressurization, the maximum cabin altitude exceedence is limited to 30,000 feet. The maximum time the cabin altitude may exceed 25,000 feet is 2 minutes; time starting when the cabin altitude exceeds 25,000 feet and ending when it returns to 25,000 feet.



CABIN ALTITUDE - TIME HISTORY

FIGURE 4

NOTE: For figure 4, time starts at the moment cabin altitude exceeds 8,000 feet during depressurization. If depressurization analysis shows that the cabin altitude limit of this curve is exceeded, the following alternate limitations apply: After depressurization, the maximum cabin altitude exceedence is limited to 40,000 feet. The maximum time the cabin altitude may exceed 25,000 feet is 2 minutes; time starting when the cabin altitude exceeds 25,000 feet and ending when it returns to 25,000 feet.

BILLING CODE 4910-13-C

Issued in Fenton, Washington, on October 27, 1993.

John J. Hickey,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service, ANM-100.

[FR Doc. 93-27686 Filed 11-9-93; 8:45 am]

BILLING CODE 4910-13-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Ch. I

[Docket No. 93N-0372]

Medical Devices; Hearing Aid Requirements; Request for Comments and Information

AGENCY: Food and Drug Administration, HHS.

ACTION: Advance notice of proposed rulemaking.

SUMMARY: The Food and Drug Administration (FDA) is announcing its intention to review and, potentially to amend, the Federal hearing aid regulations. The agency is taking this action because it believes that a reevaluation of the current regulations is warranted in order to improve patient care. FDA is soliciting comments and information on revising the Federal hearing aid regulations, and it will consider the administrative record of hearing along with comments and other information received when proposing revised regulations. Elsewhere in this issue of the **Federal Register**, FDA is announcing a public hearing on this advance notice of proposed rulemaking (ANPRM).

DATES: Written comments by January 10, 1994.

ADDRESSES: Submit written comments to the Dockets Management Branch (HFA-305), Food and Drug Administration, rm. 1-23, 12420 Parklawn Dr., Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: Joseph M. Sheehan, Center for Devices and Radiological Health (HFZ-84), Food and Drug Administration, 2098 Gaither Rd., Rockville, MD 20850, 301-594-4765.

SUPPLEMENTARY INFORMATION:

I. Background

In the **Federal Register** of February 15, 1977 (42 FR 9286), FDA promulgated regulations which established provisions for the sale and distribution of hearing aids. The regulations on hearing aid devices (21 CFR 801.420 and 801.421) prescribe the types of information that must be included in the labeling in order to provide health professionals and patients with adequate directions for the safe and effective use of a hearing aid; specify the technical performance data that must be included in the labeling to ensure that health professionals have adequate information to select, fit, and repair a hearing aid for a patient; and restrict the sale of a hearing aid to patients who have undergone a medical evaluation within the past 6 months. The regulations also allow any informed adult, 18 years of age or older, to waive the medical evaluation requirement by signing a written statement.

During the past year, several events occurred which have caused FDA to reevaluate the regulatory framework governing the sale and distribution of hearing aids. Earlier this year, FDA reviewed the advertising, promotional material, and labeling of commercially available hearing aids. For numerous products examined, FDA found that the manufacturer was making unsubstantiated performance claims. These claims were misleading the public by creating unrealistic expectations about the performance of the devices. For example, several companies claimed that their products would significantly improve speech recognition in noisy environments and simultaneously filter out background noise. FDA is not aware of any data establishing the fact that noise reduction hearing aids can significantly differentiate speech from unwanted extraneous noise. In reviewing the promotional materials for hearing aids, FDA also found that, in nearly all cases examined, the labeling, promotional literature and advertising failed to disclose material information and did not accurately disclose the device's potential risks and benefits.

Based on this review, FDA sent letters to eight major hearing aid manufacturers directing them to immediately remove all misleading promotional literature and advertising (Ref. 1). FDA also ordered the firms to correct the misconceptions about their products that had been created by their misleading promotional literature and advertising. The agency also issued letters to all other hearing aid manufacturers indicating that FDA believes this is an industry wide problem and directing them to review and correct their promotional literature and advertising as needed (Ref. 2).

FDA will continue to monitor promotional materials and advertising and will take appropriate action. Manufacturers who want to make claims of user benefit, beyond the general claim of improved hearing, such as the ability to differentiate background noise from speech, will be required to substantiate those claims by submitting valid scientific evidence from clinical trials. Claims that FDA clears for product labeling through the premarket notification (510(k)) or premarket approval (PMA) processes form the basis for acceptable advertising claims. FDA will develop a guidance document that sets forth the criteria necessary for clinical protocols that will be required to substantiate claims beyond the general claim of improved hearing.

FDA is now considering whether the prepurchase medical evaluation to determine hearing aid candidacy should be replaced by, or supplemented with, a more comprehensive prepurchase hearing assessment. FDA believes that a comprehensive diagnostic hearing assessment can be directed towards identifying any medically or surgically treatable disease, determining hearing aid candidacy, and providing the proper hearing equipment needed by the individual. FDA believes that a comprehensive diagnostic hearing assessment need not necessarily be performed by a physician, but rather could be performed by a competent, trained, and educated health professional who is licensed by the State to perform such testing.

FDA has also come to question whether the Federal waiver provision is consistent with the Federal policy that each hearing aid purchaser receive a clinically appropriate prepurchase hearing evaluation. In a 1991 survey of 11 hearing aid dispensers in Vermont, FDA found that more than 70 percent of hearing aid purchasers did not have a medical examination prior to purchasing a hearing aid (Ref. 3); this means that many hearing aid purchasers are not being properly evaluated prior to buying and using hearing aids and, consequently, the result is that the hearing aids do not work or fit properly. FDA requests any information that documents the percentage of consumers who are opting to use the waiver provision.

The pervasive use of the waiver provision is contrary to the expectations and intent of the agency when promulgating the current Federal hearing aid regulation. As noted in the preamble to the February 15, 1977, regulation, the waiver was intended to be used in very limited circumstances. "Although the Commissioner strongly recommends that all prospective hearing aid users obtain a medical evaluation of hearing loss before purchasing a hearing aid, he recognizes

that a waiver should be allowed for those who have religious or personal beliefs against a medical evaluation and for the rare circumstance where an individual would have great difficulty in obtaining a medical evaluation due to the lack of a physician in the area." (42 FR 9286 at 9293). Dispensers are prohibited from encouraging a prospective user to waive the medical evaluation, and they must inform the prospective user that the exercise of the waiver is not in the user's best health interest.

Public attention was called to many of the issues involving hearing aid devices at a September 15, 1993, congressional hearing before the Senate Special Committee on Aging. The committee chairman, David Pryor, stated that the purpose of the hearing was "not to condemn one group of hearing health care providers in favor of another. Instead, we want to learn where each member of the hearing health care team fits. The hearing specialist, audiologist, and otolaryngologist all have a role to play in providing hearing health care." (Ref. 4). Senator William Cohen added that, "the Minority staff investigation [into allegations of misleading advertising and deceptive sales practices by hearing aid manufacturers and dealers] has revealed that far too many elderly consumers are being sold expensive hearing aids that they either cannot use or do not need because of the aggressive sales tactics of incompetent, abusive and fraudulent dealers." (Ref. 5). The Commissioner, of Food and Drugs testified, following a panel of elderly consumers who had negative experiences with hearing aid dealers and manufacturers (Ref. 6). The Commissioner outlined the actions FDA is taking to improve the framework under which hearing aids are regulated, including: (1) Requiring manufacturers to remove misleading promotional material and advertising, (2) requiring better clinical testing of hearing aids and substantiation of claims, and (3) reevaluating the Federal regulation with an eye toward revising it.

The American Association of Retired Persons (AARP) released a report at the September 15, 1993, congressional hearing which further substantiated the relatively low level of satisfaction among long-time, regular users of hearing aids. AARP urged Federal and State regulators to expand their oversight of the hearing aid marketplace. "Because of the nature of hearing aid purchases, the vulnerability of older consumers, and the troublesome sales practices associated with this industry, there is a continuing need for proactive oversight at both the Federal and State levels." (Ref. 7). AARP recommended, among other things, that States enact licensing laws with minimum standards of practice for hearing evaluations; that the State licensing laws raise competency standards for practitioners conducting hearing evaluations and fitting the hearing aids; that FDA continue in its course of requiring clinical data to substantiate manufacturers' claims; and that FDA take proactive steps to ensure that prospective users are properly evaluated prior to purchasing a hearing aid.

II. Revisions Under Consideration

The agency is considering a new framework governing the sale and distribution of hearing aid devices. The major principles of the new framework that are currently envisioned are establishment of the following: (1) A clear requirement for a diagnostic hearing assessment prior to the purchase and use of a hearing aid; (2) a requirement that the hearing assessment be conducted by a qualified health professional with demonstrated competence to conduct the necessary battery of tests and to assess, evaluate and interpret the results of those tests; and (3) a requirement that the health professionals who administer the tests be licensed by the States. The principles of this framework were discussed with representatives of health professional and industry organizations on July 2, 1993 (Ref. 8).

FDA is soliciting comments on all aspects of the current regulation, specifically on the following issues:

1. Prior to the sale of a hearing aid, what should be the minimum components of a comprehensive hearing assessment? What battery of tests should be routinely conducted? How long should the results of the assessment remain valid before another assessment is required?

2. What are the minimum qualifications that health professionals should possess in order to perform a comprehensive hearing assessment (i.e., administer the necessary battery of tests and assess, evaluate and interpret the results)? If the assessment is performed by a health professional other than a licensed physician, will the health professional be able to identify medical conditions that necessitate referral to a physician?

3. Under what conditions, if any, should a consumer be allowed to waive the prepurchase evaluation? Should repeat buyers have to be reexamined each time they buy a replacement device?

4. Should mail order purchase of hearing aids be permitted? If so, under what conditions?

5. Should the person performing a prepurchase evaluation be prohibited from selling a hearing aid to the person being evaluated? 6. Should States license health professionals before they are allowed to perform hearing assessments? Could the same objective be adequately achieved through accreditation by professional organizations? If yes to either question, please discuss the ability of States or professional organizations to perform these functions and state how soon such systems could be operational.

7. How many health professionals, including physicians, are there currently in the U.S. who would likely be qualified to perform prepurchase hearing examinations, and how are those health professionals distributed geographically around the country?

8. How would consumer access to hearing aid distributors be affected by the types of changes to the existing regulation of hearing aid devices discussed in this notice?

III. Comments

The agency will consider any comments submitted in response to this ANPRM in its reevaluation of the Federal hearing aid regulations. FDA advises that, under 21 CFR 10.30(d), any comments submitted in response to this notice will be included under the docket number found in brackets in the heading of this document. Elsewhere in this issue of the **Federal Register**, FDA is announcing a public hearing in order to solicit comments on revising the Federal hearing aid regulations. FDA will consider the administrative record of hearing, along with comments and other information received, when deciding whether to revise the existing regulations.

Interested persons may, on or before January 10, 1994, submit to the Dockets Management Branch (address above) written comments regarding this ANPRM. Two copies of any comments are to be submitted, except that individuals may submit one copy. Comments are to be identified with the docket number found in brackets in the heading of the document. Received comments may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday. Due to the significant public interest in this issue, FDA does not anticipate granting requests for extension to this 60-day comment period.

IV. References

The following references have been placed on display in the Dockets Management Branch (address above) and may be seen by interested persons between 9 a.m. and 4 p.m., Monday through Friday.

1. Warning letters from FDA to eight major hearing aid manufacturers, including: Dahlberg, Inc., April 16, 1993; Beltone Electronics Corp., April 16,1993; Omni Hearing Systems, April 16, 1993; Starkey Laboratories, Inc., April 16, 1993; Electone, Inc., April 16, 1993; Siemens Hearing Instruments, April 16, 1993; Personal Sound Technologies, Inc., July 14, 1993; Resound Corp., September 14, 1993.
2. Form letter from FDA to 68 registered hearing aid manufacturers/ dispensers, 1993.
3. Testimony of Michael Kravchuk, Acting Director of the Investigations Branch at FDA's Boston District Office, presented on April 9, 1991, at an open public hearing convened by FDA to hear comments on a request submitted by the State of Vermont for exemption from Federal preemption.
4. Testimony of Senator David Pryor, Chairman of the Senate Special Committee on Aging, September 15, 1993.
5. Testimony of Senator William Cohen, September 15, 1993.
6. Testimony of David Kessler, Commissioner of Food and Drugs, September 15, 1993.
7. AARP, "A Report on Hearing Aids," 1993.
8. Minutes of a meeting between FDA and health professional and industry organizations, July 2, 1993.

This document is being issued under sections 201, 301, 501, 502, 507, 519, 520, 701, 704 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321, 331, 351, 352, 357, 360l, 360j, 371, 374).

Dated: November 3, 1993.

Michael R. Taylor,

Deputy Commissioner for Policy.

[FR Doc. 93–27732 Filed 11–5–93; 3:27 pm]

BILLING CODE 4160–01–F

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21 CFR Ch. 1

[Docket No. 93N–0369]

Medical Devices; Hearing Aid Requirements; Public Hearing

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice of public hearing.

SUMMARY: The Food and Drug Administration (FDA) is announcing a public hearing on an advance notice of proposed rulemaking (ANPRM) that announces the agency's intention to revise the Federal regulation on the sale and distribution of hearing aids. The purpose of the public hearing is to assist the agency in preparing proposed rule on Federal hearing aid requirements; the agency will consider the administrative record of hearing, along with comments and other information received. The ANPRM is published elsewhere in this issue of the Federal Register.

DATES: The public hearing will be held on December 6, 1993, from 9 a.m. to 5 p.m.; if necessary, the meeting will continue on December 7, 1993, in order to accommodate all who wish to participate. Written notices of participation should be filed by November 26, 1993. Submit written comments by December 22, 1993.

ADDRESSES: The public hearing will be held at the Holiday Inn Crowne Plaza, 1750 Rockville Pike, Rockville, MD 20852. Submit written notices of participation and written comments to the Dockets Management Branch (HFA–305), Food and Drug Administration, rm. 1–23, 12420 Parklawn Dr., Rockville, MD 20857. Hotel rooms have been reserved at the Holiday Inn Crowne Plaza from December 6 through December 7, 1993. Attendees are responsible for making their own room reservations. In order to receive the appropriate rate, attendees should refer to the FDA hearing.

FOR FURTHER INFORMATION CONTACT: Carol Lee, Center for Devices and Radiological Health (HFZ–210), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301–443–2436.

SUPPLEMENTARY INFORMATION: Elsewhere in this issue of the Federal Register, FDA is publishing an ANPRM announcing the agency's intention to revise the Federal regulations on hearing aid requirements. FDA has determined that a public hearing on the matters raised in the ANPRM is warranted. The hearing will be directed by Joseph A. Levitt, Deputy Director for Regulations and Policy, Center for Devices and Radiological Health, FDA. To the extent possible, oral testimony should address the questions contained in the ANPRM. The procedures governing the hearing are those applicable to a public hearing before the Commissioner of Food and Drugs under part 15 (21 CFR part 15).

Interested persons who wish to participate may, on or before November 26, 1993, submit a notice of participation to the Dockets Management Branch (address above). All notices submitted should be identified with the docket number found in brackets in the heading of this document and should contain the name, address, telephone number, business affiliation of the person requesting to make a presentation, a brief summary of the presentation, and the approximate time requested for the presentation.

Individuals or groups having similar interests are requested to consolidate their comments and present them through a single representative. FDA may require joint presentations by persons with common interests. FDA will allocate the time available for the hearing among the persons who properly file a notice of appearance.

After reviewing the notices of participation and accompanying information, FDA will schedule each appearance and notify each participant by mail or telephone of the time allotted to the person and the approximate time the person's presentation is scheduled to begin. The schedule of the public hearing will be available at the hearing, and later it will be placed on file in the Dockets Management Branch under docket number 93N–0369.

The administrative record of the proposed regulation will be open for 15 days after the hearing to allow comments on matters raised at the hearing. Persons who wish to provide additional materials for consideration are to file these materials with the Dockets Management Branch (address above).

The hearing is informal, and the rules of evidence do not apply. No participant may interrupt the presentation of another participant. Only the presiding officers and panel members may question any person during or at the conclusion of their presentation.

Dated: October 15, 1993.

Michael R. Taylor,

Deputy Commissioner for Policy.

[FR Doc. 93–27731 Filed 11–5–93; 3:27 pm]

BILLING CODE 4160–01–F

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21 CFR Parts 182 and 184

[Docket No. 77N–0232]

Gelatin: Tentative Affirmation of GRAS Status as a Direct Human Food Ingredient; Reopening of Comment Period

AGENCY: Food and Drug Administration, HHS.

ACTION: Tentative final rule; reopening of comment period.

SUMMARY: The Food and Drug Administration (FDA) is reopening for 180 days the comment period for the tentative affirmation that gelatin is generally recognized as safe (GRAS) for use as a direct human food ingredient. FDA is taking this action in response to requests to allow additional time for public comment.

DATES: Written comments by May 9, 1994.

ADDRESSES: Submit written comments to the Dockets Management Branch (HFA–305), Food and Drug Administration, rm. 1–23, 12420 Parklawn Dr., Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: Hortense S. Macon, Center for Food Safety and Applied Nutrition (HFS–216), Food and Drug Administration, 200 C St., SW., Washington, DC 20204, 202–254–9500.

SUPPLEMENTARY INFORMATION: In the **Federal Register** of May 12, 1993 (58 FR 27959), FDA published a tentative final rule with respect to the affirmation of GRAS status of gelatin as a direct human food ingredient. Interested persons were given until July 12, 1993, to comment on the tentative final rule. The agency has received requests from Croda Colloids Ltd., the Gelatin Manufacturers Institute of America, Inc., and Kraft General Foods, Inc., to reopen the comment period to permit an additional 180 days for public comment. The additional comment period was requested to evaluate issues relating to pentachlorophenol and to collect information regarding levels of chromium in gelatin derived from chromium treated hides. After careful consideration, the agency has concluded that it is in the public interest to allow additional time for interested persons to submit comments on the tentative final rule. Accordingly, the comment period is reopened until May 9, 1994.

Interested persons may, on or before May 9, 1994, submit to the Dockets Managements Branch (address above) written comments regarding the tentative final rule. Two copies of any comments are to be submitted, except that individuals may submit one copy. Comments are to be identified with the docket number found in the brackets in the heading of this document. Received comments may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday.

Dated: November 1, 1993.

Fred R. Shank,

Director, Center for Food Safety and Applied Nutrition.

[FR Doc. 93–27624 Filed 11–10–93; 8:45 am]

BILLING CODE 4160–01–F

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[IA–64–91]

RIN 1545–AQ88

Capitalization and Inclusion in Inventory of Certain Costs; Hearing

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Rescheduling of public hearing on proposed regulations; change of date to submit requests to speak and outlines of oral comments.

SUMMARY: This document reschedules the date of a public hearing on proposed regulations and changes the date to submit requests to speak and outlines of oral comments for the public hearing relating to accounting for costs incurred in producing property and acquiring property for resale.

DATES: The public hearing will be held on Tuesday, November 30, 1993, beginning at 1 p.m. Requests to speak and outlines of oral comments must be received by Tuesday, November 16, 1993.

ADDRESSES: Requests to speak and outlines of oral comments should be submitted to: Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Attn: CC:DOM:CORP:T:R, (IA–64–91), room 5228, Washington, DC 20044.

FOR FURTHER INFORMATION CONTACT: Carol Savage of the Regulations Unit, Assistant Chief Counsel (Corporate), (202) 622–8452 or (202) 622–7190 (not toll-free numbers).

SUPPLEMENTARY INFORMATION: A notice of public hearing appearing in the **Federal Register** for Friday, October 29, 1993 (58 FR 58145), announced that a public hearing on proposed regulations would be held on Monday, December 6, 1993, at 1 p.m. in the Internal Revenue Auditorium, Seventh Floor, 7400 Corridor, Internal Revenue Service Building, 1111 Constitution Avenue, NW., Washington, DC and that requests to speak and outlines of oral comments must be received by Monday, November 22, 1993. The notice of public hearing on the related revenue procedure (TD 8482) was published simultaneously at 58 FR 58101. The proposed regulations relating to accounting for costs incurred in producing property and acquiring property for resale (IA–64–91) and the requests for comments regarding the approach for implementing required method changes (TD 8482) were published on Monday, August 9, 1993 (58 FR 42198) and (58 FR 42263), respectively. See rescheduling of the public hearing for TD 8482 elsewhere in this issue of the **Federal Register**.

The date for the public hearing is rescheduled for Tuesday, November 30, 1993, beginning at 1 p.m. The requests to speak and outlines of oral comments must be received by Tuesday, November 16, 1993.

All other details with respect to the previously published documents remain the same.

Dale D. Goode,

Federal Register Liaison Officer, Assistant Chief Counsel (Corporate).

[FR Doc. 93–27655 Filed 11–9–93; 8:45 am]

BILLING CODE 4830–01–U

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[OH38–1–5780; FRL–4799–6]

Ohio; Approval and Promulgation of a Commitment To Adopt Rules for Reasonably Available Control Technology for Nitrogen Oxides: Correction.

AGENCY: United States Environmental Protection Agency (USEPA).

ACTION: Proposed rule; correction.

SUMMARY: This document contains a correction to the regulation identifier number (RIN) stated in the proposed rule which was published Wednesday, September 21, 1993 (57 FR 33663). The RIN stated in the proposed rule was as follows: [OH38–1–5783; FRL–4731–5]. This RIN was stated incorrectly, and should be replaced with the following RIN: [OH38–1–5780; FRL–4731–5].

FOR FURTHER INFORMATION CONTACT: Richard J. Schleyer, Air Enforcement Branch (AE–17J), U.S. Environmental Protection Agency, Region 5, 77 W. Jackson Boulevard, Chicago, Illinois 60604–3590, (312) 353–5089.

SUPPLEMENTARY INFORMATION: This action has been classified as a Table Three action by the Regional Administrator under the procedures published in the **Federal Register** on January 19, 1989 (54 FR 2214–2225). On January 6, 1989, the Office of Management and Budget (OMB) waived Tables Two and Three SIP revisions (54 FR 2222) from the requirements of Section 3 of Executive Order 12291 for a period of 2 years. USEPA has submitted a request for a permanent waiver for Tables Two and Three SIP revisions. OMB has agreed to continue the temporary waiver until such time as it rules on USEPA's request.

Authority: 42 U.S.C. 7401–7671q.

Date: October 20, 1993.

David Kee,

Director, Air and Radiation Division.

[FR Doc. 93–27708 Filed 11–9–93; 8:45 am]

BILLING CODE 6560–50–P

40 CFR Part 180

[OPP–300304; FRL–4649–1]

RIN No. 2070–AC18

N,N-Bis 2-(Omega-Hydroxypolyoxyethylene/ Polyoxypropylene) Ethyl Alkylamine; Tolerance Exemption

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: This document proposes to amend the current exemption from the requirement of a tolerance for residues of *N,N-bis* 2-(*omega*-hydroxypolyoxyethlene/ polyoxypropylene) ethyl alkylamine by expanding its use as an inert ingredient (to read "surfactants and related adjuvants of surfactants") and removing the limit on the amount used in pesticide formulations applied to growing crops only. This proposed regulation was requested by Akzo Chemicals, Inc.

DATES: Comments, identified by the document control number [OPP-300304], must be received on or before December 10, 1993.

ADDRESSES: By mail, submit written comments to: Public Response and Program Resources Branch, Field Operations Division (H7506C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. In person, deliver comments to: Rm. 1128, Crystal Mall, Building #2, 1921 Jefferson Davis Hwy., Arlington, VA 22202.

Information submitted as a comment concerning this document may be claimed confidential by marking any part of all of that information as "Confidential Business Information" (CBI). Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2. A copy of the comment that does not contain CBI must be submitted for inclusion in the public record. Information not marked confidential will be included in the public docket by the EPA without prior notice. The public docket is available for public inspection in Rm. 1128 at the address given above, from 8 a.m. to 4 p.m., Monday through Friday, excluding legal holidays.

FOR FURTHER INFORMATION CONTACT: By mail: Connie Welch, Registration Support Branch, Registration Division (7505W), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. Office location and telephone number: 2800 Crystal Drive, North Tower, Arlington, VA 22202, (703)-308-8320.

SUPPLEMENTARY INFORMATION: Akzo Chemicals, Inc., 300 South Riverside Plaza, Chicago, IL 60606, has submitted pesticide petition (PP) 2E4159 to EPA requesting that the Administrator, pursuant to section 408(e) of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 346a(e), propose to amend 40 CFR 180.1001(d) by amending the current exemption from the requirement of a tolerance for residues of *N,N-bis* 2-(*omega*-hydroxypolyoxyethylene/ polyoxypropylene) ethyl alkylamine by expanding its use as an inert ingredient (to read "surfactants and related adjuvants of surfactants") and removing the limit on the amount used in pesticide formulations applied to growing crops only.

Inert ingredients are all ingredients that are not active ingredients as defined in 40 CFR 153.125, and include, but are not limited to, the following types of ingredients (except when they have a pesticidal efficacy of their own): solvents such as alcohols and hydrocarbons; surfactants such as polyoxyethylene polymers and fatty acids; carriers such as clay and diatomaceous earth; thickeners such as carrageenan and modified cellulose; wetting, spreading, and dispersing agents; propellants in aerosol dispensers; microencapsulating agents; and emulsifiers. The term "inert" is not intended to imply nontoxicity; the ingredient may or may not be chemically active.

The data submitted in the petition and other relevant material have been evaluated. As part of the EPA policy statement on inert ingredients published in the **Federal Register** of April 22, 1987 (52 FR 13305), the Agency established data requirements which will be used to evaluate the risks posed by the presence of an inert ingredient in a pesticide formulation. Exemptions from some or all of the requirements may be granted if it can be determined that the inert ingredient will present minimal or no risk.

The Agency has decided that the data normally required to support a proposed tolerance exemption for *N,N-bis* 2-(*omega*-hydroxypolyoxyethylene/ polyoxypropylene) ethyl alkylamine will not need to be submitted. The rationale for this decision is described below.

1. *N,N-bis* 2-(*omega*-hydroxypolyoxyethlene) ethyl alkylamine was exempted primarily because it is structurally similar to the following chemicals that are already exempted from the requirement of a tolerance when used in accordance with good agricultural practices as inert (or occasionally active) ingredients in pesticide formulations applied to growing crops only under 40 CFR 180.1001(d). These chemicals were reviewed by the Agency and were found to be of no risk to human health or the environment when used in accordance with good agricultural practices.

a. *N,N-bis* 2-(*omega*-hydroxypolyoxyethlene) ethyl alkylamine; the reaction product of 1 mole of *N,N-bis*(2-hydroxyethyl) alkylamine and 3 to 60 moles of ethylene oxide, where the alkyl group (C8-C18) is derived from coconut, cottonseed, soya, or tallow acids.

b. Alpha-alkyl (C12-C18)-*omega*-hydroxypoly(oxyethylene) copolymers with poly(oxypropylene); polyoxyethylene content averages 3 to 12 moles and polyoxypropylene content averages 2 to 9 moles.

c. Primary *n*-alkylamines, where the alkyl group (C8-C18) is derived from coconut, cottonseed, soya, or tallow acids.

2. The above-mentioned chemicals were cleared based on a review of 90-day feeding studies in rats and dogs using *N,N-bis* (2-hydroxyethyl) alkylamine which showed a no-observed-effect-level (NOEL) of 500 ppm.

3. The above-mentioned chemicals do not have limits placed on the amount used in a pesticide formulation.

4. The above-mentioned chemicals are used in pesticide formulations as surfactants and related adjuvants of surfactants.

5. No nitrosamines are present in *N,N-bis* 2-(omega-hydroxypolyoxyethylene/ polyoxypropylene) ethyl alkylamine at the analytical detection limit of 10 parts per billion.

6. The residual content of the monomers ethylene oxide and propylene oxide in *N,N-bis* 2-(*omega*-hydroxypolyoxyethylene/ polyoxypropylene) ethyl alkylamine is less than 1 part per million.

7. No additional ethylene oxide is formed upon degradation of *N,N-bis* 2-(*omega*-hydroxypolyoxyethylene/ polyoxypropylene) ethyl alkylamine.

Based upon the above information and review of its use, EPA has found that, when used in accordance with good agricultural practice, this

ingredient does not pose a risk to human health or the environment. Therefore, EPA proposes that the exemption from the requirement of a tolerance be established as set forth below.

Any person who has registered or submitted an application for registration of a pesticide, under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) as amended, which contains any of the ingredients listed herein, may request within 30 days after publication of this document in the **Federal Register** that this rulemaking proposal be referred to an Advisory Committee in accordance with section 408(e) of the Federal Food, Drug, and Cosmetic Act.

Interested persons are invited to submit written comments on the proposed regulation. Comments must bear a notation indicating the document control number, [OPP-300304]. All written comments filed in response to this petition will be available in the Public Response and Program Resources Branch, at the address given above from 8 a.m. to 4 p.m., Monday through Friday, except legal holidays.

The Office of Management and Budget has exempted this rule from the requirements of Executive Order 12866.

Pursuant to the requirements of the Regulatory Flexibility Act (Pub. L. 96-354, 94 Stat. 1164, 5 U.S.C. 601-612), the Administrator has determined that regulations establishing new tolerances or raising tolerance levels or establishing exemptions from tolerance requirements do not have a significant economic impact on a substantial number of small entities. A certification statement to this effect was published in the **Federal Register** of May 4, 1981 (46 FR 24950).

List of Subjects in 40 CFR Part 180

Environmental protection, Administrative practice and procedure, Agricultural commodities, Pesticides and pests, Recording and recordkeeping requirements.

Dated: October 14, 1993.

Stephen L. Johnson.

Acting Director, Registration Division, Office of Pesticide Programs.

Therefore, it is proposed that 40 CFR part 180 be amended as follows:

PART 180—[AMENDED]

1. The authority citation for part 180 continues to read as follows:

Authority: 21 U.S.C. 346a and 371.

2. Section 180.1001(d) is amended by adding and alphabetically inserting the inert ingredient entry, to read as follows:

§ 180.1001 Exemptions from the requirement of a tolerance.

* * * * *

(d) * * *

Inert ingredients	Limits	Uses
* *	* * *	* *
N,N-bis 2-(*omega*-hydroxypolyoxyethylene/ polyoxypropylene ethyl alkylamine; the reaction product of 1 mole of *N,N-bis*(2-hydroxyethyl alkylamine and 360 moles of ethylene oxide and propylene oxide, where the akyl group (C8-C18) is derived from coconut, cottonseed, soya, or tallow acids..	.....	Surfactant, related adjuvants of surfactants
* *	* * *	* *

* * * * *

[FR Doc. 93-27275 Filed 11-9-93; 8:45 am]
BILLING CODE 6560-50-F

40 CFR Part 180

[OPP-300307; FRL-4649-5]

RIN No. 2070-AC

Acetyl Tributyl Citrate; Tolerance Exemption

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposal.

SUMMARY: This document proposes that acetyl tributyl citrate (CAS Reg. No. 77-90-7) be exempted from the requirement of a tolerance when used as an inert ingredient (plasticizer) in pesticide formulations applied to animals. This proposed regulation was requested by Alpha Chemical and Plastics Corp.

DATES: Written comments, identified by the document control number [OPP-300307], must be received on or before December 10, 1993.

ADDRESSES: By mail, submit written comments to: Public Response and Program Resources Branch, Field Operations Division (7506C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. In person, deliver comments to: Rm. 1128, Crystal Mall, Building #2, 1921 Jefferson Davis Hwy., Arlington, VA 22202.

Information submitted as a comment concerning this document may be claimed confidential by marking any part of all of that information as "Confidential Business Information" (CBI). Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2. A copy of the comment that does not contain CBI must be submitted for inclusion in the public record. Information not marked confidential will be included in the public docket by the EPA without prior notice. The public docket is available for public inspection in Rm. 1128 at the address given above, from 8 a.m. to 4 p.m., Monday through Friday, excluding legal holidays.

FOR FURTHER INFORMATION CONTACT: By mail: Connie Welch, Registration Support Branch, Registration Division (7505W), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. Office location and telephone number: 2800 Crystal Drive, North Tower, Arlington, VA 22202, (703)-308-8320.

SUPPLEMENTARY INFORMATION: Alpha Chemical and Plastics Corp., 1 Jabez St., Newark NJ 07105, has submitted a pesticide petition to EPA requesting that the Administrator, pursuant to section 408(e) of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 346a(e), propose to amend 40 CFR 180.1001(e) by establishing an exemption from the requirement of a tolerance for acetyl tributyl citrate when used as a component of plastic animal tags in pesticide formulations applied to animals. In the **Federal Register** of August 3, 1988 (53 FR 29244), EPA proposed such an exemption. No

comments have been received in response to the proposal. However, because of the length of time that has elapsed since the originial proposal, EPA is reproposing the exemption. The basis for this proposed exemption is contained in the previous proposal (53 FR 29244).

Interested persons are invited to submit written comments on the proposed regulation. Comments must bear a notation indicating the document control number, [OPP-300307]. All written comments filed in response to this petition will be available in the Public Response and Program Resources Branch, at the address given above from 8 a.m. to 4 p.m., Monday through Friday, except legal holidays.

The Office of Management and Budget has exempted this rule from the requirements of Executive Order 12291.

Pursuant to the requirements of the Regulatory Flexibility Act (Pub. L. 96-354, 94 Stat. 1164, 5 U.S.C. 601-612), the Administrator has determined that regulations establishing new tolerances or raising tolerance levels or establishing exemptions from tolerance requirements do not have a significant economic impact on a substantial number of small entities. A certification statement to this effect was published in the **Federal Register** of May 4, 1981 (46 FR 24950).

List of Subjects in 40 CFR Part 180

Environmental protection, Administrative practice and procedure, Agricultural commodities, Pesticides and pests, Recording and recordkeeping requirements.

Dated: October 23, 1993.

Stephanie R. Irene,

Acting Director, Registration Division, Office of Pesticide Programs.

Therefore, it is proposed that 40 CFR part 180 be amended as follows:

PART 180—[AMENDED]

1. The authority citation for part 180 continues to read as follows:

Authority: 21 U.S.C. 346a and 371.

2. Section 180.1001(e) is amended by adding and alphabetically inserting the inert ingredient, to read as follows:

§ 180.1001 Exemptions from the requirement of a tolerance.

* * * * *

(e) * * *

Inert ingredients	Limits	Uses
* *	* * *	* *
Acetyl tributyl citrate (CAS Reg. No. 77-90-7)		Component of plastic animal tags.
* *	* * *	* *

[FR Doc. 93-27274 Filed 11-9-93; 8:45 am]

BILLING CODE 6560-60-F

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 97

[PR Docket No. 93-267; FCC 93-480]

Temporary Operating Authority for New Amateur Operators

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This action proposes to grant immediate temporary operating authority to persons who pass the examinations for a new amateur operator license. The proposed rule changes are necessary so that successful examinees can begin to operate their stations immediately and will not have to wait while the license application is being processed. This proposal would give better service to the public. It will also reduce the number of inquiries that the Commission receives concerning the status of applications.

DATES: Comments are due on or before January 10, 1994. Reply comments are due on or before February 10, 1994.

FOR FURTHER INFORMATION CONTACT: Maurice J. DePont, Federal Communications Commission, Private Radio Bureau, Washington, DC 20554, (202) 632-4964.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, adopted October 21, 1993, and released November 4, 1993. The complete text of this Commission action, including the proposed rule amendments, is available for inspection and copying during normal business hours in the FCC Reference Center (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this Notice of Proposed Rule Making, including the proposed rule amendments, may also be purchased from the Commission's copy contractor, International Transcription Services, Inc., (ITS, Inc.), 2100 M Street, NW., suite 140, Washington, DC 20037.

Summary of Notice of Proposed Rule Making

1. The proposed rule changes respond to a petition (RM-8288) filed by the Western Carolina Radio Society/VEC (Wescars) requesting rules that would grant immediate temporary operating authority to persons who pass the examinations for new amateur operator license. The proposed rules would provide such temporary operating authority.

2. Currently, after passing the examinations, a new amateur operator must wait several weeks for his/her license application to be processed. During that time, operation of the station is not permitted. The proposed rules provide for temporary operating authority and frequency privileges, pending receipt of the full-term license or 120 days, whichever comes first. Certain restrictions would apply to the temporary operating authority. It would not, for example, authorize any amateur station operation that may have a significant environmental effect as defined in the Commission's Rules.

3. The proposed rules also provide for a unique call sign to be used by stations operating under temporary authority. The prefix for such call sign would be WZ. Additional components of the call sign are set forth in the proposed rules.

4. Comments are invited on the proposal.

5. The proposed rules are set forth at the end of this document.

6. This is a non-restricted notice and comment rule making proceeding. *Ex parte* presentations are permitted, except during the Sunshine Agenda period, provided they are disclosed as specified in the Commission's rules. See generally 47 CFR 1.1202, 1.1203, and 1.1206(a).

7. In accordance with section 605(b) of the Regulatory Flexibility Act of 1980, 5 U.S.C. 605(b), the Commission certifies that the proposed rules would not, if promulgated, have a significant economic impact on a substantial number of small business entities

because the amateur stations that are the subject of this proceeding would not be authorized to transmit any communications where the station licensee or control operator has a pecuniary interest. See § 97.113(a)(3).

8. The proposal contained herein has been analyzed with respect to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501–3520, and found to contain no new or modified form, information collection and/or record retention requirements, and will not increase or decrease burden hours imposed on the public.

9. This Notice of Proposed Rule Making and the proposed rule amendments are issued under the authority of sections 4(i), 303(r), 307(a), and 308(a) of the Communications Act of 1934, as amended, 47 USC 154(i), 303(r), 307(a), and 308(a).

10. A copy of this Notice of Proposed Rule Making will be forwarded to the Chief Counsel for Advocacy of the Small Business Administration.

List of Subjects in 47 CFR Part 97

License privileges, Radio, Temporary operating authority.

Federal Communications Commission.

LaVera F. Marshall,

Acting Secretary.

Proposed Rules

Part 97 of chapter I of title 47 of the Code of Federal Regulations is proposed to be amended as follows:

PART 97—AMATEUR RADIO SERVICE

1. The authority citation for part 97 continues to read as follows:

Authority: 48 Stat. 1066, 1082, as amended; 47 U.S.C. 154, 303. Interpret or apply 48 Stat. 1064–1068, 1081–1105, as amended; 47 U.S.C. 151–155, 301–609, unless otherwise noted.

2. § 97.5, paragraphs (a), (b), and (c) are revised and a new paragraph (d)(7) is added to read as follows:

§ 97.5 Station license required.

(a) When a station is transmitting on any amateur service frequency from a geographic location within 50 km of the Earth's surface where the amateur service is regulated by the FCC, the person having physical control of the apparatus must have a written authorization recognized by the FCC for an amateur station.

(b) When a station is transmitting on any amateur service frequency from a location within 50 km of the Earth's surface and aboard any vessel or craft that is documented or registered in the United States, the person having physical control of the apparatus must have a written authorization recognized by the FCC for an amateur station.

(c) When a station is transmitting on any amateur-satellite service frequency from a location more than 50 km above the Earth's surface aboard any craft that is documented or registered in the United States, the person having physical control of the apparatus must have a written authorization recognized by the FCC for an amateur station.

(d) * * *

(7) A CSCE indicating that the person has passed the necessary examinations for a new amateur operator license within the previous 120 days, *provided that:*

(i) The person has properly filed with the administering VEs an application, received on behalf of the FCC, for a new operator/primary station license that the FCC has not yet acted upon;

(ii) The person is not a prior amateur service licensee whose license was revoked, suspended for less than the balance of the license term and the suspension is still in effect, suspended for the balance of the license term and relicensing has not taken place, or surrendered for cancellation following notice of revocation, suspension, or monetary forfeiture proceedings;

(iii) The person is not the subject of a cease and desist order that relates to amateur service operation and which is still in effect;

(iv) The temporary authority ceases immediately, if the application is returned without action;

(v) No temporary authority is authorized if the operation of the station may have a significant environmental effect, as defined by § 1.1307 of this chapter; and

(vi) The temporary authority is accepted with the express understanding that such authority may be modified or cancelled at any time without hearing if, in the FCC's discretion, the need for such action arises.

* * * * *

3. Section 97.7 is amended by adding a new paragraph (d) to read as follows:

§ 97.7 Control operator required.

* * * * *

(d) A CSCE indicating that the person has passed the necessary examinations for a new amateur operator license within the previous 120 days, *provided that:*

(1) The person has properly filed with the administering VEs an application, received on behalf of the FCC, for a new operator/primary station license that the FCC has not yet acted upon;

(2) The person is not a prior amateur service licensee whose license was revoked, suspended for less than the balance of the license term and the suspension is still in effect, suspended for the balance of the license term and relicensing has not taken place, or surrendered for cancellation following notice of revocation, suspension, or monetary forfeiture proceedings;

(3) The person is not the subject of a cease and desist order that relates to amateur service operation and which is still in effect;

(4) The temporary authority ceases immediately, if the application is returned without action; and

(5) No temporary authority is authorized if the operation of the station may have a significant environmental effect, as defined in § 1.1307 of this chapter; and

(6) The temporary authority is accepted with the express understanding that such authority may be modified or cancelled at any time without hearing if, in the FCC's discretion, the need for such action arises.

4. Section 97.9 is amended by adding a new paragraph (c) to read as follows:

§ 97.9 Operator license.

* * * * *

(c) A person not holding a valid amateur operator license who has properly filed with the administering VEs an application, received on behalf of the FCC, for a new operator/primary station license that the FCC has not yet acted upon, and who holds a CSCE indicating that the person has passed the necessary examinations within the previous 120 days, is authorized the frequency privileges specified in § 97.301 for the operator class for which application was made, *provided that:*

(1) The person is not a prior amateur service licensee whose license was revoked, suspended for less than the balance of the license term and the suspension is still in effect, suspended for the balance of the license term and relicensing has not taken place, or surrendered for cancellation following notice of revocation, suspension, or monetary forfeiture proceedings;

(2) The person is not the subject of a cease and desist order that relates to amateur service operation and which is still in effect;

(3) The temporary authority ceases immediately, if the application is returned without action; and

(4) No temporary authority is authorized if the operation of the station may have a significant environmental effect, as defined in § 1.1307 of this chapter; and

(5) The temporary authority is accepted with the express

understanding that such authority may be modified or cancelled at any time without hearing if, in the FCC's discretion, the need for such action arises.

5. Section 97.119 is amended by revising paragraph (e) and adding a new paragraph (g) to read as follows:

§ 97.119 Station identification.

* * * * *

(e) When the control operator is a person who is exercising the rights and privileges authorized by § 97.9 (b) or (c), an indicator must be included after the call sign as follows:

(1) For a control operator who has requested a new Novice Class license: No indicator;

(2) For a control operator who has requested a new Technician Class license or a license modification from Novice Class operator to Technician Class: KT;

(3) For a control operator who has requested a new General Class license or a license modification from Novice Class or Technician Class operator to General Class: AG;

(4) For a control operator who has requested a new Advanced Class license or a license modification from Novice, Technician, or General Class operator to Advanced Class: AA; or

(5) For a control operator who has requested a new Amateur Extra Class license or a license modification from Novice, Technician, General, or Advanced Class operator to Amateur Extra Class: AE.

* * * * *

(g) When the station is transmitting under the authority of § 97.5(d)(7), the call sign must consist of the following in sequential order:

(1) The prefix WZ;

(2) The numeral for the VEC Region for the mailing address given in the license application filed by the person;

(3) The initial of the person's first name;

(4) The initial of the person's first middle name, or the letter Z, if the person has no middle name;

(5) The initial of the person's last name; and

(6) The indicator required by paragraph (e) of this section.

[FR Doc. 93-27629 Filed 11-9-93; 8:45 am]
BILLING CODE 6712-01-M

Notices

Federal Register
Vol. 58, No. 216
Wednesday, November 10, 1993

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Forest Service

Lolo Trail: Clearwater National Forest; Idaho County, ID

AGENCY: Forest Service, USDA.

ACTION: Notice of cancellation of an environmental impact statement.

SUMMARY: The original Notice of Intent was published in the **Federal Register** Volume 58, page 32903 on June 14, 1993. This Notice serves to inform you of our plans to suspend further work on the Final Environmental Impact Statement for the Lolo Trail which was to be published in July 1994. The primary reasons for suspending further work are cited below.

The Clearwater National Forest will begin work on revising the Forest Plan. The allocation issues on the Lolo Trail System will be resolved in this forest wide planning effort rather than in a separate project.

Information needed to resolve some of the identified issues will take several years to collect and will not be available within the current time-table for this project.

FOR FURTHER INFORMATION CONTACT: George Harbaugh, Lolo Trail Interdisciplinary Team Leader, Lochsa Ranger District, Clearwater National Forest, (208) 926–4275.

The responsible official is the Forest Supervisor of the Clearwater National Forest.

Dated: October 21, 1993.

James L. Caswell,

Forest Supervisor, Clearwater National Forest.

[FR Doc. 93–27637 Filed 11–9–93; 8:45 am]

BILLING CODE 3410–11–M

Rural Electrification Administration

Wright-Hennepin Cooperative Electric Association Finding of No Significant Impact

AGENCY: Rural Electrification Administration, USDA.

ACTION: Notice of Finding of No Significant Impact.

SUMMARY: Notice is hereby given that the Rural Electrification Administration (REA), pursuant to the National Environmental Policy Act of 1969, as amended, the Council on Environmental Quality Regulations (40 CFR Parts 1500–1508), and REA Environmental Policies and Procedures (7 CFR Part 1794), has made a Finding of No Significant Impact (FONSI) with respect to a project proposed by Wright-Hennepin Cooperative Electric Association (Wright-Hennepin) of Maple Lake, Minnesota. The proposed project consists of constructing a new headquarters/warehouse facility in Wright County in Minnesota.

REA has concluded that the impacts from the proposed project would not be significant and that the proposed action is not a major Federal action significantly affecting the quality of the human environment. Therefore, the preparation of an environmental impact statement is not necessary.

FOR FURTHER INFORMATION CONTACT: Lawrence R. Wolfe, Chief, Environmental Compliance Branch, Electric Staff Division, REA, Agriculture South Building, Rural Electrification Administration, Washington, DC 20250, telephone (202) 720–1784.

SUPPLEMENTARY INFORMATION: REA, in accordance with its environmental policies and procedures, required that Wright-Hennepin prepare a Borrower's Environmental Report (BER) reflecting the potential impacts of the proposed facility. The BER, which includes input from the Federal, State, and local agencies, has been adopted as REA's Environmental Assessment for the project in accordance with 7 CFR 1794.84. REA has concluded that the BER represents an accurate assessment of the environmental impacts of the project. The proposed project should have no impact on cultural resources, important farmland, floodplains, wetlands, water quality and federally listed or proposed for listing threatened or endangered species or their critical habitat. The proposed headquarters/warehouse facility will be located on a 32-acre site. The site is located in the southwest quarter, of the southwest quarter, of Section 20 Township 119N, Range 24W, Wright County, Minnesota.

Alternatives considered to the project as proposed were no action and alternative sites. REA has considered these alternatives and concluded that the project as proposed meets the needs of Wright-Hennepin.

Copies of the BER and FONSI are available for review at REA at the aforementioned address, or may be reviewed at or obtained from the offices of Wright-Hennepin, 110 Birch Avenue, South, Maple Lake, Minnesota 55358–0330, telephone (612) 963–3131.

Dated: November 11, 1993.

Robert Peters,

Acting Administrator.

[FR Doc. 93–27688 Filed 11–9–93; 8:45 am]

BILLING CODE 3410–15–M

Soil Conservation Service

Kagman Watershed, Saipan, Commonwealth of the Northern Mariana Islands

AGENCY: Soil Conservation Service, USDA.

ACTION: Notice of availability of record of decision.

SUMMARY: Joan B. Perry, responsible Federal Official for projects administered under the provisions of Public Law 83–566, 16 U.S.C. 1001–1008, in the Commonwealth of the Northern Mariana Islands, is hereby providing notification that a record of decision to proceed with the installation of the Kagman Watershed project is available. Single copies of this record of decision may be obtained from Joan B. Perry at the address below.

FOR FURTHER INFORMATION CONTACT: Joan B. Perry, Director, Pacific Basin Area, Soil Conservation Service, GCIC Building, suite 602, 414 W. Soledad Avenue, Agana, Guam 96910, telephone 671–472–7260.

(This activity is listed in the Catalog of Federal Domestic Assistance under No. 10.904, Watershed Protection and Flood Prevention, and is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials)

Dated: November 1, 1993.

Joan B. Perry,

Director, Pacific Basin Area.

[FR Doc. 93-27636 Filed 11-9-93; 8:45 am]

BILLING CODE 3410-16-M

Public Meeting for Shaping the Third Soil and Water Resources Conservation Act of 1977 (RCA) Appraisal and National Conservation Program

In accordance with Public Law 95-192, the Soil and Water Resources Conservation Act of 1977, the U.S. Department of Agriculture is holding a public meeting for Shaping the Third RCA Appraisal and National Conservation Program.

Date and Time: Tuesday, November 16, 1993, 8 a.m. to 4:30 p.m.

Place: Jefferson Auditorium, USDA South Building, 14th & Independence Blvd., Washington, DC.

Type of Meeting: Open to the public.

Contact Person: James A. Moetzold at (202) 720-0132, FAX (202) 720-9030, mail: P.O. Box 2890, Washington, DC 20013.

Purpose of Meeting: To facilitate public input in the RCA planning process.

Agenda: The role of the RCA and the challenges for resource management in a changing environment.

Gary A. Marylehn,

Acting Chief, Soil Conservation Service.

[FR Doc. 93-27664 Filed 11-9-93; 8:45 am]

BILLING CODE 3410-16-M

Upper Piscataquis River Watershed, Piscataquis, Somerset and Penobscot Counties, Maine

AGENCY: Soil Conservation Service, USDA.

ACTION: Notice of a finding of no significant impact.

SUMMARY: Pursuant to section 102(2) of the National Environmental Policy Act of 1969; the Council on Environmental Quality Regulations (40 CFR part 1500); and the Soil Conservation Service Regulations (7 CFR part 650); the Soil Conservation Service, U.S. Department of Agriculture, gives notice that an environmental impact statement is not being prepared for the Upper Piscataquis River Watershed, Piscataquis County, Maine.

FOR FURTHER INFORMATION CONTACT: David L. Mussulman, State Conservationist, Soil Conservation Service, 5 Godfrey Drive, Orono, Maine 04473, Telephone (207) 866-7241.

SUPPLEMENTARY INFORMATION: The environmental assessment of this Federally assisted action indicates that the project will not cause significant local, regional, or national impacts on the environment. As a result of these findings, David L. Mussulman, State Conservationist, has determined that the preparation and review of an environmental impact statement are not needed for this project.

The project purpose is flood protection. The planned works of improvement include an automated flood warning and response system and two nonstructural floodproofing measures.

The Notice of a Finding of No Significant Impact (FONSI) has been forwarded to the Environmental Protection Agency and to various Federal, State, and local agencies and interested parties. A limited number of copies of the FONSI are available to fill single copy requests at the above address. Basic data developed during the environmental assessment are on file and may be reviewed by contacting David L. Mussulman.

No administrative action on implementation of the proposal will be taken until 30 days after the date of this publication in the Federal Register.

(This activity is listed in the Catalog of Federal Domestic Assistance under No. 10.904—Watershed Protection and Flood Prevention)

David L. Mussulman,

State Conservationist.

[FR Doc. 93-27634 Filed 11-9-93; 8:45 am]

BILLING CODE 3410-16-M

DEPARTMENT OF COMMERCE

International Trade Administration

United States-Canada Free-Trade Agreement, Article 1904 Binational Panel Reviews: Opportunity To Apply To Serve on Binational Review Panels and Extraordinary Challenge Committees

AGENCY: United States-Canada Free-Trade Agreement, Binational Secretariat, United States Section, International Trade Administration, Department of Commerce.

ACTION: Notice of opportunity to apply for inclusion on lists of candidates eligible to serve on binational panels and Extraordinary Challenge Committees convened pursuant to Chapter 19 of the United States-Canada Free Trade Agreement (CFTA or Agreement).

SUMMARY: The CFTA provides for the establishment of binational panels to review final determinations in U.S. and Canadian antidumping and countervailing duty proceedings involving merchandise from Canada or the United States. The CFTA also provides for review of binational panel decisions, in limited circumstances, by Extraordinary Challenge Committees. Pursuant to the CFTA and its implementing legislation, USTR maintains lists of candidates eligible to serve on Chapter 19 panels and Extraordinary Challenge Committees. USTR and the interagency group established pursuant to section 405 of the United States-Canada Free-Trade Agreement Implementation Act of 1988, Public Law 100-449 (the Act), invite eligible citizens of the United States to apply for inclusion on these candidate lists.

DATES: Eligible citizens are encouraged to supply a resume to the office indicated below by November 24, 1993 in order to be considered for the 1994 candidate lists.

ADDRESSES: Section 405 Group, Room 223, Office of the United States Trade Representative, 600 17th Street, NW., Washington, DC 20506.

FOR FURTHER INFORMATION CONTACT: Dorothy Balaban, Legal Assistant, Office of the General Counsel, Office of the United States Trade Representative, (202) 395-3432.

SUPPLEMENTARY INFORMATION: Chapter 19 of the CFTA substituted binational panel review for judicial review by national courts of final determinations in antidumping and countervailing duty proceedings. Chapter 19 panels review determinations to decide whether the competent investigating authority complied with the relevant national laws, applying the standard of review that would otherwise have been applied by a national court in comparable circumstances.

Since the implementation of the CFTA, 46 binational panel proceedings have been convened pursuant to Chapter 19. Thirty of these panel proceedings have involved determinations by U.S. investigating authorities; 16 have involved Canadian determinations. Six of these panels have reviewed countervailing duty determinations; 23 proceedings have involved antidumping duty determinations; 14 have involved injury determinations; and three have involved scope determinations. Twenty-one panel proceedings are currently pending.

Binational panels convened pursuant to Chapter 19 consist of five independent experts. A separate panel is formed for each challenged determination. The panelists are nominated by the United States and Canada from lists of eligible candidates

developed in advance pursuant to the requirements of the CFTA and the Act. The majority of individuals on each panel must be attorneys.

Panel decisions are not subject to appeal, but may be reviewed in limited circumstances by a binational Extraordinary Challenge Committee. Extraordinary Challenge Committees are composed of current and former Federal judges. To date, two panel decisions has been considered by Extraordinary Challenge Committees.

Section 405 of the Act establishes an interagency group, chaired by USTR, to propose lists of candidates eligible to serve on Chapter 19 panels and Extraordinary Challenge Committees. After consulting with the Senate Committee on Finance and the House Committee on Ways and Means, USTR approves a final candidate list. Pursuant to section 405, the candidate list may be modified twice each year.

The current U.S. list of candidates eligible to serve on Chapter 19 binational panels is set forth in Annex A to this notice. The current U.S. list of candidates eligible to serve on Extraordinary Challenge Committees is set forth in Annex B.

Criteria for Eligibility

Chapter 19 establishes specific criteria for panel selection. First, candidates must be U.S. or Canadian citizens and not affiliated with either government. They also must be of good character, high standing and repute, and must be chosen strictly on the basis of objectivity, reliability, sound judgment and general familiarity with international trade law. Although the Act precludes active judges from serving on Chapter 19 panels, former judges are encouraged to apply.

Section 405 of the Act establishes further requirements for the selection of eligible U.S. candidates to serve on Chapter 19 binational panels. Candidates are to be selected without regard to political affiliation. Individuals who would be prevented by conflicts of interest from serving on many panels convened pursuant to Chapter 19 may be excluded from the final candidate list. Not all individuals included on the final candidate list necessarily will be selected for panels.

Remuneration

The two governments share equally in compensating panel members. The amount of remuneration varies according to the exchange rate and is currently $320 per day, plus reasonable expenses. Although panelists will receive remuneration from the United States, section 405(b) of the Act specifies that panelists are not considered employees of the Government.

Procedures for Application

Interested parties are encouraged to supply one copy of their resumes to Section 405 Group, room 223, Office of the United States Trade Representative, 600 17th Street, NW., Washington, DC 20506. Upon receipt of resumes, the Section 405 Group may send a letter requesting further information in order to allow a thorough evaluation of the application.

The applicant's resume and any supplementary information provided by an applicant will be used by USTR for the purpose of selecting candidates for the final lists and for nominating candidates for particular panels or committees. Further information concerning potential conflicts may be requested, on an as needed basis, from individuals prior to final selection or appointment to particular panels or committees. This information will be provided to the Government of Canada upon the nomination of candidates to particular panels or committees.

Current Members

Current members of the candidate lists need not reapply in response to this notice. Current members who are no longer interested in serving on panels or committees should notify USTR so that they can be removed from the list. In the absence of such notice, USTR will assume that the individual wishes to remain on the list. Individuals who have previously applied but have not been selected for a final candidate list may reapply.

False Statements

Pursuant to section 405(a)(2)(C) of the Act, false statements by an applicant to USTR regarding the applicant's personal or professional qualifications, or financial or other relevant interests, that bear upon the applicant's suitability for placement on a list of eligible candidates or appointment to panels or committees are subject to criminal sanctions under 18 U.S.C. 1001.

Dated: November 5, 1993.

James R. Holbein,

United States Secretary, FTA Binational Secretariat.

[FR Doc. 93-27725 Filed 11-9-93; 8:45 am]

BILLING CODE 3510-GT-M

International Trade Administration

United States-Canada Free-Trade Agreement, Article 1904 Binational Panel Reviews: Completion of Panel Review

AGENCY: United States-Canada Free-Trade Agreement, Binational Secretariat, United States Section, International Trade Administration, Department of Commerce.

ACTION: Notice of completion of panel review.

SUMMARY: The Panel Review of the final determination made by the U.S. Department of Commerce, International Trade Administration, Import Administration, of an antidumping determination respecting Pure and Alloy Magnesium from Canada is completed and the panelists discharged from their duties effective November 8, 1993 (Secretariat File No. USA-92-1904-04).

FOR FURTHER INFORMATION CONTACT: James R. Holbein, United States Secretary, Binational Secretariat, Suite 2061, 14th and Constitution Avenue, Washington, DC 20230, (202) 482-5438.

SUPPLEMENTARY INFORMATION: On October 6, 1993, the Binational Panel issued a decision which affirmed the investigating authority's determination on remand which was filed with the Binational Secretariat on May 27, 1993.

No request for an extraordinary challenge committee has been filed with the responsible Secretary. Therefore, pursuant to Rule 80(d) of the Article 1904 Binational Panel Rules, this Notice of Completion of Panel Review is effective on November 8, 1993.

Dated: November 4, 1993.

James R. Holbein,

United States Secretary, FTA Binational Secretariat.

[FR Doc. 93-27726 Filed 11-9-93; 8:45 am]

BILLING CODE 3510-GT-M

Minority Business Development Agency

[Project I.D. No. 06-10-94004-01]

Business Development Center Applications: Little Rock MBDC

AGENCY: Minority Business Development Agency, Commerce.

ACTION: Cancellation.

SUMMARY; The above solicitation was previously advertised on Monday, August 9, 1993. This solicitation has been cancelled.

11.800 Minority Business Development

(Catalog of Federal Domestic Assistance)

Dated: November 4, 1993.

Melda Cabrera,

Regional Director, Dallas Regional Office.

[FR Doc. 93-27667 Filed 11-9-93; 8:45 am]

BILLING CODE 3510-21-M

[Project I.D. No. 06-10-94001-01]

Business Development Center Applications: Shreveport MBDC

AGENCY: Minority Business Development Agency, Commerce.

ACTION: Cancellation.

SUMMARY: The above solicitation was previously advertised on Monday, August 9, 1993. This solicitation has been cancelled.

11.800 Minority Business Development (Catalog of Federal Domestic Assistance)

Dated: November 4, 1993.

Melda Cabrera,

Regional Director, Dallas Regional Office.

[FR Doc. 93-27666 Filed 11-9-93; 8:45 am]

BILLING CODE 3510-21-M

CONSUMER PRODUCT SAFETY COMMISSION

[CPSC Docket No. 94-C0005]

Dial Manufacturing, Inc., a Corporation; Provisional Acceptance of a Settlement Agreement and Order

AGENCY: Consumer Product Safety Commission.

ACTION: Provisional acceptance of a settlement agreement under the Consumer Product Safety Act.

SUMMARY: It is the policy of the Commission to publish settlements which it provisionally accepts under the Consumer Product Safety Act in the **Federal Register** in accordance with the terms of 16 CFR 1118.20 (e)-(h). Published below is a provisionally-accepted Settlement Agreement with Dial Manufacturing, Inc., a corporation.

DATES: Any interested person may ask the Commission not to accept this agreement or otherwise comment on its contents by filing a written request with the Office of the Secretary by November 26, 1993.

ADDRESSES: Persons wishing to comment on this Settlement Agreement should send written comments to the Comment 94-C0005, Office of the Secretary, Consumer Product Safety Commission, Washington, DC 20207.

FOR FURTHER INFORMATION CONTACT: Melvin I. Kramer, Trial Attorney, Office of Compliance and Enforcement, Consumer Product Safety Commission, Washington, DC 20207; telephone (301) 504-0626.

SUPPLEMENTARY INFORMATION: (Attached).

Dated: November 2, 1993.

Sheldon D. Butts,

Deputy Secretary.

Settlement Agreement and Order

1. This Settlement Agreement and Order, entered into between Dial Manufacturing, Inc., a corporation (hereinafter, "Dial"), and the staff of the Consumer Product Safety Commission (hereinafter, "staff"), is a compromise resolution of the matter described herein, without a hearing or determination of issues of law and fact.

I. The Parties

2. Dial is a corporation organized and existing under the laws of the State of Arizona with its principal corporate offices located at 25 South 51st Avenue, Phoenix, Arizona 85043.

3. The "Staff" is the staff of the Consumer Product Safety Commission (hereinafter, "Commission"), an independent federal regulatory agency established by Congress pursuant to section 4 of the Consumer Product Safety Act (hereinafter, "CPSA"), 15 U.S.C. 2053.

II. Jurisdiction

4. Dial manufactured certain evaporative cooler pumps, identified further in paragraphs 6 and 7 below (hereinafter, "pumps"), (a) for sale to a consumer for use in or around a permanent or temporary household or residence, or (b) for the personal use, consumption or enjoyment of a consumer in or around a permanent or temporary household or residence. These pumps are "consumer products" within the meaning of section 3(a)(1) of the CPSA, 15 U.S.C. 2052(a)(1).

5. Dial imported and sold approximately 150,000 of these pumps between 1990 and 1991 at major home supply and building material centers primarily located in the southwest area of the United States. Dial, therefore, is a "manufacturer" of a "consumer product" which is "distributed on commerce," as those terms are defined in sections 3(a) (4) and (11) of the CPSA, 15 U.S.C. 2052(a) (4) and (11).

III. The Product

6. Evaporative coolers, commonly known as swamp coolers, are designed to blow moist cool air through ducts into a residence. They are generally found in the drier climates of the western and southwestern United States. The box shaped evaporative cooler cabinets are constructed of plastic or metal and are often installed on top of house roofs.

7. A water cooler pump such as the Dial D5500 model is located inside the cooler cabinet. The pump functions to draw supplied water from the reservoir at the bottom of the cabinet to the distribution system at the top. Water then saturates the cooling pads located vertically inside the vented cabinet. Outside air is cooled and humidified as it is pulled through the pads by the cabinet blower. The blower then forces the moist cool air into the house.

IV. Staff Allegations Concerning the Pumps and of a Failure by Dial to Comply With the Reporting Requirements of Section 15(b) of the CPSA

8. Upon learning of several incidents of roof fires reportedly caused by a pump contained within an evaporative cooler, the staff undertook an investigation. The investigation resulted in the staff's preliminary determination that the pump motors described in paragraphs 6 and 7 above, were a substantial product hazard because they were neither impedance nor thermally protected and, if one should become stalled it could overheat and ignite the plastic pump housing thereby creating a fire hazard to the roof on which it is installed.

9. Following contact by the Commission on June 3, 1991, Dial reported in its letter of August 12, 1991, that it was aware of 17 incidents of pump failure dating back to June of 1990.

10. Additionally, the report revealed that as early as February 2, 1990, when Dial obtained the results of "Test no. 95" on one of these pumps (which showed that one sample "heated up very rapidly, made a lot of noise and started to melt on the top"), but certainly no later than July 27, 1990, at which time Dial had results of five more tests which showed samples stalling, overheating or igniting, Dial knew or should have known that this model pump had a defect which could create a substantial product hazard.

11. Section 15(b) of the CPSA, 15 U.S.C. 2064(b), requires a manufacturer of consumer products who, *inter alia*, obtains information that reasonably supports the conclusion that its product contains a defect which could create a substantial product hazard, or creates an unreasonable risk of serious injury or death, immediately to inform the Commission of the defect, or of such risk.

12. Notwithstanding the facts alleged in paragraphs 8 through 11 above, Dial did not report to the Commission until August 12, 1991.

V. Response of Dial

13. Dial denies that its D5500 pumps, sold in 1990 and 1991, contained a defect which created or could have created a substantial product hazard within the meaning of section 15(a) of the CPSA, 15 U.S.C. 2064(a) or that its pumps created a risk of serious injury or death as no serious injuries or death occurred with the use of its pumps from 1990 through 1993. Dial further contends that the results of its research and development testing of its pumps referenced in paragraph 10 above are not indicative of actual field test performance and should not, therefore, have been used by the Commission's staff as a basis for contending that Dial should have known its "pump had a defect which could create a substantial product hazard." Further, Dial contends that the use of pumps without impedance or thermal overload protection has been standard practice in the cooler parts industry for 40 years. This practice has not resulted in serious injury or death. Dial contends, therefore, that they were under no obligation to report to the Commission under section 15(b) of the CPSA, 15 U.S.C. 2064(b), as the facts as they view them do not support the Commission's position that their pump represented a "substantial product hazard".

VI. Agreement of the Parties

14. Dial and the staff agree that the Commission has jurisdiction in this matter for purposes of entry and enforcement of this Settlement Agreement and Order.

15. Dial agrees to pay the Commission a civil penalty in the amount of twenty-five thousand dollars ($25,000) payable within twenty (20) days after service of the Final Order of the Commission accepting this Settlement Agreement. This payment is made in settlement of allegations by the staff that Dial violated the reporting requirements of section 15(b) of the CPSA, 15 U.S.C. 2064(b), with regard to the pumps described above. In agreeing to this settlement, Dial affirms that it does not accept the Commission staff's allegations as factual, nor does Dial admit to any liability in this matter; but, Dial is willing to settle at this time to avoid further legal expense in defending against these allegations.

16. For purposes of section 6(b) of the CPSA, 15 U.S.C. 2055(b), this matter shall be treated as if a complaint had issued.

17. Upon provisional acceptance of this Settlement Agreement and Order by the Commission, this Settlement Agreement and Order shall be placed on the public record and shall be published in the **Federal Register** in accordance with the procedure set forth in 16 CFR 1118.20(e). If the Commission does not receive any written request not to accept the Settlement Agreement and Order within 15 days, the Settlement Agreement and Order will be deemed finally accepted on the 16th day after the date it is published in the **Federal Register**, in accordance with 16 CFR 1118.20(f).

18. Upon final acceptance of this Settlement Agreement and Order by the Commission, Dial knowingly, voluntarily and completely waives any rights it may have: (1) To an administrative or judicial hearing with respect to the Commission's claim for a civil penalty, (2) to judicial review or other challenge or contest of the validity of the Commission's action with regard to its claim for a civil penalty, (3) to a determination by the Commission as to whether a violation of Section 15(b) of the CPSA, 15 U.S.C. 2064(b), has occurred, and (4) to a statement of findings of fact and conclusions of law with regard to the Commission's claim for a civil penalty.

19. Although the pumps in question are no longer manufactured by Dial in the 1990 configuration, i.e. without impedance protection, thermal overload or flame retardant plastic, Dial agrees to inform the Commission if it learns of any additional pump related incidents or any other relevant information affecting the safety of these pups.

20. The parties further agree that the incorporated Order be issued under the CPSA, 15 U.S.C. 2051 *et seq.*, and that a violation of the Order will subject Dial to appropriate legal action.

21. No agreement, understanding, representation, or interpretation not contained in this Settlement Agreement and Order may be used to vary or to contradict its terms.

Dated: September 2, 1993.

Dial Manufacturing, Inc.

Duane K. Johnston,

President, Dial Manufacturing, Inc.

Dated: September 10, 1993.

The Consumer Product Safety Commission

David Schmeltzer,

Associate Executive Director, Office of Compliance and Enforcement.

Alan H. Schoem,

Director, Division of Administrative Litigation, Office of Compliance and Enforcement.

Melvin I. Kramer,

Trial Attorney, Division of Administrative Litigation, Office of Compliance and Enforcement.

Order

Upon consideration of the Settlement Agreement entered into between respondent Dial Manufacturing, Inc., a corporation, and the staff of the Consumer Product Safety Commission; and the Commission having jurisdiction over the subject matter and Dial Manufacturing, Inc.; and it appearing the Settlement Agreement is in the public interest, it is

Ordered, that the Settlement Agreement be and hereby is accepted, as indicated below; and it is

Further Ordered, that upon final acceptance of the Settlement Agreement, Dial Manufacturing, Inc. shall pay to the order of the Consumer Product Safety Commission a civil penalty in the amount of twenty-five thousand dollars ($25,000), within twenty (20) days after receipt of the Final Order and Decision in this matter.

Provisionally accepted and Provisional Order issued on the 2nd day of November, 1993.

By Order of the Commission:

Sadye E. Dunn,

Secretary, Consumer Product Safety Commission.

[FR Doc. 93-27613 Filed 11-9-93; 8:45 am]

BILLING CODE 6355-01-M

[CPSC Docket No. 94-C0004]

Winston Toy Corporation, a Corporation; Provisional Acceptance of a Settlement Agreement and Order

AGENCY: Consumer Product Safety Commission.

ACTION: Provisional acceptance of a settlement agreement under the Federal Hazardous Substances Act.

SUMMARY: It is the policy of the Commission to publish settlements which it provisionally accepts under the Federal Hazardous Substances Act in the **Federal Register** in accordance with the terms of 16 CFR 1118.20(e)–(h). Published below is a provisionally-accepted Settlement Agreement with, Winston Toy Corporation, a corporation.

DATES: Any interested person may ask the Commission not to accept this agreement or otherwise comment on its contents by filing a written request with the Office of the Secretary by November 26, 1993.

ADDRESSES: Persons wishing to comment on this Settlement Agreement should send written comments to the Comment 94–C0004, Office of the Secretary, Consumer Product Safety Commission, Washington, DC 20207.

FOR FURTHER INFORMATION CONTACT: Earl A. Gershenow, Trial Attorney, Office of Compliance and Enforcement, Consumer Product Safety Commission, Washington, DC 20207; telephone (301) 504–0626.

SUPPLEMENTARY INFORMATION: (attached).

Dated: November 1993.

Sheldon D. Butts,

Deputy Secretary.

Settlement Agreement and Order

1. Winston Toy Corporation (hereinafter, "Winston"), a corporation, enters into this Settlement Agreement (hereinafter, "Agreement") with the staff of the Consumer Product Safety Commission, and agrees to the entry of the Order described herein. The purpose of the Agreement and Order is to settle the staff's allegations that Winston Toy Corporation knowingly caused the introduction into interstate commerce of certain banned hazardous toys, in violation of section 4(a) of the Federal Hazardous Substances Act, 15 U.S.C. 1263(a).

I. Jurisdiction

2. The Commission has jurisdiction over Winston and the subject matter of this Settlement Agreement pursuant to section 30(a) of the Consumer Product Safety Act (hereinafter, "CPSA"), 15 U.S.C. 2079(a), and sections 2(f)(1)(D), 4(a), and 5(c) of the Federal Hazardous Substances Act (hereinafter, "FHSA"), 15 U.S.C. 1261(f)(1)(D), 1263(a), and 1264(c).

II. The Parties

3. The "staff" is the staff of the Consumer Product Safety Commission, an independent regulatory commission of the United States established pursuant to section 4 of the CPSA, 15 U.S.C. § 2053.

4. Winston is a corporation organized and existing under the laws of the State of California, with its principal corporate offices located at 331 E. Winston Street, Los Angeles, CA 90013. Winston is engaged in the import and wholesale business. Approximately 90 percent of its business is from the purchase and sale of toys.

III. Allegations of the Staff

5. Between February 1991, and April 1992, Winston caused the introduction into interstate commerce of approximately 23,016 toys intended for use by children under three years of age, which are identified and described below:

CPSC sample No.	Description	Entry date	Quantity
M–867–2433	Playhouse Phone Bank Tai Yick Toy Factory	02/08/91	3,960
M–867–2434	Robot Playhouse Bank Tai Yick Toy Factory	02/08/91	3,792
M–867–2435	Funny Doggy Tai Yick Toy Factory	02/08/91	1.320
M–867–2436	Portable Playphone Bank Tai Yick Toy Factory	02/08/91	3,960
M–867–3538	Choo Choo Fun Train Toy Forward Novelties Co	08/19/91	3,648
P–867–7835	5½" Plastic Doll Gift Set Brightly Trading Co	04/22/92	5,336

6. The toys identified in paragraph five above are subject to, but failed to comply with, the Commission's Small Parts Regulation, 16 CFR part 1501, in that when tested under the "use and abuse" test methods specified in 16 CFR 1500.51 and 1500.52, (a) one or more parts of each tested toy separated and (b) one or more of the separated parts from each of the tested toys fit completely within the test cylinder, as set forth in 16 CFR 1501.4.

7. Because separated parts fit completely within the test cylinder as described in paragraph six above, each of the toys identified in paragraph five presents a "mechanical hazard" within the meaning of section 2(s) of the FHSA, 15 U.S.C. 1261(s) (choking, aspiration and/or ingestion of small parts).

8. Each of the toys identified in paragraph five above is a "hazardous substance" pursuant to section 2(f)(1)(D) of the FHSA, 15 U.S.C. 1261(f)(1)(D).

9. Each of the toys identified in paragraph five above is a "banned hazardous substance" pursuant to (a) section 2(q)(1)(A) of the FHSA, 15 U.S.C. 1261(q)(1)(A) (any toy or other article intended for use by children which bears or contains a hazardous substance); and (b) 16 CFR 1500.18(a)(9).

10. Winston knowingly introduced or caused the introduction into interstate commerce of the aforesaid banned hazardous toys, in violation of section 4(a) of the FHSA, 15 U.S.C. 1263(a), for which a civil penalty may be imposed pursuant to section 5(c) of the FHSA, 15 U.S.C. 1264(c).

IV. Response of Winston

11. Winston denies the allegations of the staff set forth in paragraphs five through ten above that it has knowingly introduced or caused the introduction into commerce of the aforesaid banned hazardous toys, or that it has violated the FHSA as alleged by the staff.

V. Agreement of the Parties

12. The Consumer Product Safety Commission has jurisdiction over Winston and the subject matter of this Settlement Agreement and Order under the following acts: Consumer Product Safety Act, 15 U.S.C. 2051 *et seq.*, and the Federal Hazardous Substances Act, 15 U.S.C. 1261 *et seq.*

13. Upon final acceptance by the Commission of this Settlement Agreement, Winston agrees to pay to the Commission a civil penalty in the amount of TWENTY-FIVE THOUSAND AND 00/100 DOLLARS ($25,000.00) in two (2) installment payments of TWELVE-THOUSAND FIVE HUNDRED AND 00/100 DOLLARS ($12,500.00) each. The first installment payment of TWELVE-THOUSAND FIVE HUNDRED AND 00/100 DOLLARS ($12,500.00) shall be due (20) days after service of the Final Order of the Commission accepting the Settlement Agreement. The second and final installment payment of TWELVE-THOUSAND FIVE HUNDRED AND 00/100 DOLLARS ($12,500.00) is due and payable within 365 days after service of the Final Order. For any payment that is overdue less than thirty (30) days, Winston shall be charged interest, payable to the Commission, in accordance with the rate and method of calculation set forth in 28 U.S.C. 1961(a) and (b), during the period that payment is overdue. Any payment that is thirty (30) days or more overdue shall cause the entire outstanding balance to become due immediately and with interest in accordance with 28 U.S.C. 1961(a) and (b) as set forth above, during the period that the outstanding balance is overdue.

Payment of the full amount of the civil penalty shall settle fully the staff's allegations set forth in paragraphs five through ten above that Winston violated the FHSA.

14. The Commission does not make any determination that Winston knowingly violated the FHSA. The Commission and Winston agree that this Agreement is entered into for the purposes of settlement only.

15. Upon final acceptance of this Settlement Agreement by the Commission and issuance of the Final Order, Winston knowingly, voluntarily and completely, waives any rights it may have in this matter (1) to an administrative or judicial hearing, (2) to judicial review or other challenge or contest of the validity of the Commission's actions, (3) to a determination by the Commission as to whether Winston failed to comply with the FHSA and aforesaid, and (4) to a statement of findings of fact and conclusions of law.

16. For purposes of section 6(b) of the CPSA, 15 U.S.C. 2055(b), this matter shall be treated as if a complaint had issued; and, the Commission may publicize the terms of the Settlement Agreement and Order.

17. Upon provisional acceptance of this Settlement Agreement and Order by the Commission, this Settlement Agreement and Order shall be placed on the public record and shall be published in the Federal Register in accordance with the procedures set forth in 16 CFR 1118.20 (e)–(h). If the Commission does not receive any written request not to accept the Settlement Agreement and Order within 15 days, the Settlement Agreement and Order will be deemed finally accepted on the 16th day after the date it is published in the Federal Register.

18. The parties further agree that the Commission shall issue the attached Order incorporated herein by reference; and that a violation of the Order shall subject Winston to appropriate legal action.

19. No agreement, understanding, representation, or interpretation not contained in this Settlement Agreement and Order may be used to vary or to contradict its terms.

20. The provisions of the Settlement Agreement and Order shall apply to Winston and each of its successors and assigns.

Dated: September 13, 1993.

Respondent Winston Toy Corporation

Wintson S. Jeong,

President, Winston Toy Corporation, 331 E. Winston Street, Los Angeles, CA 90013.

Commission Staff

David Schmeltzer,

Assistant Executive Director, Office of Compliance and Enforcement.

Alan H. Schoem,

Director, Division of Administrative Litigation, Office of Compliance and Enforcement.

Dated: September 28, 1993.

Earl A. Gershenow,

Trial Attorney, Division of Administrative Litigation, Office of Compliance and Enforcement.

Dated: September 28, 1993.

Dennis C. Kacoyanis,

Trial Attorney, Division of Administrative Litigation, Office of Compliance and Enforcement.

Order

Upon consideration of the Settlement Agreement entered into between respondent Winston Toy Corporation, a corporation, and the staff of the Consumer Product Safety Commission; and the Commission having jurisdiction over the subject matter and Winston Toy Corporation; and it appearing that the Settlement Agreement is in the public interest, it is

Ordered, that the Settlement Agreement be and hereby is accepted; and it is

Further Ordered, that upon final acceptance of the Settlement Agreement, Winston Toy Corporation shall pay to the Commission a civil penalty in the amount of TWENTY-FIVE THOUSAND AND 00/100 DOLLARS ($25,000.00), in two (2) installment payments of TWELVE-THOUSAND FIVE HUNDRED AND 00/100 ($12,500.00) each. The first installment payment of TWELVE-THOUSAND FIVE HUNDRED AND 00/100 DOLLARS ($12,500.00) shall be due (20) days after service of the Final Order of the Commission accepting the Settlement Agreement. The second installment payment of TWELVE-THOUSAND FIVE HUNDRED AND 00/100 DOLLARS ($12,500.00) is due and payable within 365 days after service of the Final Order. For any payment that is overdue less than thirty (30) days, Winston Toy Corporation shall be charged interest, payable to the Commission, in accordance with the rate and method of calculation set forth in 28 U.S.C. 1961 (a) and (b), during the period that the payment is overdue. Any payment that is thirty (30) days or more overdue shall cause the entire outstanding balance to be due immediately and payable with interest in accordance with 28 U.S.C. 1961 (a) and (b) as set forth above, during the period the outstanding balance is overdue. Payment of the full amount of the civil penalty shall settle fully the staff's allegations set forth in paragraphs five through ten in the Settlement Agreement that Winston Toy Corporation violated the FHSA.

Provisionally accepted and Provisional Order issued on the 2nd day of November 1993.

By Order of the Commission.

Sadye E. Dunn,

Secretary, Consumer Product Safety Commission.

[FR Doc. 93–27614 Filed 11–9–93; 8:45 am]

BILLING CODE 6335–01–M

DEPARTMENT OF DEFENSE

Department of the Navy

Privacy Act of 1974; Amend Record Systems

AGENCY: Department of the Navy, DOD.

ACTION: Amend record systems.

SUMMARY: The Department of the Navy proposes to amend four systems of records to its inventory of record systems subject to the Privacy Act of 1974 (5 U.S.C. 552a), as amended.

DATES: The amendments will be effective on December 10, 1993, unless comments are received that would result in a contrary determination.

ADDRESSES: Send comments to the Head, PA/FOIA Branch, Office of the Chief of Naval Operations (N09B30), 2000 Navy Pentagon, Washington, DC 20350–2000.

FOR FURTHER INFORMATION CONTACT: Mrs. Gwendolyn Aitken at (703) 614–2004 or DSN 224–2004.

SUPPLEMENTARY INFORMATION: The Department of the Navy record system notices for records systems subject to the Privacy Act of 1974 (5 U.S.C. 552a), as amended, have been published in the Federal Register and are available from the address above.

The specific changes to the systems of records are set forth below followed by the systems of records notices published in their entirety, as amended. The amendments are not within the purview of subsection (r) of the Privacy Act of 1974 (5 U.S.C. 552a), as amended, which requires the submission of new or altered systems reports.

Dated: November 1, 1993.

L. M. Bynum.
Alternate OSD Federal Register Liaison Officer, Department of Defense.

N01640–1

SYSTEM NAME:

Individual Correctional Records *(February 22, 1993, 58 FR 10720).*

CHANGES:

* * * * *

SYSTEM LOCATION:

Delete entry and replace with 'United States Navy Brigs and United States Marine Corps Correctional Facilities. Official mailing addresses are published as an appendix to the Navy's compilation of systems of records notices, and/or may be obtained from the Bureau of Naval Personnel (Pers 84), 2 Navy Annex, Washington, DC 20370–5084.'

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Delete entry and replace with 'Military members confined in a naval facility as a result of or pending trial by courts-martial; military members sentenced to three days bread and water or diminished rations; and military members awarded correctional custody to be served in a correctional custody unit.'

CATEGORIES OF RECORDS IN THE SYSTEM:

In line one, delete 'File contains' and capitalize 'Documents'.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

At end of entry, add 'and E.O. 9397.'

PURPOSE(S):

Delete entry and replace with 'To determine initial custody classification; to determine when custody grade change is appropriate; to gauge member's adjustment to confinement or correctional custody; to identify areas of particular concern to prisoners and personnel in correctional custody; to determine work assignment; to determine educational needs; serves as the basis for correctional treatment; serves as a basis for recommendations for clemency, restoration, and parole.'

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

Delete first paragraph.

STORAGE:

Delete entry and replace with 'Paper records and computerized data base.'

RETRIEVABILITY:

Delete entry and replace with 'Name and Social Security Number.'

SAFEGUARDS:

Delete entry and replace with 'Records are maintained in areas accessible only to authorized personnel who are properly screened, cleared, and trained. Computer data base is password protected.'

RETENTION AND DISPOSAL:

Delete entry and replace with 'Two years after prisoner is released, records are transferred to the National Personnel Records Center, Military Personnel Records, 9700 Page Boulevard, St. Louis, MO 63132–5100 for retention. Records of prisoners accompany their transfer to other facilities.'

SYSTEM MANAGER(S) AND ADDRESS:

Delete entry and replace with 'Policy Officials: Chief of Naval Personnel (Pers 84), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–5084, and Commandant of the Marine Corps (Code MHC), HQ USMC, Washington, DC 20380–0001.

Record Holders: United States Navy Brigs and United States Marine Corps Brigs. Official mailing addresses are published as an appendix to the Navy's compilation of systems of records notices, and/or may be obtained from the Bureau of Naval Personnel (Pers 84), 2 Navy Annex, Washington, DC 20370–5084.'

NOTIFICATION PROCEDURE:

Delete entry and replace with 'Individuals seeking to determine whether information about themselves is contained in this system should address written inquiries to the United States Navy Brig or United States Marine Corps Brigs where incarcerated. Official mailing addresses are published as an appendix to the Navy's compilation of systems of records notices, and/or may be obtained from the Bureau of Naval Personnel (Pers 84), 2 Navy Annex, Washington, DC 20370–5084. Requests should include full name and social security number and must be signed by the requesting individual.'

RECORD ACCESS PROCEDURES:

Delete entry and replace with 'Individuals seeking access to information about themselves contained in this system should address written inquiries to the United States Navy Brig or United States Marine Corps Brigs where incarcerated. Official mailing addresses are published as an appendix to the Navy's compilation of systems of records notices, and/or may be obtained from the Bureau of Naval Personnel (Pers 84), 2 Navy Annex, Washington, DC 20370–5084. Requests should include full name and social security number and must be signed by the requesting individual.'

* * * * *

N01640–1

SYSTEM NAME:

Individual Correctional Records.

SYSTEM LOCATION:

United States Navy Brigs and United States Marine Corps Correctional Facilities. Official mailing addresses are published as an appendix to the Navy's compilation of systems of records notices, and/or may be obtained from the Bureau of Naval Personnel (Pers 84), 2 Navy Annex, Washington, DC 20370–5084.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Military members confined in a naval facility as a result of or pending trial by courts-martial; military members sentenced to three days bread and water or diminished rations; and military members awarded correctional custody to be served in a correctional custody unit.

CATEGORIES OF RECORDS IN THE SYSTEM:

Documents related to the administration of individual prisoners in the Department of the Navy confinement and correctional custody facilities - courts martial orders; release orders; confinement orders; medical examiners' reports; requests and receipts for health and comfort supplies; reports and recommendations relative to disciplinary actions; clothing and equipment records; mail and visiting lists and records; personal history records; individual prisoner utilization records; requests for interview; initial interview; spot reports; prisoner identification records; parolee agreements; inspection record of prisoner in segregation; personal funds records; valuables and property record; daily report of prisoners received and released; admission classification summary; social history; clemency recommendations and actions; parole recommendations and actions; restoration recommendations and actions; psychiatric, psychological, and sociological reports; certificate of parole; certificate of release from parole; requests to transfer prisoners; disciplinary action data cards showing name, grade, Social Security Number, sex, education, sentence, offense(s), sentence computation, organization, ethnic group, discharge awarded, length

of unauthorized absence, number and type of prior punishments, length of service, and type release; weekly status report (each member's legal status, offense charged, length of time confined). On tape, the same data as the disciplinary action data card, except name, computation of sentence.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

10 U.S.C. 951 and E.O. 9397.

PURPOSE(S):

To determine initial custody classification; to determine when custody grade change is appropriate; to gauge member's adjustment to confinement or correctional custody; to identify areas of particular concern to prisoners and personnel in correctional custody; to determine work assignment; to determine educational needs; serves as the basis for correctional treatment; serves as a basis for recommendations for clemency, restoration, and parole.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act, these records or information contained therein may specifically be disclosed outside the DoD as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows:

To Federal, state, and local law enforcement and investigative agencies for investigation and possible criminal prosecution, civil court actions or regulatory order.

To confinement/correctional system agencies for use in the administration of correctional programs to include custody classification; employment, training and educational assignments; treatment programs; clemency, restoration to duty, and parole actions; verifications concerning military offenders or military criminal records, employment records and social histories.

The 'Blanket Routine Uses' that appear at the beginning of the Navy's compilation of systems of records notices also apply to this system.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Paper records and computerized data base.

RETRIEVABILITY:

Name and Social Security Number.

SAFEGUARDS:

Records are maintained in areas accessible only to authorized personnel who are properly screened, cleared, and trained. Computer data base is password protected.

RETENTION AND DISPOSAL:

Two years after prisoner is released, records are transferred to the National Personnel Records Center, Military Personnel Records, 9700 Page Boulevard, St. Louis, MO 63132–5100 for retention. Records of prisoners accompany their transfer to other facilities.

SYSTEM MANAGER(S) AND ADDRESS:

Policy Officials: Chief of Naval Personnel (Pers 84), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–5084, and Commandant of the Marine Corps (Code MHC), HQ USMC, Washington, DC 20380–0001.

Record Holders: United States Navy Brigs and United States Marine Corps Brigs. Official mailing addresses are published as an appendix to the Navy's compilation of systems of records notices, and/or may be obtained from the Bureau of Naval Personnel (Pers 84), 2 Navy Annex, Washington, DC 20370–5084.

NOTIFICATION PROCEDURE:

Individuals seeking to determine whether information about themselves is contained in this system should address written inquiries to the United States Navy Brig or United States Marine Corps Brigs where incarcerated. Official mailing addresses are published as an appendix to the Navy's compilation of systems of records notices, and/or may be obtained from the Bureau of Naval Personnel (Pers 84), 2 Navy Annex, Washington, DC 20370–5084.

Requests should include full name and social security number and must be signed by the requesting individual.

RECORD ACCESS PROCEDURES:

Individuals seeking access to information about themselves contained in this system should address written inquiries to the United States Navy Brig or United States Marine Corps Brigs where incarcerated. Official mailing addresses are published as an appendix to the Navy's compilation of systems of records notices, and/or may be obtained from the Bureau of Naval Personnel (Pers 84), 2 Navy Annex, Washington, DC 20370–5084.

Requests should include full name and Social Security Number and must be signed by the requesting individual.

CONTESTING RECORD PROCEDURES:

The Navy's rules for accessing records and contesting contents and appealing initial agency determinations are published in Secretary of the Navy Instruction 5211.5; 32 CFR part 701; or may be obtained from the system manager.

RECORD SOURCE CATEGORIES:

Military personnel records; military financial and medical records; military and civilian investigative and law enforcement agencies; courts-martial proceedings; records of non-judicial administrative proceedings; United States military commanders; staff members and cadre supply information relative to service member's conduct or duty performance; and other individuals or organizations which may supply information relevant to the purpose for which this system was designed.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

Parts of this system may be exempt under 5 U.S.C. 552a(j)(2), as applicable.

An exemption rule for this system has been promulgated in accordance with requirements of 5 U.S.C. 553(b) (1), (2), and (3), (c) and (e) and published in 32 CFR part 701, subpart G. For additional information contact the system manager.

N01900–2

SYSTEM NAME:

Navy Individual Service Review Board Proceedings (ISRB) *(February 22, 1993, 58 FR 10729).*

CHANGES:

* * * * *

SYSTEM NAME:

Delete entry and replace with 'Navy Individual Service Review Board (ISRB) Proceedings Application File.'

SYSTEM LOCATION:

Delete entry and replace with 'Bureau of Naval Personnel (Pers 324), 2 Navy Annex, Washington, DC 20370–3240.'

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Delete entry and replace with 'Individuals who have applied for military status and subsequent discharge from the United States Navy because they claim membership in a group which has been determined to have performed active military service with the United States Navy.'

CATEGORIES OF RECORDS IN THE SYSTEM:

Delete entry and replace with 'Application for discharge, supporting documentation, copies of correspondence between the individual and the Navy ISRB and other correspondence concerning the case.'

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

At end of entry, add 'and E.O. 9397.'

PURPOSE(S):

Delete entry and replace with 'To consider the individual's application for military status and discharge.'

* * * * *

STORAGE:

Delete entry and replace with 'Paper records and microfiche.'

RETRIEVABILITY:

Delete entry and replace with 'Name and Social Security Number.'

SAFEGUARDS:

Delete entry and replace with 'The files are kept within the Bureau of Naval Personnel offices. Access during business hours is controlled by Command personnel. Records not in use are maintained in a room which is locked during non-duty hours. The Command is secured at the close of business and the building in which the command is located has limited access controlled by security guards.'

RETENTION AND DISPOSAL:

Delete entry and replace with 'Approved application (paper) is destroyed two years after individual separates from the Navy and documents generated as a result of the approved application (i.e., DD Form 214, etc.) are transferred onto microfiche and placed in the individual's military personnel file which is transferred to the National Personnel Records Center, Military Personnel Records, 9700 Page Boulevard, St. Louis, MO 63132–5100, for retention. Disapproved applications are retained for two years and then destroyed.'

SYSTEM MANAGER(S) AND ADDRESS:

Delete entry and replace with 'Chief of Naval Personnel (Pers 324), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–3240.'

NOTIFICATION PROCEDURE:

Delete entry and replace with 'Individuals seeking to determine whether information about themselves is contained in this system should address written inquiries to the Chief of Naval Personnel (Code Pers 324), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–3240.'

RECORD ACCESS PROCEDURES:

Delete entry and replace with 'Individuals seeking access to information about themselves contained in this system should address written inquiries to the Chief of Naval Personnel (Code Pers 324), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–3240.'

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N01900–2

SYSTEM NAME:

Navy Individual Service Review Board (ISRB) Proceedings Application File.

SYSTEM LOCATION:

Bureau of Naval Personnel (Pers 324), 2 Navy Annex, Washington, DC 20370–3240.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals who have applied for military status and subsequent discharge from the United States Navy because they claim membership in a group which has been determined to have performed active military service with the United States Navy.

CATEGORIES OF RECORDS IN THE SYSTEM:

Application for discharge, supporting documentation, copies of correspondence between the individual and the Navy ISRB and other correspondence concerning the case.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Pub.L. 95–202 and E.O. 9397.

PURPOSE(S):

To consider the individual's application for military status and discharge.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act, these records or information contained therein may specifically be disclosed outside the DoD as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows:

The 'Blanket Routine Uses' that appear at the beginning of the Navy's compilation of systems of records notices apply to this system.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Paper records and microfiche.

RETRIEVABILITY:

Name and Social Security Number.

SAFEGUARDS:

The files are kept within the Bureau of Naval Personnel offices. Access during business hours is controlled by Command personnel. Records not in use are maintained in a room which is locked during non-duty hours. The Command is secured at the close of business and the building in which the command is located has limited access controlled by security guards.

RETENTION AND DISPOSAL:

Approved application (paper) is destroyed two years after individual separates from the Navy and documents generated as a result of the approved application (i.e., DD Form 214, etc.) are transferred onto microfiche and placed in the individual's military personnel file which is transferred to the National Personnel Records Center, Military Personnel Records, 9700 Page Boulevard, St. Louis, MO 63132–5100, for retention. Disapproved applications are retained for two years and then destroyed.

SYSTEM MANAGER(S) AND ADDRESS:

Chief of Naval Personnel (Pers 324), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–3240.

NOTIFICATION PROCEDURE:

Individuals seeking to determine whether information about themselves is contained in this system should address written inquiries to the Chief of Naval Personnel (Code Pers 324), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–3240.

RECORD ACCESS PROCEDURES:

Individuals seeking access to information about themselves contained in this system should address written inquiries to the Chief of Naval Personnel (Code Pers 324), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–3240.

CONTESTING RECORD PROCEDURES:

The Navy's rules for accessing records and contesting contents and appealing initial agency determinations are published in Secretary of the Navy Instruction 5211.5; 32 CFR part 701; or may be obtained from the system manager.

RECORD SOURCE CATEGORIES:

Information contained in the files is obtained from the individual or those acting on the individual's behalf, from other military records and from the Department of Defense Civilian/Military Service Review Board.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

None.

N05520–1

SYSTEM NAME:

Personnel Security Eligibility Information System *(February 22, 1993, 58 FR 10760).*

CHANGES:

* * * * *

SYSTEM LOCATION:

Delete entry and replace with 'Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–8110.'

* * * * *

CATEGORIES OF RECORDS IN THE SYSTEM:

Delete entry and replace with 'Reports of correspondence and information pertinent to an individual's eligibility for personnel security clearance, assignment to the Nuclear Weapons Personnel Reliability Program, or other 'high risk' program requiring personnel quality control.'

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

At end of entry add 'and E.O. 9397.'

PURPOSE(S):

Delete entry and replace with 'To determine service member's eligibility for assignment to duties requiring personnel security clearances, assignment to the Nuclear Weapons Personnel Reliability Program, or other 'high risk' programs requiring quality control.'

* * * * *

RETRIEVABILITY:

Delete entry and replace with 'Paper records are filed alphabetically by last name of individual. Automated files are filed by Social Security Number.'

* * * * *

RETENTION AND DISPOSAL:

Delete entry and replace with 'Files are destroyed two years after individual separates from the Navy.'

SYSTEM MANAGER(S) AND ADDRESS:

Delete entry and replace with 'Chief of Naval Personnel (Pers 81), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–8110.'

NOTIFICATION PROCEDURE:

Delete entry and replace with 'Individuals seeking to determine whether information about themselves is contained in this system should address written inquiries to the Chief of Naval Personnel (Pers 811), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–8110.

The letter should contain full name, Social Security Number, rank/rate/civilian status, and address of the requester.'

RECORD ACCESS PROCEDURES:

Delete entry and replace with 'Individuals seeking access to information about themselves contained in this system should address written inquiries to the Chief of Naval Personnel (Pers 811), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–8110.

The letter should contain full name, Social Security Number, rank/rate/civilian status, and address of the requester.'

* * * * *

RECORD SOURCE CATEGORIES:

Delete entry and replace with 'Department of the Navy Central Adjudication Facility and other officials and employees of the Department of the Navy and military investigative reports.'

* * * * *

N05520–1

SYSTEM NAME:

Personnel Security Eligibility Information System.

SYSTEM LOCATION:

Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–8110.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Members of the U.S. Navy and Naval Reserve, former members, and applicants for enlistment or commissioning.

CATEGORIES OF RECORDS IN THE SYSTEM:

Reports of correspondence and information pertinent to an individual's eligibility for personnel security clearance, assignment to the Nuclear Weapons Personnel Reliability Program, or other 'high risk' program requiring personnel quality control.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

5 U.S.C. 301; Departmental Regulations; and E.O. 9397.

PURPOSE(S):

To determine service member's eligibility for assignment to duties requiring personnel security clearances, assignment to the Nuclear Weapons Personnel Reliability Program, or other 'high risk' programs requiring quality control.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act, these records or information contained therein may specifically be disclosed outside the DoD as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows:

The 'Blanket Routine Uses' that appear at the beginning of the Navy's compilation of systems of records notices apply to this system.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Paper records in file folders and index cards. Some information from the paper records is contained in an automated file.

RETRIEVABILITY:

Paper records are filed alphabetically by last name of individual. Automated files are filed by Social Security Number.

SAFEGUARDS:

Stored in locked safes and cabinets. File areas are accessible only to authorized persons who are properly screened, cleared, and trained.

RETENTION AND DISPOSAL:

Files are destroyed two years after individual separates from the Navy.

SYSTEM MANAGER(S) AND ADDRESS:

Chief of Naval Personnel (Pers 81), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–8110.

NOTIFICATION PROCEDURE:

Individuals seeking to determine whether information about themselves is contained in this system should address written inquiries to the Chief of Naval Personnel (Pers 811), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–8110.

The letter should contain full name, Social Security Number, rank/rate/civilian status, and address of the requester.

RECORD ACCESS PROCEDURES:

Individuals seeking access to information about themselves contained in this system should address written inquiries to the Chief of Naval Personnel (Pers 811), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–8110.

The letter should contain full name, Social Security Number, rank/rate/civilian status, and address of the requester.

CONTESTING RECORD PROCEDURES:

The Navy's rules for accessing records and contesting contents and appealing initial agency determinations are published in Secretary of the Navy Instruction 5211.5; 32 CFR part 701; or may be obtained from the system manager.

RECORD SOURCE CATEGORIES:

Department of the Navy Central Adjudication Facility and other officials and employees of the Department of the Navy and military investigative reports.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

Parts of this system may be exempt under 5 U.S.C. 552a(k)(1), (k)(2), (k)(5), and (k)(7), as applicable.

An exemption rule for this system has been promulgated in accordance with requirements of 5 U.S.C. 553(b) (1), (2), and (3), (c) and (e) and published in 32 CFR part 701, subpart G. For additional information contact the system manager.

N11101-1

SYSTEM NAME:

Family Housing Assignment Application System *(February 22, 1993, 58 FR 10816).*

CHANGES:

* * * * *

SYSTEM NAME:

Delete entry and replace with 'Family Housing File.'

SYSTEM LOCATION:

Delete entry and replace with 'Housing offices at naval stations/bases that have family housing assets. Official mailing addresses are published as an appendix to the Navy's compilation of systems of records notices.'

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Delete entry and replace with 'Military/civilian personnel eligible for/interested in occupying Navy family housing and those occupying family housing.'

CATEGORIES OF RECORDS IN THE SYSTEM:

Delete entry and replace with 'DD Form 1746, Application for Assignment to Housing (application contains information such as name, address, rank/rate, Social Security Number, length of service, time remaining on active duty, date of rank, etc.; dependency data, e.g., total number in family, spouse, age and sex of dependents, etc.; and other pertinent housing information, e.g., last assignment, months involuntarily separated, special health problems, etc.); orders; emergency data form; detaching endorsement from prior duty station.'

* * * * *

PURPOSE(S):

Delete entry and replace with 'To determine individual's eligibility for family housing and notification for subsequent assignment to family housing or granting a waiver to allow occupancy of private housing.

To determine and list individual's name on appropriate housing waiting list.

To oversee housing occupancy once assigned.'

* * * * *

STORAGE:

At end of entry add 'and computerized data base.'

RETRIEVABILITY:

Delete entry and replace with 'Name of applicant or name and house number of resident.'

SAFEGUARDS:

Delete entry and replace with 'Access to files is limited to personnel requiring access in the performance of their official duties. Records are secured within a locked office in a locked building on a military installation when not actually in use. Computerized data base is password protected.'

RETENTION AND DISPOSAL:

Delete entry and replace with 'Files are retained for up to three years after termination of housing occupancy and then destroyed.'

SYSTEM MANAGER(S) AND ADDRESS:

Delete entry and replace with 'Policy Official: Navy Housing Division (Pers-67), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370-5067.

Record Holder: Naval stations with housing assets. Official mailing addresses of naval stations/bases are published as an appendix to the Navy's compilation of systems of records notices.'

NOTIFICATION PROCEDURE:

Delete entry and replace with 'Individuals seeking to determine whether this system of record contains information about themselves should address written inquiries to the Housing Office at the naval station/base where they applied for housing.

Requests should include full name of applicant or name and house number of resident.'

RECORD ACCESS PROCEDURES:

Delete entry and replace with 'Individuals seeking access to records about themselves should address written inquiries to the housing office at the naval station/base where they applied for housing.

Requests should include full name of applicant or name and house number of resident.'

* * * * *

RECORD SOURCE CATEGORIES:

Delete entry and replace with 'Individual; DD Form 1746; Orders; Emergency Data Form; detaching endorsement from prior duty station.'

* * * * *

N11101-1

SYSTEM NAME:

Family Housing File.

SYSTEM LOCATION:

Housing offices at naval stations/bases that have family housing assets. Official mailing addresses are published as an appendix to the Navy's compilation of systems of records notices.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Military/civilian personnel eligible for/interested in occupying Navy family housing and those occupying family housing.

CATEGORIES OF RECORDS IN THE SYSTEM:

DD Form 1746, Application for Assignment to Housing (application contains information such as name, address, rank/rate, Social Security Number, length of service, time remaining on active duty, date of rank, etc.; dependency data, e.g., total number in family, spouse, age and sex of dependents, etc.; and other pertinent housing information, e.g., last assignment, months involuntarily separated, special health problems, etc.); orders; emergency data form; detaching endorsement from prior duty station.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

5 U.S.C. 301, Departmental Regulations and E.O. 9397.

PURPOSE(S):

To determine individual's eligibility for family housing and notification for subsequent assignment to family housing or granting a waiver to allow occupancy of private housing.

To determine and list individual's name on appropriate housing waiting list.

To oversee housing occupancy once assigned.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act, these records or information contained therein may specifically be disclosed outside the DoD as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows:

The 'Blanket Routine Uses' that appear at the beginning of the Navy's compilation of systems of records notices apply to this system.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

File folders and computerized data base.

RETRIEVABILITY:

Name of applicant or name and house number of resident.

SAFEGUARDS:

Access to files is limited to personnel requiring access in the performance of their official duties. Records are secured within a locked office in a locked building on a military installation when not actually in use. Computerized data base is password protected.

RETENTION AND DISPOSAL:

Files are retained for up to three years after termination of housing occupancy and then destroyed.

SYSTEM MANAGER(S) AND ADDRESS:

Policy Official: Navy Housing Division (Pers–67), Bureau of Naval Personnel, 2 Navy Annex, Washington, DC 20370–5067.

Record Holder: Naval stations with housing assets. Official mailing addresses of naval stations/bases are published as an appendix to the Navy's compilation of systems of records notices.

NOTIFICATION PROCEDURE:

Individuals seeking to determine whether this system of record contains information about themselves should address written inquiries to the Housing Office at the naval station/base where they applied for housing. Requests should include full name of applicant or name and house number of resident.

RECORD ACCESS PROCEDURES:

Individuals seeking access to records about themselves should address written inquiries to the housing office at the naval station/base where they applied for housing. Requests should include full name of applicant or name and house number of resident.

CONTESTING RECORD PROCEDURES:

The Navy's rules for accessing records and contesting contents and appealing initial agency determinations are published in Secretary of the Navy Instruction 5211.5; 32 CFR part 701; or may be obtained from the system manager.

RECORD SOURCE CATEGORIES:

Individual; DD Form 1746; Orders; Emergency Data Form; detaching endorsement from prior duty station.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

None.

[FR Doc. 93–27496 Filed 11–9–93; 8:45 am]

BILLING CODE 5000–04–F

Department of the Navy; Marine Corps

Intent To Prepare an Environmental Impact Statement for Solid Waste Management Alternatives at Marine Corps Base Quantico, VA

Pursuant to the National Environmental Policy Act as implemented by the Council on Environmental Quality regulations (40 CFR parts 1500–1508), the U.S. Marine Corps intends to prepare an Environmental Impact Statement (EIS) to evaluate solid waste management alternatives at Marine Corps Base (MCB) Quantico, Virginia.

The existing sanitary landfill at MCB Quantico, installed in 1983–1984, is nearing capacity and is scheduled to close in late 1995. Accordingly, a comprehensive feasibility study was undertaken to address engineering feasibility, liability/risk analyses, and environmental constraints applied to solid waste management alternatives, including: no action; construction and operation of a new landfill at MCB Quantico; construction and operation of a trash-to-steam incinerator at MCB Quantico; solid waste disposal in a nearby municipal landfill; and solid waste disposal at a nearby municipal incinerator or trash-to-steam facility. MCB Quantico will continue to implement programs to promote waste stream reduction through recycling.

Major environmental issues that will be addressed in the EIS include, but are not limited to, wetlands, endangered species, cultural resources, water and air quality, public health and safety, and land use.

The Marine Corps will initiate a scoping process for the purpose of determining the extent of issues to be addressed and identifying the significant issues related to this action. Agencies and the public are invited and encouraged to provide written comment on scoping issues. To be most helpful, scoping comments should clearly describe specific issues or topics which the commentor believes the EIS should address. Written statements and or questions regarding the scoping process should be mailed no later than December 10, 1993 to Commander, Atlantic Division, Naval Facilities Engineering Command, 1510 Gilbert Street, Norfolk, Virginia 23511–2699 (Attn: Mr. Ron Dudley, Code 2032).

Dated: November 4, 1993.

Andrew Rezachinas,

Acting Head, Land Use and Military Construction Branch Facilities and Services Division, Installations and Logistics Department, by Direction of the Commandant of the Marine Corps.

Dated: November 4, 1993.

Michael P. Rummel,

LCDR, JAGC, USN Federal Register Liaison Officer.

[FR Doc. 93–27653 Filed 11–9–93; 8:45 am]

BILLING CODE 3810–AE–M

DEPARTMENT OF ENERGY

Office of the Secretary

Amendment to Delegation Order for Approval of Power Marketing Administration Power and Transmission Rates

AGENCY: Department of Energy.

ACTION: Notice of amendment to Delegation Order.

SUMMARY: Notice is hereby given of Amendment No. 3 to Delegation Order No. 0204–108. Amendment No. 3 revises the delegation of authority to confirm, approve, and place into effect on an interim basis power and transmission rates of the Alaska, Southeastern, Southwestern, and Western Area Power Administrations by delegating such authority to the Deputy Secretary of Energy rather than to the Assistant Secretary for Energy Efficiency and Renewable Energy [1] of the Department of Energy. The amendment also makes minor conforming changes to reflect the fact of that revision in delegation of authority and adds a provision that such revision is to have no effect upon rates which have been previously placed into effect by the Assistant Secretary for Energy Efficiency and Renewable Energy.

EFFECTIVE DATE: November 10, 1993.

FOR FURTHER INFORMATION CONTACT: Lawrence A. Gollomp, Assistant General Counsel, GC–33, U.S. Department of Energy, Washington, DC 20585, (202) 586–6958.

SUPPLEMENTARY INFORMATION: Delegation Order No. 0204–108, 48 FR 55664, which became effective December 14, 1983, delegated to the Deputy Secretary of Energy on a nonexclusive basis,

[1] On March 3, 1993, the title of the Assistant Secretary for Conservation and Renewable Energy was changed to the Assistant Secretary for Energy Efficiency and Renewable Energy. Rates approved by the Assistant Secretary for Energy Efficiency and Renewable Energy are to be treated in the same manner as rates approved by the Assistant Secretary for Conservation and Renewable Energy.

among other things, the authority to confirm, approve, and place into effect on an interim basis, power and transmission rates for the Alaska, Southeastern, Southwestern, and Western Area Power Administrations. The Delegation Order was amended on May 30, 1986 (51 FR 19744), reassigned by DOE Notice 1110.29 dated October 27, 1988, clarified by Secretary of Energy Notice SEN–10–89 dated August 3, 1989, and subsequent revisions, and amended again on August 23, 1991 (56 FR 41835). The Secretary of the Department of Energy has determined that revisions in that Delegation Order are desirable at this time, in order to delegate to the Deputy Secretary the authority which had been previously delegated to the Assistant Secretary for Energy Efficiency and Renewable Energy. The reason for these revisions is to reflect revised organizational relationships within the Department.

Issued in Washington, DC., November 4, 1993.

William H. White,

Deputy Secretary.

Department of Energy, Amendment No. 3 to Delegation Order No. 0204–108, Delegation Order For Approval of Power Marketing Administration Power and Transmission Rates

Pursuant to the authority vested in me as Secretary of Energy and by sections 203(a), 301(b), 302(a), 402(e), 641, 642, 643, and 644, of the Department of Energy Organization Act (Pub. L. 95–91), there is hereby delegated to the Deputy Secretary of Energy all authority which was previously delegated to the Assistant Secretary for Conservation and Renewable Energy in Department of Energy Delegation Order No. 0204–108, as published in the **Federal Register**, December 14, 1983 (48 FR 55664), as amended on May 30, 1986 (51 FR 19744), reassigned by DOE Notice 1110.29 dated October 27, 1988, and clarified by Secretary of Energy Notice SEN–10–89 dated August 3, 1989, and subsequent revisions, and as amended on August 23, 1991 (56 FR 41835). Department of Energy Delegation Order No. 0204–108 is hereby amended to reflect such revision to that delegation of authority and to reflect related changes so as to read and provide in its amended form as follows:

1. There is hereby delegated to the respective Administrators of the Alaska, Southeastern, Southwestern, and Western Area Power Administrations on a nonexclusive basis the authority to develop power and transmission rates for their respective power marketing administrations (PMA). A rate developed by an Administrator shall not become effective on a final basis unless and until such rate is confirmed and approved by the Federal Energy Regulatory Commission (Commission) acting under section 3 below. In submitting a rate the Administrator shall certify that the rate is consistent with applicable law and that it is the lowest possible rate to customers consistent with sound business principles.

2. There is hereby delegated to the Deputy Secretary of Energy on a nonexclusive basis the authority to confirm, approve, and place into effect on an interim basis power and transmission rates for the Alaska, Southeastern, Southwestern, and Western Area Power Administrations for such periods as the Deputy Secretary may provide.

3. There is hereby delegated to the Commission on an exclusive basis the authority to confirm, approve, and place into effect on a final basis, to remand, or to disapprove, rates developed by each Administrator under section 1. The Commission review will be limited to: (a) Whether the rates are the lowest possible to customers consistent with sound business principles, (b) whether the revenue levels generated by the rates are sufficient to recover the costs of producing and transmitting electric energy including the repayment, within the period of cost recovery permitted by law, of the capital investment allocated to power and costs assigned by Acts of Congress to power for repayment; and (c) the assumptions and projections used in developing the rate components that are subject to Commission review. The Commission may require the Administrator to provide any information relevant to the Commission's confirmation and review function.

The Commission shall not review policy judgments and interpretations of laws and regulations made by the non-PMA power generating agencies (i.e., the Bureau of Reclamation, the Corps of Engineers, and the International Boundary and Water Commission). The Commission shall reject decisions of the PMA Administrators only if the Commission finds them to be arbitrary, capricious, or in violation of the law. *Provided,* That the Commission may reject decisions that are not in accord with: (a) The standards set forth in RA6120.2, or any revisions or modifications to such standards, adopted pursuant to the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) and the Department of Energy Organization Act (42 U.S.C. 7191), and (b) the standards set forth in any interagency agreement between the Administrator and the power generating agency that is applicable. Should the Commission reject such decisions, the PMA Administrator will have 30 days in which to seek rehearing.

4. In the event a rate developed by an Administrator is disapproved by the Commission, the Administrator shall, within 120 days or such additional time periods as the Commission may provide, submit to the Commission a substitute rate for action by the Commission under section 3 hereof.

A rate confirmed, approved, and placed in effect by the Deputy Secretary on an interim basis that is disapproved by the Commission shall remain in effect, as provided by the Deputy Secretary, until a substitute rate is confirmed and approved on a final basis by the Commission, unless the original interim rate has been superseded by a subsequent rate placed in effect on an interim basis. *Provided,* That if the Administrator does not file a substitute rate within 120 days or such greater time as the Commission may provide, and if the rate has been disapproved because the Commission determined that it would result in total revenues in excess of those required by law, the rate last previously confirmed and approved on a final basis will become effective on a date and for a period determined by the Commission, and revenues collected in excess of those generated by such rate during the interim period will be refunded with interest to the extent determined by the Commission. If a substitute rate confirmed and approved on a final basis by the Commission is lower than the rate in effect on an interim basis, any overpayment shall be refunded with interest as determined by the Commission. If a substitute rate confirmed and approved on a final basis by the Commission is higher than the rate in effect on an interim basis, such rate, if no subsequent and higher rate has been put into effect by the Deputy Secretary, shall become effective on a subsequent date set by the Commission. If at any time it is determined by the Commission that the administrative cost of a refund would exceed the amount to be refunded, no refund will be required.

5. Notwithstanding any other provisions of this delegation order, there is hereby delegated to each Administrator the authority to develop and place into effect on a final basis rates for short-term sales of capacity, energy, or transmission service. Short-term sales are those sales that last no longer than one year.

6. For the Alaska Power Administration, the Southeastern Power Administration, the Southwestern

Power Administration, and the Western Area Power Administration: .

A. All rates placed into effect on a final basis pursuant to any authority delegated prior to this order shall remain in full force and effect.

B. Rates filed on or before the effective date of this order, and for which the Commission has issued any substantive orders, will be governed by the terms of Amendment No. 2 to Delegation Order No. 0204–108 until placed in effect the Commission on a final basis.

C. Rates filed under previous delegation orders for which the Commission has not issued any substantive orders on or before the effective date of this order will be governed by the terms of this delegation order.

7. In exercising the authority delegated by this order, the delegates shall be governed by the rules and regulations of the Department of Energy and the policies and procedures prescribed by the Secretary or the Secretary's delegates.

8. Nothing in this order shall preclude the Secretary from exercising any of the authority delegated to the Deputy Secretary and the Administrators whenever in the Secretary's judgment the exercise of such authority is necessary or appropriate to administer the functions vested in the Secretary.

9. For the Alaska Power Administration, the Southeastern Power Administration, the Southern Power Administration, and the Western Area Power Administration:

A. All rates place into effect on a final basis pursuant to any authority delegated pursuant to Delegation Order No. 0204–108 as such order existed prior to the effective date of Amendment No. 3 thereto shall remain tin full force and effect.

B. All rates filed before the effective date of Amendment No. 3 to Delegation Order No. 0204–108 which rates, as of the effective date of said Amendment No. 3, are in effect but which have not been placed in effect on a final basis, shall continue in effect subject to the provisions of this amended Delegation Order. In no event shall any rates which have been filed on or before the effective date of Amendment No. 3 of Delegation Order No. 0204–108 be invalidated solely by virtue of the change in the delegation of authority from the Assistant Secretary of Conservation and Renewable Energy to the Deputy Secretary, provided for in said Amendment. All actions heretofore taken by the Assistant Secretary for Conservation and Renewable Energy pursuant to Delegation Order No. 0204–108 with respect to such rates are hereby confirmed, and such rates shall not be subject to challenge on the ground that any such actions were taken by the Assistant Secretary for Conservation and Renewable Energy rather than by the Deputy Secretary.

C. All rates filed on and after the effective date of Amendment No. 3 to Delegation Order No. 0204–108 shall be governed by that order as thus amended.

10. This amended order becomes effective upon publication in the **Federal Register**.

Issued in Washington, DC, November 4, 1993.

Hazel R. O'Leary,

Secretary of Energy.

[FR Doc. 93–27718 Filed 11–9–93; 8:45 am]

BILLING CODE 6450–01–M

Record of Decision For Remedial Action at the Chemical Plant Area of the Weldon Spring Site Remedial Action Project, St. Charles County, MO

AGENCY: Department of Energy.

ACTION: Notice of Record of Decision.

SUMMARY: Today's notice publishes the Declaration statement of the Record of Decision signed by the Department of Energy (DOE) on September 13, 1993. DOE's decision was approved by the U.S. Environmental Protection Agency on September 28, 1993, and as the lead agency for the State of Missouri, the Missouri Department of Natural Resources concurred on the preferred remedy for the chemical plant area of the Weldon Spring site. This decision was made under the authority of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended. For remedial actions, it is DOE's policy to integrate the values of the National Environmental Policy Act (NEPA) into the procedural and documentation requirements of CERCLA, wherever practical. To support the cleanup decisions for contaminated material at the chemical plant area, the DOE prepared an integrated remedial investigation/feasibility study-environmental impact statement (DOE/EIS–0185) in accordance with DOE policy. Subsequent to the public involvement opportunities on the draft and final remedial investigation/feasibility study-environmental impact statement documents, and having considered all comments received, the DOE has selected a remedy that was documented in the joint CERCLA/NEPA Record of Decision. DOE is publishing this Declaration statement of the joint CERCLA/NEPA Record of Decision, as originally signed in September 1993, for NEPA purposes as specified in the DOE NEPA regulations [10 CFR 1021.315(c)].

FOR FURTHER INFORMATION CONTACT: For further information on remedial actions at the Weldon Spring site, contact: Mr. Stephen H. McCracken, Project Manager, Weldon Spring Site Remedial Action Project, U.S. Department of Energy, 7295 Highway 94 South, St. Charles, Missouri 63304, (314) 441–8978.

For further information on the DOE NEPA process, contact: Ms. Carol M. Borgstrom, Director, Office of NEPA Oversight, EH–25, U.S. Department of Energy, 1000 Independence Ave, SW., Washington, DC 20585, (202) 586–4600 or (800) 472–2756.

Issued in Washington, DC this 5th day of November, 1993.

Clyde W. Frank,

Acting Deputy Assistant Secretary for Environmental Restoration and Waste Management.

Record of Decision for Remedial Action at the Chemical Plant Area of the Weldon Spring Site Remedial Action Project, St. Charles County, MO

The following is the Declaration statement of the joint CERCLA/NEPA Record of Decision for the chemical plant area of the Weldon Spring site signed by DOE on September 13, 1993.

Declaration

Site Name and Location

Weldon Spring Site, St. Charles County, Missouri 63304

Statement of Basis and Purpose

This decision document presents the selected remedial action for the chemical plant area of the Weldon Spring site in St. Charles County, Missouri. This remedial action was selected in accordance with the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended, and to the extent practicable, the National Oil and Hazardous Substances Pollution Contingency Plan (NCP), 40 CFR part 300.

In making this decision, it is the U.S. Department of Energy's (DOE's) policy to integrate National Environmental Policy Act (NEPA) values into the CERCLA remedial action process; however, it is not the intent of the DOE to make a statement on the legal applicability of the NEPA to CERCLA actions. This single document is intended to serve as the DOE's Record of Decision (ROD) under both the CERCLA and the NEPA.

The decision presented herein is based on the information available in the Administrative Record maintained in accordance with the CERCLA. The decision is also based on the issuance of the Proposed Plan for Remedial Action at the Chemical Plant Area of the Weldon Spring Site (DOE 1992a), holding a public meeting to receive comments on the Proposed Plan, and completion of the Remedial Investigation/Feasibility Study-Final Environmental Impact Statement (RI/FS-Final EIS). In addition, the DOE has considered all comments received on the Proposed Plan and the RI/FS-Final EIS documents in the preparation of the ROD.

As the lead agency for the State of Missouri regarding the Weldon Spring Site Remedial Action Project, the Missouri Department of Natural Resources concurs that Alternative 6a: Removal, Chemical Stabilization/Solidification and Disposal On Site is the preferred remedy for the chemical plant area of the Weldon Spring site, and also concurs with applicable and/or relevant and appropriate requirements (ARARs) and waivers.

Assessment of the Site

Actual or threatened releases of hazardous substances from this site, if not addressed by implementing the response action selected in the ROD, may present a threat to human health and the environment.

Description of the Remedy

The chemical plant operable unit remedial action is the third of five major response actions planned for the chemical plant area. Previous response actions included a removal action involving the decontamination and dismantlement of site structures with short-term storage of the material on site until selection of a disposal option in this ROD and a removal action to treat impounded surface water. In addition, bulk waste material from the Weldon Spring Quarry is being placed in temporary storage on site until the selection of a disposal option.

This operable unit addresses the various sources of contamination at the chemical plant area including soils, sludge, sediment, and materials placed in short-term storage as a result of previous response actions.

This remedial action uses treatment to address the principal threat remaining at the site, (e.g., raffinate pit sludges and certain soil from the quarry). The major components of this remedy are:

- Dredge sludge from the raffinate pits, excavate sediment from Frog Pond and Ash Pond and three off-site lakes, and excavate soil from specific locations (including two former dump areas, locations adjacent to the chemical plant buildings on site, and 10 vicinity properties off site) using standard construction equipment and procedures.
- Remove material stored at the temporary facilities on site (including bulk waste excavated from the quarry, treatment residuals from the water treatment plants at the quarry and the chemical plant area, and building material from the chemical plant area) using standard construction equipment and procedures.
- Certain contaminated materials such as the raffinate pit sludges and portions of quarry soil will be treated on site by chemical stabilization/solidification. Treated and untreated materials will be disposed of on site in a facility designed and constructed specifically for the Weldon Spring site wastes.
- Continued evaluation of vitrification as a contingency treatment option.

In reaching the decision to implement this remedial alternative, DOE evaluated three other alternatives in addition to no action. The other alternatives are: (1) Removal, Vitrification, and Disposal On-site; (2) Removal, Vitrification, and Disposal at the Envirocare Facility; and (3) Removal Vitrification, and Disposal at the Hanford Reservation Facility. A description of the alternatives is provided in the Decision Summary of the ROD (attached) and is available in the *Administrative Record*. CERCLA's nine criteria (two threshold, five primary balancing, and two modifying criteria) set out in the NCP were used to evaluate the alternatives. The selected remedy and the contingency treatment option represent the best balance of key factors with respect to these criteria and are the environmentally preferable alternatives.

Short-term effectiveness, implementability, and cost are the key factors for selection of the preferred alternative. The short-term effectiveness of the selected remedy is greater than for the two alternatives that involve transportation of the waste to off-site locations. The selected remedial action is the most implementable of all the alternatives evaluated in detail because the chemical stabilization/solidification technology has been utilized at other sites and would use readily available resources. Finally, the selected remedy is the most cost effective of those alternatives evaluated.

Statutory Determinations

The selected remedy is protective of human health and the environment; it complies with Federal and State of Missouri requirements that are legally applicable or relevant and appropriate to the remedial action, except as specifically waived pursuant to CERCLA, as set forth below, and is cost effective. This remedy utilizes permanent solutions and alternative treatment (or resource recovery) technologies to the maximum extent practicable, and satisfies the CERCLA statutory preference for remedies that employ treatment that reduces toxicity, mobility, or volume as a principal element.

The following Federal and State of Missouri requirements are waived under this Record of Decision:

- *19 CSR 20–10.040*—State Rn–222 limit of 1 pCi/l above background in uncontrolled areas. CERCLA provision for waiver: Section 121(d)(4)(C).
- *40 CFR part 268, subpart E*—Land Disposal Restrictions (LDR) storage limitations. CERCLA provision for waiver: Section 121(d)(4)(C).
- *40 CFR part 268, subpart C*—LDR placement restrictions. CERCLA provision for waiver: Section 121(d)(4)(A).
- *10 CSR 25.5–262(2)(C)1*—packaging, marking, and labeling requirements. CERCLA provision for waiver: Section 121(d)(4)(A) and section 121(d)(4)(B).
- *40 CFR 761.75(b)(3)*—Toxic Substance Control Act (TSCA) requirements for bottom landfill liner. CERCLA provision for waiver: Section 121(d)(4)(D).
- *40 CFR 264.314(f)*—restrictions regarding free liquids in CSS grout placed in the disposal facility for purposes of disposing of CSS treated wastes and to fill voids of dismantlement debris. CERCLA provisions for waiver: Section 121(d)(4)(B) and Section 121(d)(4)(D).
- *40 CFR part 268.42, subpart D*—LDR treatment standards based upon use of a specified technology. CERCLA provision for waiver: Section 121(d)(4)(D).
- *40 CFR 61, subpart M*—National Emission Standards for Hazardous Air Pollutants (NESHAPs) requirements for asbestos storage. CERCLA provision for waiver: Section 121(d)(4)(B).
- *40 CFR 761.65(a)*—TSCA requirement for PCB storage and disposal. CERCLA provision for waiver: Section 121(d)(4)(A).

Because both the selected and contingency remedies would result in hazardous substances remaining on site above health-based levels (within the engineered disposal facility), a review

will be conducted within five years after this remedial action is complete in accordance with CERCLA to ensure that the remedy continues to provide adequate protection of human health and the environment.

All practicable means to avoid or minimize environmental harm from implementation of the selected remedy have been adopted. Excavation of contaminated soil in an area extending into the Schote Creek 100-year floodplain will be conducted using sediment controls to minimize off-site transport of contaminated materials and no net change in flood potential is expected due to these actions. A mitigation action plan will be prepared for dredging and excavation activities in areas considered to be wetlands to minimize adverse impacts. Final site layout and design will include all practicable means (e.g., sound engineering practices and proper construction practices) to minimize environmental impacts.

[FR Doc. 93-27716 Filed 11-9-93; 8:45 am]
BILLING CODE 6450-01-P

Federal Energy Regulatory Commission

[Docket No. QF92-171-001]

Northern Electric Power Co., L.P.; Application for Commission Certification of Qualifying Status of a Small Power Production Facility

November 4, 1993.

On October 26, 1993, Northern Electric Power Co., L.P. of Civic Center Plaza, suite 100, 5 Warren Street, Glens Falls, New York, 12801 submitted for filing an application for certification of a facility as a qualifying small power production facility pursuant to § 292.207(b) of the Commission's Regulations. No determination has been made that the submittal constitutes a complete filing.

According to the applicant, the small power production facility will be located on the Hudson River in the Town of Moreau County, New York, and The Village of Hudson Falls, Washington County, New York. The Hydroelectric facility will consist of two turbine generators with a total installed capacity of 36.1 MW and appurtenant facilities.

Any person desiring to be heard or objecting to the granting of qualifying status should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with rules 211 and 214 of the Commission's Rules of Practice and Procedure. All such motions or protests must be filed within 30 days after the date of publication of this notice in the **Federal Register** and must be served on the applicant. Protests will be considered by the Commission in determining the appropriate action to be taken but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Lois D. Cashell,

Secretary.

[FR Doc. 93-27648 Filed 11-9-93; 8:45 am]
BILLING CODE 6717-01-M

[Project Nos. 2448-011, 2447-008, 2449-007, 2453-003, 2450-005, and 2436-007 Michigan]

Consumers Power Co.; Availability of Draft Multiple Project Environmental Assessment

November 4, 1993.

In accordance with the National Environmental Policy Act of 1969 and the Federal Energy Regulatory Commission's (Commission's) regulations, 18 CFR part 380 (Order No. 486, 52 FR 47897), the Office of Hydropower Licensing has reviewed the six applications for major license for the existing Mio, Alcona, Loud, Five Channels, Cooke, and Foote Hydroelectric Projects, located on the Au Sable River in Oscoda, Alcona, and Iosco Counties, in east-central Michigan, and has prepared a Draft Multiple Project Environmental Assessment (MPEA) for the projects in cooperation with the U.S. Department of Agriculture, Forest Service, Huron-Manistee National Forests. In the draft MPEA, the Commission and Forest Service staffs analyzed the site-specific and cumulative environmental effects of the existing projects, as proposed in a Settlement Agreement reached between Consumers Power Company and the state and Federal resource agencies. The Commission staff has concluded that approval of the applications for new license, with appropriate enhancement measures, would not constitute a major Federal action significantly affecting the quality of the human environment.

Copies of the draft MPEA are available for review in the Public Reference Branch, room 3104, of the Commission's offices at 941 North Capitol Street, NE., Washington, DC 20426.

Please submit any comments within 45 days from the date of this notice and address to Lois D. Cashell, Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426. Please affix Project Nos. 2448, 2447, 2449, 2453, 2450, and 2436 to all comments. For further information, please contact Frank Karwoski, Environmental Coordinator, at (202) 219-2782.

Lois D. Cashell,

Secretary.

[FR Doc. 93-27647 Filed 11-9-93; 8:45 am]
BILLING CODE 6717-01-M

[Project No. 2146-063]

Alabama Power Co.; Application

October 22, 1993.

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

a. *Type of Application:* To Construct a Commercial Boat Pier.

b. *Project No:* 2146-063.

c. *Date Filed:* September 27, 1993.

d. *Applicant:* Alabama Power Company.

e. *Name of Project:* Coosa River Project.

f. *Location:* St. Clair County, Alabama.

g. *Filed Pursuant to:* Federal Power Act, 16 U.S.C. 791(a)-825(r).

h. *Applicant Contact:* Mr. R. M. Akridge, Alabama Power Company, 600 North 18th Street, Post Office Box 2641, Birmingham, AL 35291-0364, (205) 250-1380.

i. *FERC Contact:* Dan Hayes, (202) 219-2660.

j. *Comment Date:* December 10, 1993.

k. *Description of Project:* Alabama Power Company, licensee for the Coosa River Project, filed an application to permit the use of project lands for a commercial boat pier. The pier is to be located on lot 63 of the cooperative known as Coosa Island. The pier will be used to dock houseboats. The application states that the pier will be located on the site of a previously constructed 32-slip pier, which has been partially destroyed by a storm (four slips remain). The pier will be reconstructed to its original 299' length.

1. This notice also consists of the following standard paragraphs: B, C2, and D2.

Standard Paragraphs

B. Comments, Protests, or Motions to Intervene—Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of the Rules of Practice

and Procedure, 18 CFR 385.210, .211, .214. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

C2. Filing and Service of Responsive Documents—Any filings must bear in all capital letters the title "COMMENTS," "RECOMMENDATIONS FOR TERMS AND CONDITIONS," "NOTICE OF INTENT TO FILE COMPETING APPLICATION," "COMPETING APPLICATION," "PROTEST," or "MOTION TO INTERVENE," as applicable, and the Project Number of the particular application to which the filing refers. Any of these documents must be filed by providing the original and the number of copies provided by the Commission's regulations to: The Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426. A copy of a notice also be served upon each representative of the Applicant specified in the particular application.

D2. Agency Comments—Federal, state, and local agencies are invited to file comments on the described application. A copy of the application may be obtain by agencies directly from the Applicant. If an agency does not file comments within the time specified for filing comments, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

Lois D. Cashell,

Secretary.

[FR Doc. 93–27668 Filed 11–9–93; 8:45 am]

BILLING CODE 6717–01–M

[Docket No. RP93–191–001]

Algonquin Gas Transmission Company; Proposed Changes in FERC Gas Tariff

November 4, 1993.

Take notice that on November 1, 1993, Algonquin Gas Transmission Company (Algonquin) tendered for filing as part of its FERC Gas Tariff, Fourth Revised Volume No. 1, the following tariff sheet, with a proposed effective date of October 1, 1993:

Sub First Revised Sheet No. 97

Algonquin states that this tariff sheet is being filed in accordance with Commission's October 1, 1993 Letter Order in Docket No. RP93–191–000 and pursuant to section 37 of the General Terms and Conditions of Algonquin's FERC Gas Tariff. Algonquin states that the sole purpose of this filing is to allocate gas supply realignment costs approved for recovery in the October 1 Letter Order on the basis of customers MDTQs effective as of October 1, 1993.

Algonquin states that copies of this tariff filing were mailed to all customers of Algonquin and interested state commissions shown on Algonquin's system.

Any person desiring to protest said filing should file a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with 385.211 of the Commission's Rules and Regulations. All such protests should be filed on or before November 12, 1993. Protest will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on file with the Commission and are available for public inspection in the public reference room.

Lois D. Cashell,

Secretary.

[FR Doc. 93–27650 Filed 11–9–93; 8:45 am]

BILLING CODE 6717–01–M

[Docket Nos. RP93–88–004 and RP93–3–007]

Arkla Energy Resources Company; Proposed Changes in FERC Gas Tariff

November 4, 1993.

Take notice that on November 1, 1993, Arkla Energy Resources Company (AER) tendered for filing as part of its FERC Gas Tariff, the following revised tariff sheets, effective June 1, 1993:

Second Revised Volume No. 1,
2nd Sub Nineteenth Revised Sheet No. 11
Second Revised Volume No. 1,
2nd Sub Nineteenth Revised Sheet No. 16
First Revised Volume No. 1–A,
Substitute Seventh Revised Sheet No. 5,
and the following revised tariff sheets to be effective July 1, 1993:
Second Revised Volume No. 1,
Substitute Twentieth Revised Sheet No. 11
Second Revised Volume No. 1,
Substitute Twentieth Revised Sheet No. 16

AER states that these revised tariff sheets are filed to reconcile AER's rates in Docket Nos. RP93–88 and TQ93–3–31 with the Stipulation and Agreement (Stipulation) approved by Commission order in Docket No. RP93–3–004 on September 23, 1993.

AER states that copies of the filing has been mailed to each of AER's customers and interested state commissions.

Any person desiring to protest said filing should file a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street NE., Washington, DC 20426, in accordance with Rule 211 of the Commission's Rule of Practice and Procedure (18 CFR 385.211). All such protests should be filed on or before November 12, 1993. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on file with the Commission and are available for public inspection.

Lois D. Cashell,

Secretary.

[FR Doc. 93–27649 Filed 11–9–93; 8:45 am]

BILLING CODE 6717–01–M

[Docket No. RP94–42–000]

Gulf States Transmission Corporation; Petition for Waiver of Certificate Condition

November 4, 1993.

Take notice that on November 1, 1993, Gulf States Transmission Corporation (GSTC), pursuant to section 385.207 of the Commission's rules of practice and procedure, 18 CFR 385.207, and the Commission's Order Issuing Certificates issued July 26, 1990,[1] filed a petition for waiver of certificate condition.

GSTC states that Ordering Paragraph 4(a) of the GSTC certificate order provides that GSTC must make a section 4 rate filing at the end of the first 3 years of operation to justify its rates and, in particular, to determine the appropriateness of seasonally-differentiated and mileage-based rates. The GSTC system was officially placed in service on November 1, 1990, and, therefore, GSTC is required to make a rate filing on or before November 1, 1993.

GSTC states that the requests waiver of the July 26, order is twofold:

(i) due to the underutilization of the system, GSTC's operations have been relatively unchanged since the issuance of its certificate such that an exhaustive rate review is not warranted at this time. Further, the system has just undergone a detailed FERC review pursuant to Order No. 636;

(ii) the system's underutilization has left the company financially strapped, such that the expense of presenting a section 4 full rate case would exhaust scarce funds which

[1] 52 FERC ¶61,068.

should be used to maintain system operations.

GSTC states that in light of the financial condition of the company, imposition of a full rate justification proceeding would impose a heavy financial burden on an already underutilized and financially strapped pipeline, requests that the Commission grant its petition and waive the certificate order's rate filing requirement.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street NE., Washington, DC 20426, in accordance with 18 CFR 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests should be filed on or before November 12, 1993. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the public reference room.

Lois D. Cashell,

Secretary.

[FR Doc. 93-27651 Filed 11-9-93; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. ER92-850-003]

Louis Dreyfus Electric Power Inc.; Informational Filing

November 4, 1993.

Take notice that on August 25, 1993, Louis Dreyfus Electric Power Inc. filed certain information as required by the Commission's December 2, 1992 order in Docket No. ER92-850-000, 61 FERC ¶ 61,303.

Lois D. Cashell,

Secretary.

[FR Doc. 93-27645 Filed 11-9-93; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. MT90-8-007]

Mississippi River Transmission Corp.; Proposed Changes in FERC Gas Tariff

November 4, 1993.

Take notice that on October 29, 1993, Mississippi River Transmission Corporation (MRT) tendered for filing as part of its FERC Gas Tariff, Third Revised Volume No. 1, First Revised Sheet No. 249, with a proposed effective date of November 1, 1993.

MRT states that this filing is being made to revise its tariff to report organizational changes that are necessary to reflect the restructuring of MRT's sales and transportation services in accordance with Order Nos. 636, *et seq.* and Order No. 497, *et seq.* MRT's filing indicates that it has activated its subsidiary, MRT Energy Marketing Company, to offer unbundled sales and sales-related services beginning November 1, 1993.

MRT states that copies of its filing are available for inspection at its St. Louis Offices and have been mailed to all affected customers.

Any person desiring to protest the subject filing should file a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with Section 385.211 of the Commission's Rules of Practice and Procedure, 18 CFR 385.211. All such protests should be filed on or before November 12, 1993. Protests will be considered by the Commission in determining the appropriate action to taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on file with the Commission and available for public inspection.

Lois D. Cashell,

Secretary.

[FR Doc. 93-27646 Filed 11-9-93; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP94-44-000]

National Fuel Gas Supply Corporation; Proposed Changes in FERC Gas Tariff

November 4, 1993.

Take notice that on October 29, 1993, National Fuel Gas Supply Corporation (National Fuel) tendered for filing as part of its FERC Gas Tariff, Third Revised Volume No. 1, the following tariff sheets, with a proposed effective date of November 1, 1993:

First Revised Sheet No. 5
First Revised Sheet No. 17
First Revised Sheet No. 18

National Fuel states that the purpose of the tariff sheets is to establish a surcharge applicable to FT services resulting from the conversion of the firm transportation service provided by National Fuel under Rate Schedule X-58 from part 157 to part 284 service.

National Fuel states that copies of the filing were served upon the affected customers of Transcontinental Gas Pipe Line Corporation, all parties to Docket No. RS92-21, and the regulatory commissions of the States of New York, Ohio, Pennsylvania, Delaware, Massachusetts and New Jersey.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with 18 CFR 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests should be filed on or before November 12, 1993. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the public reference room.

Lois D. Cashell,

Secretary.

[FR Doc. 93-27652 Filed 11-9-93; 8:45 am]

BILLING CODE 6717-01-M

Office of Fossil Energy

[Docket No. FE C&E 93-24—Certification Notice—124]

Filing Certification of Compliance: Coal Capability of New Electric Powerplant Powerplant and Industrial Fuel Use Act

AGENCY: Office of Fossil Energy, Department of Energy.

ACTION: Notice of filing.

SUMMARY: Yuma Cogeneration Associates has submitted a coal capability self-certification pursuant to section 201 of the Powerplant and Industrial Fuel Use Act of 1978, as amended.

ADDRESSES: Copies of self-certification filings are available for public inspection upon request in the Office of Fuels Programs, Fossil Energy, room 3F-056, FE-52, Forrestal Building, 1000 Independence Avenue, SW., Washington, DC 20585.

FOR FURTHER INFORMATION CONTACT: Ellen Russell at (202) 586-9624.

SUPPLEMENTARY INFORMATION: Title II of the Powerplant and Industrial Fuel Use Act of 1978 (FUA), as amended (42 U.S.C. 8301 et seq.), provides that no new baseload electric powerplant may be constructed or operated without the capability to use coal or another alternate fuel as a primary energy source. In order to meet the requirement of coal capability, the owner or operator of such facilities proposing to use natural gas or petroleum as its primary

energy source shall certify, pursuant to FUA section 201(d), to the Secretary of Energy prior to construction, or prior to operation as a base load powerplant, that such powerplant has the capability to use coal or another alternate fuel. Such certification establishes compliance with section 201(a) on the day it is filed with the Secretary. The Secretary is required to publish a notice in the **Federal Register** that a certification has been filed. The following owner/operator of a proposed new baseload powerplant has filed a self-certification in accordance with section 201(d).

Owner: Yuma Cogeneration Associates
Operator: California Energy Company, Inc.
Location: Yuma, AZ
Plant Configuration: Combined cycle cogeneration
Capacity: 52.89 megawatts
Fuel: Natural gas
Purchasing Utilities: San Diego Gas and Electric Company
Expected In-Service Date: July 1, 1994

Issued in Washington, DC, November 4, 1993.

Anthony J. Como,

Director, Office of Coal & Electricity, Office of Fuels Programs, Office of Fossil Energy.

[FR Doc. 93-27717 Filed 11-9-93; 8:45 am]

BILLING CODE 6450-01-M

ENVIRONMENTAL PROTECTION AGENCY

[FRL-4799-7]

Notice of Establishment of the National Environmental Justice Advisory Council and Request for Suggestions of Candidates for Membership

SUMMARY: The U.S. Environmental Protection Agency (EPA) hereby announces the establishment of the National Environmental Justice Advisory Council and requests suggestions of candidates for membership. The Advisory Council provides advice and information to the Administrator on broad, cross-cutting domestic environmental justice policies and issues. The membership of the Advisory Council is comprised of senior officials drawn from community based groups; industry and business; Federal, State, Tribal and, local government organizations; academic and educational institutions; and non-governmental and environmental groups.

DATE: Submit suggestions of candidates no later than December 10, 1993. Any interested person or organization may submit the names of qualified persons. Suggested candidates should be identified by name, occupation, position, organization, address and telephone number. Candidates must submit a resume of their background, experience and other relevant information.

ADDRESSES: Submit suggested candidates to:

Office of Environmental Equity, Mail Code (3103), U.S. Environmental Protection Agency, 401 M Street SW., Washington, DC 20460.

Attn: Clarice E. Gaylord, Director, Office of Environmental Equity.

FOR FURTHER INFORMATION CONTACT: Mustafa Ali at the above address or call 202-260-6357. The Agency will not formally acknowledge or respond to suggestions.

SUPPLEMENTARY INFORMATION: Copies of the Advisory Council Charter are available upon request. The Advisory Council provides advice, consultations and makes recommendations on a continuing basis to the Administrator. The Council is also focusing on creating mutually supportive partnerships and increasing communication among all levels of government, the business community and academic institutions to improve the effectiveness of federal and non-federal resources directed at solving environmental equity problems. The Advisory Council meets at least twice a year. Most members are appointed as representatives of non-federal interests. No honoraria or salaries are provided for members of the Advisory Council. Compensation for travel and per diem expenses while attending meetings may be provided. Members serve initial terms of one year.

Suggestion for the list of candidates should be submitted no later than December 10, 1993.

Dated: November 4, 1993.

Carol M. Browner,

Administrator.

[FR Doc. 93-27709 Filed 11-9-93; 8:45 am]

BILLING CODE 6560-50-P

[OPP-50771; FRL-4639-6]

Receipt of Notification to Conduct Small-Scale Testing of a Nonindigenous Microbial Pesticide

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: EPA has received an application (NMP No. 60219-NMP-REU) from the United States Department of Agriculture of intent to conduct small-scale field testing of a nonindigenous microbial pesticide (NMP) microsporidian, microbial pesticide (*Edhazardia aedis*). The Agency has determined that the application may be of regional and national significance. Therefore, in accordance with 40 CFR 172.11(a), the Agency is soliciting public comments on this application.

DATES: Written comments must be received on or before December 10, 1993.

ADDRESSES: Comments in triplicate must bear the docket control number OPP-50771 and be submitted to: Public Response and Program Resources Branch, Field Operations Division (7506C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. In person bring comments to: Rm. 246, CM #2, 1921 Jefferson Davis Highway, Arlington, VA.

Information submitted in any comment(s) concerning this notice may be claimed confidential by marking any or all of that information as "Confidential Business Information" (CBI). Information so marked, will not be disclosed except in accordance with procedures set forth in 40 CFR part 2. A copy of the comment(s) that does not contain CBI must be submitted for inclusion in the record. Information not marked confidential may be disclosed publicly by EPA without prior notice to the submitter. Information on the proposed test and all written comments will be available for public inspection in Rm. 246 at the Virginia address given above, from 8 a.m. to 4 p.m., Monday through Friday, excluding legal holidays.

FOR FURTHER INFORMATION CONTACT: By mail: Phillip Hutton, Product Manager (PM) 18, Registration Division (7505C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. Office location and telephone number: Rm. 213, CM #2, 1921 Jefferson Davis Highway, Arlington, VA (703-305-7690).

SUPPLEMENTARY INFORMATION: An application for an NMP has been received from the United States Department of Agriculture. This NMP application EPA file symbol is 55947-NMP-REU. The proposed small-scale field trial will involve the introduction of *Edhazardia aedis* (*Microspora: Culicosporidae*), a microsporidian pathogen of *Aedes aegypti* from Thailand, as an introduced microbial control agent for container-inhabiting mosquitoes in Florida and Puerto Rico. In addition, the testing will take place in Gainesville, Florida, and at

unspecified locations in southern Florida and Champaign, Illinois. *Edhazardia aedis* spores will be inoculated into 10 to 25 percent of the water containers at each test site. Test sites will be isolated from other potential mosquito breeding areas to minimize *Edhazardia aedis* spread from the test areas. Larvae, pupae and adult mosquitoes (target and nontarget species) will be examined for prevalence and spread of infection. Following the 6–month test period, the container (golf cart tires) will be cleansed with sodium hypochlorite to kill the *Edhazardia aedis*.

Dated: September 20, 1993.

Lawrence E. Culleen,

Acting Director, Registration Division, Office of Pesticide Programs.

[FR Doc. 93–27706 Filed 11–9–93; 8:45 am]

BILLING CODE 6560–50–F

[OPP–180906; FRL 4742–3]

Receipt of Application for Emergency Exemption to use Hymexazol; Solicitation of Public Comment

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: EPA has received a specific exemption request from the Wyoming Department of Agriculture (hereafter referred to as the "Applicant") for use of the fungicide Tachigaren 70 WP Hymexazol as a seed treatment to control sugarbeet seedling disease caused by *Aphanomyces cochlioides*. If approved, application of hymexazol would occur in Wyoming and the treated sugarbeet seed would be planted in Minnesota and North Dakota. In accordance with 40 CFR 166.24, EPA is soliciting public comment before making the decision whether or not to grant the exemption.

DATES: Comments must be received on or before November 26, 1993.

ADDRESSES: Three copies of written comments, bearing the identification notation "OPP–180906," should be submitted by mail to: Public Response and Human Resource Branch, Field Operations Division (7506C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, D.C. 20460. In person, bring comments to: Rm. 1128, Crystal Mall #2, 1921 Jefferson Davis Highway, Arlington, VA. Information submitted in any comment concerning this notice may be claimed confidential by marking any part or all of that information as "Confidential Business Information." Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2. A copy of the comment that does not contain Confidential Business Information must be provided by the submitter for inclusion in the public record. Information not marked confidential may be disclosed publicly by EPA without prior notice. All written comments filed pursuant to this notice will be available for public inspection in Rm. 1128, Crystal Mall #2, 1921 Jefferson Davis Highway, Arlington, VA, from 8 a.m. to 4 p.m., Monday through Friday, except legal holidays.

FOR FURTHER INFORMATION CONTACT: By mail: Larry Fried, Registration Division (7505W), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, D.C. 20460. Office location and telephone number: 6th Floor, Crystal Station I, 2800 Jefferson Davis Highway, Arlington, VA 22202, (703–308–8328).

SUPPLEMENTARY INFORMATION: Pursuant to section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) (7 U.S.C. 136p), the Administrator may, at her discretion, exempt a State agency from any registration provision of FIFRA if she determines that emergency conditions exist which require such exemption. The Applicant has requested the Administrator to issue a specific exemption for the use of the fungicide hymexazol, available as Tachigaren 70 WP Fungicide from Sankyo Company, Ltd., to control seedling disease, caused by *Aphanomyces cochlioides* on up to 60,000 units of seed. Information in accordance with 40 CFR part 166 was submitted as part of this request. According to the Applicant, seedling disease has become a serious problem in the sugarbeet growing areas of Minnesota and North Dakota during the past few years due to abnormally wet spring growing conditions which facilitated the transmission of *Aphanomyces cochlioides*. According to the Applicant, there are no economically or environmentally feasible alternative practices that could adequately address this situation. No seed treatment fungicides are registered for control of this disease on sugarbeet.

If approved, all seed would be treated in commercial seed treatment plants designed for processing of pelleted sugarbeet seed. Tachigaren 70 WP would be applied at a rate of 45 grams per unit of pelleted sugarbeet seed. A maximum of one application per seed lot would be allowed. A planting rate of approximately one unit of seed per acre would equal approximately 60,000 units of seed treated. Approximately 4,167 pounds of active ingredient (a.i.) would be utilized. The applicant intends to use Tachigaren 70 WP for 1-year if this section 18 is approved.

This notice does not constitute a decision by EPA on the application itself. The regulations governing section 18 require that the Agency publish a notice of receipt in the **Federal Register** and solicit public comment on an application for a specific exemption proposing use of a new chemical (i.e., an active ingredient not contained in any currently registered pesticide) [40 CFR 166.24(a)(1)]. Hymexazol is a new chemical. Accordingly, interested persons may submit written views on this subject to the Field Operations Division at the address above. The Agency will review and consider all comments received during the comment period in determining whether to issue the emergency exemption requested by the Wyoming Department of Agriculture.

List of Subjects

Environmental protection, Pesticide and pests, Crisis exemptions.

Dated: October 27, 1993.

Stephen L. Johnson,

Acting Director, Registration Division, Office of Pesticide Programs.

[FR Doc. 93–27102 Filed 11–9–93; 8:45 am]

BILLING CODE 6560–50–F

[FRL–4798–3]

State of Maryland's Submission of a Substantial Program Revision to its Authorized National Pollutant Discharge Elimination System (NPDES) Program

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of revision, public comment period, and opportunity to request a public hearing.

SUMMARY: The State of Maryland has submitted amendments to its Code of Maryland Regulations (COMAR) (adopted by the Secretary of the Environment on May 6, 1993) (hereinafter the Maryland Regulation Revisions) to EPA for review as a revision to the State's authorized National Pollutant Discharge Elimination System (NPDES) program. Under COMAR 26.08.03 Discharge Limitations, the State is adopting section .07, and under COMAR 26.08.04 Permits the State is adopting section .02–1. EPA has determined that the Maryland Regulation Revision constitutes a substantial revision to Maryland's authorized NPDES program.

Accordingly, EPA requests public comment and is providing notice of an opportunity to request a public hearing on the submitted regulation pursuant to 40 CFR 123.62(b) and part 25. EPA seeks public comments on whether to approve or disapprove the revisions to Maryland's authorized NPDES program, and a public hearing will be held if there is significant public interest based on the requests received. Copies of the Maryland Regulation Revisions are available for public inspection as indicated below.

DATES: Comments and/or requests for public hearing must be received before December 5, 1993.

ADDRESSEES: Comments should be addressed to Denise Hakowski, U.S. EPA, Region III, 3WM55, 841 Chestnut Street, Philadelphia, Pennsylvania 19107.

FOR FURTHER INFORMATION CONTACT: Denise Hakowski, (215) 597–8242, at the above address.

SUPPLEMENTARY INFORMATION: Section 402 of the Federal Clean Water Act (CWA) created the NPDES program under which the Administrator of EPA may issue permits for the discharge of pollutants into the water of the United States under conditions required by the CWA. Section 402(b) allows states to assume NPDES program responsibilities upon approval by EPA. On September 5, 1974, Maryland received approval from EPA to assume the NPDES program; the State then received the authority to administer the following NPDES programs 6789on the dates indicated: the Pretreatment Program on September 30, 1985; the Federal Facilities Program on November 11, 1987; and the General Permits program on September 30, 1991.

EPA has issued regulation in 40 CFR part 123 that establishes the requirements for NPDES State Programs. Section 123.62 establishes procedures for revision of authorized NPDES State Programs. Under § 123.62(a), a state may initiate a program revision and must keep EPA informed of proposed modifications to its regulatory authority. In June 1993, the State of Maryland submitted its regulation revisions for formal review by EPA. Under § 123.62(b)(1), a state program submittal is complete whenever the State submits such documents as EPA determine are necessary under the circumstances. In this instance, EPA has determined that the state submission is complete. Section 123.62(b)(2) requires EPA to issue public notice by publication in the **Federal Register** and in newspapers having Statewide coverage, and to provide a period of public comment of at least 30 days whenever the Agency determines that a program revision is substantial. EPA has determined that the Maryland Regulation Revision, which is described below, constitutes a substantial revision to Maryland's NPDES program. Section 123.62(b)(2) also requires EPA to hold a public hearing regarding the proposed revision "if there is significant public interest based on requests received."

The Maryland Regulation Revision includes amendments to Regulation .07 under COMAR 26.08.03 that adopt requirements for technology-based whole effluent toxicity testing. The revision also adopts Regulation .02–1 under COMAR 26.08.04. This revision allows for the following: (1) A discharge permit limits can, under limited circumstances, be based on the concentration in the intake water for non-contact cooling water; and, (2) a one time allowance to address increased pollutant discharge in excess of applicable water quality standards due to corrosion and erosion in noncontact cooling water condenser tubes. In most cases, the discharger must commit to replacing the condenser tubes with tubes made from noncorrosive materials within one five year discharge permit cycle. At the close of the public comment period (including, if necessary, the public hearing), the EPA Regional Administrator, with the concurrence of the Associate General Counsel for Water and the Director of the Office of Wastewater Enforcement and Compliance, will decide whether to approve or disapprove the Maryland Regulation Revision as a revision to the Maryland NPDES program. The decision to approve or disapprove will be based upon the requirements of the CWA and 40 CFR part 123. The Maryland Regulation Revision may be reviewed by the public from 8 a.m. to 4 p.m. at the EPA office in Philadelphia, Monday to Friday (excluding holidays), at the address appearing earlier in this notice. Copies of the submittal may be obtained for a fee by contacting Denise Hakowski at the above telephone number or address.

All comments or objections received by December 5, 1993, as discussed above, will be considered by EPA before taking final action on the program revision.

Please bring the foregoing to the attention of persons whom you know are interested in this matter. All written comments and questions on this matter should be addressed to Denise Hakowski at the above address or telephone number.

Dated: October 29, 1993.

Alvin R. Morris,

Acting Regional Administrator, Environmental Protection Agency, Region III.

[FR Doc. 93–27602 Filed 11–9–93; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL COMMUNICATIONS COMMISSION

[DA 93–1334; CC Docket No. 80–286]

Federal-State Joint Board to Convene an Open Meeting Tuesday, November 16, 1993

Released: November 5, 1993.

The Federal-State Joint Board in CC Docket No. 80–286 will convene an open public meeting on Tuesday, November 16, 1993, at 11 a.m. at the New York Marriott Marquis Hotel, Juilliard Complex, 5th Floor, 1535 Broadway, New York, New York. The meeting will be held to consider a Joint Board Recommended Decision addressing Interim Rules for the Universal Service Fund under part 36, subpart F, of the Commission's Rules. Interested persons may attend the meeting.

Additional information concerning this meeting may be obtained from Deborah Dupont, Common Carrier Bureau, FCC, at (202) 632–7500, or Gary Seigel, Common Carrier Bureau, FCC, at (202) 634–1861.

Federal Communications Commission.

William F. Caton,

Acting Secretary.

[FR Doc. 93–27804 Filed 11–9–93; 8:45 am]

BILLING CODE 6712–01–M

[Report No. 1984]

Petitions for Reconsideration of Actions in Rulemaking Proceedings

November 5, 1993.

Petitions for reconsideration have been filed in the Commission rulemaking proceedings listed in this Public Notice and published pursuant to 47 CFR 1.429(e). The full text of these documents are available for viewing and copying in room 239, 1919 M Street, NW., Washington, DC or may be purchased from the Commission's copy contractor ITS, Inc. (202) 857–3800. Opposition to these petitions must be filed on November 26, 1993. See Section 1.4(b)(1) of the Commission's rules (47 CFR 1.4(b)(1)). Replies to an opposition must be filed within 10 days after the time for filing oppositions has expired.

Subject; Implementation of Sections of the Cable Television Consumer

Protection and Competition Act of 1992 (MM Docket No. 92–266). Petition for Reconsideration: Number of Petitions Filed: 1

Subject: Amendment of Parts 1 and 90 of the Communication's Rules Concerning the Construction, Licensing and Operation of Private Land Mobile Radio Systems (PR Docket No. 90–481). Petition for Reconsideration: Number of Petitions Filed: 1

Subject; Policies and Rules Concerning Local Exchange Carrier Validation and Billing Information for Joint Use Calling Cards (CC Docket No. 91–115). Petition for Reconsideration: Number of Petitions Filed: 1

Federal Communications Commission.

LaVera F. Marshall,

Acting Secretary.

[FR Doc. 93–27628 Filed 11–9–93; 8:45 am]

BILLING CODE 6712–01–M

FEDERAL MARITIME COMMISSION

Security for the Protection of the Public; Indemnification of Passengers for Nonperformance of Transportation; Notice of Issuance of Certificate (Performance)

Notice is hereby given that the following have been issued a Certificate of Financial Responsibility for Indemnification of Passengers for Nonperformance of Transportation pursuant to the provisions of Section 3, Public Law 89–777 (46 U.S.C. 817(e)) and the Federal Maritime Commission's implementing regulations at 46 CFR part 540, as amended:

Gold Star Cruises of Galveston, L.C., 2428 Avenue A, Pier 25, Galveston, Texas 77550.

Vessel: Star of Texas.

Dated: November 4, 1993.

Joseph C. Polking,

Secretary.

[FR Doc. 93–27626 Filed 11–9–93; 8:45 am]

BILLING CODE 6730–01–M

Trans-Pacific Policing Discussion; Agreement(s) Filed

The Federal Maritime Commission hereby gives notice of the filing of the following agreement(s) pursuant to section 5 of the Shipping Act of 1984.

Interested parties may inspect and obtain a copy of each agreement at the Washington, DC Office of the Federal Maritime Commission, 800 North Capitol Street, NW., 9th Floor. Interested parties may submit comments on each agreement to the Secretary, Federal Maritime Commission, Washington, DC 20573, within 10 days after the date of the **Federal Register** in which this notice appears. The requirements for comments are found in § 572.603 of Title 46 of the Code of Federal Regulations. Interested persons should consult this section before communicating with the Commission regarding a pending agreement.

Agreement No.: 203–011434.

Title: Trans-Pacific Policing Discussion Agreement.

Parties:

American President Lines, Ltd.
A.P. Moller-Maersk Line
Cho Yang Line
China Ocean Shipping Company
DSR–Senator Joint Service
Evergreen Marine Corp.
Hanjin Shipping Co., Ltd.
Hyundai Merchant Marine Co., Ltd.
Kawasaki Kisen Kaisha, Ltd.
Mitsui O.S.K. Lines, Ltd.
Neptune Orient Lines, Ltd.
Nippon Yusen Kaisha Line
Orient Overseas Container Line, Inc.
Sea-Land Service, Inc.
Transportacion Maritima Mexicana S.A. de C.V.
Wilhelmsen Lines AS
Yang Ming Marine Transport Corp.

Snyposis: The proposed Agreement authorizes the parties to discuss, agree, and exchange information on matters relating to self-policing and/or the terms and conditions for neutral body policing of the parties' obligations in the trans-pacific trades between ports and points in all countries in Asia (Japan/Myanmar range, inclusive) and ports and points in the United States (including Alaska, Hawaii, Puerto Rico and the U.S. Virgin Islands).

The parties have requested a shortened review period.

By Order of the Federal Maritime Commission.

Ronald D. Murphy,

Assistant Secretary.

[FR Doc. 93–27627 Filed 11–9–93; 8:45 am]

BILLING CODE 6730–01–M

Security for the Protection of the Public; Financial Responsibility To Meet Liability Incurred for Death or Injury to Passengers or Other Persons on Voyages; Issuance of Certificate (Casualty)

Notice is hereby given that the following have been issued a Certificate of Financial Responsibility to Meet Liability Incurred for Death or Injury to Passengers or Other Persons on Voyages pursuant to the provisions of section 2, Public Law 89–777 (46 U.S.C. 817(d)) and the Federal Maritime Commission's implementing regulations at 46 CFR part 540, as amended:

Gold Star Cruises of Galveston, L.C. and Sea Ways Maritime Company, 2428 Avenue A. Pier 25, Galveston, Texas 77550.

Vessel: Star of Texas.

Dated: November 5, 1993.

Joseph C. Polking,

Secretary.

[FR Doc. 93–27693 Filed 11–9–93; 8:45 am]

BILLING CODE 6730–01–M

Availability of List of Non-Vessel-Operating Common Carriers in Compliance With the Bonding Requirements

November 5, 1995.

Notice is given that a revised list of non-vessel-operating common carriers in compliance with the bonding requirements of 46 CFR part 583 is available. This list is effective five days after publication of this notice in the **Federal Register**. For copies of this list please contact: Office of Tariffs, Bureau of Tariffs, Certification and Licensing, 800 North Capitol Street, NW., Washington, DC 20573, (202) 523–5818.

Joseph C. Polking,

Secretary.

[FR Doc. 93–27684 Filed 11–9–93; 8:45 am]

BILLING CODE 6730–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Proposed Requirements for Content of AIDS-Related Written Materials, Pictorials, Audiovisuals, Questionnaires, Survey Instruments, and Educational Sessions in Centers for Disease Control and Prevention Assistance Programs, November 1993

AGENCY: Centers for Disease Control and Prevention (CDC), Public Health Service, Department of Health and Human Services.

ACTION: Request for comments.

SUMMARY: CDC requested comments in a December 18, 1992, **Federal Register** notice [57 FR 60209] regarding the experience of individuals and organizations with the "Interim Revision of Requirements for Content of AIDS-Related Written Materials, Pictorials, Audiovisuals, Questionnaires, Survey Instruments, and Educational Sessions." In response to those comments CDC is proposing new "Requirements for Content of AIDS-Related Written Materials,

Pictorials, Audiovisuals, Questionnaires, Survey Instruments, and Educational Sessions in Centers for Disease Control and Prevention Assistance Programs." CDC is now soliciting written comments with respect to this proposal.

DATES: Comments must be received by December 10, 1993.

ADDRESSES: Comments should be addressed to Mr. David Brownell, Office of the Associate Director for HIV/AIDS, Mail Stop E-40, Centers for Disease Control and Prevention (CDC), Atlanta, Georgia 30333.

FOR FURTHER INFORMATION CONTACT: Mr. David Brownell at (404) 639-2918.

SUPPLEMENTARY INFORMATION: For the past few years, the content guideline issue and the requirement that HIV prevention materials undergo a local review process have been associated with controversy. Several groups have called for changes in CDC's approach to the approval of HIV prevention and educational materials.

On December 18, 1992, CDC requested comments regarding the experience of individuals and organizations with the 1992 "Interim Revision of Requirements for Content of AIDS-Related Written Materials, Pictorials, Audiovisuals, Questionnaires, Survey Instruments, and Educational Sessions in Centers for Disease Control and Prevention Assistance Programs." A total of 62 comments were received. Based on those comments and program experience, CDC developed a draft proposal to replace the 1992 interim revision.

In mid-July 1993, the draft proposal was sent to those who responded to the December 1992 request for comments and to CDC HIV prevention/education grantees for review and comment. Based on comments received, CDC is proposing new requirements for grantees using CDC funds to produce and/or distribute new HIV prevention and education materials after January 1, 1994. These proposed requirements are not intended to be applied to materials produced or distributed before this date or previously approved materials.

The proposed requirements are as follows:

Proposed Requirements for Content of AIDS-Related Written Materials, Pictorials, Audiovisuals, Questionnaires, Survey Instruments, and Educational Sessions in Centers for Disease Control and Prevention Assistance Programs, November 1993

Basic Principles

Controlling the spread of HIV infection and AIDS requires the promotion of individual behaviors that eliminate or reduce the risk of acquiring and spreading the virus. Messages must be provided to the public that emphasize the ways by which individuals can fully protect themselves from acquiring the virus. These methods include abstinence from the illegal use of IV drugs and from sexual intercourse except in a mutually monogamous relationship with an uninfected partner. For those individuals who do not cease risky behavior, methods of reducing their risk of acquiring or spreading the virus must also be communicated. Such messages can be controversial.

State health and education agencies have primary responsibility for facilitating collaboration and coordination of their respective HIV prevention efforts, minimizing duplication by nongovernmental organizations and health/education agencies, and providing technical expertise for HIV prevention materials developed within their States. All parties are strongly encouraged to work collaboratively from the outset of material development to permit the thoughtful planning for implementation/dissemination of completed materials. Collaboration with appropriate representatives of the target communities will increase the effectiveness of HIV prevention materials.

Requirements

a. State and Directly-Funded Local Health and Education Agencies

State and directly-funded local health and education agencies are required to assure in their funding applications that, prior to their dissemination, all new materials produced and/or distributed after January 1, 1994, by these agencies or their contractors, using CDC funds, will be technically accurate and responsive to the HIV prevention needs of the target audience. State health/education agencies may delegate review authority to appropriate local health/education agencies. State health/education agencies are also required to assure in their funding applications that new materials submitted to them by community-based nongovernmental organizations will be reviewed in a timely manner to determine if the materials are technically accurate before their dissemination. State health/education agencies may delegate review authority to appropriate local health/education agencies.

b. Directly-Funded Community-Based Nongovernmental Organizations

Community-based nongovernmental organizations directly funded by CDC are required to assure in their funding applications that all new materials produced and/or distributed after January 1, 1994, using CDC funds, will be responsive to the HIV prevention needs of the target audience and will be submitted, before their dissemination, to the appropriate State health/education agency to determine if the materials are technically accurate. State health/education agencies may delegate review authority to appropriate local health/education agencies.

c. National Nongovernmental Organizations

National nongovernmental organizations are required to assure in their funding applications that all new materials produced and/or distributed after January 1, 1994, using CDC funds, will be technically accurate and responsive to the HIV prevention needs of the target audience. To promote coordination of HIV prevention efforts within States, national nongovernmental organizations must provide copies of materials produced and/or distributed with CDC funds to the appropriate State health/education agency for information purposes at least 4 weeks before the distribution of the materials in that State.

Dated: November 5, 1993.

Walter R. Dowdle,

Acting Director, Centers for Disease Control and Prevention (CDC).

[FR Doc. 93-27783 Filed 11-9-93; 8:45 am]

BILLING CODE 4160-18-P

Food and Drug Administration

[Docket No. 93M-0381]

Cabot Medical Corp.; Premarket Approval of Falope-Ring® Band and Applicator Systems

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing its approval of the application by Cabot Medical Corp., Langhorne, PA, for premarket approval, under section 515

of the Federal Food, Drug, and Cosmetic Act (the act), of Falope-Ring® Band and Applicator Systems. After reviewing the recommendation of the Obstetrics-Gynecology Devices Panel, FDA's Center for Devices and Radiological Health (CDRH) notified the applicant, by letter of September 29, 1993, of the approval of the application.

DATES: Petitions for administrative review by December 10, 1993.

ADDRESSES: Written requests for copies of the summary of safety and effectiveness data and petitions for administrative review to the Dockets Management Branch (HFA–305), Food and Drug Administration, rm. 1–23, 12420 Parklawn Dr., Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: Collin M. Pollard, Center for Devices and Radiological Health (HFZ–470), Food and Drug Administration, 1390 Piccard Dr., Rockville, MD 20850, 301–594–1180.

SUPPLEMENTARY INFORMATION: On December 7, 1987, Cabot Medical Corp., Langhorne, PA, 19047, submitted to CDRH an application for premarket approval of Falope-Ring® Band and Applicator Systems. The device is a contraceptive tubal occlusion device and introducer and is indicated for use for female sterilization (permanent contraception).

On March 29, 1988, the Obstetrics-Gynecology Devices Panel of the Medical Devices Advisory Committee, an FDA advisory committee, reviewed and recommended approval of the application. On September 29, 1993, CDRH approved the application by a letter to the applicant from the Acting Director of the Office of Device Evaluation, CDRH.

A summary of the safety and effectiveness data on which CDRH based its approval is on file in the Dockets Management Branch (address above) and is available from that office upon written request. Requests should be identified with the name of the device and the docket number found in brackets in the heading of this document.

Opportunity for Administrative Review

Section 515(d)(3) of the act (21 U.S.C. 360e(d)(3)) authorizes any interested person to petition, under section 515(g) of the act (21 U.S.C. 360e(g)), for administrative review of CDRH's decision to approve this application. A petitioner may request either a formal hearing under part 12 (21 CFR part 12) of FDA's administrative practices and procedures regulations or a review of the application and CDRH's action by an independent advisory committee of experts. A petition is to be in the form of a petition for reconsideration under § 10.33(b) (21 CFR 10.33(b)). A petitioner shall identify the form of review requested (hearing or independent advisory committee) and shall submit with the petition supporting data and information showing that there is a genuine and substantial issue of material fact for resolution through administrative review. After reviewing the petition, FDA will decide whether to grant or deny the petition and will publish a notice of its decision in the **Federal Register**. If FDA grants the petition, the notice will state the issue to be reviewed, the form of review to be used, the persons who may participate in the review, the time and place where the review will occur, and other details.

Petitioners may, at any time on or before December 10, 1993, file with the Dockets Management Branch (address above) two copies of each petition and supporting data and information, identified with the name of the device and the docket number found in brackets in the heading of this document. Received petitions may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday.

This notice is issued under the Federal Food, Drug, and Cosmetic Act (secs. 515(d), 520(h) (21 U.S.C. 360e(d), 360j(h))) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 5.10) and redelegated to the Center for Devices and Radiological Health (21 CFR 5.53).

Dated: October 29, 1993.

Joseph A. Levitt,

Deputy Director for Regulations Policy, Center for Devices and Radiological Health.

[FR Doc. 93–27622 Filed 11–9–93; 8:45 am]

BILLING CODE 4160–01–F

[Docket No. 93M–0382]

Alcon Laboratories, Inc.; Premarket Approval of PD 1343 Disinfecting Tablet With Unisol® Saline

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing its approval of the application by Alcon Laboratories, Inc., Fort Worth, TX, for premarket approval, under section 515 of the Federal Food, Drug, and Cosmetic Act (the act), of the PD 1343 Disinfecting Tablet with Unisol® Saline. FDA's Center for Devices and Radiological Health (CDRH) notified the applicant by letter of September 30, 1993, of the approval of the application.

DATES: Petitions for administrative review by December 10, 1993.

ADDRESSES: Written requests for copies of the summary of safety and effectiveness data and petitions for administrative review to the Dockets Management Branch (HFA–305), Food and Drug Administration, rm. 1–23, 12420 Parklawn Dr., Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: James F. Saviola, Center for Devices and Radiological Health (HFZ–460), Food and Drug Administration, 1390 Piccard Dr., Rockville, MD 20850, 301–427–2080.

SUPPLEMENTARY INFORMATION: On October 6, 1989, Alcon Laboratories, Inc., Fort Worth, TX 76134–2099, submitted to CDRH an application for premarket approval of the PD 1343 Disinfecting Tablet with Unisol® Saline. The PD 1343 Disinfecting Tablet is to be used with the Unisol® sterile saline solution provided with these tablets to chemically disinfect and store clear (untinted) daily and clear (untinted) extended wear soft (hydrophilic) contact lenses. In accordance with the provisions of section 515(c)(2) of the act as amended by the Safe Medical Devices Act of 1990, this premarket approval application (PMA) was not referred to the Ophthalmic Devices Panel, an FDA advisory panel, for review and recommendation because the information in the PMA substantially duplicates information previously reviewed by this panel. On September 30, 1993, CDRH approved the application by a letter to the applicant from the Acting Director of the Office of Device Evaluation, CDRH.

A summary of the safety and effectiveness data on which CDRH based its approval is on file in the Dockets Management Branch (address above) and is available from that office upon written request. Requests should be identified with the name of the device and the docket number found in brackets in the heading of this document.

Opportunity for Administrative Review

Section 515(d)(3) of the act (21 U.S.C. 360e(d)(3)) authorizes any interested person to petition, under section 515(g) of the act (21 U.S.C. 360e(g)), for administrative review of CDRH's decision to approve this application. A petitioner may request either a formal hearing under part 12 (21 CFR part 12) of FDA's administrative practices and procedures regulations or a review of the application and CDRH's action by an

independent advisory committee of experts. A petition is to be in the form of a petition for reconsideration under § 10.33(b) (21 CFR 10.33(b)). A petitioner shall identify the form of review requested (hearing or independent advisory committee) and shall submit with the petition supporting data and information showing that there is a genuine and substantial issue of material fact for resolution through administrative review. After reviewing the petition, FDA will decide whether to grant or deny the petition and will publish a notice of its decision in the Federal Register. If FDA grants the petition, the notice will state the issue to be reviewed, the form of review to be used, the persons who may participate in the review, the time and place where the review will occur, and other details.

Petitioners may, at any time on or before December 10, 1993, file with the Dockets Management Branch (address above) two copies of each petition and supporting data and information, identified with the name of the device and the docket number found in brackets in the heading of this document. Received petitions may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday.

This notice is issued under the Federal Food, Drug, and Cosmetic Act (secs. 515(d), 520(h) (21 U.S.C. 360e(d), 360j(h))) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 5.10) and redelegated to the Center for Devices and Radiological Health (21 CFR 5.53).

Dated: October 29, 1993.

Joseph A. Levitt,

Deputy Director for Regulations Policy, Center for Devices and Radiological Health.

[FR Doc. 93-27623 Filed 11-9-93; 8:45 am]

BILLING CODE 4160-01-F

Health Resources and Services Administration

Filing of Annual Report of Federal Advisory Committee

Notice is hereby given that pursuant to section 13 of Public Law 92-463, the Annual Report for the following Health Resources and Service Administration's Federal Advisory Committee has been filed with the Library of Congress:

Maternal and Child Health Research Grants Review Committee Copies are available to the public for inspection at the Library of Congress Newspaper and Current Periodical Reading Room, room 1026, Thomas Jefferson Building, Second Street and Independence Avenue, SE., Washington, DC. Copies may be obtained from: Gontran Lamberty, Dr. P.H., Executive Secretary, Maternal and Child Health Research Grants Review Committee, room 18-A55, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, Telephone (301) 443-2190.

Dated: November 4, 1993.

Jackie E. Baum,

Advisory Committee Management Officer, HRSA.

[FR Doc. 93-27674 Filed 11-9-93; 8:45 am]

BILLING CODE 4160-15-P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[CO-050-4210-04; COC-53601]

Realty Action; Correction

AGENCY: Bureau of Land Management, Interior.

ACTION: Correction of legal description.

SUMMARY: In notice document Federal Register 93-18273, on page 41101 in the Federal Register issue of Monday, August 2, 1993, the legal description of public lands to be exchanged should read as follows:

New Mexico principal Meridian, Colorado

T.34N., R.6E.
Sec. 21: SW¼NE¼, NW¼, NW¼SE¼;
Sec. 22: S½SW¼;
Sec. 26: Lots 1 and 2, W½W½;
Sec. 27: E½, E½W½.

The legal description for State of Colorado land to be acquired should be:

Sixth Principal Meridian, Colorado

T.28S., R.73W.
Sec. 16: All except M.S.16694.

Dated: October 29, 1993.

Stuart L. Freer,

Associate District Manager.

[FR Doc. 93-27633 Filed 11-9-93; 8:45 am]

BILLING CODE 4310-JB-M

[NV-930-4210-05; N-57581]

Notice of Proposed Conveyance of Public Land for Airport Purposes; Nevada

November 1, 1993.

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of realty action.

SUMMARY: The following public land in Lyon County, Nevada has been found suitable for conveyance to Lyon County for airport purposes under section 516 of the Airport and Airway Improvement Act of 1982 (49 U.S.C. 2215):

Mount Diablo Meridian

T. 18 N., R. 24 E.,
Sec. 23, SE¼SE¼SE¼ (within), (unsurveyed);
Sec. 24, S½SW¼;
Sec. 25, N½NW¼ (within), (unsurveyed);
Sec. 26, N½NE¼, SW¼NE¼.

Containing approximately 343.48 acres.

Conveyance of the land is consistent with applicable Federal and county land use plans and will help meet the needs of Lyon County. The land is not required for any Federal purpose.

The unsurveyed lands will be surveyed prior to conveyance.

The land will be conveyed subject to:

1. Reservation to the United States of a right-of-way for ditches or canals.
2. Reservation of all minerals to the United States.
3. The provisions of the Federal Aviation Administration regulations found in 14 CFR 154.13 (a) through (i).
4. All valid existing rights.
5. The condition that the property shall revert to the United States in the event that the lands are not developed for airport or airway purposes or are used in a manner inconsistent with the terms of the conveyance.

The airport is currently under lease (N-38849) to the Lahontan Airport Development Association. The lease will be terminated prior to the proposed conveyance.

The land is segregated by virtue of the existing airport lease. This notice continues the segregation of the above described public land from operation of the public land laws, including the mining laws. The segregative effect will end upon issuance of the conveyance.

DATES: December 27, 1993, interested parties may submit comments to the BLM State Director, P.O. Box 12000, Reno, Nevada 89520. Any adverse comments will be evaluated by the State Director who may sustain, vacate, or modify this realty action. In the absence of any objections, this realty action will become final.

FOR FURTHER INFORMATION CONTACT: Jo Hufnagle, Realty Specialist, BLM Carson City District, 702-885-6144.

Billy R. Templeton,

State Director, Nevada.

[FR Doc. 93-27639 Filed 11-9-93; 8:45 am]

BILLING CODE 4310-HC-M

[OR 49638; OR-080-04-4212-05: GP4-019]

Realty Action; Proposed Direct Sale

November 1, 1993.

The following described public land has been examined and determined to be suitable for transfer out of Federal ownership by direct sale under the

authority of sections 203 and 209 of the Federal Land Policy and Management Act of 1976, as amended (90 Stat. 2750; 43 U.S.C. 1713 and 90 Stat. 2757; 43 U.S.C. 1719), at not less than the appraised fair market value:

Willamette Meridian, Oregon

T. 11 S., R. 3 W.,
Sec. 1, Lot 11.

The above-described parcel contains 0.15 acre in Linn County.

The parcel will not be offered for sale until at least 60 days after publication of this notice in the **Federal Register**. The fair market value of the parcel has not yet been determined. Anyone interested in knowing the value may request this information from the address shown below.

The above-described land is hereby segregated from appropriation under the public land laws, including the mining laws; but not from sale under the above-cited statute, for 270 days or until title transfer is completed or the segregation is terminated by publication in the **Federal Register**, whichever occurs first.

The parcel is difficult and uneconomic to manage as part of the public lands and is not suitable for management by another Federal department or agency. No significant resource values will be affected by this transfer. Because of the parcel's relatively small size, its best use is to merge it with the surrounding ownership. The sale is consistent with the Eastside Management Framework Plan and the public interest will be served by offering this parcel for sale.

The parcel is being offered only to Joseph Jacob, an undivided ⅓ interest, Reed Jacob, an undivided ⅓ interest, and Fred C. Koos and Sue A. Koos, Trustees under the Fred C. Koos Revocable Living Trust dated April 24, 1993, and undivided ⅓ interest. Use of the direct sale procedures authorized under 43 CFR 2711.3–3, will avoid an inappropriate land ownership pattern.

The terms, conditions, and reservations applicable to the sale are as follows:

1. Fred C. Koos et al., will be required to submit a deposit of either cash, bank draft, money order, or any combination thereof for not less than the appraised value.

2. The mineral interests being offered for conveyance have no known mineral value. A bid will also constitute an application for conveyance of the mineral estate, in accordance with section 209 of the Federal Land Policy and Management Act. Fred C. Koos et al., must include with their bid a nonrefundable $50.00 filing fee for the conveyance of the mineral estate.

3. The patent will be subject to:

a. Rights-of-way for ditches or canals will be reserved to the United States under 43 U.S.C. 945.

b. All valid existing rights and reservations of record.

Detailed information concerning the sale is available for review at the Salem District Office, 1717 Fabry Road SE, Salem, Oregon 97306.

For a period of 45 days from the date of publication of this notice in the **Federal Register**, interested parties may submit comments to the Santiam Area Manager, Salem District Office, at the above address. Any adverse comments will be reviewed by the Salem District Manager, who may sustain, vacate, or modify this realty action. In the absence of any adverse comments, this realty action will become the final determination of the Department of the Interior.

Paul Jeske,

Santiam Area Manager.

[FR Doc. 93–27635 Filed 11–9–93; 8:45 am]

BILLING CODE 4310–33–M

Fish and Wildlife Service

Availability of Finding of No Significant Impact and Environmental Assessment and Receipt of an Application for an Incidental Take Permit for a Residential Development in Baldwin County, AL

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice.

SUMMARY: Sea Mist, Incorporated (Applicant), has applied to the Fish and Wildlife Service (Service) for an incidental take permit pursuant to section 10(a)(1)(B) of the Endangered Species Act (Act). The proposed permit would authorize for a period of 30 years the incidental take of an endangered species, the Alabama beach mouse (*Peromyscus polionotus ammobates*), known to occupy lands owned by the applicant in Gulf Shores, Baldwin County, Alabama.

The Service also announces the availability of an environmental assessment (EA) and habitat conservation plan (HCP) for the incidental take application. Copies of the EA or HCP may be obtained by making requests to the addresses below. The Service is soliciting data on *Peromyscus polionotus ammobates* in order to assist in the requirement of the intra-Service consultation. This notice also advises the public that the Service has made a preliminary determination that issuing the incidental take permit is not a major Federal action significantly affecting the quality of the human environment within the meaning of section 102(2)(C) of the National Environmental Policy Act of 1969, as amended. The Finding of No Significant Impact is based on information contained in the EA and HCP. The final determination will be made no sooner than 30 days from the date of this notice. This notice is provided pursuant to section 10(c) of the Act and National Environmental Policy Act Regulations (40 CFR 1506.6).

DATES: Written comments on the permit application, EA, and HCP should be received on or before December 10, 1993.

ADDRESSES: Persons wishing to review the application may obtain a copy by writing the Service's Southeast Regional Office, Atlanta, Georgia. Persons wishing to review the EA of HCP may obtain a copy by writing the Regional Office or the Jackson, Mississippi, Field Office. Documents will also be available for public inspection, by appointment, during normal business hours at the Regional Office, or the Field Office. Written data or comments concerning the application, EA, or HCP should be submitted to the Regional Office. Please reference permit under PRT 784126 in such comments.

Assistant Regional Director (ES), U.S. Fish and Wildlife Service, Suite 1276, 75 Spring Street, SW., Atlanta, GA 30303, (telephone 404/331–3580, FAX 404/730–3419).

Field Supervisor, U.S. Fish and Wildlife Service, 6578 Dogwood View Parkway, Suite A, Jackson, Mississippi 39213 (telephone 601/965–4900, FAX 601/965–4340).

FOR FURTHER INFORMATION CONTACT: Wendell Neal at the above Jackson, Mississippi, Field Office.

SUPPLEMENTARY INFORMATION: *Peromyscus polionotus ammobates* is a subspecies of the common oldfield mouse *Peromyscus polionotus* and is restricted to the dune systems of the Gulf Coast of Alabama. The known current range of *Peromyscus polionotus ammobates* extends from Fort Morgan eastward to the western terminus of Alabama Highway 182, including the Perdue Unit on the Bon Secour National Wildlife Refuge. The sand dune systems inhabited by this species are not uniform; several habitat types are distinguishable. The depth of the habitat from the beach inland varies depending on the configuration of the sand dune system and the vegetation. Generally, these habitat zones are considered as primary dune (dunes immediately fronting the beach) supporting sea oats and other widely scattered grasses, an

interdune area consisting of other grasses, and sedges, and a secondary dune zone supporting small trees and shrubs. Sea Mist, Incorporated (Applicant) proposes to construct a 64 unit Planned Unit Development, called Laguna Key (project), on ±46 acres of land located at the western end of Alabama Highway 182, section 29, Township 9 South, Range 3 East, Gulf Shores, Baldwin County, Alabama. The Applicant's property contains *Peromyscus polionotus ammobates* habitat, and recent trapping efforts have confirmed its presence in the primary dune zone and interdune zone in different densities and patterns of utilization. Initial construction of roads and utilities and subsequent development of individual homesites and community use facilities (tennis court and swimming pools) may result in death of or injury to beach mouse incidental to the carrying out of these otherwise lawful activities. Habitat alternation associated with property development may reduce the availability of feeding, shelter, and nesting habitat.

The EA considers the environmental consequences of three alternatives. The no action alternative may result in some loss of suboptimal habitat for *Peromyscus polionotus ammobates* and exposure of the applicant under section 9 of the Endangered Species Act. This action is inconsistent with the purposes and intent of section 10 of the Act. The delisting of the *Peromyscus polionotus ammobates* as an alternative was rejected as biological unjustifiable. Modification of the HCP as an alternative was in part accommodated during the pre-application phase through negotiations between the applicant and the Service. The HCP attached with the permit is modified to the maximum extent practicable. The proposed action alternative is issuance of the incidental take permit. This provides for restrictions of construction activity, placement of walkover structures across sand dunes, continued monitoring of *Peromyscus polionotus ammobates*, controls on residential outdoor lighting, storage and maintenance of trash and garbage in scavenger proof containers, and distribution of educational materials to construction personnel and residents. The HCP also provides a funding mechanism for these mitigation measures.

Dated: October 28, 1993.

John M. Hefner,

Acting Assistant Regional Director, Ecological Services.

[FR Doc. 93-27754 Filed 11-9-93; 8:45 am]

BILLING CODE 4310-55-M

National Park Service

Boundary Revision; Great Smoky Mountains National Park

AGENCY: National Park Service, DOI.

ACTION: Notice of boundary revision, Great Smoky Mountains National Park.

SUMMARY: Section 1 of the Act of May 22, 1926, provided that the Great Smoky Mountains National Park was established upon the acquisition of 704,000 acres of lands for the park. The Act of June 15, 1934, modified this Act and established the park as a completed park for administration, protection, and development by the United States upon the acquisition of a minimum of 400,000 acres by the United States. The United States acquired the minimum 400,000 acres in 1934 and continues to acquire additional property for the park up to the maximum of 704,000 acres. The United States has acquired, or will acquire by donation in the near future, approximately 800 acres of land, for the park.

Notice is given that the boundary of Great Smoky Mountains National Park has been revised pursuant to the above Act, to include the lands depicted on boundary maps (two sheets) numbered 133/80,014 dated August 1993, prepared by the Land Resources Division of the Southeast Region of the National Park Service.

This map is on file and available for inspection in the administrative office of the Great Smoky Mountains National Park, 107 Park Headquarters Road, Gatlinburg, Tennessee 37738, and in the offices of the National Park Service, Department of the Interior, Washington, DC 20013-7127.

Dated: October 22, 1993.

James W. Coleman, Jr.,

Regional Director, Southeast Region, National Park Service.

[FR Doc. 93-27617 Filed 11-9-93; 8:45 am]

BILLING CODE 4310-70-P

White-Tailed Deer Management Program, Gettysburg National Military Park, PA; Intent To Prepare an Environmental Impact Statement, and Public Information and Scoping Meetings; Correction

AGENCY: National Park Service, USDI.

ACTION: Correction.

SUMMARY: In notice document 92-20053, page 38061 in the issue of Friday, August 21, 1992, and document 93-2094, page 6419 in the issue of Thursday, January 28, 1993 the following correction should be made:

The title should include Eisenhower National Historic Site. Inadvertently reference to the Eisenhower National Historic Site was left off of both register document titles; however, all precedures for the development of the EIS have included both sites. All briefings statements, news releases, TV features, public information and scopings meetings etc. have been all inclusive with respect to the white-tailed deer management program at Gettysburg National Military Park/ Eisenhower National Historic Site.

Robert F. Gift,

Regional Environmental Coordinator, Mid-Atlantic Region.

[FR Doc. 93-27615 Filed 11-9-93; 8:45 am]

BILLING CODE 4310-70-M

Agenda for the November 17, 1993, Meeting of the San Francisco Maritime National Historical Park Advisory Commission

Public Meeting Fort Mason Building F (Firehouse) 9 am-12 pm

9 am Welcome—Superintendent William G. Thomas

Opening remarks—Chairman Patrick J. Flanagan

9:15 am Discussion—Government Bureaucracy

A. Discussion on Civil Service

B. Volunteers in Parks—Benefits Under Worker's Compensation

10 am Trip Reports—

RADM Russell W. Gorman's visit to Washington, DC

Mr. Patrick J. Flanagan's visit to Washington, DC

10:30 am Discussion of Response to Correspondence

Regional Director

Secretary of Interior

11 am General Management Plan Update

11:15 am Public Comment and Questions

11:30 am Election of Officers for 1994

12 pm Lunch

1 pm Depart for San Francisco Drydock to review restoration of the Ferryboat EUREKA

1:45 pm Tour Shipyard

3 pm Depart Shipyard

4 pm Arrive Fort Mason Building F

Dated: November 3, 1993.

Phil H. Ward,

Acting Associate Regional Director for Operations.

[FR Doc. 93-27618 Filed 11-9-93; 8:45 am]

BILLING CODE 4310-70-P

National Register of Historic Places; Notification of Pending Nominations

Nominations for the following properties being considered for listing in the National Register were received by the National Park Service before October 30, 1993. Pursuant to § 60.13 of 36 CFR part 60 written comments concerning the significance of these properties under the National Register criteria for evaluation may be forwarded to the National Register, National Park Service, P.O. Box 37127, Washington, DC 20013-7127, Written comments should be submitted by November 26, 1993.

Carol D. Shull,

Chief of Registration, National Register.

ARIZONA

Mohave County

Black, Arthur F., House, 707 Cerbat Ave., Kingman, 93001324

ARKANSAS

Searcy County

Aday—Stephenson House (Searcy County MPS), Pine St., Marshall, 93001365

American Legion Post No. 131 (Searcy County MPS), Center St. W of jct. with Walnut St., Leslie, 93001369

Bartley, Guy, House (Searcy County MPS), Jct. of Elm and Fifth Sts., NE corner, Leslie, 93001372

Campbell Post Office—Kuykendall General Store (Searcy County MPS), Co. Rd. 73 NW of Oxley, Oxley vicinity, 93001364

Clay, Dr., House (Searcy County MPS), Jct. of Walnut and Center Sts., Leslie, 93001368

Cotton, Dr. J. O., House (Searcy County MPS), Jct. of AR 66 and High St., SE corner, Leslie, 93001366

Hollabaugh, Dr. Cleveland, House (Searcy County MPS), Oak St., Leslie, 93001371

Miller, J.C., House (Searcy County MPS), Jct. of Oak and High Sts., NW corner, Leslie, 93001370

Robinson, Dr., House (Searcy County MPS), Walnut St. E of jct. with Center St., Leslie, 93001367

CALIFORNIA

Del Norte County

St. George Reef Light Station (Light Stations of California MPS), NW Seal Rock, approximately 6 nautical mi. off coast from Point St. George, Crescent City vicinity, 93001373

COLORADO

Larimer County

Waycott, Ernest, House, 1501 W. Mountain Ave., Fort Collins, 93001363

CONNECTICUT

Hartford County

Bulkeley Bridge, I-84 over the Connecticut R., Hartford, 93001347

Marlborough Congregational Church, 35 S. Main St., Marlborough, 93001346

Litchfield County

Brooks, Hervey, Pottery Shop and Kiln Site, Address Restricted, Goshen vicinity, 93001362

Middlesex County

Starr Mill Road Bridge, Starr Mill Rd. across the Coachinaug R., Middletown, 93001344

New Haven County

Red Bridge, Near Oregon Rd. over the Quinnipiac R., Meriden, 93001345

Windham County

Putnam High School, 126 Church St., Putnam, 93001343

FLORIDA

Citrus County

Floral City Historic District, Roughly, Orange Ave. from S. Old Floral City Rd. to S. Annie Terr. and S. Aroostook Way from Orange to Lake Tsala Apopka, Floral City, 93001357

Volusia County

Kling, Amos, House, 220-222 Magnolia Ave., Daytona Beach, 93001353

IDAHO

Latah County

Sigma Alpha Epsilon Fraternity House, 920 Deakin St., Moscow, 93001335

IOWA

Winneskiek County

Clarksville Diner, 504 Heivly St., Decorah, 93001356

MICHIGAN

Berrien County

Ninth District Lighthouse Depot, 128 N. Pier, St. Joseph, 93001348

Calhoun County

Stow—Hasbrouck House, 18600 16 Mile Rd., Convis Township, Marshall vicinity, 93001361

Cass County

Michigan Central Railroad Dowagiac Depot, 200 Depot Dr., Dowagiac, 93001349

Jackson County

Richard, Hugh H., House, 505 Wildwood Ave., Jackson, 93001352

Wayne County

Curtiss. Charles G., Sr., House, 168 S. Union St., Plymouth, 93001350

Grosse Pointe Memorial Church, 16 Lake Shore Dr., Grosse Pointe Farms, 93001351

NEW JERSEY

Hunterdon County

Mountainville Historic District, Guinea Hollw Rd., Saw Mill Rd., Main St., Rockaway Creek Rd. and Philhower Rd., Tewksbury Township, Mountainville, 93001350

OHIO

Cuyahoga County

Franklin Boulevard—West Clinton Avenue Historic District, 5207-7625 Franklin Blvd., 5802-7325 W. Clinton Ave., Cleveland, 93001334

OKLAHOMA

Oklahoma County

American Legion Hut, Jct. of Fifth and Little Sts., SW corner, Edmond, 93001336

OREGON

Tillamook County

US Coast Guard Station—Tillamook Bay, US 101, Garibaldi, 93001337

SOUTH DAKOTA

Beadle County

South Dakota Dept. of Transportation Bridge No. 03-020-008 (Historic Bridges in South Dakota MPS), Lock rd. over unnamed cr., Wessington vicinity, 93001260

South Dakota Dept. of Transportation Bridge No. 03-327-230 (Historic Bridges in South Dakota MPS), Local rd. over Pearl Cr., Cavour vicinity, 93001261

South Dakota Dept. of Transportation Bridge No. 03-338-100 (Historic Bridges in South Dakota MPS), Local rd. over Shue Cr., Cavour vicinity, 93001269

Bon Homme County

South Dakota Dept. of Transportation Bridge No, 05-028-200 (Historic Bridges in South Dakota MPS), Local rd. over Choteau Cr., Perkins vicinity, 93001270

South Dakota Dept. of Transportation Bridge No. 05-032-170 (Historic Bridges in South Dakota MPS), Local rd. over Choteau Cr., Avon vicinity, 93001271

South Dakota Dept. of Transportation Bridge No. 05-138-080 (Historic Bridges in South Dakota MPS), Local rd. over Emanuel Cr., Tyndall vicinity, 93001272

South Dakota Dept. of Transportation Bridge No. 05-255-130 (Historic Bridges in South Dakota MPS), Local rd. over Beaver Cr., Tabor vicinity, 93001273

Butte County

Hay Creek Bridge (Historic Bridges in South Dakota MPS), Eight Ave. over Hay Cr., Belle Fourche, 93001274

Minnesela Bridge (Historic Bridges in South Dakota MPS), Local rd. over Redwater Cr., Belle Fourche vicinity, 93001277

South Dakota Dept. of Transportation Bridge No. 10-109-360 (Historic Bridges in South Dakota MPS), Local rd. over the Diversion Dam Inlet Canal, Belle Fourche Irrigation District, Belle Fourche vicinity, 93001275

South Dakota Dept. of Transportation Bridge No. 10-112-355 (Historic Bridges in South Dakota MPS), Diversion Dam rd. over Crow Cr., Belle Fourche vicinity, 93001276

Charles Mix County

South Dakota Dept. of Transportation Bridge No. 12-503-230 (Historic Bridges in South

Dakota MPS), Local rd. over Choteau Cr., Wagner vicinity, 93001278

Codington County

Kemp Avenue Bridge (Historic Bridges in South Dakota MPS), Kemp Ave. over the Sioux R., Watertown, 93001264
Larson Bridge (Historic Bridges in South Dakota MPS), Local rd. over Willow Cr., Watertown vicinity, 93001266
South Dakota Dept. of Transportation Bridge No. 15–210–136 (Historic Bridges in South Dakota MPS), Local rd. over unnamed cr., Watertown vicinity, 93001265

Corson County

South Dakota Dept. of Transportation Bridge No. 16–570–054 (Historic Bridges in South Dakota MPS), Local rd. over Oak Cr., McLaughlin vicinity, 93001279

Custer County

Red Shirt Bridge (Historic Bridges in South Dakota MPS), SD 40 over the Cheyenne R., Red Shirt vicinity, 93001281
South Dakota Dept. of Transportation Bridge No. 17–289–107 (Historic Bridges in South Dakota MPS), SD 87 over French Cr., Custer State Park, Custer vicinity, 93001280
Tubbs, Newton Seymour, House, 35 Centennial Dr., Custer, 93001341

Davison County

South Dakota Dept. of Transportation Bridge No. 18–040–137 (Historic Bridges in South Dakota MPS), Local rd. over Enemy Cr., Mitchell vicinity, 93001282
South Dakota Dept. of Transportation Bridge No. 18–060–202 (Historic Bridges in South Dakota MPS), Local rd. over Twelve Mile Cr., Mitchell vicinity, 93001283
South Dakota Dept. of Transportation Bridge No. 18–100–052 (Historic Bridges in South Dakota MPS), Local rd. over Firesteel Cr., Loomis vicinity, 93001284
South Dakota Dept. of Transportation Bridge No. 18–142–150 (Historic Bridges in South Dakota MPS), Local rd. over Enemy Cr., Mitchell vicinity, 93001285

Deuel County

Old Cochrane Road Bridge (Historic Bridges in South Dakota MPS), Abandoned local rd. over the inlet to Lake Cochrane, Brandt vicinity, 93001268
South Dakota Dept. of Transportation Bridge No. 20–153–210 (Historic Bridges in South Dakota MPS), Local rd. over Cobb Cr., Brandt vicinity, 93001286

Fall River County

Chilson Bridge (Historic Bridges in South Dakota MPS), Local rd. over Burlington Northern RR tracks, Edgemont vicinity, 93001287

Faulk County

South Dakota Dept. of Transportation Bridge No. 25–380–142 (Historic Bridges in South Dakota MPS), Local rd. over the S. fork of Snake Cr., Zell vicinity, 93001262
South Dakota Dept. of Transportation Bridge No. 25–218–141 (Historic Bridges in South Dakota MPS), 10th Ave. over the S. Fork of Snake Cr., Faulkton, 93001288

Gregory County

South Dakota Dept. of Transportation Bridge No. 27–000–201 (Historic Bridges in South Dakota MPS), Local rd. over unnamed cr., Dallas vicinity, 93001289
South Dakota Dept. of Transportation Bridge No. 27–060–298 (Historic Bridges in South Dakota MPS), Local rd. over unnamed cr., Gregory vicinity, 93001290

Hamlin County

South Dakota Dept. of Transportation Bridge No. 29–221–060 (Historic Bridges in South Dakota MPS), Local rd. over the Big Sioux R., Castlewood vicinity, 93001291
South Dakota Dept. of Transportation Bridge No. 29–279–010 (Historic Bridges in South Dakota MPS), Local rd. over Stray Horse Cr., Castlewood vicinity, 93001292

Hand County

South Dakota Dept. of Transportation Bridge No. 30–257–400 (Historic Bridges in South Dakota MPS), Local rd. over Sand Cr., Miller vicinity, 93001293

Hanson County

South Dakota Dept. of Transportation Bridge No. 31–115–110 (Historic Bridges in South Dakota MPS), Local rd. over Pierre Cr., Fulton vicinity, 93001294

Jones County

Capa Bridge (Historic Bridges in South Dakota MPS), Local rd. over the Bad R., Murdo vicinity, 93001295
Van Metre Bridge (Historic Bridges in South Dakota MPS), Local rd. over the Bad R., Murdo vicinity, 93001296

Kingsbury County

Esmond Bridge (Historic Bridges in South Dakota MPS), Local rd. over Redstone Cr., De Smet vicinity, 93001298
South Dakota Dept. of Transportation Bridge No. 39–006–070 (Historic Bridges in South Dakota MPS), Local rd. over Pearl Cr., Iroquois vicinity, 93001297
South Dakota Dept. of Transportation Bridge No. 39–176–100 (Historic Bridges in South Dakota MPS), Local rd. over unnamed cr., De Smet vicinity, 93001299

Lawrence County

Redwater Bridge, Old (Historic Bridges in South Dakota MPS), Local rd. over the Redwater R., Spearfish vicinity, 93001300

McCook County

South Dakota Dept. of Transportation Bridge No. 44–028–220 (Historic Bridges in South Dakota MPS), Local rd. over Wolf Cr., Bridgewater vicinity, 93001301
South Dakota Dept. of Transportation Bridge No. 44–212–090 (Historic Bridges in South Dakota MPS), Local rd. over the E. fork of the Vermillion R., Montrose vicinity, 93001302

Meade County

South Dakota Dept. of Transportation Bridge No. 47–151–389 (Historic Bridges in South Dakota MPS), Local rd. over Bear Butte Cr., Sturgis vicinity, 93001263
South Dakota Dept. of Transportation Bridge No. 47–215–363 (Historic Bridges in South Dakota MPS), SD 34 over the Belle Fourche R., Sturgis vicinity, 93001303

Mellette County

South Dakota Dept. of Transportation Bridge No. 48–244–204 (Historic Bridges in South Dakota MPS), Local rd. over the Little White R., White River vicinity, 93001305
Stamford Bridge (Historic Bridges in South Dakota MPS), Local rd. over the White R., Cedar Butte vicinity, 93001304

Miner County

South Dakota Dept. of Transportation Bridge No. 49–095–190 (Historic Bridges in South Dakota MPS), Local rd. over Rock Cr., Howard vicinity, 93001306

Minnehaha County

Eighth Street Bridge (Historic Bridges in South Dakota MPS), S. Eighth St. over the Big Sioux R., Sioux Falls, 93001308
South Dakota Dept. of Transportation Bridge No. 50–200–035 (Historic Bridges in South Dakota MPS), Co. Rd. over the Big Sioux R., Dell Rapids vicinity, 93001267
Split Rock Park Bridge (Historic Bridges in South Dakota MPS), Split Rock Park Rd. over Devils Cr. Gulch, Garretson vicinity, 93001309
Summit Avenue Viaduct (Historic Bridges in South Dakota MPS), Summit Ave. over the Chicago and North Western RR tracks, Sioux Falls, 93001307

Pennington County

Rapid City Fruit Company, 320 7th St., Rapid City, 93001340

Sanborn County

South Dakota Dept. of Transportation Bridge No. 56–090–096 (Historic Bridges in South Dakota MPS), Local rd. over Sand Cr., Forestburg vicinity, 93001310
South Dakota Dept. of Transportation Bridge No. 56–117–123 (Historic Bridges in South Dakota MPS), Local rd. over the James R., Forestburg vicinity, 93001311
South Dakota Dept. of Transportation Bridge No. 56–174–090 (Historic Bridges in South Dakota MPS), Local rd. over Redstone Cr., Artesian vicinity, 93001312

Spink County

Hall Bridge (Historic Bridges in South Dakota MPS), Local rd. over Snake Cr., Ashton vicinity, 93001317
South Dakota Dept. of Transportation Bridge No. 58–010–376 (Historic Bridges in South Dakota MPS), Local rd. over Wolf Cr., Tulare vicinity, 93001313
South Dakota Dept. of Transportation Bridge No. 58–021–400 (Historic Bridges in South Dakota MPS), Local rd. over Turtle Cr., Tulare vicinity, 93001314
South Dakota Dept. of Transportation Bridge No. 58–025–370 (Historic Bridges in South Dakota MPS), Local rd. over Turtle Cr., Tulare vicinity, 93001315
South Dakota Dept. of Transportation Bridge No. 58–062–270 (Historic Bridges in South Dakota MPS), Local rd. over Turtle Cr., Redfield vicinity, 93001316
South Dakota Dept. of Transportation Bridge No. 58–120–231 (Historic Bridges in South Dakota MPS), Local rd. over the James R., Redfield vicinity, 93001318

South Dakota Dept. of Transportation Bridge No. 58–140–224 (Historic Bridges in South Dakota MPS), Local rd. over the James R., Redfield vicinity, 93001319

South Dakota Dept. of Transportation Bridge No. 58–218–360 (Historic Bridges in South Dakota MPS), Local rd. over the James R., Frankfort vicinity, 93001320

Tripp County

South Dakota Dept. of Transportation Bridge No. 62–220–512 (Historic Bridges in South Dakota MPS), Local rd. over the Keya Paha R., Hewela vicinity, 93001321

Union County

South Dakota Dept. of Transportation Bridge No. 64–061–199 (Historic Bridges in South Dakota MPS), Local rd. over Brule Cr., Elk Point vicinity, 93001322

TENNESSEE

Marshall County

Adams, Joe Chase, House,, 327 E. Church St., Lewisburg, 93001354

Polk County

Wiggins, William, House, Jct. of Main and Ward Sts., NE corner, Benton, 93001355

WASHINGTON

Clallam County

New Dungeness Light Station, Dungeness Spit, Sequim vicinity, 93001338

Thurston County

Dofflemyer Point Light (Maritime-Related Resources of Budd Inlet MPS), 211 NE. 73rd, Olympia vicinity, 93001339

WEST VIRGINIA

Monroe County

Byrnside—Beirne—Johnson House, Address Restricted, Union vicinity, 93001358

WISCONSIN

Brown County

De Pere Lock and Dam Historic District (Waterway Resources of the Lower Fox River MPS), Fox R. at James St., De Pere, 93001331

Little Kaukauna Lock and Dam Historic District (Waterway Resources of the lower Fox River MPS), Fox R. at Mill Rd. De Pere vicinity, 93001332

Columbia County

Kurth, John H. and Company Office Building, 729–733 Park Ave., Columbus, 93001359

Outagamie County

Appleton Lock 4 Historic District (Waterway Resources of the Lower Fox River MPS), Fox R. at John St., Appleton, 93001329

Appleton Locks 1–3 Historic District (Waterway Resources of the Lower Fox River MPS), Roughly, along the Fox R. from Memorial Dr. to Lowe St., Appleton, 93001333

Cedars Lock and Dam Historic District (Waterway Resources of the Lower Fox River MPS), 4527 E. Wisconsin Rd., Little Chute, 93001328

Kaukauna Locks Historic District (Waterway Resources of the Lower Fox River MPS), Roughly, along the Fox R. running E past Canal St., Kaukauna, 93001327

Little Chute Locks and Canal Historic District (Waterway Resources of the Lower Fox River MPS), Roughly, along the Fox R. from Mill St. to Sanitorium Rd., Little Chute, 93001325

Rapide Croche Lock and Dam Historic District (Waterway Resources of the Lower Fox River MPS), Fox R. at the Outagamie—Brown County line, Wrightstown, 93001326

Winnebago County

Menasha Dam (Waterway Resources of the Lower Fox River MPS), Fox R. at Mill St., Menasha, 93001330

Mensha Lock Site, Address restricted, Menasha vicinity, 93001323

In order to assist in the preservation of the following property, the commenting period has been shortened to three days:

NORTH CAROLINA

Randolph County

Central School, 414 Watkins St., Asheboro, 93001342

[FR Doc. 93–27619 Filed 11–9–93; 8:45 am]

BILLING CODE 4310–70–M

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337–TA–348]

Certain In-Line Roller Skates With Ventilated Boots and In-Line Roller Skates With Axle Aperture Plugs and Component Parts Thereof; Commission Determination Not To Review Four Initial Determinations Terminating the Investigation as to all Remaining Respondents

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined not to review the presiding administrative law judge's (ALJ) initial determinations (IDs) in the above-captioned investigation granting motions to terminate the investigation with respect to two respondents on the basis of consent orders; with respect to ten respondents on the basis of patent licensing agreements; and with respect to the remaining 15 respondents on the basis of complainant Rollerblade Inc.'s withdrawal of the complaint.

ADDRESSES: Copies of the IDs and all other nonconfidential documents filed in connection with this investigation are available for public inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436, telephone 202–205–2000.

FOR FURTHER INFORMATION CONTACT: Anjali K. Singh, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436, telephone 202–205–3117. Hearing-impaired individuals are advised that information about this matter can be obtained by contacting the Commission's TDD terminal, 202–205–1810.

SUPPLEMENTARY INFORMATION: On February 18, 1993, Rollerblade, Inc. filed a complaint with the Commission alleging unfair acts in violation of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337). The unfair acts alleged in the complaint are the unauthorized importation into the United States, the sale for importation, and the sale within the United States after importation of certain in-line roller skates with ventilated boots, and in-line roller skates with axle aperture plugs and component parts thereof, that allegedly infringe claim 1, 2, 3, 4, 5, 6, 7 or 8 of U.S. Letters Patent 5,171,033, and/or claim 5 of U.S. Letters Patent 5,048,848. On March 18, 1993, the Commission voted to institute an investigation of the complaint and published notice of its investigation in the **Federal Register** (58 FR 16204 (March 25, 1993)).

On September 30, 1993, the ALJ issued three IDs. The first ID (Order No. 42) granted joint motions to terminate the investigation with respect to respondents European Sports Enterprise Co., Ltd. and Far Great Plastics Industrial Co., Ltd. based on two separate proposed consent orders and consent order agreements. The second ID (Order No. 43) granted joint motions to terminate the investigation with respect to respondents Risport International Corp., Meran SRL, and Koflach Sport G.m.b.H. based on three separate licensing agreements. The third ID (Order No. 44) granted joint motions to terminate the investigation with respect to seven other respondents based on licensing agreements. On October 4, 1993, the ALJ issued a fourth ID granting Rollerblade Inc.'s motion for termination of the investigation as to the remaining 15 respondents through withdrawal of the complaint. On September 17, 1993, the Commission investigative attorney (IA) filed a response in support of the joint motions to terminate the investigation on the basis of the consent order agreements. On September 20, 1993, the IA filed a response in support of the joint motions to terminate the investigation on the basis of the licensing agreements. Also

on September 20, 1993, the IA filed a response in support of complainant's motion to terminate through withdrawal of the complaint. On October 12, 1993, the IA filed a petition for review of Order No. 42. No agency or public comments were received.

This action is taken pursuant to section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and Commission interim rule § 210.53(h) (19 CFR 210.53(h)).

Issued: November 3, 1993.

By order of the Commission.

Donna R. Koehnke,

Secretary.

[FR Doc. 93–27715 Filed 11–9–93; 8:45 am]

BILLING CODE 7020–02–P

[Investigation No. 337–TA–353]

Certain Lens Panels for Lighting Fixtures, Kits Containing Same, and Fixtures Containing Same; Commission Determination Not To Review an Initial Determination Terminating The Investigation

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined not to review an initial determination (ID) (Order No. 5) in the above-captioned investigation terminating the investigation without prejudice.

FOR FURTHER INFORMATION CONTACT: Shara L. Aranoff, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, SW., Washington, D.C. 20436, telephone (202) 205–3090.

SUPPLEMENTARY INFORMATION: On June 3, 1993, Alan Tracy, Inc. ("Alan Tracy") filed a complaint with the Commission alleging violations of section 337 in the importation and sale of certain lens panels for lighting fixtures, kits containing same, and fixtures containing same that are allegedly covered by the sole claim of U.S. Letters Patent Des. 312,511 ("the '511 patent"). An amended complaint was filed on June 25, 1993. The Commission's notice of investigation instituting an investigation based on the amended complaint was published in the **Federal Register** on July 9, 1993, naming Trans Globe Imports, Inc., Bel Air Lighting, Inc., Punder Enterprises Co., Ltd., and Snehao Co., Ltd. as respondents. 58 Fed. Reg. 36,992 (1993).

On October 7, 1993, the presiding administrative law judge issued an ID granting Alan Tracy's motion to terminate the investigation without prejudice on the basis of withdrawal of the complaint. No petitions for review or government agency comments were received.

Copies of the nonconfidential version of the ID and all other nonconfidential documents filed in connection with this investigation are available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, SW., Washington, DC. 20436, telephone (202) 205–2000. Hearing-impaired persons are advised that information on the matter can be obtained by contacting the Commission's TDD terminal on (202) 205–1810.

This action is taken under the authority of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and § 210.53(h) of the Commission's Interim Rules of Practice and Procedure (19 CFR 210.53(h)).

Issued: November 3, 1993

By order of the Commission.

Donna R. Koehnke,

Secretary.

[FR Doc. 93–27714 Filed 11–8–93; 8:45 am]

BILLING CODE 7020–02–P

[Investigation No. 337–TA–354]

Notice of Decision Not To Review an Initial Determination Granting Motion To Amend Notice of Investigation To Add Three Respondents and To Terminate One Respondent

In the Matter of: Certain Tape Dispensers.

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined not to review the presiding administrative law judge's (ALJ) initial determination (ID) in the above-captioned investigation granting complainant Minnesota Mining and Manufacturing, Inc.'s ("3M") motion to amend the notice of investigation to add three respondents and to delete Fancy International (HK) Ltd. from the list of respondents.

FOR FURTHER INFORMATION CONTACT: James M. Lyons, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436. Telephone: (202) 205–3094.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation, which concerns allegations of violations of section 337 of the Tariff Act of 1930 in the importation and sale of certain tape dispensers, on July 15, 1993. Complainant 3M alleges infringement of U.S. Letters Patent Des. 289,180.

On September 15, 1993, complainant filed a motion to amend the notice of investigation to add the following respondents to the investigation: Safrina Office Products, Hoi Fung Industrial Co., and Shiang Shin Trading Co. Complainant also moved to delete one respondent, Fancy International (HK) Ltd., from the investigation. In requesting this action, 3M stated that discovery had revealed that the three additional proposed respondents were involved in the sale and exportation of the subject tape dispensers and that respondent Fancy International Ltd. was not a supplier of tape dispensers in issue. The Commission investigative attorney supported the motion. On October 6, 1993, the ALJ issued an ID (Order No. 2) granting complainant's motion.

This action is taken under the authority of section 337 of the Tariff Act of 1930, 19 U.S.C. 1337, and Commission interim rule 210.53(h), 19 CFR § 210.53(h).

Copies of the ID and all other nonconfidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436, telephone 202–205–2000. Hearing-impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal at (202) 205–1810.

Issued: November 3, 1993.

By order of the Commission.

Donna R. Koehnke,

Secretary.

[FR Doc. 93–27713 Filed 11–9–93; 8:45 am]

BILLING CODE 7020–02–P

INTERSTATE COMMERCE COMMISSION

[Docket No. AB–33 (Sub-No. 80X)]

Union Pacific Railroad Company—Abandonment Exemption—In Orange County, CA

AGENCY: Interstate Commerce Commission.

ACTION: Notice of exemption.

SUMMARY: The Commission exempts from the prior approval and offer of financial assistance requirements of 49

U.S.C. 10903–05 the abandonment by Union Pacific Railroad Company of 3.77 miles of rail line extending between milepost 15.51 near Fullerton to the end of the line at milepost 19.28 near Anaheim, in Orange County, CA, subject to standard labor protective conditions and an historic condition.

DATES: The exemption will be effective on November 25, 1993. Petitions to stay must be filed by November 22, 1993; and petitions to reopen must be filed by December 6, 1993.

ADDRESSES: Send pleadings referring to Docket No. AB–33 (Sub- No. 80X) to: (1) Office of the Secretary, Case Control Branch, Interstate Commerce Commission, Washington, DC 20423; and (2) Petitioner's representative: Joseph D. Anthofer, 1416 Dodge Street #830, Omaha, NE 68179.

FOR FURTHER INFORMATION CONTACT: Richard B. Felder (202) 927–5610.[TDD for hearing impaired: (202) 927–5721.]

SUPPLEMENTARY INFORMATION: Additional information is contained in the Commission's decision. To purchase a copy of the full decision, write to, call, or pick up in person from: Dynamic Concepts, Inc., room 2229, Interstate Commerce Commission Building, Washington, DC 20423. Telephone: (202) 289–4357/4359.[Assistance for the hearing impaired is available through TDD services (202) 927–5271.]

Decided: November 1, 1993.

By the Commission, Chairman McDonald, Vice Chairman Simmons, Commissioners Phillips, Philbin, and Walden.

Sidney L. Strickland, Jr.,

Secretary.

[FR Doc. 93–277669 Filed 11–9–93; 8:45 am]

BILLING CODE 7035–01–P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Network Management Forum

Notice is hereby given that, on September 15, 1993, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. Section 4301 *et seq.* ("the Act"), the Network Management Forum ("the Forum") has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing additions to its membership. The additional notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, the identities of the new members to the venture are: GEC Marconi Communications, Ltd., Chelmsford, Essex, England is a Corporate Member. Comdisco Systems, Inc., Foster City, CA; and Scottish Power, Glasgow, Scotland are Associate Members. Booz Allen & Hamilton, Vienna, VA; I-Net, Inc., Bethesda, MD; Novadyne, Reston, VA; and Reed Exhibition Companies, Bleinheim Court, Solihull, England are Affiliate Members.

No other changes have been made, since the last notification filed with the Department, in either the membership or planned activity of the group research project. Membership in this group research project remains open, and the Forum intends to file additional written notifications disclosing all changes in membership.

On October 21, 1988, the Forum filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on December 8, 1988 (53 FR 49615).

The last notification was filed with the Department on April 8, 1993. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on June 2, 1993 (58 FR 31416).

Joseph H. Widmar,

Director of Operations, Antitrust Division.

[FR Doc. 93–27641 Filed 11–9–93; 8:45 am]

BILLING CODE 4410–01–M

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Climatology and Simulation of Eddies Joint Industry Project

Notice is hereby given that, on October 13, 1993, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. section 4301, et seq. ("the Act"), the Climatology and Simulation of Eddies Joint Industry Project ("CASE") has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing a change in its membership. The notification were filed for the purpose of extending the protections of the Act limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, the following additional party has become a new member of the project: EP Operating Limited Partnership, Houston, TX.

No other changes have been made in either the membership or planned activity of CASE. On August 14, 1990, CASE filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on September 18, 1990, 55 FR 38418.

Joseph H. Widmar,

Director of Operations, Antitrust Division.

[FR Doc. 93–27642 Filed 11–9–93; 8:45 am]

BILLING CODE 4410–01–M

Notice Pursuant to the National Cooperative Research and Production Act of 1993—The SQL Access Group, Inc. and X/Open Co. Ltd.

Notice is hereby given that, on August 27, 1993, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* ("the Act"), The SQL Access Group, Inc. ("the Group") and X/Open Company Limited ("X/Open") has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances.

Specifically, the changes are as follows: (1) Liant Software; Quadratron Systems, UK, Ltd; and the U.S. National Security Agency are no longer members of X/Open; (2) Credit Suisse, Zurich, Switzerland; Lloyd's Bank, PLC, London, England; Price Waterhouse, Washington, DC; and Openvision Technologies, Inc., Pleasanton, CA have become members of X/Open; and (3) Motorola Computer Group, Tempe, AZ, who was inadvertently listed as no longer being a member of X/Open in the April 19, 1993 filing, is still a member of X/Open.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and SQL and X/Open intend to file additional written notifications disclosing all changes in membership.

On July 16, 1992, the Group and X/Open filed their original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on December 14, 1992 (57 FR 59128).

The last notification was filed with the Department on April 19, 1993. A notice was published in the **Federal**

Register pursuant to section 6(b) of the Act on July 9, 1993 (58 FR 37026).

Joseph H. Widmar,

Director of Operations, Antitrust Division.

[FR Doc. 93-27640 Filed 11-9-93; 8:45 am]

BILLING CODE 4410-01-M

Notice Pursuant to the National Cooperative Research and Production Act of 1993—X Consortium, Inc.

Notice is hereby given that, on September 15, 1993, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. section 4301 *et seq.* ("the Act"), X Consortium, Inc. (the "Corporation") has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the identities of the parties, and (2) the nature and objectives of the venture. The notifications were filed for the purpose of invoking the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Pursuant to section 6(b) of the Act, the identities of the parties are Adobe Systems, Inc., Mountain View, CA; AGE Logic, Inc., San Diego, CA; Apple Computer, Inc., Cupertino, CA; Diagnostic/Retrieval Systems, Inc., Oakland, NJ; Digital Equipment Corporation, Nashua, NH; Fujitsu Network Transmission Systems, Inc., San Jose, CA; Hewlett-Packard Company, Corvallis, OR; Hummingbird Communications, Markham, Ontario, Canada; IBM Corporation, Austin, TX; Institute for Information Industry, Taipei, Taiwan, Republic of China; Integrated Computer Solutions, Inc., Cambridge, MA; IXI Limited, Cambridge, United Kingdom; Kabota Pacific Computer, Santa Clara, CA; Nippon Telegraph and Telephone Corporation, Tokyo, Japan; O'Reilly and Associates, Inc., Cambridge, MA; Open Software Foundation, Cambridge, MA; Petrotechnical Open Software Corporation, Houston, TX; Quarterdeck Office Systems, Santa Monica, CA; Silicon Graphics Computer Systems, Mountain View, CA; Sony Corporation, Tokyo, Japan; SunSoft, Inc., Mountain View, CA; Tektronix, Inc., Wilsonville, OR; Unix Systems Laboratories, Summit, NJ; and Walker Richer & Quinn, Inc., Seattle, WA.

The objectives of the venture are to engage in cooperative research, experimentation and development activities in order to develop, evolve and maintain the "X Window System", a vendor neutral, system-architecture neutral, network-transparent windowing and user interface standard. In addition, the venture will perform other related research and experimentation in, and the implementation of, open systems standards and technology.

Joseph H. Widmar,

Director of Operations, Antitrust Division.

[FR Doc. 93-27643 Filed 11-9-93; 8:45 am]

BILLING CODE 4410-01-M

DEPARTMENT OF LABOR

Pension and Welfare Benefits Administration

[Prohibited Transaction Exemption 93-77]

Thrift Incentive Stock Ownership Plan of The Dime Savings Bank of New York, FSB (the Plan)

AGENCY: Pension and Welfare Benefits Administration, Department of Labor.

ACTION: Notice of technical correction.

On October 27, 1993, the Department of Labor (the Department) published in the **Federal Register** (58 FR 57841) an individual exemption which applies to (1) the past acquisition by the Plan of certain stock rights (the Rights) pursuant to a stock rights offering (the Offering) by the Dime Savings Bank of New York, FSB; (2) the past holding of the Rights by the Plan during the subscription period of the Offering; and (3) the disposition or exercise of the Rights by the Plan.

The "**EFFECTIVE DATE**" of the exemption should read as follows:

EFFECTIVE DATE: This exemption is effective as of April 15, 1993.

FOR FURTHER INFORMATION CONTACT: Ronald Willett of the Department, telephone (202) 219-8881.

Signed at Washington, DC, this 4th day of November, 1993.

Ivan Strasfeld,

Director of Exemption Determinations, Pension and Welfare Benefits Administration, U.S. Department of Labor.

[FR Doc. 93-27721 Filed 11-9-93; 8:45 am]

BILLING CODE 4510-29-M

[Application No. D-9498, et al.]

Proposed Exemptions; Goodman-Gable-Gould Company Profit Sharing Plan, et al.

AGENCY: Pension and Welfare Benefits Administration, Labor.

ACTION: Notice of Proposed Exemptions.

SUMMARY: This document contains notices of pendency before the Department of Labor (the Department) of proposed exemptions from certain of the prohibited transaction restriction of the Employee Retirement Income Security Act of 1974 (the Act) and/or the Internal Revenue Code of 1986 (the Code).

Written Comments and Hearing Requests

All interested persons are invited to submit written comments or request for a hearing on the pending exemptions, unless otherwise stated in the Notice of Proposed Exemption, within 45 days from the date of publication of this **Federal Register** Notice. Comments and request for a hearing should state: (1) The name, address, and telephone number of the person making the comment or request, and (2) the nature of the person's interest in the exemption and the manner in which the person would be adversely affected by the exemption. A request for a hearing must also state the issues to be addressed and include a general description of the evidence to be presented at the hearing. A request for a hearing must also state the issues to be addressed and include a general description of the evidence to be presented at the hearing.

ADDRESSES: All written comments and request for a hearing (at least three copies) should be sent to the Pension and Welfare Benefits Administration, Office of Exemption Determinations, Room N-5649, U.S. Department of Labor, 200 Constitution Avenue, NW., Washington, DC. 20210. Attention: Application No. stated in each Notice of Proposed Exemption. The applications for exemption and the comments received will be available for public inspection in the Public Documents Room of Pension and Welfare Benefits Administration, U.S. Department of Labor, Room N-5507, 200 Constitution Avenue, NW., Washington, DC 20210.

Notice to Interested Persons

Notice of the proposed exemptions will be provided to all interested persons in the manner agreed upon by the applicant and the Department within 15 days of the date of publication in the **Federal Register**. Such notice shall include a copy of the notice of proposed exemption as published in the **Federal Register** and shall inform interested persons of their right to comment and to request a hearing (where appropriate).

SUPPLEMENTARY INFORMATION: The proposed exemptions were requested in applications filed pursuant to section 408(a) of the Act and/or section 4975(c)(2) of the Code, and in accordance with procedures set forth in 29 CFR part 2570, subpart B (55 FR 32836, 32847, August 10, 1990). Effective December 31, 1978, section

102 of Reorganization Plan No. 4 of 1978 (43 FR 47713, October 17, 1978) transferred the authority of the Secretary of the Treasury to issue exemptions of the type requested to the Secretary of Labor. Therefore, these notices of proposed exemption are issued solely by the Department.

The applications contain representations with regard to the proposed exemptions which are summarized below. Interested persons are referred to the applications on file with the Department for a complete statement of the facts and representations.

Goodman-Gable-Gould Company Profit Sharing Plan (the Plan), Located in Baltimore, Maryland,

[Application No. D-9498]

Proposed Exemption

The Department is considering granting an exemption under the authority of section 408(a) of the Act and section 4975(c)(2) of the Code and in accordance with the procedures set forth in 29 CFR part 2570, subpart B (55 FR 32836, 32847, August 10, 1990). If the exemption is granted the restrictions of sections 406(a), 406(b)(1) and (b)(2) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1)(A) through (E) of the Code, shall not apply to (1) a proposed Loan of up to $250,000 (the Loan) by the Plan to the Office Property Joint Venture (OPJV), a party in interest with respect to the Plan; and (2) the proposed personal guarantees of the OPJV's obligations under the Loan by William A Goodman, Harvey M. Goodman, Lawrence H. Goodman, and Myron Schwartz, each of whom is a party in interest with respect to the Plan; provided the following conditions are satisfied:

(A) All terms of the Loan are at least as favorable to the Plan as those which the Plan could obtain in an arm's-length transaction with an unrelated party;

(B) For the duration of the Loan, the principal balance of the Loan does not exceed twenty-five percent of the net assets of the Plan at any time;

(C) For the duration of the Loan, the Plan's interests with respect to the Loan are represented by Barry C. Greenberg, an independent fiduciary who will monitor and enforce the OPJV's compliance with the Loan terms and the conditions of this exemption; and

(D) Upon the making of the Loan and for its duration, the Loan is secured by a perfected lien on real property having a fair market value of no less than 150% of the outstanding principal balance of the Loan.

Summary of Facts and Representations

1. The Plan is a defined contribution employee benefit plan with 36 participants and total assets of approximately $900,000 as of December 31, 1992. The Plan is sponsored by the Goodman-Gable-Gould Company (the Employer), a Maryland private corporation engaged as an insurance adjuster, with principal places of business in Baltimore and Rockville, Maryland. The trustees of the Plan are William A Goodman, Harvey M. Goodman, and Lawrence H. Goodman (the Trustees), each of whom is a director, shareholder and employee of the Employer and a participant in the Plan.

2. The Employer's place of business in Rockville, Maryland is a five-unit commercial office condominium building (the Building) located in the Rollins Office Park at 133 Rollins Avenue in Rockville. The Employer occupies all five units in the Building, which is leased to the Employer by the OPJV, a Maryland joint venture which owns the Building. Each of the Trustees is a 25 percent joint venturer in OPJV, and the fourth 25 percent joint venturer in OPJV is Myron Schwartz, who is also a director of the Employer. In order to retire an outstanding mortgage on the Building, which resulted from the financing obtained by OPJV in its past acquisition of part of the Building, the joint venturers of OPJV (the Joint Venturers) are proposing the Loan to OPJV from the Plan. An exemption is requested to permit the Loan, and the personal guarantees of the Loan by the Joint Venturers, under the terms and conditions described herein.

3. All terms of the Loan will be embodied in a promissory note and security agreement (together, the Contract) between OPJV and the Plan, under which the interests of the Plan are represented by Barry C. Greenberg, Esq. (the Fiduciary), an independent fiduciary who will represent the interests of the Plan for all purposes with respect to the proposed Loan. The Fiduciary represents that he is knowledgeable of fiduciary responsibilities under the Act, and that he is independent of and unrelated to the Employer and OPJV, although he has represented them on past unrelated real estate matters.[1] The Fiduciary will monitor OPJV's compliance with all terms of the Contract and the conditions of this proposed exemption, and will pursue appropriate remedies on behalf of the Plan in the event of any default or noncompliance.

4. The Loan is proposed in the principal amount of the lesser of (a) $250,000, or (b) 25 percent of the total assets of the Plan as of the date of the Loan. The Loan principal will bear interest at an annual rate equal to the prime rate announced by NationsBank, N.A., plus 1 percent, adjusted every six months commencing January 1, 1994. Under the Agreement, the Loan will be repaid over fifteen years in monthly installments of principal and interest, pursuant to a schedule in the Contract. The Contract provides that upon any default of any provisions of the Contract not cured after 10 days of written notice, the entire outstanding principal balance and unpaid interest may become immediately due and payable, at the Fiduciary's option. The Contract requires the OPJV to pay all reasonable costs of enforcement and collection, including attorneys' fees, incurred by the Fiduciary in the event of any default of any Contract provisions by OPJV.

5. The Loan will be secured by a duly filed and perfected first-lien security interest in the Building. In an appraisal as of April 23, 1993, Peter A. Moholt, MAI, a professional real estate appraiser in Gaithersburg, Maryland, determined that the Building had a fair market value of $710,000. Under the Contract, OPJV will be required to maintain loss and hazard insurance on the Building in the amount of no less than the Building's fair market value for the duration of the Loan. Repayment of the Loan will also be secured by the personal guaranty of each Joint Venturer pursuant to a written guaranty agreement under which the Joint Venturers jointly and severally guaranty all amounts due the Plan under the Contract, including any attorneys' fees and costs of collection in the event of default. The Joint Venturers represent that they each have a personal net worth in excess of $250,000.

6. As a condition of the proposed exemption, the terms and conditions of the Loan must be at least as favorable to the Plan as those which the Plan could obtain in dealing at arm's length with an unrelated party. In this regard, a representative of Maryland National Bank in Baltimore (the Bank) has stated in a letter dated July 26, 1990 that the Bank would make a loan of $550,000 to OPJV with interest at the Bank's prime lending rate, if secured by a first lien on the Building and the personal guarantees of the Joint Venturers. The Fiduciary states that the interest rate of the proposed Loan represents a fair market rate of interest for such

[1] The Fiduciary represents that the total legal fees paid by the OPJV and the Employer for such services represent less than one percent of the revenues of the law firm of which the Fiduciary is a member in Baltimore, Maryland.

commercial loans which are secured by wholly-leased real property.

7. The Fiduciary represents that after a review and evaluation of the proposed Loan, he has determined that it constitutes an attractive investment opportunity for the Plan, with sufficient security to afford a significant level of safety, and that the proposed rate of return is significantly higher than alternative investment opportunities which have been available to the Plan in the past with the same amount of security. Execution of the Contract and disbursement of the Loan will occur under the Fiduciary's oversight, and the Fiduciary will oversee and monitor OPJV's compliance with the Loan terms and conditions for the duration of the Loan. The Fiduciary will ensure that the Building is maintained adequately to preserve its value as collateral for the Loan, and will ascertain that OPJV maintains insurance policies on the Building as required under the Contract. The Fiduciary represents that in the event of any default on the Loan, he will take appropriate action to enforce OPJV's obligations and protect the Plan's rights under the Contract.

8. In summary, the applicant represents that the proposed transaction satisfies the criteria of section 408(a) of the Act for the following reasons: (1) No more than twenty five percent of the assets of the Plan will be involved in the Loan; (2) The Loan will be secured by a first lien on the Building, the value of which is in excess of 150 percent of the proposed Loan; (3) OPJV's obligations with respect to the Loan will be guaranteed by the Joint Venturers, each of whom represents a net worth in excess of $250,000; (4) The interests of the Plan with respect to the Loan are represented by the Fiduciary, who will oversee and monitor OPJV's compliance with the Loan terms for the duration of the Loan; and (6) The Fiduciary has determined that the Loan constitutes a favorable, adequately-secured investment for the Plan, and that the Loan's interest rate represents a fair market rate for loans of this type.

FOR FURTHER INFORMATION CONTACT: Ronald Willett of the Department, telephone (202) 219–8881. (This is not a toll-free number.)

Profit Sharing Plan of A. H. Williams & Co., Inc. (the Plan), Located in Philadelphia, Pennsylvania

[Application No. D–9518]

Proposed Exemption

The Department is considering granting an exemption under the authority of section 408(a) of the Act and section 4975(c)(2) of the Code and in accordance with the procedures set forth in 29 CFR part 2570, subpart B (55 FR 32836, 32847, August 10, 1990). If the exemption is granted, the restrictions of sections 406(a), 406(b)(1) and (b)(2) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1)(A) through (E) of the Code, shall not apply to the May 25, 1993 sale to the individually-directed accounts (the Accounts) of six participants in the Plan by A. H. Williams & Co., Inc. (Williams) of certain bonds issued by the Montgomery County Industrial Development Authority (the Authority), provided the following conditions have been satisfied: (a) The bonds represented no more than 25% of the assets of any of the Accounts at the time of their acquisition; (b) Williams did not receive any fees or commissions in connection with the sale of the bonds to the Accounts; and (c) the purchase of the bonds by the Accounts was on terms at least as favorable to the Accounts as otherwise made available by Williams to unrelated purchasers.

EFFECTIVE DATE: If the proposed exemption is granted, the exemption will be effective May 25, 1993.

Summary of Facts and Representations

1. Williams is a dealer in municipal securities and is registered as such under the Securities Exchange Act of 1934. The Plan is a profit sharing plan which permits participants to direct their own investments. The Plan currently has 35 participants and approximately $6 million in assets.

2. Williams served as the underwriter of certain bonds issued on May 1, 1993 by the Authority, which is a public instrumentality of the Commonwealth of Pennsylvania. The bonds that were issued by the Authority consisted of $7,560,000 of Series A Bonds (the Series A Bonds) and $400,000 of Series B Bonds (the Series B Bonds). Williams, as the underwriter of the bonds, purchased the Series A Bonds and the Series B Bonds from the Authority at the aggregate discount of $146,300 from the initial offering price of the bonds.

3. The proceeds of the Series A Bonds will be applied by the Authority for the purpose of undertaking a project primarily consisting of the acquisition of a 104-unit assisted living facility by the Authority. The proceeds of the Series B Bonds will be applied by the Authority to pay the remaining costs incurred in connection with the issuance of the Series A and Series B Bonds. The applicant represents that, for this reason, the Series B Bonds are taxable bonds. The Series A Bonds are tax-free.

4. The Series B Bonds bear interest at the annual rate of 10.5%, payable semi-annually, commencing November 1, 1993.[2] The Series B Bonds are subject to mandatory redemption in part, pro rata among the holders of the Series B Bonds, at a redemption price equal to the principal amount thereof plus accrued interest to the redemption dates and in the respective principal amounts as follows: May 1, 1995, $50,000; May 1, 1996, $55,000; May 1, 1997, $65,000; May 1, 1998, $70,000; and May 1, 1999, $75,000. The remaining $85,000 of the Series B Bonds mature on May 1, 2000.

5. Mr. Vincent J. Stafford (Mr. Stafford), the president of Williams, is the Plan administrator and a trustee of the Plan. Based on Mr. Stafford's knowledge of the municipal bond industry, he believed that the Series B Bonds would be a prudent investment alternative for the self-directed investments of Plan participants because the Bonds provide a high rate of interest, relative to other current investment alternatives, and provide an even higher yield to Plan participants than to other purchasers of the Bonds because Williams would not charge the Plan the "mark-up" price that it would charge to other purchasers. Based upon his knowledge of the municipal bond industry, Mr. Stafford believed that the Series B Bonds had a relatively low risk of default as compared to other municipal securities.

6. Mr. Stafford determined to make the Series B Bonds available for self-directed investments of Plan participants in advance of securing a prohibited transaction exemption from the Department because he believed the Series B Bonds would be unavailable for purchase at such time as an exemption would be granted. Mr. Stafford believed that the Series B Bonds would be quickly sold by Williams to other investors after the initial offering of the Bonds on May 27, 1993 by Williams.

7. Accordingly, a memorandum was sent on April 20, 1993, to all participants of the Plan notifying them that the Series B Bonds were available for purchase. The memorandum advised participants that if they were interested in purchasing the Bonds for their Accounts, a preliminary official statement for the Bonds would be made available for their review, and they should contact Mr. Stafford.

8. On May 25, 1993, the Plan purchased the entire $400,000 issue of Series B Bonds from Williams at a discounted price of $397,000, pursuant

[2] The Series A Bonds, which are not subject to Federal income tax, bear interest at the annual rate of 8.25%.

to the investment instructions of six of the 35 participants of the Plan. Specifically, the Plan purchased 120 Bonds each at $992.50 per Bond for the Accounts of William Widerman, Edward Trexler III, and Mr. Stafford; 20 Bonds at $992.50 per Bond for the Account of Paul McCorristin; 15 Bonds at $992.50 per Bond for the Account of Denis Carlson; and 5 Bonds at $992.50 per Bond for the Account of Kenneth Assiran. The price that the Plan paid for the Bonds was the identical discounted price that Williams paid to purchase the Bonds from the Authority. Williams did not earn any commissions or fees in connection with the sale of the Bonds to the Accounts.

9. All participants of the Plan were provided with the opportunity to purchase the Series B Bonds, and no participant who expressed an interest in purchasing Bonds for his or her Account was turned down. The principals of Williams, Mr. Stafford, Mr. Widerman and Mr. Trexler, determined that they would purchase in equal amounts for their Accounts the Series B Bonds that remained after purchases were made by the Plan for the benefit of the other participants' Accounts. On May 25, 1993, the fair market value of the Series B Bonds purchased by the Plan comprised less than 25 % of the value of the Accounts of the six participants who purchased the Bonds, both individually and in the aggregate. The applicant represents that the Bonds represented approximately 5% of the assets in Mr. Stafford's Account, approximately 9.5% of the assets in the Accounts of Messrs. Widerman and Trexler, approximately 3% of the assets in Mr. Carlson's Account, approximately 7% of the assets in Mr. McCorristin's Account and approximately 18% of the assets in Mr. Assiran's Account.

10. In summary, the applicant represents that the subject transaction satisfied the criteria contained in section 408(a) of the Act because: (a) The transaction involved less than 25% of the value of the assets of the Accounts of the six participants who purchased the Bonds; (b) the transaction was a one-time sale for cash, and Williams received no commissions or fees in connection with the transaction; (c) the Plan acquired the Bonds on the same terms and for the same discount at which Williams had purchased the Bonds from the Authority; and (d) all participants in the Plan were given the opportunity to invest their Accounts' assets in the Series B Bonds, and the six participants who did so all determined that the subject transaction was appropriate for and in the best interest of their Accounts.

FOR FURTHER INFORMATION CONTACT: Gary H. Lefkowitz of the Department, telephone (202) 219–8881. (This is not a toll-free number.)

General Information

The attention of interested persons is directed to the following:

(1) The fact that a transaction is the subject of an exemption under section 408(a) of the Act and/or section 4975(c)(2) of the Code does not relieve a fiduciary or other party in interest of disqualified person from certain other provisions of the Act and/or the Code, including any prohibited transaction provisions to which the exemption does not apply and the general fiduciary responsibility provisions of section 404 of the Act, which among other things require a fiduciary to discharge his duties respecting the plan solely in the interest of the participants and beneficiaries of the plan and in a prudent fashion in accordance with section 404(a)(1)(b) of the act; nor does it affect the requirement of section 401(a) of the Code that the plan must operate for the exclusive benefit of the employees of the employer maintaining the plan and their beneficiaries;

(2) Before an exemption may be granted under section 408(a) of the Act and/or section 4975(c)(2) of the Code, the Department must find that the exemption is administratively feasible, in the interests of the plan and of its participants and beneficiaries and protective of the rights of participants and beneficiaries of the plan;

(3) The proposed exemptions, if granted, will be supplemental to, and not in derogation of, any other provisions of the Act and/or the Code, including statutory or administrative exemptions and transitional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of whether the transaction is in fact a prohibited transaction; and

(4) The proposed exemptions, if granted, will be subject to the express condition that the material facts and representations contained in each application are true and complete and accurately describe all material terms of the transaction which is the subject of the exemption. In the case of continuing exemption transactions, if any of the material facts or representations described in the application change after the exemption is granted, the exemption will cease to apply as of the date of such change. In the event of any such change, application for a new exemption may be made to the Department.

Signed at Washington, DC, this 5th day of November, 1993.

Ivan Strasfeld,

Director of Exemption Determinations, Pension and Welfare Benefits Administration, U.S. Department of Labor.

[FR Doc. 93–27722 Filed 11–9–93; 8:45 am]

BILLING CODE 4510–29–P

[Prohibited Transaction Exemption 93–78; Exemption Application No. D–8983, et al.]

Grant of Individual Exemptions; Goldman Sachs Group, L.P., et al.

AGENCY: Pension and Welfare Benefits Administration, Labor.

ACTION: Grant of Individual Exemptions.

SUMMARY: This document contains exemptions issued by the Department of Labor (the Department) from certain of the prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 (the Act) and/or the Internal Revenue Code of 1986 (the Code).

Notices were published in the **Federal Register** of the pendency before the Department of proposals to grant such exemptions. The notices set forth a summary of facts and representations contained in each application for exemption and referred interested persons to the respective applications for a complete statement of the facts and representations. The applications have been available for public inspection at the Department in Washington, DC. The notices also invited interested persons to submit comments on the requested exemptions to the Department. In addition the notices stated that any interested person might submit a written request that a public hearing be held (where appropriate). The applicants have represented that they have complied with the requirements of the notification to interested persons. No public comments and no requests for a hearing, unless otherwise stated, were received by the Department.

The notices of proposed exemption were issued and the exemptions are being granted solely by the Department because, effective December 31, 1978, section 102 of Reorganization Plan No. 4 of 1978 (43 FR 47713, October 17, 1978) transferred the authority of the Secretary of the Treasury to issue exemptions of the type proposed to the Secretary of Labor.

Statutory Findings

In accordance with section 408(a) of the Act and/or section 4975(c)(2) of the Code and the procedures set forth in 29

CFR part 2570, subpart B (55 FR 32836, 32847, August 10, 1990) and based upon the entire record, the Department makes the following findings:

(a) The exemptions are administratively feasible;

(b) They are in the interests of the plans and their participants and beneficiaries; and

(c) They are protective of the rights of the participants and beneficiaries of the plans.

Goldman Sachs Group, L.P., Located in New York, New York

[Prohibited Transaction Exemption 93–78; Exemption App. No. D–8983]

Exemption

Part I

The restrictions of sections 406(a) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1)(A) through (D) of the Code, shall not apply to the acquisition and holding by employee benefit plans (the Plans) of fixed-rate and variable-rate debt instruments (the Instruments) issued by Goldman Sachs Group, L.P. or its affiliates (collectively, Goldman Sachs), provided the following conditions are satisfied:

(A) Goldman Sachs does not have any discretionary authority or control or provide any investment advice, within the meaning of 29 CFR 2510.3–21(c), with respect to Plan assets involved in the transactions;

(B) The Plans pay no fees or commissions to Goldman Sachs in connection with the transactions covered by the requested exemption;

(C) The decision to invest in the Instruments is made by a Plan fiduciary who is independent of Goldman Sachs;

(D) Prior to a Plan's acquisition of any Instrument, Goldman Sachs fully discloses in writing to the independent Plan fiduciary all terms and conditions of the Instrument, including (but not limited to) the following:

(1) The currency in which the return is calculated;

(2) The date and conditions of maturity;

(3) Whether the Instrument is subject to a fixed or variable rate of return;

(4) All details of the basis of the rate of return of the Instrument;

(5) If the Instrument is calculated in reference to a specified index, information relating to calculation of principal and interest payments;

(6) If the Instrument includes any participation feature, all details of the methodology of measuring performance; and

(7) The terms, if any, under which the Instrument may be redeemed;

(E) All terms of the transactions are at least as favorable to the Plans as the terms available to unrelated investors at the time of acquisition of the Instruments;

(F) Each Plan (1) has assets in excess of $500 million; or (2) has assets in excess of $25 million and the fiduciary responsible for making the investment decision on behalf of the Plan with respect to the Instrument(s) has investment responsibility for Plans, maintained by members of a controlled group [as defined in section 1563 of the Code], which, in the aggregate, hold at least $500 million in assets; or (3) participates in a master trust with assets in excess of $500 million maintained on behalf of Plans sponsored by members of a controlled group [as defined in section 1563 of the Code], and the fiduciary responsible for making the investment decision on behalf of the master trust with respect to the Instrument(s) has investment responsibility for all Plans in the master trust;

(G) After the acquisition of an Instrument, no more than 10 percent of any Plan's assets shall be invested in all Instruments;

(H) The Instruments are rated in one of the three highest generic rating categories by at least one nationally recognized statistical rating service at the time of acquisition by a Plan;

(I) With respect to variable-rate Instruments (described in the Notice of Proposed Exemption), the interest rate of each Instrument is objectively determined, and, following the issuance of each Instrument, Goldman Sachs retains no authority to affect the determination of such interest rate;

(J) With respect to participation-feature Instruments (described in the Notice of Proposed Exemption), the method of determining the rate of return is fixed permanently upon the issuance of each Instrument, in accordance with generally-accepted accounting principles, and, following the Instrument's issuance, Goldman Sachs retains no authority to affect the determination of such method;

(K) The Instruments covered by this exemption are made available by Goldman Sachs in the ordinary course of its business to investors which are not employee benefit plans covered by Title I of the Act; and

(L) For transactions occurring after the date of publication of this exemption, Goldman Sachs will obtain a written agreement from each initial-issuance purchaser of any of the Instruments, that the Instruments will be sold to subsequent Plan investors only if the purchasing Plan investor satisfies the requirements of condition (F) of this exemption.

Part II

The restrictions of sections 406(a) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1)(A) through (D) of the Code, shall not apply to the holding of the Instruments by Plans which acquire the Instruments in secondary-market transactions to which Goldman-Sachs is not a party; provided that such transactions satisfy the conditions of sections (A) through (C) and (F) through (K) of Part I of this exemption, except that the conditions described in sections (H) [1] and (K) of Part I shall be deemed to be satisfied if such conditions were met at the time of the initial acquisition of the Instrument(s) from Goldman Sachs.[2]

EFFECTIVE DATE: This exemption is effective February 14, 1992.

TEMPORARY NATURE OF THE EXEMPTION: This exemption is temporary in nature and will expire seven years from the date on which it is published in the **Federal Register**, with respect to a Plan's acquisition of the Instruments. Instruments acquired prior to the expiration date of the exemption may be held by a Plan beyond the seven year period. If the applicant wishes to continue selling the Instruments to Plans after the exemption expires, the applicant should apply for an extension of the exemption prior to the end of the seven year period. The application for extension should describe the following: (1) Whether and how compliance with the exemption has been achieved; (2) the number of transactions engaged in under the exemption; and (3) the particular decisions made by the Plans' fiduciaries regarding investments in the Instruments.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption, refer to the notice of proposed exemption published on June 29, 1993 at 58 FR 34827.

WRITTEN COMMENTS: The Department received one written comment and no

[1] The Department wishes to emphasize that the individual Plans' fiduciaries remain responsible under the general fiduciary responsibility provisions of the Act for decisions involving Plan investments in the Instruments.

[2] In this exemption, with respect to secondary market transactions, the Department is providing exemptive relief only for the extension of credit to Goldman Sachs by Plans resulting from the Plans' holding of Instruments acquired in secondary market transactions to which Goldman Sachs is not a party. No exemptive relief is provided for any other prohibited transactions which may arise in connection with Plans' acquisition of the Instruments on the secondary market.

requests for a hearing. The comment was submitted on behalf of the applicant, Goldman Sachs. The issues addressed in the comment, and the Department's responses, are summarized as follows:

1. Condition (F) of the proposed exemption would restrict the exemption to transactions involving Plans with assets in excess of $500 million. The applicant states that the intent underlying this condition, which was proposed by the applicant, was to ensure that Plan investors would have the investment sophistication necessary to evaluate the debt instruments covered by the requested exemption. The applicant represents, however, that it has been noted that the condition would preclude in-house managers of Plans with assets in excess of $500 million from acquiring the Instruments on behalf of other Plans, with assets of less than $500 million, which are maintained by the same Plan sponsor. Additionally, the applicant states that the condition would also appear to prevent acquisition of the Instruments by a Plan which does not satisfy the asset size requirement even though that Plan's assets are held for collective investment with the assets of other Plans maintained by an employer or a controlled group in a master trust holding assets in excess of $500 million. The applicant maintains that the goal of requiring an appropriate level of investment expertise on behalf of investing Plans could be achieved more logically by applying the minimum-asset condition on an aggregated basis to all Plans for which an in-house fiduciary has investment responsibility. In the final exemption, the Department has revised the condition by adding language which addresses the applicant's concern in this regard. The applicant has also agreed that it will obtain a written agreement from investors who invest in the initial issuance of any of the Instruments that the Instruments will not be sold subsequently to any Plan which does not meet these minimum-asset requirements.

2. Condition (H) of the proposed exemption would require the Instruments to be rated in one of the three highest generic rating categories by at least one nationally recognized statistical rating service at the time of acquisition by a Plan. In its exemption application, the applicant had represented that the Instruments covered by the requested exemption would be so rated, and the applicant had agreed to the inclusion of the rating condition. However, in its comment the applicant requested the removal of the rating condition, maintaining that it would interfere with the ability of Plan investors to select the optimum level of risk and return for the Plan's investment portfolio. The Department is not persuaded that deletion of the rating condition from the exemption would be in the best interests or protective of the participants and beneficiaries of the Plans. However, as described below, the rating condition will be deemed to be satisfied, with respect to the holding by the Plans of Instruments acquired on the secondary market, if the condition was satisfied at the time of the initial acquisition of the Instrument from Goldman Sachs. In this regard, the Department notes that the individual Plans' fiduciaries remain responsible under the general fiduciary responsibility provisions of the Act for decisions involving investments in the Instruments.

3. The exemption application did not request, and the proposed exemption does not contain, any specific language directly addressing acquisition of the Instruments on the secondary market, whereby a Plan purchases an Instrument from a party unrelated to Goldman Sachs. The applicant maintains that participation by Plans in a secondary market for the Instruments would contribute to enhanced liquidity of the Instruments without any possibility of influence by Goldman Sachs over the Plans' investment decisions, since Goldman Sachs would not be a party to such transactions. Accordingly, in its comment the applicant proposed that the exemption be clarified to specify that the exemptive relief is available for secondary market transactions. In accordance with the applicant's request, in the final exemption the Department has added Part II, which sets forth the conditions for the holding of Instruments by Plans which acquire them in secondary market transactions to which Goldman Sachs is not a party. The Department has also added condition (L) to Part I of the exemption, to require Goldman Sachs to obtain from investors in the initial issuance of any of the Instruments a written agreement that the Instruments will not be sold in the secondary market to any Plan which does not meet condition (F) of this exemption, relating to minimum asset size.

The Department wishes to emphasize that with respect to secondary market transactions, the final exemption provides exemptive relief only for the extension of credit to Goldman Sachs by Plans resulting from the Plans' holding of Instruments acquired in secondary market transactions with parties unrelated to Goldman Sachs, and no exemptive relief is being provided for any other prohibited transactions which may arise in connection with the Plans' acquisition and holding of the Instruments.

4. The proposed exemption provided that, if granted, it would expire seven years from the date on which the final exemption was published in the **Federal Register**. In its comment the applicant requested (a) that the Department verify that an application for extension of the exemption could be submitted in time to permit the processing of the extension request prior to the expiration of the exemption, and (b) that secondary-market transactions be exempted from the seven-year limit. In response to the first request, the Department is unable to offer the applicant any specific assurance with respect to the timing or disposition of any future exemption request. However, in the event the applicant wishes to apply for an extension of the exemption, the Department invites the applicant to submit such application one year in advance of the expiration of the exemption. With respect to the second request, the Department is unable to conclude, on the basis of the exemption application and the applicant's comment, that it would be in the best interests and protective of the Plans to exempt the secondary transactions from the seven-year time limit.

5. The applicant notes that its exemption application included a request that the exemption be effective as of February 14, 1992, the date on which the application was filed with the Department, and that the proposed exemption did not indicate a specific effective date. In accordance with the applicant's initial application, the Department has published the exemption with an effective date of February 14, 1992.

After consideration of the entire record, including the comment, the Department has determined to grant the exemption as amended in the manner described above.

FOR FURTHER INFORMATION CONTACT: Ronald Willett of the Department, telephone (202) 219–8881. (This is not a toll-free number.)

General Information

The attention of interested persons is directed to the following:

(1) The fact that a transaction is the subject of an exemption under section 408(a) of the Act and/or section 4975(c)(2) of the Code does not relieve a fiduciary or other party in interest or disqualified person from certain other provisions to which the exemptions does not apply and the general fiduciary

responsibility provisions of section 404 of the Act, which among other things require a fiduciary to discharge his duties respecting the plan solely in the interest of the participants and beneficiaries of the plan and in a prudent fashion in accordance with section 404(a)(1)(B) of the Act; nor does it affect the requirement of section 401(a) of the Code that the plan must operate for the exclusive benefit of the employees of the employer maintaining the plan and their beneficiaries;

(2) These exemptions are supplemental to and not in derogation of, any other provisions of the Act and/or the Code, including statutory or administrative exemptions and transactional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of whether the transaction is in fact a prohibited transaction; and

(3) The availability of these exemptions is subject to the express condition that the material facts and representations contained in each application are true and complete and accurately describe all material terms of the transaction which is the subject of the exemption. In the case of continuing exemption transactions, if any of the material facts or representations described in the application change after the exemption is granted, the exemption will cease to apply as of the date of such change. In the event of any such change, application for a new exemption may be made to the Department.

Signed at Washington, DC, this 5th day of November 1993.

Ivan Strasfeld,

Director of Exemption Determinations, Pension and Welfare Benefits Administration, U.S. Department of Labor.

[FR Doc. 93-27723 Filed 11-9-93; 8:45 am]

BILLING CODE 4510-29-P

NUCLEAR REGULATORY COMMISSION

Documents Containing Reporting or Recordkeeping Requirements; Office of Management and Budget (OMB) Review

AGENCY: Nuclear Regulatory Commission (NRC).

ACTION: Notice of the OMB review of information collection.

SUMMARY: The NRC has recently submitted to OMB for review the following proposal for the collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

1. Type of submission, new, revision, or extension: Revision.

2. The title of the information collection: Billing Instructions for NRC Cost-Type Contracts.

3. The form number if applicable: N/A.

4. How often the collection is required: Monthly.

5. Who will be required or asked to report: NRC Contractors.

6. As estimate of the number of responses: 2,808—Billing Instructions; 480—License Fee Recovery Cost Summary Attachment.

7. As estimate of the total number of hours needed to complete the requirement or request: 1,404—Billing Instructions (.50 hrs. per response); 82—License Fee Recovery Cost Summary Attachment (.17 hrs. per response).

8. An indication of whether section 3504(h), Public Law 96-511 applies: Not applicable.

9. Abstract: The NRC Division of Contracts and Property Management, in administering its contracts provides billing instructions for its contractors to follow in preparation of invoices. These instructions stipulate the level of detail in which supporting cost data must be submitted for NRC review. The review of this information ensures that all payments made by NRC are for valid and reasonable costs in accordance with the contract terms and conditions. The billing instructions have been revised to include a section delineating the billing information required for license fee recovery costs which was previously contained in the Monthly Progress Report but will now be submitted as part of the invoice.

Copies of the submittal may be inspected or obtained for a fee from the NRC Public Document Room, 2120 L Street, NW., Washington, DC.

Comments and questions can be directed by mail to the OMB reviewer: Tim Hunt, Office of Information and Regulatory Affairs (3150-0109), NEOB-3019, Office of Management and Budget, Washington, DC 20503.

Comments can also be submitted by telephone at (202) 395-3084.

The NRC Clearance Officer is Brenda Jo Shelton, (301) 492-8132.

Dated at Bethesda, Maryland this 29th day of October 1993.

For the Nuclear Regulatory Commission.

Gerald F. Cranford,

Designated Senior Official for Information Resources Management.

[FR Doc. 93-27719 Filed 11-9-93; 8:45 am]

BILLING CODE 7590-01-M

Biweekly Notice

Applications and Amendments to Facility Operating Licenses Involving No Significant Hazards Considerations

I. Background

Pursuant to Public Law 97-415, the U.S. Nuclear Regulatory Commission (the Commission or NRC staff) is publishing this regular biweekly notice. Public Law 97-415 revised section 189 of the Atomic Energy Act of 1954, as amended (the Act), to require the Commission to publish notice of any amendments issued, or proposed to be issued, under a new provision of section 189 of the Act. This provision grants the Commission the authority to issue and make immediately effective any amendment to an operating license upon a determination by the Commission that such amendment involves no significant hazards consideration, notwithstanding the pendency before the Commission of a request for a hearing from any person.

This biweekly notice includes all notices of amendments issued, or proposed to be issued from October 18, 1993, through October 29, 1993. The last biweekly notice was published on October 27, 1993.

Notice of Consideration of Issuance of Amendments to Facility Operating Licenses, Proposed No Significant Hazards Consideration Determination, and Opportunity for a Hearing

The Commission has made a proposed determination that the following amendment requests involve no significant hazards consideration. Under the Commission's regulations in 10 CFR 50.92, this means that operation of the facility in accordance with the proposed amendment would not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety. The basis for this proposed determination for each amendment request is shown below.

The Commission is seeking public comments on this proposed determination. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination.

Normally, the Commission will not issue the amendment until the expiration of the 30-day notice period. However, should circumstances change during the notice period such that

failure to act in a timely way would result, for example, in derating or shutdown of the facility, the Commission may issue the license amendment before the expiration of the 30-day notice period, provided that its final determination is that the amendment involves no significant hazards consideration. The final determination will consider all public and State comments received before action is taken. Should the Commission take this action, it will publish in the **Federal Register** a notice of issuance and provide for opportunity for a hearing after issuance. The Commission expects that the need to take this action will occur very infrequently.

Written comments may be submitted by mail to the Rules Review and Directives Branch, Division of Freedom of Information and Publications Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and should cite the publication date and page number of this **Federal Register** notice. Written comments may also be delivered to Room P-223, Phillips Building, 7920 Norfolk Avenue, Bethesda, Maryland from 7:30 a.m. to 4:15 p.m. Federal workdays. Copies of written comments received may be examined at the NRC Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC 20555. The filing of requests for a hearing and petitions for leave to intervene is discussed below.

By December 10, 1993, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written request for a hearing and a petition for leave to intervene. Requests for a hearing and a petition for leave to intervene shall be filed in accordance with the Commission's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. Interested persons should consult a current copy of 10 CFR 2.714 which is available at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC 20555 and at the local public document room for the particular facility involved. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board, designated by the Commission or by the Chairman of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition; and the Secretary or the designated Atomic Safety and Licensing Board will issue a notice of a hearing or an appropriate order.

As required by 10 CFR 2.714, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) the nature of the petitioner's right under the Act to be made a party to the proceeding; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspect(s) of the subject matter of the proceeding as to which petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or who has been admitted as a party may amend the petition without requesting leave of the Board up to 15 days prior to the first prehearing conference scheduled in the proceeding, but such an amended petition must satisfy the specificity requirements described above.

Not later than 15 days prior to the first prehearing conference scheduled in the proceeding, a petitioner shall file a supplement to the petition to intervene which must include a list of the contentions which are sought to be litigated in the matter. Each contention must consist of a specific statement of the issue of law or fact to be raised or controverted. In addition, the petitioner shall provide a brief explanation of the bases of the contention and a concise statement of the alleged facts or expert opinion which support the contention and on which the petitioner intends to rely in proving the contention at the hearing. The petitioner must also provide references to those specific sources and documents of which the petitioner is aware and on which the petitioner intends to rely to establish those facts or expert opinion. Petitioner must provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact. Contentions shall be limited to matters within the scope of the amendment under consideration. The contention must be one which, if proven, would entitle the petitioner to relief. A petitioner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held.

If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment.

If the final determination is that the amendment request involves a significant hazards consideration, any hearing held would take place before the issuance of any amendment.

A request for a hearing or a petition for leave to intervene must be filed with the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555, Attention: Docketing and Services Branch, or may be delivered to the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington DC 20555, by the above date. Where petitions are filed during the last 10 days of the notice period, it is requested that the petitioner promptly so inform the Commission by a toll-free telephone call to Western Union at 1-(800) 248-5100 (in Missouri 1-(800) 342-6700). The Western Union operator should be given Datagram Identification Number N1023 and the following message addressed to **(Project Director)**: petitioner's name and telephone number, date petition was mailed, plant name, and publication date and page number of this **Federal Register** notice. A copy of the petition should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and to the attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for a hearing will not be entertained absent a determination by the Commission, the presiding officer or the Atomic Safety and Licensing Board that the petition and/or request should be granted based upon a balancing of factors specified in 10 CFR 2.714(a)(1)(i)-(v) and 2.714(d).

For further details with respect to this action, see the application for amendment which is available for public inspection at the Commission's

Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC 20555, and at the local public document room for the particular facility involved.

Carolina Power & Light Company, et al., Docket Nos. 50-325 and 50-324, Brunswick Steam Electric Plant, Units 1 and 2, Brunswick County, North Carolina

Date of amendments request: October 19, 1993

Description of amendments request: The proposed amendment adds a footnote to Technical Specification 4.6.1.2.b that allows a one-time exemption from the accelerated testing requirements to return the units to a normal Type A testing frequency.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The proposed amendment does not involve a significant increase in the probability or consequences of an accident previously evaluated. The surveillance requirement for testing of primary containment leakage rates ensures that the total containment leakage volume will not exceed the value assumed in the accident analyses at the peak accident pressure of 49 psig. The primary containment is a steel-lined, reinforced concrete pressure vessel which provides a barrier to fission project release. The safety objective of the primary containment system, in conjunction with ESF, is to contain the energy released during the design basis LOCA and to limit the release of fission products associated with this accident. As such, the primary containment leakage rates or testing frequency have no impact on the accident initiators. A one-time exemption from the Technical Specification required accelerated testing frequency will not impact the accident evaluations discussed in Chapter 15 of the Brunswick UFSAR. Therefore, the probability of an accident previously evaluated is not increased.

The purpose of 10 CFR 50, Appendix J Type A testing is to measure and ensure that the leakage through the primary containment does not exceed the maximum allowable leakage assumed in the accident analyses. The satisfactory completion of a Type A test ensures that the as-left leakage rates do not exceed 75 percent of those rates assumed in the safety analyses to determine the offsite radiological consequences of an accident. The as-left limit of 0.75 La was specified in Appendix J in order to provide a margin of 0.25 La for possible deterioration of the containment leak-tightness during the interval between Type A tests. This margin for deterioration is no longer needed when the as-found Type A test is performed. It is technically acceptable to use La as the as-found Type A test acceptance criterion. As such, the maximum allowable leakage rate of La is the correct value to use for the as-found limit for Type A leak rate testing.

The testing history of Units 1 and 2 demonstrates that, if an as-found limit of La is applied, neither Unit would now be in an accelerated testing frequency. As such, continuing the accelerated testing as required by Technical Specification 4.6.1.2.b is not necessary to achieve the underlying purpose of the Type A testing requirements of Appendix J.

Based on the above reasoning, the proposed amendment does not involve a significant increase in the probability or consequences of an accident previously evaluated.

The proposed amendment does not create the possibility of a new or different kind of accident from any accident previously evaluated. Allowing a one-time exemption from the accelerated testing requirement of Technical Specification 4.6.1.2.b will not modify any safety-related equipment or safety functions nor will it alter plant operation. The assumptions and consequences of the accident analyses remain bounded, therefore, possibility of a new or different kind of accident is not created by this change.

The proposed amendment does not involve a significant reduction in the margin of safety. The basis of Technical Specification 3/4.6.1.2, Primary Containment Leakage, is to impose limitations on primary containment leakage rates to ensure that the total containment leakage volume will not exceed the value assumed in the accident analyses at peak accident pressure of 49 psig. As an added conservatism, the as-left leakage rate is limited to .75 La to account for possible degradation of the containment leakage barriers between tests. Accelerated testing is required if two consecutive tests fail. Accelerated testing ensures that the causes of the test failures have been appropriately identified and corrected, assuring that the assumptions in the accident analyses remain bounded. Limiting the as-found leakage limit to La and performing repairs necessary to lower the as-left leakage limit to less than 0.75 La preserves the 0.25 La margin required by the original specification. Since neither Brunswick Unit would be in an accelerated testing condition based on an as-found leakage limit of La, the proposed change does not involve a significant reduction in the margin of safety as defined in the bases of the Technical Specification. In addition, the proposed amendment does not alter any plant design margins. Allowing the one-time exemption from the accelerated testing requirement of Technical Specification 4.6.1.2.b eliminate[s] the need for subjecting the containment to unnecessary structural stress and burdens of additional Type A testing. Therefore, the proposed amendment will not involve a significant reduction in the margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards.

Local Public Document Room location: University of North Carolina at Wilmington, William Madison Randall Library, 601 S. College Road, Wilmington, North Carolina 28403-3297.

Attorney for licensee: R. E. Jones, General Counsel, Carolina Power & Light Company, Post Office Box 1551, Raleigh, North Carolina 27602

NRC Project Director: S. Singh Bajwa

Carolina Power & Light Company, Docket No. 50-261, H. B. Robinson Steam Electric Plant, Unit No. 2, Darlington County, South Carolina

Date of amendment request: October 14, 1993

Description of amendment request: The proposed amendment revises Technical Specification 4.2.2 to remove the schedule for the withdrawal of reactor vessel material surveillance specimens in accordance with guidance provided in Generic Letter 91-01.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The proposed amendment does not involve a significant increase in the probability or consequences of an accident previously evaluated because the accident conditions and assumptions are not affected by the proposed Technical Specification change. The Reactor Vessel Material Surveillance Program ensures the availability of data to update the in-service operating temperature and pressure limits. The schedule identifying the withdrawal of the surveillance specimens will be removed; however, the proposed TS 4.2.2 will continue to require that specimens be removed and examined to determine changes in their material properties, as required by Appendix H to 10 CFR 50. No changes to the design of the facility have been made. No new equipment has been added or removed and no operational setpoints have been altered. Therefore, there is no increase in the probability or consequences of an accident previously evaluated.

The proposed amendment does not create the possibility of a new or different kind of accident from any accident previously evaluated. The proposed changes do not add or modify any equipment nor do the proposed changes involve any operational changes to any plant system or Limiting Condition for Operation (LCO). Proposed TS 4.2.2 will continue to require the specimens be removed and examined to determine changes in their material properties, as required by Appendix H to 10 CFR 50. The absence of a hardware change, or a change to the requirement for the time to withdraw capsules for re-evaluation, ensures that the accident initiators are unaffected, so no unique accident probability is created. No new accident or malfunction mechanism is

introduced by this amendment and no physical plant changes will result from this amendment. Therefore, the proposed changes do not create the possibility of a new or different kind of accident from any accident previously evaluated.

The proposed amendment does not involve a significant reduction in the margin of safety. Removal of the schedule from TS 4.2.2 is an administrative change and will have no impact on margin of safety. The removal of the schedule from the Technical Specifications for the withdrawal of reactor vessel material surveillance specimens will not result in any loss of regulatory control since changes to this schedule are controlled by the requirements of Appendix H to 10 CFR Part 50. In addition, to ensure that the surveillance specimens are withdrawn at a proper time, the surveillance requirement section, i.e., TS 4.2.2, will continue to indicate that the specimens be removed and examined to determine changes in their material properties, as required by Appendix H. Therefore, the proposed changes do not involve a significant reduction in a margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Hartsville Memorial Library, Home and Fifth Avenues, Hartsville, South Carolina 29550

Attorney for licensee: R. E. Jones, General Counsel, Carolina Power & Light Company, Post Office Box 1551, Raleigh, North Carolina 27602

NRC Project Director: S. Singh Bajwa

Carolina Power & Light Company, et al., Docket No. 50-400, Shearon Harris Nuclear Power Plant, Unit 1, Wake and Chatham Counties, North Carolina

Date of amendment request: October 5, 1993

Description of amendment request: The proposed change to the Technical Specifications would revise the wording of liquid release rate limit and its associated bases, and relocate the old 10 CFR 20.106 requirements to the new 10 CFR 20.1302 to be consistent with the revised terminology of 10 CFR Part 20. The new wording will retain the same overall level of effluent control required to meet the design objectives of Appendix I to 10 CFR Part 50.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

1. The proposed amendment does not involve a significant increase in the probability or consequences of an accident previously evaluated. The proposed revisions to the liquid release rate limit and the relocation of the old 10 CFR 20.106 requirements to the new 10 CFR 20.1302 have no impact on the plant systems, plant operations or accident precursors. The changes are administrative in nature, in that they will allow the continued operation of the facility with the same release rate limits as are currently implemented by the Technical Specifications and incorporate revised 10 CFR Section references.

2. The proposed amendment does not create the possibility of a new or different kind of accident from any accident previously evaluated. The proposed revisions to the liquid release rate limit and the relocation of the old 10 CFR 20.106 requirements to the new 10 CFR 20.1302 have no impact on plant systems, plant operations or accident precursors. The changes are administrative in nature, in that they will allow the continued operation of the facility with the same release rate limits as are currently implemented by the Technical Specifications and incorporate revised 10 CFR Section references.

3. The proposed amendment does not involve a significant reduction in the margin of safety. The proposed revisions will maintain the release rate limits for liquid effluents at the same level as that required by 10 CFR 20.106. Therefore, there will be no change in the types and amounts of effluents that will be released, nor will there be an increase in individual or cumulative radiation exposures to any member of the public.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Cameron Village Regional Library, 1930 Clark Avenue, Raleigh, North Carolina 27605.

Attorney for licensee: R. E. Jones, General Counsel, Carolina Power & Light Company, Post Office Box 1551, Raleigh, North Carolina 27602NRC Acting Project Director: S. Singh Bajwa

Commonwealth Edison Company, Docket Nos. 50-373 and 50-374, LaSalle County Station, Units 1 and 2, LaSalle County, Illinois

Date of amendment request: August 20, 1993

Description of amendment request: The proposed amendment would delete Technical Specification Section 3/4.6.1.5, Primary Containment Structural Integrity, which includes the Surveillance Requirements for the Primary Containment Tendons. In place of this specification, Technical Specification Administrative Controls, Section 6.2.F.6 is being added to require a program to be established, implemented, and maintained. The program is titled, "Inservice Inspection Program for Post Tensioning Tendons." The program will be based on Regulatory Guide 1.35, Revision 3, which will allow the Unit 1 and 2 primary containments to be tested as one containment, alternating the tests between the two containments.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

1) Involve a significant increase in the probability or consequences of an accident previously evaluated because:

The Inservice Inspection of the Primary Containment Tendons will be performed in accordance with the Inservice Inspection Program for Post Tensioning Tendons, which will be a program required by Technical Specification Administrative Controls section 6.2, Plant Operating Procedures and Programs. This program in conjunction with specification 3/4.6.1.1 will assure that the primary containment integrity will be maintained throughout the life of the plant for both LaSalle County Station (LaSalle) Unit 1 and Unit 2. The design of the primary containment is not affected by this change and therefore the probability of an accident occurring is not increased; because, neither accident initiators nor accident assumptions are affected by this change.

The consequences of analyzed accidents are not increased, because the integrity of the Primary Containment is maintained through specification 3.6.1.1 and the tendon program required by proposed specification 6.2.F.6.

2) Create the possibility of a new or different kind of accident from any accident previously evaluated because:

The Primary Containment Integrity is assured through continued surveillance and test of the Primary Containment Tendons in accordance with the Inservice Inspection Program for Post Tensioning Tendons, which will be a program required by Technical Specification Administrative Controls section 6.2, Plant Operating Procedures and Programs. Technical Specification 3/4.6.1.1, Primary Containment Integrity, provides appropriate controls and actions related to loss of containment integrity.

3) Involve a significant reduction in the margin of safety because:

The Deletion of Technical Specification 3/4.6.1.5 does not reduce the margin of safety, because Primary Containment Integrity is required to be maintained per specification 3.6.1.1, Primary Containment Integrity and proposed addition of Administrative Control 6.2.F.6, Inservice Inspection Program for Post Tensioning Tendons.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the

amendment request involves no significant hazards consideration.

Local Public Document Room location: Public Library of Illinois Valley Community College, Rural Route No. 1, Oglesby, Illinois 61348

Attorney for licensee: Michael I. Miller, Esquire; Sidley and Austin, One First National Plaza, Chicago, Illinois 60690

NRC Project Director: James E. Dyer

Commonwealth Edison Company, Docket Nos. 50-254 and 50-265, Quad Cities Nuclear Power Station, Units 1 and 2, Rock Island County, Illinois

Date of amendment request: October 21, 1993

Description of amendment request: The proposed amendment would delete the requirements for demonstrating the operability of redundant equipment when emergency core cooling system equipment is found to be inoperable, or made inoperable for maintenance. The proposed changes are similar to one previously approved for the High Pressure Coolant Injection and Reactor Core Isolation Cooling systems at Quad Cities.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The proposed changes do not involve a significant increase in the probability or consequences of an accident previously evaluated because:

The proposed changes involve deletion of the redundant testing of the ECCS pumps and valves when part or all of the RHR system or Core Spray system is inoperable. The present testing methods represent requirements beyond those necessary to adequately assure that remaining core cooling systems are operable and capable of performing their design intent. The proposed deletion of this multiple system testing requirement will bring Quad Cities station in line with the testing requirements of current BWR plants, as well as the BWR Standard Technical Specifications and BWR Improved Technical Specifications (NUREG 1433).

The proposed changes do not affect any accident precursors and, therefore, do not increase the probability of an accident previously evaluated.

The proposed changes do not increase the possibility of a new or different kind of accident from any accident previously evaluated because:

The proposed changes do not modify RHR system or Core Spray system design, or reduce the capability of these systems to perform their design intent. The plant will not be placed in an operational condition which has not been previously evaluated, nor does this change introduce any new operating modes or new equipment. Therefore, the possibility of a new or different kind of accident has not been created.

The proposed changes do not involve a significant reduction in a margin of safety because:

The proposed amendment will not significantly reduce the availability of RHR system or Core Spray system when required to mitigate accident conditions. Excessive testing of systems and components can reduce rather than increase reliability. An acceptable level of testing to demonstrate operability currently being used at later BWR plants does not include multiple testing of redundant equipment when the RHR system or Core Spray system is inoperable. Therefore, these changes do not involve a significant reduction in the margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Dixon Public Library, 221 Hennepin Avenue, Dixon, Illinois 61021

Attorney for licensee: Michael I. Miller, Esquire; Sidley and Austin, One First National Plaza, Chicago, Illinois 60690

NRC Project Director: James E. Dyer

Duke Power Company, et al., Docket Nos. 50-413 and 50-414, Catawba Nuclear Station, Units 1 and 2, York County, South Carolina

Date of amendment request: October 25, 1993

Description of amendment request: Degraded steam generator tubes have been plugged or sleeved, resulting in a reduction of reactor coolant system (RCS) flow in Unit 1. In addition to this, the hot leg streaming phenomenon affects the accurate measurement of flow. As a result of these effects, it will become difficult to ensure meeting the minimum flow requirement of Technical Specification (TS) Table 2.2-1, Item 12, to maintain 100% power operation. The proposed reduction in minimum measured flow is applicable to Catawba Unit 1. To alleviate this concern, analyses have been performed to justify reduction in the minimum RCS flow to 382,000 gallons per minute (gpm). These analyses show that the reduced flow rate will not have a significant impact on any accident analyses presented in Chapters 3, 4, 6, or 15 of the Final Safety Analysis Report (FSAR). The overtemperature delta-T and overpower delta-T setpoint equation constants have been revised to support the reduction in minimum measured flow. Departure from Nucleate Boiling Ratio (DNBR) and centerline fuel temperature (CFT) limits have been added to TS 2.1.1 as Limiting Conditions for Operation (LCO), replacing a reference to Figure 2.1-1.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

1. This amendment will not significantly increase the probability or consequence of any accident previously evaluated.

No component modification, system realignment, or change in operating procedure will occur which could affect the probability of any accident or transient. The reduction in flow will not change the probability of actuation of any Engineered Safeguard Feature or other device. The consequences of previously-analyzed accidents have been found to be insignificantly different when the reduced flow rate is assumed. The system transient response is not affected by the initial RCS flow assumption, unless the initial assumption is so low as to impair the steady-state core cooling capability or the steam generator heat transfer capability. This is clearly not the case with a <1% reduction in RCS flow.

The change to Technical Specification 2.1.1 to refer to DNB and CFT limits rather than Figure 2.1-1 will not cause the consequences of a previously analyzed accident to increase. No new mechanisms are introduced which could exacerbate a previously analyzed accident.

2. This amendment will not create the possibility of any new or different accidents not previously evaluated.

No component modification, system realignment, or change in operating procedure will occur which could create the possibility of a new event not previously considered. The reduction in flow will not initiate any new events.

The change to Specification 2.1.1 will not initiate any new events. The introduced T_{avg} and thermal power limits define a more restrictive operating range than could be inferred from the existing figure. There are no new mechanisms introduced which could create the possibility of a different accident not previously analyzed.

3. This amendment will not involve a significant reduction in a margin of safety.

As described in [the licensee's application], the decrease in RCS flow has been analyzed and found to have an insignificant effect on the applicable transient analyses found in the FSAR. In order to support the reduced flow rate, the OT[delta]T and OP[delta]T setpoint equation constants have been revised. There is no significant reduction in a margin of safety.

The change to Technical Specification 2.1.1 will not reduce a margin of safety. The limits on T_{avg} and thermal power will provide the reactor operator with meaningful and identifiable indications in the event that normal operating conditions are exceeded.

The NRC staff has reviewed the licensee's analysis and, based on this

review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: York County Library, 138 East Black Street, Rock Hill, South Carolina 29730

Attorney for licensee: Mr. Albert Carr, Duke Power Company, 422 South Church Street, Charlotte, North Carolina 28242Acting

NRC Project Director: Robert A. Hermann

Duke Power Company, Docket Nos. 50-369 and 50-370, McGuire Nuclear Station, Units 1 and 2, Mecklenburg County, North Carolina

Date of amendment request: November 21, 1991

Description of amendment request: The proposed amendments were submitted as a result of NRC recommendations pertaining to Generic Letter 90-06 for the power-operated relief valves (PORVs) and block valves and low-temperature overpressure protection (LTOP) systems.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The amendment would not involve a significant increase in the probability or consequences of an accident previously evaluated.

From an accident and transient mitigation standpoint, the PORVs can be utilized to perform safety-related functions. For McGuire, these include mitigation of a steam generator tube rupture accident and low-temperature overpressure protection of the reactor vessel. In addition, the PORVs can be an accident initiator in the case where a failed-open PORV results in a small break loss of coolant accident (SBLOCA).

The proposed changes will increase the likelihood that the PORVs and block valves will be available for performing the above safety-related functions. They will also reduce the probability of accident sequences which may result from PORV and block valve failures. For the case where the PORVs are utilized as a means of LTOP, the proposed changes (specifically, the reduced allowable outage time while in Modes 5 and 6) will ensure that both channels of overpressure protection equipment maintain a high availability in the event that they are called upon to mitigate a low-temperature overpressurization transient.

Based on the above, the proposed technical specifications changes will not involve a significant increase in the probability or consequences of an accident that has been previously evaluated.

The amendment would not create the possibility of a new or different kind of accident from any kind of accident previously evaluated.

With the exception of a failed-open PORV resulting in a SBLOCA as indicated above the PORVs and block valves cannot initiate accident sequences. The proposed changes will not result in the PORVs and block valves being operated or utilized in a deleterious manner; therefore, the possibility of a new or different kind of accident is not created.

The amendment would not involve a significant reduction in a margin of safety.

Overall plant safety would be enhanced as a result of the additional restrictions placed on the PORVs and block valves (and LTOP channels when the PORVs are used for LTOP). In addition, for GI-70 and GI-94, the NRC has made the determination that there will be a substantial increase in overall protection of the public health and safety as a result of the implementation of actions recommended by Generic Letter 90-06, including the recommended technical specifications changes.

Based on the above and the supporting technical justification, Duke Power Company has concluded that there is no significant hazard consideration involved in this amendment request.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Atkins Library, University of North Carolina, Charlotte (UNCC Station), North Carolina 28223

Attorney for licensee: Mr. Albert Carr, Duke Power Company, 422 South Church Street, Charlotte, North Carolina 28242

NRC Project Director: David B. Matthews

Florida Power and Light Company, Docket Nos. 50-250 and 50-251, Turkey Point Plant Units 3 and 4, Dade County, Florida

Date of amendment request: October 4, 1993

Description of amendment request: The proposed amendment would revise the Technical Specifications (TS) for Turkey Point Units 3 and 4 relating to the surveillance requirement for the performance of Type A Tests which determine the overall integrated containment leakage rate. Specifically, the surveillance test schedule in TS 4.6.1.2a and the associated TS Bases would be revised to accommodate the longer fuel cycle lengths and longer refueling outages in which major plant modifications are generally implemented. The proposed TS wording would be consistent with the standard TS for Westinghouse Plants (NUREG-1431) which allow for changes in test frequencies by means of an NRC-approved exemption request to 10 CFR 50 Appendix J.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

(1) Operation of the facility in accordance with the proposed amendments would not involve a significant increase in the probability or consequences of an accident previously evaluated.

The proposed license change is administrative in nature in that the proposed change will adopt the guidance and wording provided in NUREG 1431, Standard Technical Specifications, Westinghouse Plants, dated September, 1992, for the performance of Type A tests in accordance with 10 CFR 50 Appendix J. This guidance was approved and issued by the NRC Office of Nuclear Reactor Regulation. NUREG 1431 was developed based on the criteria in the interim Commission Policy Statement on Technical Specifications Improvements for Nuclear Power Reactors, dated February 6, 1987. Specifically, the proposed change removes the schedular requirements of 40 [plus or minus] 10 months for the performance interval for Type A test from the surveillance requirement and would require the test interval to be in accordance with 10 CFR 50 Appendix J and any approved exemptions. The proposed Technical Specification change does not involve any change to the configuration or method of operation of any plant equipment that is used to mitigate the consequences of an accident, nor do they affect any assumptions or conditions in any of the accident analysis. Therefore, the probability or consequences of an accident previously evaluated are not affected.

(2) Operation of the facility in accordance with the proposed amendments would not create the possibility of a new or different kind of accident from any accident previously evaluated.

The proposed license change is administrative in nature in that the proposed change will adopt the guidance and wording provided in NUREG 1431, Standard Technical Specifications, Westinghouse Plants, dated September, 1992, for the performance of Type A tests in accordance with 10 CFR 50 Appendix J. This guidance and wording was approved and issued by the NRC Office of Nuclear Reactor Regulation. NUREG 1431 was developed based on the criteria in the interim Commission Policy Statement on Technical Specifications Improvements for Nuclear Power Reactors, dated February 6, 1987. Specifically, the proposed change removes the schedular requirements of 40 [plus or minus] 10 months for the performance interval for Type A test from the surveillance requirement and would require the test interval to be in accordance with 10 CFR 50 Appendix J and any approved exemptions. The proposed

Technical Specification change does not involve any change to the configuration or method of operation of any plant equipment that is used to mitigate the consequences of an accident. Therefore, the possibility of a new or different kind of an accident previously evaluated would not be created.

(3) Operation of the facility in accordance with the proposed amendments would not involve a significant reduction in a margin of safety.

The proposed license change is administrative in nature in that the proposed change will adopt the guidance and wording provided in NUREG 1431, Standard Technical Specifications, Westinghouse Plants, dated September, 1992, for the performance of Type A tests in accordance with 10 CFR 50 Appendix J. This guidance and wording was approved and issued by the NRC Office of Nuclear Reactor Regulation. NUREG 1431 was developed based on the criteria in the interim Commission Policy Statement on Technical Specifications Improvements for Nuclear Power Reactors, dated February 6, 1987. Specifically, the proposed change removes the schedular requirements of 40 [plus or minus] 10 months for the performance interval for Type A test from the surveillance requirement and would require the test interval to be in accordance with 10 CFR 50 Appendix J and any approved exemptions. Therefore, a significant reduction in a margin of safety would not be involved.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Florida International University, University Park, Miami, Florida 33199

Attorney for licensee: Harold F. Reis, Esquire, Newman and Holtzer, P.C., 1615 L Street, NW., Washington, DC 20036

NRC Project Director: Herbert N. Berkow

GPU Nuclear Corporation, et al., Docket No. 50-219, Oyster Creek Nuclear Generating Station, Ocean County, New Jersey

Date of amendment request: October 8, 1993

Description of amendment request: The proposed changes relocate the Radiological Effluent Technical Specifications (RETS) and the Radioactive Effluent Monitoring Program (REMP) to the Offsite Dose Calculation Manual (ODCM) in accordance with Generic Letter (GL) 89-01. The sampling frequencies and locations are site based. Relocation of the procedural details of RETS to the Process Control Program (PCP), pursuant to GL 89-01, allows for concurrent implementation with the proposed TSCR.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

GPUN has determined that this Technical Specification Change Request involves no significant hazards consideration as defined by NRC in 10 CFR 50.92.

1. Operation of the facility in accordance with the proposed amendment would not involve a significant increase in the probability of occurrence or the consequences of an accident previously evaluated.

The proposed amendment allows relocation of the Oyster Creek RETS to either the ODCM or PCP according to the guidance contained in GL 89-01, and conforms the Technical Specification to 10 CFR 50.36(a)(2). This proposal simplifies the RETS, meets the regulatory requirements for radioactive effluent and radiological environmental monitoring, and is provided as a line-item improvement of the Tech. Specs. Thus, this change does not increase the probability of occurrence or consequences of an accident previously evaluated.

2. Operation of the facility in accordance with the proposed amendment would not create the possibility of a new or different kind of accident from any accident previously evaluated.

The proposal relocates procedural details, currently included in the Tech. Spec. Amendment, on radioactive effluent, solid radioactive wastes, environmental monitoring, and associated reporting requirements to the ODCM or PCP, as appropriate. Future changes to these procedural details in the ODCM and the PCP will be handled under the administrative controls for changes to these documents. Therefore, this change has no effect on the possibility of creating a new or different kind of accident from any accident previously evaluated.

3. Operation of the facility in accordance with the proposed amendment would not involve a significant reduction in a margin of safety.

The procedural details being relocated to the ODCM or the PCP are consistent with the guidance provided in GL 89-01 and NUREG-0473. Therefore, it is concluded that operation of the facility in accordance with the proposed amendment does not involve a significant reduction in a margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Ocean County Library, Reference Department, 101 Washington Street, Toms River, New Jersey 08753

Attorney for licensee: Ernest L. Blake, Jr., Esquire. Shaw, Pittman, Potts & Trowbridge, 2300 N Street, NW., Washington, DC 20037.

NRC Project Director: John F. Stolz

GPU Nuclear Corporation, et al., Docket No. 50-219, Oyster Creek Nuclear Generating Station, Ocean County, New Jersey

Date of amendment request: October 18, 1993

Description of amendment request: For the systems identified below, GPU Nuclear Corporation requests that the Technical Specifications (TS) be changed which would give the option of verifying operability during a Limiting Condition of Operation (LCO) by the examination of surveillance records. This change does not preclude testing as the means of determining operability. The systems which are affected are as follows:

TS Section

3.2C Standby Liquid Control System
3.4A Core Spray System
3.4B Automatic Depressurization System
3.4C Containment Spray System and Emergency Service Water System
3.5B Secondary Containment
3.8 Isolation Condenser
3.17 Control Room Heating, Ventilating, and Air-conditioning system Conforming changes are made to Definitions, TS 1.1 "Operable-Operability."

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

GPU Nuclear has determined that operation of the Oyster Creek Nuclear Generating Station in accordance with the proposed Technical Specifications does not involve a significant hazard. The changes do not:

1. Involve a significant increase in the probability or the consequence of an accident previously evaluated.

The change provides an alternate means of determining system (component) operability without testing. Since a recent surveillance will provide the evidence for determining operability, the verification will be equivalent to the demonstration or testing of the redundant system (component). Since the redundant system (component) can perform its design function, this change will not increase the probability or consequence of an accident previously evaluated.

2. Create the possibility of a new or different kind of accident from any previously evaluated.

Operation of the facility in accordance with this proposed change will not create the

possibility for an accident or malfunction of a different type from any accident previously evaluated. The proposed amendment does not modify any system (component) operation or maintenance activity. The facility will continue to be operated within the limits of existing accident analysis and margins of safety.

3. Involve a significant reduction in a margin of safety.

This change permits an administrative check (verify) in place of daily testing (demonstrating) to determine operability during a LCO. Since the proposed change does not alter any system hardware or design basis, the margin of safety is not reduced.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Ocean County Library, Reference Department, 101 Washington Street, Toms River, New Jersey 08753

Attorney for licensee: Ernest L. Blake, Jr., Esquire. Shaw, Pittman, Potts & Trowbridge, 2300 N Street, NW., Washington, DC 20037.

NRC Project Director: John F. Stolz

GPU Nuclear Corporation, et al., Docket No. 50-289, Three Mile Island Nuclear Station, Unit No. 1, Dauphin County, Pennsylvania

Date of amendment request: May 17, 1993

Description of amendment request: The purpose of the request is to change the plant Technical Specifications (TS) to revise the required action in the event of an inoperable loss-of-voltage relay or degraded grid voltage relay. The actions are being slightly relaxed to be consistent with actions required for similar safety-related components.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

1. Operation of the facility in accordance with the proposed amendment would not involve a significant increase in the probability of occurrence or the consequences of an accident previously evaluated. The proposed amendment permits time to restore the relays to operable status that is consistent with times allowed for outage of other safety related equipment affecting one train. The proposed amendment maintains a high degree of equipment availability without requiring unnecessary initiation of a plant shutdown for partial equipment outages.

2. Operation of the facility in accordance with the proposed amendment would not create the possibility of a new or different kind of accident from any accident previously evaluated. With offsite power available, load shedding to limit loading on the safety related bus is initiated by the ES signal; therefore, the undervoltage relays perform no function unless offsite voltage becomes unacceptably low. If an accident occurred while the relays were inoperable, the redundant train would complete the safety function. The proposed time allowed for the relays to be out of service is bounded by the allowable time for the diesel to be out of service and is consistent with allowable outage times for other ES components. Therefore, the proposed amendment does not create the possibility of a new or different accident.

3. Operation of the facility in accordance with the proposed amendment does involve a significant reduction in a margin of safety. As noted in the basis for the specification, every reasonable effort is and will continue to be made to maintain all safety instrumentation operable. If relays are found to be inoperable or require maintenance to assure their reliability, the proposed amendment will allow the performance of maintenance in a reasonable time period.

Allowing the relays to be out of service creates a vulnerability to incomplete safety function actuation or initiation if a failure occurs in the alternate train. The concern applies only for events accompanied by degraded offsite power. This change does not result in a significant reduction in the margin of safety because the extension in outage time allows only one train to be affected.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Government Publications Section, State Library of Pennsylvania, Walnut Street and Commonwealth Avenue, Box 1601, Harrisburg, Pennsylvania 17105.

Attorney for licensee: Ernest L. Blake, Jr., Esquire, Shaw, Pittman, Potts & Trowbridge, 2300 N Street, NW., Washington, DC 20037.

NRC Project Director: John F. Stolz

GPU Nuclear Corporation, et al., Docket No. 50-289, Three Mile Island Nuclear Station, Unit No. 1, Dauphin County, Pennsylvania

Date of amendment request: May 26, 1993

Description of amendment request: The purpose of the request is to change the plant Technical Specifications (TS) to correct the definition of flood stage. The present TS still reference the Nagle Street Bridge in Harrisburg. Because this bridge was underwater during the 1972 flooding, the reference datum point location will be specified as the Susquehanna River Gage at Harrisburg.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

1. Operation of the facility in accordance with the proposed amendment would not involve a significant increase in the probability of occurrence or the consequences of an accident previously evaluated. The proposed amendment is administrative in nature: the USGS [United States Geological Survey] designation and gage location for measuring mean sea level datum at Harrisburg was changed. Therefore, the revised TS no longer identifies specifically the Nagle Street Bridge Gage as the reference for river level. The gage of reference is the Susquehanna River Gage at Harrisburg. The mean sea level elevations previously identified as the action initiation levels for the emergency and surveillance procedures remain the same.

2. Operation of the facility in accordance with the proposed amendment would not create the possibility of a new or different kind of accident from any accident previously evaluated. The change has no impact on plant operation as described above. Reaction to increasing river level will be in accordance with controlling procedures. They will not be changed, except for correctly identifying the USGS designation and location for the Harrisburg Gage as a result of this revision to the TS. Therefore, the proposed amendment does not create the possibility of a new or different accident.

3. Operation of the facility in accordance with the proposed amendment would not involve a significant reduction in a margin of safety. This change does not result in a reduction in the margin of safety since there is no margin of safety associated with the mean sea level elevation of the Susquehanna River for TMI-1. If a margin of safety were presumed to exist, no reduction would result because of the proposed amendment: no physical modification to the plant, its flood protection dikes or equipment, or procedurally prescribed actions resulted from the proposed amendment.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Government Publications Section, State Library of Pennsylvania, Walnut Street and Commonwealth Avenue, Box 1601, Harrisburg, Pennsylvania 17105.

Attorney for licensee: Ernest L. Blake, Jr., Esquire, Shaw, Pittman, Potts & Trowbridge, 2300 N Street, NW., Washington, DC 20037.

NRC Project Director: John F. Stolz

GPU Nuclear Corporation, et al., Docket No. 50-289, Three Mile Island Nuclear Station, Unit No. 1, Dauphin County, Pennsylvania

Date of amendment request: August 9, 1993

Description of amendment request: The purpose of the request is to change the plant Technical Specifications to support compliance with the new requirements of the revised 10 CFR Part 20. These changes are predominantly administrative.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

1. Operation of the facility in accordance with the proposed amendment would not involve a significant increase in the probability of occurrence or the consequences of an accident previously evaluated.

The proposed revisions to the liquid release rate limits and bases and gaseous effluent bases will not result in a change in the types or amounts of effluents released nor will there be an increase in individual or cumulative radiation exposures. In addition, these changes do not impact the operation or design of any plant structures, systems or components. These changes ensure compliance with 10 CFR 50.36a and 10 CFR 50 Appendix I and result in levels of radioactive materials in effluents being maintained [as low as is reasonably achievable] (ALARA). The revision to the high radiation area controls and dose measurement distance will ensure areas are conservatively posted as high radiation areas in compliance with 10 CFR 20.1601(a)(1) and provide controls to ensure individuals are not overexposed. Other proposed changes consist of revisions to 10 CFR 20 references to recognize the new section numbers, and administrative controls for record keeping to maintain compliance with the new Part 20.

These changes will not result in a change to plant design or operation. Therefore, it can be concluded that the proposed changes do not involve an increase in the probability or consequences of an accident previously evaluated.

2. Operation of the facility in accordance with the proposed amendment would not create the possibility of a new or different kind of accident from any accident previously evaluated.

The proposed changes do not affect the plant design or operation nor do they result in a change to the configuration of any equipment. There will be no change in types or increase in the amount of effluents released offsite.

Therefore, this proposed change cannot create the possibility of a new or different kind of accident from any previously evaluated.

3. Operation of the facility in accordance with the proposed amendment would not involve a significant reduction in a margin of safety.

The proposed revisions do not involve any change in the types or increase in the amount of effluents released offsite. The proposed changes do not involve any actual change in the methodology used in the control of radioactive wastes or radiological environmental monitoring. The methodology that will be used in the control of radioactive effluents and calculation of effluent monitor setpoints will result in the same effluent release rate as the current methodology now being used. The operational flexibility needed for effluent releases allows the use of limits as proposed. In addition, the changes in measurement distances for determination of high radiation areas will not result in an increase in individual or cumulative occupational radiation exposures since it will result in a more conservative identification of high radiation areas. Compliance with the limits of the new 10 CFR 20.1301 will be demonstrated by operating within the limits of 10 CFR 50 Appendix I and 40 CFR 190. Thus, operation of the facility in accordance with the proposed amendment does not involve a significant reduction in a margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Government Publications Section, State Library of Pennsylvania, Walnut Street and Commonwealth Avenue, Box 1601, Harrisburg, Pennsylvania 17105.

Attorney for licensee: Ernest L. Blake, Jr., Esquire, Shaw, Pittman, Potts & Trowbridge, 2300 N Street, NW., Washington, DC 20037.

NRC Project Director: John F. Stolz

GPU Nuclear Corporation, et al., Docket No. 50-289, Three Mile Island Nuclear Station, Unit No. 1, Dauphin County, Pennsylvania

Date of amendment request: August 24, 1993

Description of amendment request: The purpose of the request is to change the plant Technical Specifications to adopt the Standard Technical Specification provision that allows a period of 24 hours to complete a surveillance requirement upon the discovery that the surveillance has been missed. NRC Generic Letter No. 87-09 encouraged nuclear power plant licensees to adopt this provision.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

1. Operation of the facility in accordance with the proposed amendment would not involve a significant increase in the probability of occurrence or consequences of an accident previously evaluated. The proposed changes only affect administrative requirements regarding the performance of surveillances. This change will allow a 24 hour delay period for the performance of a surveillance when it is discovered that the surveillance has not been performed within the required frequency. There is minimal safety significance associated with a delay of 24 hours in completing the required surveillance, particularly due to the fact that the most probable result of any particular surveillance performed is the successful verification of conformance with the requirements.

2. Operation of the facility in accordance with the proposed amendment would not create the possibility of a new or different kind of accident from any previously evaluated. The proposed changes only affect administrative requirements regarding the performance of surveillances to allow a 24 hour delay period when it is discovered that a surveillance has been missed. No changes to plant equipment or operation are affected.

3. Operation of the facility in accordance with the proposed amendment would not involve a significant reduction in the margin of safety since the change contained in the proposed amendment does not change any existing safety margins.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Government Publications Section, State Library of Pennsylvania, Walnut Street and Commonwealth Avenue, Box 1601, Harrisburg, Pennsylvania 17105.

Attorney for licensee: Ernest L. Blake, Jr., Esquire, Shaw, Pittman, Potts & Trowbridge, 2300 N Street, NW., Washington, DC 20037.

NRC Project Director: John F. Stolz

GPU Nuclear Corporation, et al., Docket No. 50-289, Three Mile Island Nuclear Station, Unit No. 1, Dauphin County, Pennsylvania

Date of amendment request: August 26, 1993

Description of amendment request: The purpose of the request is to change the plant Technical Specifications to allow limited fuel reconstitution consistent with NRC Generic Letter 90-02, Supplement 1. Such reconstitution may be appropriate in the event of a leaking fuel rod, in which case the fuel rod would be replaced with a stainless steel or zirconium alloy filler rod.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

1. Operation of the facility in accordance with the proposed amendment would not involve a significant increase in the probability of occurrence or the consequences of an accident previously evaluated. The proposed amendment only permits the limited substitution of filler rods for fuel rods in fuel assemblies in accordance with the NRC-approved Babcock & Wilcox Fuel Company (BWFC) fuel assembly reconstitution methodology described in BAW-2149. Allowing this substitution for fuel rods that are found to be leaking during a refueling or are possible sources of future leakage will result in reductions in future occupational radiation exposure and plant radiological releases. Therefore, this change does not increase the probability of occurrence or the consequences of an accident previously evaluated.

2. Operation of the facility in accordance with the proposed amendment would not create the possibility of a new or different kind of accident from any accident previously evaluated. Substitution of filler rods is permitted in accordance with NRC-approved BWFC fuel assembly reconstitution methodology described in BAW-2149.

3. Operation of the facility in accordance with the proposed amendment would not involve a significant reduction in a margin of safety. Substitution of filler rods is permitted in accordance with NRC-approved BWFC fuel assembly reconstitution methodology described in BAW-2149. This methodology preserves existing fuel design and safety limits. Therefore, it is concluded that operation of the facility in accordance with the proposed amendment does not involve a significant reduction in a margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Government Publications Section, State Library of Pennsylvania, Walnut Street and Commonwealth Avenue, Box 1601, Harrisburg, Pennsylvania 17105.

Attorney for licensee: Ernest L. Blake, Jr., Esquire, Shaw, Pittman, Potts & Trowbridge, 2300 N Street, NW., Washington, DC 20037.

NRC Project Director: John F. Stolz

Houston Lighting & Power Company, City Public Service Board of San Antonio, Central Power and Light Company, City of Austin, Texas, Docket Nos. 50-498 and 50-499, South Texas Project, Units 1 and 2, Matagorda County, Texas

Date of amendment request: October 21, 1993

Description of amendment request: The licensee has requested to modify Technical Specification 6.5.2.8,. "Audits", to remove the prescriptive frequency of the required audits. The licensee proposes that the frequency be removed in order to allow performance based inspection frequencies. This is consistent with NUREG-1431, "Standard Technical Specifications - Westinghouse Plant" (September 1992).

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

1. The proposed change does not involve a significant increase in the probability or consequences of a previously evaluated accident.

The proposed amendment does not increase the probability of an accident previously evaluated because it does not impact the abnormal operational transients or the design basis accidents analyzed to demonstrate that the plant can be operated without undue risk as identified in UFSAR Chapter 15, in Environmental Report Chapter 7, and in Probabilistic Safety Assessment Section 5.0.

The proposed amendment does not increase the consequences of an accident previously evaluated because it does not degrade or prevent actions assumed to be taken during an accident described in the UFSAR. It does not alter any assumptions made or conclusions reached in evaluating the consequences of an accident in the UFSAR. It does not play a direct role in mitigating the radiological consequences of an accident dose nor does it result in any increase in accident dose as described in the UFSAR.

2. The proposed change does not create the possibility of a new or different kind of accident from any previously evaluated.

The proposed amendment does not create the possibility of a new or different type of accident from any previously evaluated because it does not impact the abnormal operational transients or design basis accidents analyzed to demonstrate that the plant can be operated without undue risk as identified in UFSAR Chapter 15, in Environmental Report Chapter 7, and in Probabilistic Risk Safety Assessment Section 5.0.

3. The proposed change does not involve a significant reduction in the margin of safety.

The proposed amendment does not reduce the margin of safety as defined in the basis for any Technical Specification because the change only affects the Technical Specifications Administrative Controls.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the request for amendments involves no significant hazards consideration.

Local Public Document Room location: Wharton County Junior College, J. M. Hodges Learning Center, 911 Boling Highway, Wharton Texas 77488

Attorney for licensee: Jack R. Newman, Esq., Newman & Holtzinger, P.C., 1615 L Street, NW, Washington, DC 20036

NRC Project Director: Suzanne C. Black

Northeast Nuclear Energy Company, et al., Docket No. 50-423, Millstone Nuclear Power Station, Unit No. 3, New London County, Connecticut

Date of amendment request: September 24, 1993

Description of amendment request: The proposed amendment would remove the listing of "Enclosure Building Bypass Leakage Paths" from the Technical Specifications, and would make a number of editorial changes.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The proposed changes do not involve an SHC [significant hazards consideration] because the changes would not:

1. Involve a significant increase in the probability of occurrence or consequences of an accident previously analyzed.

The proposed changes to allow Table 3.6-1 to be removed from the Technical Specifications and added to OP-3273 will not affect existing technical specification requirements or those components to which they apply. Operability and surveillance requirements are still retained in the Technical Specifications. The revisions to the Bases Section for tables removed by Amendment 28 allow these lists to be added to [Operating Procedures] OP-3273. Revisions to these lists will be evaluated in accordance with 10CFR50.59 and are also reviewed and approved by the PORC [Plant Operations Review Committee]. The balance of the proposed changes also make various editorial corrections to the Millstone Unit No. 3 Technical Specifications. These changes are designed to improve overall clarity and quality within the Millstone Unit No. 3 Technical Specifications. The nature of these changes is such that no adverse effects on safety can result. Therefore, the proposed changes will not increase the probability or consequences of an accident.

2. Create the possibility of a new or different kind of accident from any previously evaluated.

There are no new failure modes associated with the proposed changes. Since the plant will continue to operate as designed, the proposed changes will not modify the plant response to the point where a new accident can be considered.

3. Involve a significant reduction in margin of safety.

The proposed changes do not have any adverse impact on the protective boundaries, nor do they affect the consequences of any accident previously analyzed. The proposed changes to remove Table 3.6-1 from the Technical Specifications will not affect existing technical specification requirements or those components to which they apply. Operability and surveillance requirements are retained in the Technical Specifications.

The revision to the Bases Sections for the lists removed by Amendment 28 allow incorporation into OP-3273. This will allow for the ability to revise these lists more frequently than currently afforded by the FSAR. Revisions to these lists will be reviewed in accordance with 10CFR50.59. Additionally, a PORC review of the proposed changes is also performed. Therefore, the proposed changes will not impact the margin of safety as defined in any Technical Specification.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Learning Resources Center, Thames Valley State Technical College, 574 New London Turnpike, Norwich, Connecticut 06360.

Attorney for licensee: Gerald Garfield, Esquire, Day, Berry & Howard, City Place, Hartford, Connecticut 06103-3499.

NRC Project Director: John F. Stolz

Northeast Nuclear Energy Company, et al., Docket No. 50-423, Millstone Nuclear Power Station, Unit No. 3, New London County, Connecticut

Date of amendment request: September 30, 1993

Description of amendment request: The proposed amendment would revise the Technical Specifications by increasing the minimum volume of fuel oil required to be stored in the emergency diesel generator (EDG) day tank from 205 gallons to 278 gallons, and would clarify the bases for the EDG fuel oil storage tank and day tank minimum fuel oil volume requirements.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The proposed changes do not involve a significant hazards consideration because the changes would not:

1. Involve a significant increase in the probability or consequences of an accident previously evaluated.

The proposed changes to revise Technical Specifications 3.8.1.1.b.1 and 3.8.1.2.b.1 by increasing the minimum fuel oil volume stored in the EDG day tank will extend the length of time that the corresponding EDG may run, without replenishing the fuel oil. The EDG run-time will be extended from 23 minutes to approximately 27 minutes. The EDG run-time calculation considered usable volume, vortexing, and instrument accuracy. The proposed changes have no effect on EDG operation and reliability; therefore, there is no effect on the probability or consequences of an accident previously evaluated.

* * *

2. Create the possibility of a new or different kind of accident from any accident previously evaluated.

The EDGs are required to operate in response to a loss of offsite power. Therefore, the proposed changes to do not create the possibility of a new or different kind of accident from any accident previously evaluated.

3. Involve a significant reduction in a margin of safety.

The proposed changes to revise Technical Specifications 3.8.1.1.b.1 and 3.8.1.2.b.1 will increase the minimum volume of fuel oil required to be stored in the EDG day tank from 205 gallons to 278 gallons. When usable volume is considered, the EDG run-time will be extended from 23 minutes to approximately 27 minutes. Thus, these proposed changes do not involve a significant reduction in a margin of safety.

* * *

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Learning Resources Center, Thames Valley State Technical College, 574 New London Turnpike, Norwich, Connecticut 06360.

Attorney for licensee: Gerald Garfield, Esquire, Day, Berry & Howard, City Place, Hartford, Connecticut 06103-3499.

NRC Project Director: John F. Stolz

Omaha Public Power District, Docket No. 50-285, Fort Calhoun Station, Unit No. 1, Washington County, Nebraska

Date of amendment request: September 15, 1993

Description of amendment request: The proposed amendment to the Technical Specifications (TS) would implement Generic Letters (GLs) 86-10 and 88-12. This would remove some of the fire protection TS and place these parts in the Updated Safety Analysis Report (USAR). The licensee's amendment is in response to these GLs.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The proposed changes do not involve significant hazards considerations because operation of Fort Calhoun Station Unit No. 1 in accordance with these changes would not:

(1) Involve a significant increase in the probability or consequences of an accident previously evaluated.

The proposed change is administrative in nature, in that it moves the requirements of the Fire Protection Program from the TS to the USAR and implementing procedures, following guidance contained in Generic Letter (GL) 88-12. The proposed change will not revise the requirements for fire protection equipment operability, testing or inspections but merely transfers them to the USAR in accordance with GL 88-12. Minor editorial changes[such as changing "penetration fire barriers" to "fire barriers") are being proposed to the technical specifications when they are moved to the USAR. In addition, a requirement to establish a continuous fire watch within one hour will be added to compensatory measures for inoperable halon systems. The current specifications only contain the requirement for a continuous fire watch with no time limit for implementation. These changes are for clarification and do no change the intent of the specifications.

The special reporting requirements associated with limiting conditions for operations [sic] for fire protection systems (Specification 5.9.3.h) will not be incorporated into the USAR. However, a new paragraph has been added to the Technical Specifications which requires reporting of deficiencies in the Fire Protection Program which would meet the reportability criteria of 10 CFR 50.73. In addition, paragraphs are proposed which require written procedures for the implementation of Fire Protection Program requirements and review of these procedures by the Plant Review Committee and Safety Audit and Review Committee.

As fire protection requirements are only being relocated and clarified following the guidance of Generic Letters 86-10 and 88-12, the proposed change does not involve a significant increase in the probability or consequences of an accident previously evaluated.

(2) Create the possibility of a new or different kind of accident from any previously analyzed.

The proposed change does not involve any physical alteration of plant configurations, changes to setpoints, or operating parameters. It is an administrative change that retains the existing fire protection requirements and relocates these requirements from the Technical Specifications to the USAR;

therefore, it does not create the possibility of a new or different kind of accident.

(3) Involve a significant reduction in a margin of safety.

The proposed change follows guidance contained in Generic Letters 86-10 and 88-12 for incorporating the Fire Protection Program into the USAR. A license condition will be implemented that will require that no changes can be made to the Fire Protection Program that will adversely affect the ability to achieve or maintain safe shutdown in the event of a fire without prior NRC approval. Therefore, the proposed change does not involve a significant reduction in a margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: W. Dale Clark Library, 215 South 15th Street, Omaha, Nebraska 68102

Attorney for licensee: LeBoeuf, Lamb, Leiby, and MacRae, 1875 Connecticut Avenue, N.W., Washington, D.C. 20009-5728

NRC Project Director: William D. Beckner

Pennsylvania Power and Light Company, Docket Nos. 50-387 and 50-388 Susquehanna Steam Electric Station, Units 1 and 2, Luzerne County, Pennsylvania

Date of amendment request: October 8, 1993

Description of amendment request: The amendments would revise the existing definition of CHANNEL CALIBRATION in Technical Specification 1.4 to allow in-place qualitative methods to be used to verify resistance temperature detector (RTD) or thermo-couple sensor behavior.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The proposed change does not:

1. Involve a significant increase in the probability or consequences of an accident previously evaluated.

The proposed change is administrative in nature and does not involve any change to the configuration or method of operation of any plant equipment that is used to mitigate the consequences of an accident nor alter the conditions or assumptions in any of the Final Safety Analysis (FSAR) accident analyses. The revised definition eliminates unnecessary and potentially damaging removal of RTD or thermocouple sensors in order to perform calibrations that are not, as outlined above [See application dated October 8, 1993], technically possible.

Therefore, it can be concluded that the proposed changes do not involve a significant increase in the probability or consequences of an accident previously evaluated.

2. Create the possibility of a new or different kind of accident from any accident previously evaluated.

No new failure modes have been defined for any plant system or component important to safety nor has any new limiting failure been identified as a result of the proposed changes. There will be no change in the requirement to assess the entire RTD or thermocouple channel behavior including the sensor, alarm, display, and/or trip function. Therefore, it can be concluded that the proposed change does not create the possibility of a new or different kind of accident from those previously evaluated.

3. Involve a significant reduction in a margin of safety.

The proposed change is administrative in nature. Assessment of channel behavior will continue to be required. The additions to the CHANNEL CALIBRATION definition will provide greater flexibility in the use of the provision for surveillance testing, and have no adverse effect on safety. Also, the in-place qualitative assessment obviates the need to remove the RTD's or thermocouples, thereby eliminating the possibility of damaging them during removal. Therefore, it can be concluded that the proposed changes do not involve a significant reduction in a margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Osterhout Free Library, Reference Department, 71 South Franklin Street, Wilkes-Barre, Pennsylvania 18701

Attorney for licensee: Jay Silberg, Esquire, Shaw, Pittman, Potts and Trowbridge, 2300 N Street NW., Washington, DC 20037

NRC Project Director: Larry E. Nicholson

Pennsylvania Power and Light Company, Docket No. 50-388, Susquehanna Steam Electric Station, Unit 2, Luzerne County, Pennsylvania

Date of amendment request: September 14, 1993

Description of amendment request: The amendment would revise the requirements in Technical Specification Sections 3.6.1.8 and 4.6.1.8 to allow continued operation during the current fuel cycle or until the next unit shutdown with inboard suppression chamber purge valve HV-25703 inoperable.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The proposed change does not:

1. Involve a significant increase in the probability or consequences of an accident previously evaluated.

Compensatory actions are delineated and discussed above, and have been included in the attached proposed Technical Specifications. These actions, coupled with the expected reliability of the HV25704 valve since it 1) will not be cycled, 2) will undergo accelerated leak rate testing with a more stringent acceptance criterion, and 3) has a good leak rate test history, will combine to ensure the containment isolation function is dependable for the penetration of concern.

The dependability of the containment isolation function will also serve to ensure that the integrity of the SGTS is not threatened due to a postulated event which would pressurize this penetration.

Based on the above, neither the probability nor the consequences of an accident previously evaluated is significantly increased by the proposed change.

2. Create the possibility of a new or different type of accident from any accident previously evaluated.

All efforts associated with this proposal are aimed at ensuring containment isolation dependability. These compensatory actions will be performed under strict administrative controlled [controls] for a temporary period of time in order to ensure that the penetration of concern will be isolated when necessary.

Failure of these actions will not create any different type of event from failure of the normal isolation function.

3. Involve a significant reduction in a margin of safety.

As described in 1. above, the compensatory actions to ensure the dependability of the containment boundary are sufficient to ensure that a significant reduction in a margin of safety will not occur.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Osterhout Free Library, Reference Department, 71 South Franklin Street, Wilkes-Barre, Pennsylvania 18701

Attorney for licensee: Jay Silberg, Esquire, Shaw, Pittman, Potts and Trowbridge, 2300 N Street NW., Washington, DC 20037

NRC Project Director: Larry E. Nicholson, Acting

Power Authority of The State of New York, Docket No. 50-286, Indian Point Nuclear Generating Unit No. 3, Westchester County, New York

Date of amendment request: October 19, 1993

Description of amendment request: The licensee has requested an amendment to the Technical Specifications (TS) to revise Section 6.0 (Administrative Controls). Specifically, the Safety Review Committee (SRC) membership requirement (specified in TS 6.5.2.2) would be revised to reflect the recent organizational change at the licensee's corporate office which eliminated the position of Vice President - Nuclear Support. In addition, the SRC records preparation and distribution requirements (specified in TS 6.5.2.10) would be revised to be consistent with NUREG-1431, "Westinghouse Standard Technical Specifications."

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

Consistent with the criteria of 10 CFR 50.92, the enclosed application is judged to involve no significant hazards based on the following information:

(1) Does the proposed license amendment involve a significant increase in the probability or consequences of an accident previously analyzed?

Response:

The proposed changes do not involve a significant increase in the probability or consequences of a previously analyzed accident. The proposed changes of the SRC membership represent minor adjustments that do not alter the SRC function or the responsibilities of individual SRC members. The specific responsibilities of the SRC as stated in Technical Specification 6.5.2.7 are not affected. The proposed changes to the reporting requirements provide a more appropriate time frame for issuing records of SRC activities and are consistent with the WSTS [NUREG-1431, "Westinghouse Standard Technical Specifications']. Therefore, the role of the SRC as an independent reviewer of safety and regulatory aspects of plant operations remains unchanged and SRC activities continue to be conducted in accordance with the provisions of ANSI N18.7 [American National Standard (ANSI) N18.7-1972, "Administrative Controls for Nuclear Power Plants']. This insures that the proposed amendment does not involve a significant increase in the probability or consequences of a previously analyzed accident.

(2) Does the proposed license amendment create the possibility of a new or different kind of accident from any accident previously evaluated?

Response:

The proposed changes do not create the possibility of a new or different kind of accident from any accident previously evaluated because they do not affect plant equipment or operation. The proposed changes are administrative in nature and do not alter the SRC function or the responsibilities of its members. SRC activities will continue to be conducted in accordance with the provisions of ANSI N18.7 and the role of the SRC as an independent reviewer of safety and regulatory aspects of plant operations will remain unchanged. Therefore, the proposed changes do not affect current plant configuration or current operating practices and will not create the possibility of a new or different kind of accident from any accident previously analyzed.

(3) Does the proposed amendment involve a significant reduction in a margin of safety?

Response:

The proposed changes do not involve a significant reduction in a margin of safety. The proposed changes to the SRC membership represent minor adjustment that do not alter the SRC function or the responsibilities of individual SRC members. The specific responsibilities of the SRC as stated in Technical Specification 6.5.2.7 are not affected. The proposed changes to the reporting requirements provide a more appropriate time frame for issuing records of SRC activities and are consistent with the WSTS. Therefore, the role of the SRC as an independent reviewer of safety and regulatory aspects of plant operations remains unchanged and SRC activities will continue to be conducted in accordance with the provisions of ANSI N18.7. This insures that the proposed amendment does not involve a significant reduction in a margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: White Plains Public Library, 100 Martine Avenue, White Plains, New York 10601.

Attorney for licensee: Mr. Charles M. Pratt, 10 Columbus Circle, New York, New York 10019.

NRC Project Director: Robert A. Capra

Saxton Nuclear Experimental Corporation, Docket No. 50-146, Saxton Nuclear Facility, Bedford County, Pennsylvania

Date of amendment request: June 23, 1993

Description of amendment request: This proposed amendment would revise the technical specifications to allow characterization activities associated with the decommissioning of the Saxton Nuclear Facility to occur.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The proposed changes do not involve a significant hazards consideration because the changes would not:

1. Involve a significant increase in the probability or consequences of an accident previously evaluated.

Power generation at the Saxton Nuclear Experimental Corporation (SNEC) facility was terminated in May 1972. The reactor has been defueled and the reactor coolant system drained. Since activities associated with characterization of the facility are not operational in nature and the equipment remaining at the facility is non-functional, there will be no significant increase in the probability or consequences of an accident previously evaluated.

2. Create the possibility of a new or different kind of accident from any previously analyzed.

For the reasons provided in 1 above, the possibility of a new or different type of accident from those previously evaluated in the Final Safety Analysis Report (FSAR) will not be created by the implementation of activities permitted by the approval of this amendment request.

3. Involve a significant reduction in a margin of safety.

No margins of safety exist that are relevant to the equipment remaining at the facility. As a result, activities involved in characterization will not involve a significant reduction in a margin of safety.

The NRC staff has reviewed the analysis of the licensee and, based on this review, it appears that the three standards of 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Saxton Community Library, 911 Church Street, Saxton, Pennsylvania 16678

Attorney for the Licensee: Ernest L. Blake, Jr., Esquire, Shaw, Pittman, Potts, and Trowbridge, 2300 N Street, N.W., Washington, D.C. 20037

NRC Project Director: Seymour H. Weiss

Southern California Edison Company, et al., Docket Nos. 50-361 and 50-362, San Onofre Nuclear Generating Station, Unit Nos. 2 and 3, San Diego County, California

Date of amendment requests: September 30, 1993

Description of amendment requests: The licensee proposes to revise Technical Specification (TS) 3/4.3.2, "Engineered Safety Features Actuation Systems." This proposed change reflects the planned enhancement to the degraded voltage protection scheme to

protect against the recently recognized possibility of sustained degraded grid voltage conditions.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

1. Will operation of the facility in accordance with this proposed change involve a significant increase in the probability or consequences of an accident previously evaluated?

Response: No

This proposed change reflects separation of the loss of voltage and degraded voltage function into separate Emergency Safety Features Actuation Systems (ESFAS) schemes. This configuration meets the intent of Standard Review Plan, Section 8.3, PSB-1. Instrumentation, trip setting, response time, and surveillance requirements are added for the new schemes. The new configuration accomplishes both the existing loss of voltage and degraded voltage trip functions.

In addition, for loss of voltage and degraded voltage conditions following a Safety Injection Actuation Signal (SIAS), the affected unit is connected to the standby power source without first attempting to connect to the alternate preferred power source through the cross-tie to the companion unit, thus ensuring that power is available within 10 seconds following the SIAS. This is accomplished by the new trip functions Loss of Voltage Signal (LOVS) with SIAS and Degraded Grid Voltage with SIAS Signal (DGVSS).

While automatic transfer to the alternate preferred power source is normally desirable during undervoltage conditions, the proposed configuration is necessary because following the SIAS there is the possibility of the alternate preferred power source being in a degraded condition, resulting in a delay before power becomes available to safety-related equipment. The proposed configuration assures that this delay will not occur and power is available to safety-related equipment within the time allowed by the safety analyses. Therefore, there is no significant increase in the probability or consequences of any accident previously evaluated.

2. Will operation of the facility in accordance with this proposed change create the possibility of a new or different type of accident from any previously evaluated?

Response: No

This proposed change reflects separation of the loss of voltage and degraded voltage function into separate ESFAS relays. The proposed TSs for the new configuration maintain the same instrumentation and surveillance requirements as the existing TS with the exception of the applicability of the [Sustained Degraded Voltage Signal] SDVS OPERABILITY requirements. SDVS is not required to be OPERABLE when the emergency diesel generator (EDG) is parallel to the offsite source or is supplying the 4.16 kV Class 1E bus because an undervoltage trip for a degraded condition is not desirable when the standby power source is already in use. The LOVS and DGVSS will remain OPERABLE. Control room annunciation of bus low voltage is provided to cause operator action to separate the EDG and the offsite power source.

The proposed voltage setting of 3675 V for the loss of voltage trip is identical to the bounding value of the range of voltage settings in the existing Figure 3.3-1. The proposed allowable value range of 3554 V to 3796 V for the loss of voltage trip is based on the existing trip setting plus or minus a 3.3% tolerance. The proposed trip value of 4228 V for the degraded voltage signal provides assurance that adequate voltage is seen at the terminals of all safety-related equipment. The allowable value range of 4181 V to 4275 V for the degraded voltage trip is based on the 4228 V trip value plus or minus a 47 V tolerance.

The proposed response time for the loss of voltage signal is a bounding value to replace the time voltage curve of Figure 3.3-1, which is being deleted by this proposed change. For a complete loss of voltage (0.0 V), a loss of voltage signal will be generated within 1.05 seconds. The proposed response time requirement for degraded voltage of 135 seconds ensures that permanently connected Class 1E equipment will not be damaged. The response time of 6.14 seconds for the DGVSS will also ensure that if a degraded voltage condition exists with SIAS, the 4.16 kV Class 1E bus will transfer directly to the standby power mode within 10 seconds. The proposed Notes 9 and 10 to Table 3.3-5 are clarifications only.

The two-out-of-four actuation logic provides protection against spurious actuation. The additional functions of DGVSS, LOVS with SIAS and Sustained Degraded Voltage Signal (SDVS) with SIAS provide a faster transfer to standby power under SIAS conditions. The new configuration meets the requirement of General Design Criterion 17 in that one offsite circuit will be immediately available following a Loss of Coolant Accident. Therefore, there is no possibility of a new or different type of accident than any previously evaluated.

3. Will operation of the facility according to this proposed change involve a significant reduction in a margin of safety?

Response: No

The DGVSS, LOVS with SIAS and SDVS with SIAS will provide a faster and more reliable transfer to standby power than the existing configuration. The proposed TS changes provide instrumentation,trip setting, response time, and surveillance requirements consistent with the existing design and the appropriate regulatory documents.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment requestsinvolve no significant hazards consideration.

Local Public Document Room location: Main Library, University of California, P. O. Box 19557, Irvine, California 92713

Attorney for licensee: James A. Beoletto, Esquire, Southern California Edison Company, P. O. Box 800, Rosemead, California 91770

NRC Project Director: Theodore R. Quay

Tennessee Valley Authority, Docket Nos. 50-259, 50-260 and 50-296, Browns Ferry Nuclear Plant, Units 1, 2 and 3, Limestone County, Alabama

Date of amendment request: July 19, 1993 (TS 334)

Description of amendment request: The proposed amendment revises technical specification 3.6.B/4.6.B, "Coolant Chemistry," and the associated bases to relocate the reactor coolant chemistry limits and associated sampling requirements from the Browns Ferry Nuclear (BFN) technical specifications to the BFN chemistry program when the reactor vessel is defueled. For conditions in which fuel is in the reactor, the proposed amendment (1) revises Specification 3.6.B/4.6.B and the associated bases for Unit 3 to make it consistent with the Units 1 and 2 Specification 3.6.B/4.6.B and (2) clarifies some of the requirements for Units 1 and 2 to ensure consistency throughout the technical specifications.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

1. The proposed amendment does not involve a significant increase in the probability or consequences of an accident previously evaluated.

The proposed changes revise Unit 3 Specification 3.6.B/4.6.B and the associated bases to make it consistent with the Units 1 and 2 Specification 3.6.B/4.6.B. The changes include 1) a reduction of the conductivity limit and the maximum time allowed to exceed the conductivity and chloride limits; 2) a requirement to control and measure the pH; and 3) clarification of the requirements for the various operating modes.

The proposed changes revise Units 1 and 2 Specification 3.6.B/4.6.B and the associated bases to ensure consistent requirements throughout the specifications. The changes include: 1) clarifying sampling frequency for pH, 2) clarifying the sampling requirements when the continuous monitor is inoperable and, 3) adding a requirement for an isotopic analysis for all samples taken to track elevated iodine levels.

The proposed change for Units 1, 2, and 3, eliminates from the BFN technical specifications the reactor coolant chemistry limits and associated sampling when there is no fuel in the reactor vessel. During the defueled condition, the reactor coolant

chemistry limits and monitoring frequency are controlled by the "Chemistry Program" which is under the BFN 10 CFR 50.59 process program.

On a programmatic basis, the reactor coolant quality and monitoring frequency are controlled for all conditions including the defueled reactor vessel condition. The removal from technical specifications of the requirements on reactor coolant quality and monitoring for the defueled condition will not eliminate the requirement from the chemistry program. Thus, the chemistry program will maintain the reactor coolant within the appropriate limits to ensure that reactor pressure vessel/internals are not affected.

These changes do not affect any of the design bases accidents. They do not involve an increase in the probability or consequences of an accident previously evaluated.

2. The proposed amendment does not create the possibility of a new or different kind of accident from any accident previously evaluated.

The proposed changes revise Unit 3 Specification 3.6.B/4.6.B and its associated bases to make it consistent with the Units 1 and 2 Specification 3.6.B/4.6.B. The proposed changes revise Units 1 and 2 Specification 3.6.B/4.6.B and the associated Bases to ensure consistent requirements throughout the specifications. The changes include: 1) clarifying the sampling frequency for pH, 2) clarifying the sampling requirements when the continuous monitor is inoperable and, 3) adding a requirement for an isotopic analysis for samples taken to track elevated iodine levels. These proposed change [sic] reduces the potential for human factor related errors that could result from the subtle differences in the existing specifications.

The proposed change for Units 1, 2, and 3, eliminates from the BFN technical specifications the reactor coolant chemistry limits and associated sampling when there is no fuel in the reactor vessel. During the defueled condition, the reactor coolant chemistry limits and monitoring frequency are controlled by the "Chemistry Program" which is under the BFN 10 CFR 50.59 process program.

No modifications to any plant equipment are involved. There are no effects on system interactions made by these changes. They do not create the possibility of a new or different kind of accident from an accident previously evaluated.

3. The proposed amendment does not involve a significant reduction in the margin of safety.

The proposed changes revise Unit 3 Specification 3.6.B/4.6.B and its associated bases to make it consistent with the Units 1 and 2 Specification 3.6.B/4.6.B. The changes include 1) a reduction of the conductivity limit and the maximum time allowed to exceed the conductivity and chloride limits; 2) a requirement to control and measure the pH; and 3) clarification of the requirements to address the various operating modes.

The proposed changes revise Units 1 and 2 Specification 3.6.B/4.6.B to ensure consistent requirements throughout the specifications. The changes include: 1) clarifying the sample frequency for pH, 2) clarifying the sampling requirements when the continuous monitor is inoperable and, 3) adding a requirement for an isotopic analysis for all samples taken to track elevated iodine levels.

The proposed change for Units 1, 2, and 3, eliminates the reactor coolant chemistry limits and associated sampling when there is no fuel in the reactor vessel. During the defueled condition, the reactor coolant chemistry limits and monitoring frequency are controlled by the "Chemistry Program" which is under the BFN 10 CFR 50.59 process program.

The coolant chemistry technical specification does not provide requirements related to: 1) installed instrumentation used to detect, and indicate in the control room, a significant abnormal degradation of the RCPB [Reactor Coolant Pressure Boundary], or 2) a process variable that is an initial condition of a DBA [Design Basis Accident] or transient analyses that either assume the failure of or present a challenge to the integrity of a FP [Fission Product] barrier, or 3) a structure, system, or component that is part of the primary success path and which functions or actuates to mitigate a DBA or transient that either assumes the failure of or presents a challenge to the integrity of a FP barrier. Therefore, its requirements can be relocated to the BFN Chemistry Program.

On a programmatic basis, the reactor coolant quality and monitoring frequency are controlled for all conditions including the defueled reactor vessel condition. The removal from technical specifications of the requirements on reactor coolant quality and monitoring for the defueled condition will not eliminate the requirement from the chemistry program. Thus, the chemistry program will maintain the reactor coolant within the appropriate limits to ensure that reactor pressure vessel/internals are not affected.

Therefore, the changes do not involve a significant reduction in any margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Athens Public Library, South Street, Athens, Alabama 35611

Attorney for licensee: General Counsel, Tennessee Valley Authority, 400 West Summit Hill Drive, ET 11H, Knoxville, Tennessee 37902

NRC Project Director: Frederick J. Hebdon

Tennessee Valley Authority, Docket Nos. 50-327 and 50-328, Sequoyah Nuclear Plant, Units 1 and 2, Hamilton County, Tennessee

Date of amendment request: September 28, 1993 TS 93-10

Description of amendment request: The proposed change would incorporate three changes to the Technical Specifications (TS) related to the Fire Protection System. The first change would revise Specification 3.7.11.1.b that governs the operability requirements for the required flow path by substituting general wording with more specific wording to clarify the system location of sectionalizing control or isolation valves that must be operable. In addition, an exemption to TS 3.0.4 would be added to Action Statement (b) of Specification 3.7.11.1 that would allow mode changes while the flow path is inoperable.

The second proposed change would modify Action Statement (a) of TS 3.7.11.2 to address conditions when the spray and sprinkler systems in the containment are inoperable. The proposed change would specify that a continuous or hourly fire watch is not needed in the containment when complying with the action requirements of TS 3.3.3.8. TS 3.3.3.8 already requires monitoring of the containment air temperature hourly if a fire detection instrument is inoperable.

The third proposed change would delete the reporting requirements associated with the fire protection system from TS 3.7.11.1, 3.7.11.2, 3.7.11.3, 3.7.11.4, 3.7.12, 3.3.3.8, and the Bases for TS 3/4.7.11.

Basis for proposed no significant hazards consideration determination: As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

TVA has evaluated the proposed technical specification (TS) change and has determined that it does not represent a significant hazards consideration based on criteria established in 10 CFR 50.92(c). Operation of Sequoyah Nuclear Plant (SQN) in accordance with the proposed amendment will not:

1. Involve a significant increase in the probability or consequences of an accident previously evaluated.

TVA's proposed TS change is a three-part change. The first part provides a clarification to the requirements of the existing fire suppression system flow path operability (Limiting Condition for Operation [LCO] 3.7.11.1.b). The current LCO wording leads to misinterpretations and misapplication of the LCO requirements associated with flow path when isolating portions of SQN's fire protection system for preplanned maintenance or testing. This has resulted in unnecessary entries into multiple fire protection LCOs and multiple action requirements. TVA's proposed amendment modifies LCO 3.7.11.1.b to establish clear boundaries for maintaining flow-path operability and provides a more appropriate application of the LCO requirements.

The second part of TVA's proposed amendment involves a change to Action Statement (a) of LCO 3.7.11.2 for spray and/or sprinkler systems. The proposed change provides additional guidance within the action that obviates the requirement for maintaining continuous or hourly fire watch inside containment (i.e., reactor building - reactor coolant [RC] pump area). The activation of the spray and/or sprinkler system in the RC pump area (inside containment) is dependent upon operable fire detection instrumentation in this area. The TS that governs operability requirements for the fire detection instrumentation is governed by Specification 3.3.3.8. The action requirements of Specification 3.3.3.8 are based on the location of the inoperable fire detection instrumentation (outside containment versus inside containment). TVA's proposed change applies the "location-based" action requirements of Specification 3.3.3.8 to the action requirements of Specification 3.7.11.2 when a spray and/or sprinkler system inside containment becomes inoperable solely because of inoperable fire detection instrumentation.

The third part of TVA's proposed change is the elimination of special reporting requirements from SQN's fire protection TSs. SQN TSs currently contain special reporting requirements in the action statement of the following LCOs:

1. LCO 3.7.11.1, Fire Suppression Water System
2. LCO 3.7.11.2, Spray and/or Sprinkler Systems
3. LCO 3.7.11.3, CO_2 Systems
4. LCO 3.7.11.4, Fire Hose Stations
5. LCO 3.7.12, Fire Barrier Penetrations
6. LCO 3.3.3.8, Fire Detection Instrumentation

The elimination of the special reporting requirements reduces an unnecessary regulatory burden and is consistent with the guidance provided in NRC Generic Letter 86-10, "Implementation of Fire Protection Requirements" (reference Item E), and Generic Letter 88-12, "Removal of Fire Protection Requirements from Technical Specifications."

TVA's proposed amendment, as described above, is administrative in nature and does not affect SQN's ability to maintain fire protection at the site or achieve and maintain safe shutdown in the event of a fire. Consequently, the proposed change does not involve a significant increase in the probability or consequences of an accident previously evaluated.

2. Create the possibility of a new or different kind of accident from any previously analyzed.

TVA's proposed TS change to the fire suppression system flow-path boundaries in LCO 3.7.11.1.b does not alter the protective functions or reduce the level of fire protection required by TSs. The proposed change to Action (a) of LCO 3.7.11.2 for spray and/or sprinkler systems provides consistency with a related action for fire detection instrumentation (Action (a) of LCO 3.3.3.8). The proposed change to remove the special reporting requirements from SQN TSs is an administrative change that reduces the regulatory burden for TS compliance.

TVA's proposed change does not result in any new scenarios that would affect SQN's fire protection program. Consequently, the change does not create the possibility of a new or different kind of accident from any previously analyzed.

3. Involve a significant reduction in a margin of safety.

TVA's proposed TS amendment continues to maintain TS operability requirements for SQN's fire detection instrumentation, the fire suppression water system, the spray and/or sprinkler systems, the CO_2 systems, the fire hose stations, the yard fire hydrants, and the fire barrier penetrations. The performance of surveillance requirements to ensure operability of these systems is retained in TSs. The ability to achieve and maintain safe shutdown in the event of fire has not been affected by the proposed TS change. Accordingly, the proposed change will not involve a reduction in the margin of safety.

The NRC has reviewed the licensee's analysis and, based on thisreview, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

Local Public Document Room location: Chattanooga-Hamilton County Library, 1101 Broad Street, Chattanooga, Tennessee 37402

Attorney for licensee: General Counsel, Tennessee Valley Authority, 400 West Summit Hill Drive, ET 11H, Knoxville, Tennessee 37902

NRC Project Director: Frederick J. Hebdon

Previously Published Notices of Consideration of Issuance of Amendments to Facility Operating Licenses, Proposed No significant Hazards Consideration Determination, and Opportunity for a Hearing

The following notices were previously published as separate individual notices. The notice content was the same as above. They were published as individual notices either because time did not allow the Commission to wait for this biweekly notice or because the action involved exigent circumstances. They are repeated here because the biweekly notice lists all amendments issued or proposed to be issued involving no significant hazards consideration.

For details, see the individual notice in the **Federal Register** on the day and page cited. This notice does not extend the notice period of the original notice.

Arizona Public Service Company, Docket No. STN 50-528, Palo Verde Nuclear Generating Station, Unit 1, Maricopa County, Arizona

Date of amendment request: September 8, 1993

Brief description of amendment: The proposed amendment would add a methodlogy supplement entitled, "System 80™ Inlet Flow Distribution," to the list of methods used to determine the core operating limits.

Date of publication of individual notice in **Federal Register:** October 15, 1993 (58 FR 53585)

Expiration date of individual notice: November 15, 1993

Local Public Document Room location: Phoenix Public Library, 12 East McDowell Road, Phoenix, Arizona 85004.

Notice of Issuance of Amendments to Facility Operating Licenses

During the period since publication of the last biweekly notice, the Commission has issued the following amendments. The Commission has determined for each of these amendments that the application complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendment.

Notice of Consideration of Issuance of Amendment to Facility Operating License, Proposed No Significant Hazards Consideration Determination, and Opportunity for A Hearing in connection with these actions was published in the **Federal Register** as indicated.

Unless otherwise indicated, the Commission has determined that these amendments satisfy the criteria for categorical exclusion in accordance with 10 CFR 51.22. Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared for these amendments. If the Commission has prepared an environmental assessment under the special circumstances provision in 10 CFR 51.12(b) and has made a determination based on that assessment, it is so indicated.

For further details with respect to the action see (1) the applications for amendment, (2) the amendment, and (3) the Commission's related letter, Safety Evaluation and/or Environmental Assessment as indicated. All of these items are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC 20555, and at the local public document rooms for the particular facilities involved.

Commonwealth Edison Company, Docket Nos. STN 50-454 and STN 50-455, Byron Station, Unit Nos. 1 and 2, Ogle County, Illinois

Date of application for amendments: July 27, 1992

Brief description of amendments: The amendments revise the Technical Specifications relative to ventilation flow rates, a heater dissipation rate, a testing method, and a footnote reference that is no longer applicable.

Date of issuance: October 22, 1993

Effective date: October 22, 1993

Amendment Nos.: 56 and 56

Facility Operating License Nos. NPF-37 and NPF-66: The amendments revised the Technical Specifications.

Date of initial notice in **Federal Register:** October 28, 1992 (57 FR 48815)

The Commission's related evaluation of the amendments is contained in a Safety Evaluation dated October 22, 1993.

No significant hazards consideration comments received: No

Local Public Document Room location: Byron Public Library, 109 N. Franklin, P.O. Box 434, Byron, Illinois 61010.

Connecticut Yankee Atomic Power Company, Docket No. 50-213, Haddam Neck Plant, Middlesex County, Connecticut

Date of application for amendment: August 18, 1993

Brief description of amendment: The amendment modifies the Haddam Neck Technical Specifications by permanently removing the ability for Haddam Neck Plant to operate with three loops while in Modes 1 or 2.

Date of issuance: October 27, 1993

Effective date: As of the date of issuance to be implemented within 30 days.

Amendment No.: 168

Facility Operating License No. DPR-61. Amendment revised the Technical Specifications.

Date of initial notice in **Federal Register:** September 15, 1993 (58 FR 48381) The Commission's related evaluation of this amendment is contained in a Safety Evaluation dated October 27, 1993.

No significant hazards consideration comments received: No.

Local Public Document Room location: Russell Library, 123 Broad Street, Middletown, Connecticut 06457.

Detroit Edison Company, Docket No. 50-341, Fermi-2, Monroe County, Michigan

Date of application for amendment: July 29, 1993

Brief description of amendment: The amendment revises the Technical Specification definitions and radiation protection limits and associated Bases in order to implement the revised 10 CFR Part 20.

Date of issuance: October 18, 1993

Effective date: October 18, 1993, with full implementation within 30 days.

Amendment No.: 93

Facility Operating License No. NPF-43. Amendment revises the Technical Specifications.

Date of initial notice in **Federal Register:** September 15, 1993 (58 FR 48382)

The Commission's related evaluation of the amendment is contained in a Safety Evaluation dated October 18, 1993.

No significant hazards consideration comments received: No.

Local Public Document Room location: Monroe County Library System, 3700 South Custer Road, Monroe, Michigan 48161.

Detroit Edison Company, Docket No. 50-341, Fermi-2, Monroe County, Michigan

Date of application for amendment: March 23, 1993

Brief description of amendment: The amendment revises Facility Operating License NPF-43 to delete a portion of License Condition 2.C.(10), which required bearing gap check inspections be performed on the Emergency Diesel Generator following each automatic, unprelubricated start or every 6 months whichever occurred first.

Date of issuance: October 26, 1993

Effective date: October 26, 1993, with full implementation within 30 days.

Amendment No.: 94

Facility Operating License No. NPF-43. Amendment revises the Facility Operating License.

Date of initial notice in **Federal Register:** May 12, 1993 (58 FR 28054)

The Commission's related evaluation of the amendment is contained in a Safety Evaluation dated October 26, 1993.

No significant hazards consideration comments received: No.

Local Public Document Room location: Monroe County Library System, 3700 South Custer Road, Monroe, Michigan 48161.

Detroit Edison Company, Docket No. 50-341, Fermi-2, Monroe County, Michigan

Date of application for amendment: March 23, 1993

Brief description of amendment: The amendment revises the Technical Specifications to eliminate the qualification that some 18-month surveillances be performed "during shutdown".

Date of issuance: October 29, 1993

Effective date: October 29, 1993, will full implementation within 30 days.

Amendment No.: 95

Facility Operating License No. NPF-43. Amendment revises the Technical Specifications

Date of initial notice in **Federal Register:** May 12, 1993 (58 FR 28055)

The Commission's related evaluation of the amendment is contained in a Safety Evaluation dated October 29, 1993.

No significant hazards consideration comments received: No.

Local Public Document Room location: Monroe County Library System, 3700 South Custer Road, Monroe, Michigan 48161.

Entergy Operations, Inc., Docket No. 50-368, Arkansas Nuclear One, Unit No. 2, Pope County, Arkansas

Date of application for amendment: September 24, 1993

Brief description of amendment: The amendment reduced the minimum number of required incore detectors and detector locations from 75 percent to 50 percent for the remainder of the current operating cycle.

Date of issuance: October 20, 1993

Effective date: October 20, 1993

Amendment No.: 151

Facility Operating License No. NPF-6. Amendment revised the Technical Specifications.

Date of initial notice in **Federal Register:** October 4, 1993 Public comments requested as to proposed no significant hazards consideration: Yes (58 FR 51655). The notice provided an opportunity to submit comments on the Commission's proposed no significant hazards consideration determination within 15 days. No comments have been received. The notice also provided an opportunity to request a hearing by November 3, 1993, but indicated that if the Commission makes a final no significant hazards consideration determination any such hearing would take place after issuance of the amendment.

The Commission's related evaluation of the amendment and final no significant hazards consideration determination is contained in a Safety Evaluation dated October 20, 1993.

Local Public Document Room location: Tomlinson Library, Arkansas Tech University, Russellville, Arkansas 72801

Florida Power and Light Company, et al., Docket Nos. 50-335 and 50-389, St. Lucie Plant, Unit Nos. 1 and 2, St. Lucie County, Florida

Date of application for amendments: January 22, 1993

Brief description of amendments: These amendments relocate the Radiological Effluent Technical Specifications to the Offsite Dose Calculation Manual or Process Control System as appropriate per the Administrative Controls section of the Technical Specifications.

Date of issuance: October 27, 1993

Effective date: October 27, 1993

Amendment Nos.: 123 and 61

Facility Operating License Nos. DPR-67 and NPF-16: Amendments revised the Technical Specifications.

Date of initial notice in **Federal Register:** March 25, 1993 (58 FR 16225)

The Commission's related evaluation of the amendments is contained in a Safety Evaluation dated October 27, 1993.

No significant hazards consideration comments received: No. I11*Local Public Document Room location:* Indian River Junior College Library, 3209 Virginia Avenue, Fort Pierce, Florida 34954-9003

Georgia Power Company, Oglethorpe Power Corporation, Municipal Electric Authority of Georgia, City of Dalton, Georgia, Docket Nos. 50-321 and 50-366, Edwin I. Hatch Nuclear Plant, Units 1 and 2, Appling County, Georgia

Date of applications for amendments: September 21, 1992; October 14, 1992, as supplemented January 15, March 26, and July 30 1993; and May 3, 1993, as supplemented October 5, 1993. The supplemental letters provided additional information in support and within the scope of the amendment applications. The information did not change the NRC staff's proposed no significant hazards consideration determinations.

Brief description of amendments: The amendments (1) relocate the procedural details contained in the Radiological Effluent TS, (2) incorporate the new Part 20 requirements, and (3) revise the frequency of reporting radiological effluent releases.

Date of issuance: October 21, 1993

Effective date: No later than January 1, 1994

Amendment Nos.: 190 and 129

Facility Operating License Nos. DPR-57 and NPF-5. Amendments revised the Technical Specifications.

Date of initial notices in **Federal Register:** April 14, 1993 (58 FR 19481) two Notices and September 15, 1993 (58 FR 48384)

The Commission's related evaluation of the amendments is contained in a Safety Evaluation dated October 21, 1993.

No significant hazards consideration comments received: No

Local Public Document Room location: Appling County Public Library, 301 City Hall Drive, Baxley, Georgia 31513

Georgia Power Company, Oglethorpe Power Corporation, Municipal Electric Authority of Georgia, City of Dalton, Georgia, Docket Nos. 50-424 and 50-425, Vogtle Electric Generating Plant, Units 1 and 2, Burke County, Georgia

Date of application for amendments: September 30, 1993

Brief description of amendments: The amendment is a one-time only revision to Technical Specification 4.6.1.2d, adding a footnote that extends the 10 CFR Part 50, Appendix J, Section III.D.3, Type C test interval, for the Unit 1 auxiliary component cooling water (ACCW) supply and return containment isolation valves, from 24 months to prior to entry into Mode 4 following the next scheduled refueling (or the next forced outage requiring entry into Mode 5), but no later than November 1, 1994.

Date of issuance: October 27, 1993

Effective date: To be implemented within 30 days from the date of issuance.

Amendment No.: 70 and 49

Facility Operating License Nos. NPF-68 and NPF-81: Amendments revised the Technical Specifications.

Public comments requested as to proposed no significant hazards consideration: Yes (58 FR 52796 dated October 12, 1993). That notice provided an opportunity to submit comments on the Commission's proposed no significant hazards consideration determination. No comments have been received. The notice also provided for an oportunity to request a hearing by November 12, 1993, but indicated that if the Commission makes a final no significant hazards consideration determination, any such hearing would take place after issuance of the amendment.

The Commission's related evaluation of the amendments, finding of exigent circumstances, and final no significant hazards consideration determination are contained in a Safety Evaluation dated October 27, 1993.

Local Public Document Room location: Burke County Library, 412 Fourth Street, Waynesboro, Georgia 30830

Niagara Mohawk Power Corporation, Docket No. 50-410, Nine Mile Point Nuclear Station, Unit 2, Oswego County, New York

Date of application for amendment: March 30, 1993, as superseded August 27, 1993

Brief description of amendment: The amendment revises Technical Specification (TS) 4.8.1.1.2.e and adds a new TS 4.8.1.1.2.f to replace the requirement to perform a hot Loss of Off-Site Power test following the 24-hour full-power emergency diesel generator (EDG) run during shutdown with a requirement to perform a hot EDG restart test following a full-load EDG run of greater than 2 hours in any operational condition. The amendment also reletters previous TSs 4.8.1.1.2.f and g to accommodate the addition of the new TS 4.8.1.1.2.f. These changes are consistent with NUREG-1434, "Standard Technical Specifications - General Electric Plants, BWR/6."

Date of issuance: October 18, 1993

Effective date: As of the date of issuance to be implemented prior to startup from the third refueling outage.

Amendment No.: 50

Facility Operating License No. NPF-69: Amendment revises the Technical Specifications.

Date of initial notice in **Federal Register:** April 28, 1993 (50 FR 25860) and renoticed (58 FR 48385)

The Commission's related evaluation of the amendment is contained in a Safety Evaluation dated October 18, 1993.

No significant hazards consideration comments received: No

Local Public Document Room location: Reference and Documents Department, Penfield Library, State University of New York, Oswego, New York 13126.

Northeast Nuclear Energy Company, Docket No. 50-245, Millstone Nuclear Power Station, Unit 1, New London County, Connecticut

Date of application for amendment: July 26, 1993

Brief description of amendment: The amendment increases the maximum stroke time for reactor water cleanup system isolation valves CU-2, 3, 5, and 28 from 18 seconds to 20 seconds in Technical Specification Table 3.7.1.

Date of issuance: October 27, 1993

Effective date: As of the date of issuance to be implemented within 60 days.

Amendment No.: 66

Facility Operating License No. DPR-21. Amendment revised the Technical Specifications.

Date of initial notice in **Federal Register:** September 1, 1993 (58 FR 46238)

The Commission's related evaluation of the amendment is contained in a Safety Evaluation dated October 27, 1993.

No significant hazards consideration comments received: No.

Local Public Document Room location: Learning Resources Center, Thames Valley State Technical College, 574 New London Turnpike, Norwich, Connecticut 06360.

Northeast Nuclear Energy Company, et al., Docket No. 50-423, Millstone Nuclear Power Station, Unit No. 3, New London County, Connecticut

Date of application for amendment: July 31, 1992

Brief description of amendment: The amendment removes requirements from the License and Technical Specifications pertaining to the Fire Protection Program, and places these same requirements in operating procedures.

Date of issuance: October 25, 1993

Effective date: As of the date of issuance to be implemented within 30 days.

Amendment No.: 84

Facility Operating License No. NPF-49. Amendment revised the License and Technical Specifications.

Date of initial notice in **Federal Register:** September 2, 1992 (57 FR 40217)

The Commission's related evaluation of the amendment is contained in a Safety Evaluation dated October 25, 1993.

No significant hazards consideration comments received: No.

Local Public Document Room location: Learning Resources Center, Thames Valley State Technical College, 574 New London Turnpike, Norwich, Connecticut 06360.

Northeast Nuclear Energy Company, et al., Docket No. 50-423, Millstone Nuclear Power Station, Unit No. 3, New London County, Connecticut

Date of application for amendment: September 14, 1993

Brief description of amendment: The amendment revises the trip setpoints associated with the reactor trip system interlock P-10.

Date of issuance: October 25, 1993

Effective date: October 25, 1993

Amendment No.: 85

Facility Operating License No. NPF-49. Amendment revised the Technical Specifications.

Public comment requested as to proposed no significant hazards consideration: Yes (58 FR 49333, September 22, 1993, corrected 58 FR 51657 October 4, 1993). That notice provided an opportunity to submit comments on the Commission's proposed no significant hazards consideration determination. No comments have been received. The notice also provided for an opportunity to request a hearing by October 22, 1993, but indicated that if the Commission makes a final no significant hazards consideration determination any such hearing would take place after issuance of the amendment.

The Commission's related evaluation of the amendment, finding of exigent circumstances, and final determination of no significant hazards consideration are contained in a Safety Evaluation dated October 25, 1993.

Local Public Document Room location: Learning Resources Center, Thames Valley State Technical College, 574 New London Turnpike, Norwich, Connecticut 06360.

Pennsylvania Power and Light Company, Docket No. 50-387, Susquehanna Steam Electric Station, Unit 1, Luzerne County, Pennsylvania

Date of application for amendment: May 17, 1993 and supplemented by letter dated October 7, 1993

Brief description of amendment: The amendment changed the Technical Specifications to revise the logic which controls the automatic transfer of the High Pressure Coolant Injection pump suction source on high suppression pool level.

Date of issuance: October 19, 1993

Effective date: October 19, 1993

Amendment No.: 130

Facility Operating License No. NPF-14: This amendment revised the Technical Specifications.

Date of initial notice in **Federal Register:** June 23, 1993 (58 FR 34085) The October 7, 1993, submittal provided clarifying information that did not change the initial proposed no significant hazards consideration determination.

The Commission's related evaluation of the amendment is contained in a Safety Evaluation dated October 19, 1993.

No significant hazards consideration comments received: No

Local Public Document Room location: Osterhout Free Library, Reference Department, 71 South Franklin Street, Wilkes-Barre, Pennsylvania 18701.

Power Authority of The State of New York, Docket No. 50-286, Indian Point Nuclear Generating Unit No. 3, Westchester County, New York

Date of application for amendment: May 4, 1993, as supplemented September 29, 1993.

Brief description of amendment: The Technical Specifications (TS) amendment revised TS Sections 3.2 (Chemical and Volume Control System), 3.3 (Engineered Safety Features), and 4.1 (Operational Safety Review) to eliminate the requirement to maintain a Boron Injection Tank (BIT) and the related heat tracing. In addition, the amendment also revised TS Section 4.4 (Containment Tests) and the associated Bases to remove the containment temperature reference in the containment leak test acceptance criteria.

Date of issuance: October 15, 1993

Effective date: This license amendment is effective as of the date of its issuance to be implemented prior to restart from the current outage.

Amendment No.: 139

Facility Operating License No. DPR-64: Amendment revised the Technical Specifications.

Date of initial notice in **Federal Register:** June 23, 1993 (58 FR 34089)

The Commission's related evaluation of the amendment is contained in a Safety Evaluation dated October 15, 1993.

No significant hazards consideration comments received: No

Local Public Document Room location: White Plains Public Library, 100 Martine Avenue, White Plains, New York 10610.

Public Service Electric & Gas Company, Docket Nos. 50-272 and 50-311, Salem Nuclear Generating Station, Unit Nos. 1 and 2, Salem County, New Jersey

Date of application for amendments: August 6, 1993

Brief description of amendments: These amendments modify Appendix B, Section 4.2.1, "Aquatic Monitoring," of the Environmental Protection Plan by incorporating the requirements of a revised Biological Opinion, issued by National Marine Fisheries Service on May 14, 1993.

Date of issuance: October 26, 1993

Effective date: October 26, 1993Amendment Nos. 146 and 124

Facility Operating License Nos. DPR-70 and DPR-75. These amendments revised the Technical Specifications.

Date of initial notice in **Federal Register:** September 15, 1993 (58 FR 48388)

The Commission's related evaluation of the amendments is contained in a

Safety Evaluation dated October 26, 1993.

No significant hazards consideration comments received: No

Local Public Document Room location: Salem Free Public Library, 112 West Broadway, Salem, New Jersey 08079

Rochester Gas and Electric Corporation, Docket No. 50-244, R. E. Ginna Nuclear Power Plant, Wayne County, New York

Date of application for amendment: June 1, 1990

Brief description of amendment: The amendment changes the technical specifications requirements similar to the standard technical specifications for Westinghouse Pressurized Water Reactors in specifying time limits when required to reduce power and shut down the plant due to quadrant to average power tilt ratio (QPTR) exceeding 1.12.

Date of issuance: October 20, 1993

Effective date: October 20, 1993

Amendment No.: 56

Facility Operating License No. DPR-18: Amendment revised the Technical Specifications.

Date of initial notice in **Federal Register:** October 3, 1990 (55 FR 40474)

The Commission's related evaluation of the amendment is contained in a Safety Evaluation dated October 20, 1993.

No significant hazards consideration comments received: No

Local Public Document Room location: Rochester Public Library, 115 South Avenue, Rochester, New York 14610.

Southern Nuclear Operating Company, Inc., Joseph M. Farley Nuclear Plant, Unit 2, Houston County, Alabama.

Date of amendment request: May 28, 1993, as supplemented on July 29, 1993, September 14, 1993, and September 22, 1993

Brief description of amendment: The amendment changes Technical Specifications 4.4.6.4 and 3.4.7.2, and Bases 3/4.4.6, to allow the implementation of interim steam generator tube plugging criteria for the tube support plate elevations. The amendment reduces the Farley TS limit for specific activity of dose equivalent Iodine 131 as specified in TS 3/4.4.9. In addition, the amendment reduces the allowed primary-to-secondary operational leakage from any one steam generator from 500 gallons per day to 150 gallons per day. The total allowed primary-to-secondary operational leakage through all steam generators is reduced from one gallon per minute (1440 gallons per day) to 450 gallons per day. This amendment is only applicable for the tenth Farley Unit 2 operating cycle.

Date of issuance: October 20, 1993

Effective date: October 20, 1993

Amendment No.: 94

Facility Operating License No. NPF-8: Amendment revises the Technical Specifications.

Public comments requested as to proposed no significant hazards consideration: Yes. (58 FR 51889 dated October 5, 1993) That notice provided an opportunity to submit comments on the Commission's proposed no significant hazards consideration determination. No comments have been received. The notice also provided for an opportunity to request for a hearing by November 4, 1993, but indicated that if the Commission makes a final no significant hazards determination, any such hearing would take place after issuance of the amendment.

The Commission's related evaluation of the amendment, finding of exigent circumstances and final determination of no significant hazards consideration are contained in the Safety Evaluation dated October 20, 1993.

Local Public Document Room location: Houston-Love Memorial Library, 212 W. Burdeshaw Street, Post Office Box 1369, Dothan, Alabama 36302

Attorney for licensee: James H. Miller, III, Esq., Balch and Bingham, P. O. Box 306, 1710 Sixth Avenue North, Birmingham, Alabama 35201

NRC Project Director: S. Singh Bajwa

Tennessee Valley Authority, Docket No. 50-260, Browns Ferry Nuclear Plant, Unit 2, Limestone County, Alabama

Date of application for amendment: October 5, 1992, supplemented September 15, 1993 (TS 303)

Brief description of amendment: The amendment changes the Technical Specifications, increasing the flow-biased Rod Block Monitor (RBM) upscale setpoint, revises the RBM subsystem limiting condition for operation and surveillance requirement, and adds new definitions supporting the revised specifications.

Date of issuance: October 21, 1993

Effective date: October 21, 1993

Amendment No: 217

Facility Operating License No. DPR-52: Amendment revises the Technical Specifications.

Date of initial notice in **Federal Register:** November 25, 1992 (57 FR 55593)

The Commission's related evaluation of the amendment is contained in a Safety Evaluation dated October 21, 1993.

No significant hazards consideration comments received: None

Local Public Document Room location: Athens Public Library, South Street, Athens, Alabama 35611

Tennessee Valley Authority, Docket Nos. 50-327 and 50-328, Sequoyah Nuclear Plant, Units 1 and 2, Hamilton County, Tennessee

Date of application for amendments: June 21, 1993 (TS 93-07)

Brief description of amendments: The amendments revise the method of determining the most negative moderator temperature coefficient specified for end of cycle and the associated 300 ppm surveillance requirement limit specified in the Core Operating Limits Report. TS 6.9.1.14.a is also revised to include another reference for an NRC-approved methodology for determining cycle-specific parameters.

Date of issuance: October 26, 1993

Effective date: October 26, 1993

Amendment Nos.: 171 - Unit 1 and 161 - Unit 2

Facility Operating License Nos. DPR-77 and DPR-79: Amendments revise the technical specifications.

Date of initial notice in **Federal Register:**

The Commission's related evaluation of the amendment is contained in a Safety Evaluation dated October 26, 1993.

No significant hazards consideration comments received: None

Local Public Document Room location: Chattanooga-Hamilton County Library,1101 Broad Street, Chattanooga, Tennessee 37402

Wisconsin Public Service Corporation, Docket No. 50-305, Kewaunee Nuclear Power Plant, Kewaunee County, Wisconsin

Date of application for amendment: January 20, 1993

Brief description of amendment: The amendment revises Technical Specification (TS) Table 3.5-4, Table 4.1-1, and the TS Section 3.5 basis. The revision to Table 3.5-4 and Table 4.1-1 incorporates feedwater isolation specifications for the Kewaunee Nuclear Power Plant (KNPP). The basis for TS Section 3.5 has been revised to provide background information on the Main Feedwater Isolation system. In addition, administrative changes have been made to convert TS Section 3.5 and its basis along with Tables TS 3.5-4 and TS 4.1-1 to the WordPerfect software. The administrative changes also correct minor typographical errors and format inconsistences.

Date of issuance: October 18, 1993

Effective date: October 18, 1993

Amendment No.: 102

Facility Operating License No. DPR-43. Amendment revised the Technical Specifications.

Date of initial notice in **Federal Register:** July 7, 1993 (58 FR 36448)

The Commission's related evaluation of the amendment is contained in a Safety Evaluation dated October 18, 1993.

No significant hazards consideration comments received: No.

Local Public Document Room location: University of Wisconsin Library Learning Center, 2420 Nicolet Drive, Green Bay, Wisconsin 54301.

Wisconsin Electric Power Company, Docket Nos. 50-266 and 50-301, Point Beach Nuclear Plant, Unit Nos. 1 and 2, Town of Two Creeks, Manitowoc County, Wisconsin

Date of application for amendments: June 11, 1993, as supplemented on October 19, 1993.

Brief description of amendments: The amendments modify Technical Specification Section 15.3.1.6, "Operator Limitations," Specification 3, to reduce the reactor coolant system raw measured total flow rate limit by 2,600 gallons per minute (gpm), change the overtemperature and overpower setpoints, and change the Reactor Core Safety Limits for Unit 2.

Date of issuance: October 27, 1993

Effective date: October 27, 1993

Amendment Nos.: 142 and 146

Facility Operating License Nos. DPR-24 and DPR-27. Amendments revised the Technical Specifications.

Date of initial notice in **Federal Register:** August 18, 1993 (58 FR 43940) The October 19, 1993, letter provided clarifying information that did not change the initial proposed no significant hazards consideration determination.

The Commission's related evaluation of the amendments is contained in a Safety Evaluation dated October 27, 1993.

No significant hazards consideration comments received: No.

Local Public Document Room location: Joseph P. Mann Library, 1516 Sixteenth Street, Two Rivers, Wisconsin.

Wolf Creek Nuclear Operating Corporation, Docket No. 50-482, Wolf Creek Generating Station, Coffey County, Kansas

Date of amendment request: June 1, 1993

Brief description of amendment: The amendment changes Technical Specification 3.8.3.1, Onsite Power Distribution, related to the allowable outage time for two motor control centers associated with the essential service water system. The revision makes the allowable outage time for the motor control centers consistent with the limiting conditions of Technical Specification 3.7.4, Essential Service Water System.

Date of issuance: October 29, 1993

Effective date: October 29, 1993, to be implemented within 30 days of issuance.

Amendment No.: Amendment No. 168

Facility Operating License No. NPF-42. Amendment revised the Technical Specifications.

Date of initial notice in **Federal Register:** June 23, 1993 (58 FR 34098)

The Commission's related evaluation of the amendment is contained in a Safety Evaluation dated October 29, 1993.

No significant hazards consideration comments received: No.

Local Public Document Room Locations: Emporia State University, William Allen White Library, 1200 Commercial Street, Emporia, Kansas 66801 and Washburn University School of Law Library, Topeka, Kansas 66621

Dated at Rockville, Maryland, this 3rd day of November 1993.

For the Nuclear Regulatory Commission.

Steven A. Varga,

Director, Division of Reactor Projects - I/II, Office of Nuclear Reactor Regulation.

[Doc. 93-27504 Filed 11-9-93; 8:45 am]

BILLING CODE 7590-01-F

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-33155; File No. SR-CBOE-93-44]

Self-Regulatory Organizations; Filing of Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to the Issuance of a Regulatory Circular Concerning Floor Brokerage Practices

November 4, 1993.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on October 20, 1993, the Chicago Board Options Exchange, Inc. ("CBOE" or Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the CBOE. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The CBOE proposes to issue a Regulatory Circular (as set forth in **Appendix A**) relating to certain floor brokerage practices.

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

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

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

The CBOE proposes to issue to its membership a Regulatory Circular ("1993 Circular") relating to certain floor brokerage practices in order to assist floor brokers in understanding their responsibilities under CBOE Rules, the Act, and Commission regulations. The purpose of the proposed rule change is to provide for publication of the 1993 Circular.

On June 19, 1986, the CBOE issued a Regulatory Circular ("1986 Circular") that provides guidance to members of the CBOE regarding their obligations under certain Rules of the Exchange. Specifically, the 1986 Circular describes steps that should be taken when a floor broker proposes to "leg in" a multi-part order or to cross customer orders pursuant to CBOE Rule 6.74. The 1986 Circular also sets forth procedures to be followed when there has been a "print-through" [1] on a limit order or an order is not otherwise executed due to a floor broker's error.

The 1993 Circular restates and expands upon many of these subjects. For example, the 1986 Circular specifies procedures to be followed when there has been a print-through. The 1993 Circular restates these procedures, but additionally makes clear that, except as otherwise specified, a floor broker is not permitted to fill the customer order out

[1] A "print-through" occurs when a trade is effected in the crowd at a price that is better than the price at which a customer order should have been represented by a floor broker in the trading crowd.

of his error account if doing so would reduce or liquidate a position in the broker's error account.

In like fashion, the 1986 Circular explains that CBOE Rules do not prohibit the "legging" of multi-part orders as long as the executing floor broker remains in compliance with CBOE Rules concerning the use of due diligence in the execution of customer orders and relating to the separation of market-maker and floor broker functions. The 1993 Circular expands upon the treatment of this subject by setting forth specific procedures that are to be followed in the event that a floor broker discovers that he is unable to complete the execution of a multi-part order.

The 1993 Circular also provides guidance to floor brokers with respect to subjects that were not covered in the 1986 Circular. These subjects include the priority of customer orders in a floor broker's "deck," the "stopping" of customer orders, trading in securities underlying options traded by a floor broker, and recordkeeping requirements.

The 1993 Circular expected to be issued by the CBOE is intended to provide guidance to floor brokers regarding the Exchange's interpretation of applicable CBOE Rules, the Act, and Commission regulations. It is not intended to be a comprehensive discussion of the named subjects. Rather, the 1993 Circular is to be a supplement to existing rules of the Exchange and Interpretations and Policies relating thereto, for the purpose of providing CBOE members with authoritative guidance regarding the Exchange's interpretation of its Rules, the Act, and Commission regulations in certain specific contexts.

The CBOE believes that the proposed rule change is consistent with section 6(b) of the Act, in general, and furthers the objectives of section 6(b)(5) of the Act, in particular, in that it will provide guidance to the membership of the Exchange regarding the obligations of floor brokers under CBOE Rules, the Act, and Commission regulations, and is designed to prevent fraudulent and manipulative acts and practices and to promote just and equitable principles of trade.

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

The CBOE does not believe that the proposed rule change will impose any burden on competition.

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

No written comments were solicited or received with respect to the proposed rule change.

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

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(a) By order approve such proposed rule change, or

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

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC. Copies of such filing will also be available for inspection and copying at the principal office of the CBOE. All submissions should refer to the file number in the caption above and should be submitted by December 1, 1993.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[2]

Jonathan G. Katz,

Secretary.

Appendix A

[2] 17 CFR 200.30-3 (a)(12) (1993).

RG 93-

Date:

To: Members and Member Firms
From: Regulatory Services Division
Re: Floor Brokerage Practices

Preface

The Chicago Board Options Exchange ("CBOE") Regulatory Services Division, in conjunction with the Equity, OEX and SPX Floor Procedure Committees, has prepared this Regulatory Circular ("Circular") summarizing CBOE policy with respect to certain floor brokerage practices relating to option activity. This Circular is being issued to assist floor brokers in understanding their responsibilities under CBOE Rules and Securities and Exchange Commission ("SEC") Rules. This document is not all inclusive and does not supplant existing CBOE Rules and Interpretations and Policies as published in the CBOE Rule Book. Members are expected to be familiar with CBOE and SEC Rules governing floor brokerage practices and related recordkeeping requirements. These Rules are located primarily in Chapters VI, VII and XV of the CBOE Rule Book and in SEC Rules 17a-3 and 17a-4.

This Circular supersedes the June 19, 1986 Circular "Handling Agency Orders."

Representation of Orders

Floor brokers and firms representing customer orders have a fiduciary obligation to their clients to execute orders on the CBOE floor at the best available prices, in accordance with the Rules. The general obligations of floor broker or a firm representing a customer order are addressed in CBOE Rule 6.73 ("Responsibilities of Floor Brokers") and include the following:

Representation of Bids & Offers:

(See RG91-24)

Rule 6.73.04 states in part, that "a Floor Broker's use of due diligence in handling an order shall include the immediate and continuous representation of market or marketable limit orders at the trading station where the option class represented by the order is traded." This means that a floor broker must insure that all market or marketable limit orders are constantly represented in the crowd either by himself or by another floor broker for as long as that order is active.

Floor Broker Responsibilities Under the Firm Disseminated Market Quote Rule:

CBOE's Rule relating to firm disseminated quotes (Rule 8.51) requires disseminated markets to be good for at least ten contracts in designated series. Pursuant to Rule 6.73.03, a floor broker must take the necessary measures to ensure the proper execution of an order by holding the crowd to its disseminated market quote.

Priority of Orders in a Floor Broker's Deck:

Pursuant to the due diligence provisions of Rule 6.73, a floor broker's agency business always takes priority over trades for his error account. The priority of like agency orders entered simultaneously with a floor broker may be determined by that individual floor broker, but, nonetheless, the floor broker is required to use due diligence to execute

those orders at the best available price or prices.

Separation of the Market-Maker and Floor Broker Functions

CBOE Rules generally prohibit a member from trading as a market-maker with respect to option contracts traded at a particular station on the same day that the member is acting as a floor broker at that station. (The word "station" is synonymous with the term "trading crowd".) This restriction is set forth in CBOE Rule 8.8 ("Restriction on Acting as a Market-Maker and Floor Broker"). CBOE Rules concerning the separation of the market-maker and floor broker functions with respect to warrants and other securities are set forth in Chapter 30 of the CBOE's Rules. A floor broker may only effect transactions for his own account at a station where he is acting as floor broker when he has a bona fide error.

In order to ensure this separation of the market-maker and floor broker functions, the following practices must be adhered to:

Legging Orders:

CBOE Rules do not prohibit legging of multi-part orders, provided that the legged trade is effected in accordance with CBOE Rules concerning use of due diligence and separation of the market-marker and floor broker functions. Multi-part orders include option to option orders, as well as stock and option and futures and option orders. The separation of the market-maker and floor broker functions has been interpreted by the CBOE's Regulatory Services Division and the Floor Procedure Committees to require that at the time a floor broker executes a leg of an option to option order, the price of the remaining leg of the order must be within the current disseminated market (*e.g.*, when a floor broker executes the buy side, the price of the sell side of the order must be at the disseminated offer price or lower). If a floor broker determines that he is unable to complete an order he has legged he must either:

(1) Offer the executed leg to the customer;

(2) Liquidate the leg in open outcry and then offer the trade, regardless of whether it's a profit or loss, to the customer; or

(3) Execute the remaining leg(s) of the order at the available market in open outcry and give the customer a difference check.

A floor broker may not provide an execution on the unexecuted portion of the order from his error account; by doing so, he is acting as a market-maker.

The floor broker must document the time and to whom the offer noted in (1) and (2) above was made and retain this record.

Stopping Orders:

It is improper for a floor broker to "STOP" or guarantee an execution to a customer order he is holding from his error account or deck. By doing so, a floor broker is acting as a market-maker and is in violation of CBOE Rule 8.8. Please note, however, that it is not a violation of Rule 8.8 for a floor broker to cross a public customer order with a facilitation order in accordance with the provisions of Rule 6.7(b) ("Crossing Orders").

Trading the Underlying Securities for Your Own Account:

CBOE Rules do not prohibit a floor broker from entering into transactions on other exchanges for his personal account in financial instruments underlying or related to the classes at the station where he acts as a floor broker. A related financial instrument would include index futures if you are an OEX or SPX floor broker, OEX options if you are an SPX floor broker, and SPX options if you are an OEX floor broker. Because trading in the underlying financial instrument could be perceived as a conflict of interest, the Equity and Index Floor Procedure Committees strongly advise against it. It would be a violation of CBOE Rules 4.1 ("Just and Equitable Principles of Trade") and 6.73 ("Responsibilities of Floor Brokers") and Regulatory Circular RG92-29 ("Frontrunning of Blocks") for a floor broker to enter into transactions in an underlying or related financial instrument based on information concerning a customer option order which he holds. Regulatory staff will monitor all such activity by floor brokers for possible violative activity. Floor broker transactions in underlying or related financial instruments are not entitled to good faith credit under Regulation T and must be margined as customer transactions.

Resolution of Errors and Out Trades

In order to ensure that customers receive the best available price pursuant to CBOE Rule 6.73 ("Responsibilities of Floor Brokers") and in addition, in order to ensure that a floor broker clearly separates his market-maker and floor broker functions as set forth in CBOE Rule 8.8 ("Restriction on Acting as Market-Maker and Floor Broker") the following policies are to be adhered to:

Print-Throughs:

A print-through on a limit order occurs when a trade is effected at a better price than the order's limit during the time that the order should have been represented in the crowd. The customer is entitled to the number of contracts which trade through the order's limit up to the number of contracts specified in his order. The price to which the customer is entitled is described below. Generally, the customer should be given a better price if it is available at the time the error is discovered. However, under certain circumstances, such as a systems failure, where a large number of orders were not received or receipt was delayed, it would not be improper for a firm to fill the customer's order at the original limit price rather than the better price. A floor broker should generally proceed as follows when a print-through has occurred:

(1) If a floor broker discovers a print-through during trading hours and a better price is available at that time, the customer should be filled at the better price. If a better price is no longer available, then the floor broker is responsible at the original limit price and the floor broker may either execute the order at the available market and give the customer a "difference check" or fill the order out of his error account, provided it does not reduce or liquidate a position in the error account. (See section on Liquidation of Error Account Positions for correct procedure.)

(2) If a print-through is discovered outside trading hours and the customer requires a fill as of that trade date, the floor broker may fill the customer at the limit price out of his error account. If the customer does not require a fill as of that trade date, the floor broker must wait until the following trade date and proceed as described in paragraph one. If the customer is filled out of the error account outside trading hours and this results in the reduction or liquidation of a position in the error account, this must be reported in writing to the Department of Market Regulation before 10 a.m. CT the following morning, and such report must be accompanied by supporting documentation.

(3) If a print-through occurs on the opening, the customer is generally entitled to the number of contracts which print through at the opening price. If a better price than the opening price is available at the time the error is discovered, the customer should be filled at the better price; if a better price is not available, the floor broker may either fill the order at the opening price out of his error account, provided it does not reduce or liquidate a position in the error account, or execute the order at the available market and give the customer a "different check."

Lost Or Misplaced Market Orders:

If a floor broker fails to execute a market order, the customer is entitled to an execution on up to ten contracts at the disseminated bid or offer at the time the order was received in the crowd or at a better price if it is available at the time the error is discovered. If a better price or the price the customer is entitled to is not available at the time the error is discovered, the floor broker should provide a fill in the manner described in the above section on Print-Throughs. If the unexecuted market order is in excess of ten contracts, the execution price on the additional contracts should be negotiated between the floor broker and customer.

Orders Executed Erroneously:

If a floor broker incorrectly executes an order (for example, he executes a call order as a put or a buy order as a sell order) the erroneous trade must clear in the floor broker's error account. As described in CBOE Rule 6.61.04 ("Reconciliation and Resolution of Unmatched Trades") it is inconsistent with CBOE Rule 4.1 ("Just and Equitable Principles of Trade") for a member to accept a transaction in which the accepting party was not involved. This means, among other things, that a floor broker may not give a trade acquired through an error to another member. If the customer's order was entitled to a fill, it should be provided in the manner described in the above sections titled Print-Throughs or Lost Or Misplaced Market Orders.

In all of the situations described above, if the floor broker effects a trade for his error account as a result of a bona fide error, thereby establishing a position in his error account (resulting in a risk position), any profit/loss from liquidating this error account position belongs to the floor broker. (See the sections on *Document of Errors* and *Record Keeping Requirements.*)

Liquidation of Error Account Positions:

Except as provided above in the paragraph concerning print-throughs discovered outside trading hours, a floor broker may not reduce or liquidate an error account position by crossing his error account with an order he

is holding. If a floor broker needs to reduce or liquidate a position in his error account and the best bid or offer is an order he is holding, the floor broker (the "liquidating floor broker") must give his order to liquidate the error account position to an unassociated floor broker, or, where there is no unassociated floor broker, he must give the customer order to the Order Book Official or DPM. In any event, the customer bid or offer must be either displayed on the book or announced in open outcry and other members must be given a reasonable opportunity to participate in the trade. (An unassociated floor broker, for purposes of this Circular, is any floor broker who is not directly or indirectly controlling, controlled by, or under common control with the liquidating floor broker.)

Resolution of Out-Trades:

As previously noted, CBOE Rule 6.61 ("Reconciliation and Resolution of Unmatched Trades") states that it is inconsistent with just and equitable principles of trade for any member, or person associated with a member, to accept a transaction in which he was not involved. A floor broker who has an out-trade is prohibited from giving the out-trade to or clearing the trade with a member who was not involved in the transaction which resulted in the out-trade. Further, it is improper to add a trade that was not the result of a bona fide error or to decline to accept any transaction in which the declining party or its principal was involved. (See section on *Record keeping requirements* for information on documentation.)

Documentation of Errors

All transactions executed for a floor broker error account must be recorded on an order ticket. A brief description of the error which necessitated the trade, the time the error was discovered and the initials of the individual creating this record must also be written on the order. These records must be retained for a minimum of three years, the first two years in an easily accessible place. (*See Record Keeping Requirements.*) In addition, the Independent Floor Broker Task Force has recommended that floor brokers also keep out-trade sheets relating to all errors.

Record Keeping Requirements

Rules adopted by the SEC under the Securities Exchange Act of 1934 (the "Act") require that a floor broker keep a copy of every order he receives, including orders received via hand signals or phone, and all cancels and nothing dones. A floor broker may arrange to have these records kept on his behalf; however, it is still the responsibility of the floor broker to produce such documents upon request. These records must be retained for a minimum of three years, the first two years in an easily accessible place. Failure to do so is a violation of the Act, SEC Rules 17a–3 and 17a–4, and CBOE Rules 4.2 ("Adherence to Law") and 15.1 ("Maintenance, Retention and Furnishing of Books, Records and Other Information").

As previously announced, the Regulatory Services Division will be conducting audits of floor brokers. At a minimum, the following records *will be requested when an audit is initiated:* copies of all orders executed by the floor broker, copies of all orders the floor broker received but were canceled or returned "nothing done", and all order tickets representing trades for an error account.

Conclusion

This Circular describes the CBOE's policies with respect to the floor brokerage practices described herein. Failure to adhere to SEC or CBOE Rules as described in this Circular will subject a member to possible disciplinary action.

If you have any questions concerning these matters contact Barbara J. Casey at (312) 786–7712 or Margaret E. Williams at (312) 786–7834 in the Exchange's Department of Market Regulation.

[FR Doc. 93–27678 Filed 11–9–93; 8:45 am]

BILLING CODE 8010–01–M

Self-Regulatory Organizations; Applications for Unlisted Trading Privileges; Notice and Opportunity for Hearing; Chicago Stock Exchange, Incorporated

November 4, 1993.

The above named national securities exchange has filed applications with the Securities and Exchange Commission ("Commission") pursuant to Section 12(f)(1)(B) of the Securities Exchange Act of 1934 and Rule 12f–1 thereunder for unlisted trading privileges in the following securities:

ACM Managed Dollar Income Fund, Inc.
Common Stock, $.01 Par Value (File No. 7–11474)
Aquila Gas Pipeline
Common Stock, $.01 Par Value (File No. 7–11475)
Corpus Christi Bancshares, Inc.
Common Stock, $5.00 Par Value (File No. 7–11476)
Global Partners Income Fund, Inc.
Common Stock, $.001 Par Value (File No. 7–11477)
Lexington Corporate Properties, Inc.
Common Stock, $.001 Par Value (File No. 7–11478)
Morrison Restaurants, Inc.
Common Stock, $.01 Par Value (File No. 7–11479)
Hanover Direct, Inc.
Common Stock, $.66⅔ Par Value (File No. 7–11480)
Top Source, Inc.
Common Stock, $.001 Par Value (File No. 7–11481)

These securities are listed and registered on one or more other national securities exchange and are reported in the consolidated transaction reporting system.

Interested persons are invited to submit on or before November 26, 1993, written data, views and arguments concerning the above-referenced application. Persons desiring to make written comments should file three copies thereof with the Secretary of the Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549. Following this opportunity for hearing, the Commission will approve the application if it finds, based upon all the information available to it, that the extensions of unlisted trading privileges pursuant to such application is consistent with the maintenance of fair and orderly markets and the protection of investors.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 93–27657 Filed 11–9–93; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 34–33145; File Nos. SR–DTC–93–08 and SR–NSCC–93–07]

Self-Regulatory Organizations; the Depository Trust Co. and the National Securities Clearing Corp.; Filing of Proposed Rule Changes Relating to a Netting Contract and Limited Guaranty Agreement

November 3, 1993.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),[1] notice is hereby given that on June 2, 1993, and July 8, 1993, the National Securities Clearing Corporation ("NSCC") and The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") the proposed rule changes (File Nos. SR–NSCC–93–07 and SR–DTC–93–08) as described in Items I, II, and III below, which Items have been prepared primarily by NSCC and DTC. On September 13, 1993, NSCC filed an amendment to File No. SR–NSCC–93–07 to change all references to Rule 21 to Rule 25.[2] On September 16, 1993, NSCC filed a second amendment to File No. SR–NSCC–93–07 to change all references to Rule 25 to Rule 31.[3] The Commission is publishing this notice to solicit comments on the proposed rule changes from interested persons.

I. Self-Regulatory Organizations' Statement of the Terms of Substance of the Proposed Rule Changes

The proposed rule changes consist of a Netting Contract and Limited Cross-

[1] 15 U.S.C. 78s(b)(1) (1988).

[2] Letter from Karen L. Saperstein, Vice President, NSCC, to Jerry W. Carpenter, Branch Chief, Division of Market Regulation ("Division"), Commission (September 10, 1993).

[3] Letter from Karen L. Saperstein, Vice President, NSCC, to Jerry W. Carpenter, Branch Chief, Division, Commission (September 15, 1993).

Guaranty agreement between DTC and NSCC ("DTC/NSCC Agreement")[4] and related changes to DTC's Rules 1, 2, 4, and 9, and NSCC Rules 1, 4, 12, and 31.

II. Self-Regulatory Organizations' Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Changes

In its filing with the Commission, DTC and NSCC included statements concerning the purpose of and basis for the proposed rule changes and discussed any comments they received on the proposed rule changes. The text of these statements may be examined at the places specified in Item IV below. DTC and NSCC have prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.

(A) Self-Regulatory Organizations' Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Changes

(1) Netting

Many participants of DTC are also members of NSCC ("common members"), and NSCC itself is a DTC participant. For many years, DTC and NSCC have provided for a consenting common member's credit balance in DTC's Next-Day Funds Settlement ("NDFS") system or a credit balance at NSCC to be applied to its debit balance at the other clearing agency. In practice, a common member's daily settlement credit at one of the clearing agencies serves to reduce or eliminate any daily settlement debit of that common member at the other organization.[5]

The Federal Deposit Insurance Corporation Improvement Act of 1991 ("FDICIA") validates netting contracts that provide for the netting of payment obligations and payment entitlements between and among clearing organizations and their members.[6] Under FDICIA, a payment under a netting contract is not subject to disaffirmance by the receiver or trustee in a subsequent insolvency proceeding. The netting provisions of FDICIA were designed to reduce systemic risk to the financial markets.

The purpose of the netting provision of the DTC/NSCC Agreement is to establish a netting contract that meets the standards for FDICIA protection. The netting provision provides that on each common business day that any common member has a credit balance at one clearing agency and a debit balance at the other, the two balances will be netted and the following payments will be made: (1) Each common member with a net debit amount will pay that amount to the clearing agency with the net debit amount; (2) a clearing agency with a net credit amount with respect to a common member shall pay that amount to the common member; and (3) for each common member with a credit balance that equals its debit balance, the clearing agency with the credit balance shall pay that amount to the clearing agency with the debit balance.

The balances covered under the netting provision that will be available to NSCC will be only those in DTC's NDFS system. DTC will have the right, however, to use a NDFS credit balance to offset an open debit balance in DTC's Same-Day Funds Settlement ("SDFS") system before applying the remainder, if any, to a debit balance at NSCC.

The proposed changes to DTC Rules 1, 2, and 9 and to NSCC Rules 1, 4, 12, and 31 will incorporate the netting provision and all its terms into the rules and, thereby, will bind DTC participants and NSCC members, respectively. The proposed changes also will conform the rules to the netting provision so that DTC's participants and NSCC's members become parties to the netting provision of the DTC/NSCC Agreement. These changes are discussed more fully below.

The rule changes will not substantially change current practice. Unlike the existing cross-endorsement program, the proposed rule changes will be binding on all common members. All DTC participants and NSCC members will gain protection from the netting provisions. If for example, a common member has a debit balance in DTC's NDFS system, some or all of that common member's NSCC credit balance, if any, will be paid by NSCC to DTC instead of to that common member. By reducing or eliminating that common member's outstanding debit balance at DTC by netting, the amount of risk to which all other DTC participants are exposed if that common member fails to settle with DTC is reduced. The same benefits will be realized by NSCC members if the common member has a net debit balance at NSCC and credit balance at DTC.

(2) Limited Guaranty

The DTC/NSCC Agreement also contains a provision limiting the guaranty from each clearing agency to the other clearing agency that will be invoked when a common member fails. Any resources remaining after a failed common member's obligations to the guaranteeing clearing agency have been satisfied, including at DTC that common member's SDFS obligations, will be made available to the other clearing agency. The guaranty will not be absolute but rather will be limited to the extent of the resources relative to the failed member remaining at the guaranteeing clearing agency. The principle resources will be settlement net credit balances, including in certain cases a common member's SDFS net credit balance at DTC, and the failed member's deposits to the clearing agencies' clearing funds.

For example, if a common member has a DTC NDFS net debit balance that exceeds its credit balance at NSCC, the operation of the netting provision will reduce that net debit balance by the amount of the NSCC credit. If that common member than fails, DTC will apply the member's DTC participants fund deposit to the remaining net debit balance and to any SDFS net debit balance. If that deposit is insufficient to satisfy completely all DTC net debit balances, the limited guaranty provision will enable DTC to look to NSCC to pay any deficiency but only if and to the extent that NSCC resources attributable to the common member exceed the common member's obligations to NSCC. Similarly, NSCC will be able to look to DTC if the common member has a NSCC net debit balance.

There can be situations where a failed common member still owes money either to DTC or to NSCC after netting and after payment of the guaranty. However, the exposure to DTC's or NSCC's other participants or members will be reduced by the operation of the DTC/NSCC Agreement.

The incorporation of the limited guaranty provision and other changes to DTC Rules 1, 2, 4, and 9 and to NSCC Rules 1, 4, 12, and 31 are designed to obligate a failed common member to DTC to the extent that DTC is obligated to NSCC under the limited guaranty provision and similarly to obligate a failed common member to NSCC to the extent that NSCC is obligated to DTC under the limited guaranty provision.

[4] NSCC's Rules refer to the agreement as the Clearing Agency Cross-Guaranty Agreement.

[5] This procedure is commonly referred to as cross-endorsement because originally the first clearing agency's check or draft payable to the common member was endorsed to the second clearing agency. Over 90% of common members have consented to this procedure. Under the procedure, which is now automated, computer programs determine which consenting members have a credit balance at one clearing agency and a debit balance at the other. The programs then aggregate for each clearing agency the applicable portions of all the credit balances of common members with debit balances at the other clearing agency. These aggregate amounts are then paid by each clearing agency to the other with corresponding payment entries being reflected in each common member's DTC and NSCC settlement statements.

[6] 12 U.S.C. 4401–4407 (1991).

(3) DTC Rules 1, 2, 4, and 9

The proposed change to Rule 1 defines that the term DTC/NSCC Agreement to establish as short form for use in DTC's Rules.

The proposed change to Rule 2 incorporates the DTC/NSCC Agreement into the rules of DTC and makes it binding on all DTC participants.

The proposed change to Rule 4, Section 2 states that the participants fund and components thereof may be used as provided in the DTC/NSCC Agreement. The purpose of the proposed change is to broaden the purposes for which deposits to the participants fund may be used and to overcome any objection by a failed participant and its bankruptcy estate to DTC's payment to NSCC of part or all of the failed participant's deposit to DTC's participants fund. The proposed change to Rule 4, Section 3 makes the amount of DTC's limited guaranty to NSCC an obligation that the participant owes to DTC. After these changes, Rule 4 as a whole will operate so that any amount guaranteed by DTC to NSCC is supported by a secured obligation of the participant to DTC.

The proposed changes to Rule 9(A), Section 2 and Rule 9(C), Section 2 concern DTC's right to net all of a participant's accounts within a system together. The sentence to be deleted from Rule 9(C), Section 2 permits DTC to net all of a participant's accounts in the SDFS system. The sentence to be added to Rule 9(A), Section 2 permits DTC to net all of a participant's accounts in either the NDFS system or the SDFS system and preempts any prior agreement between DTC and a participant to the contrary. Currently, DTC's Rules contain no explicit permission for netting in the NDFS system.

Proposed new paragraphs (G) and (H) to Rule 9 provide that DTC's obligation to pay any participant the full amount of its net credit balance is a qualified obligation. In the case of a participant that has not failed, DTC will be obligated to the participant only for the portion of the NDFS net credit balance remaining after application to any NSCC debit balance. In the case of a participant that has failed, DTC's obligation will be: (1) the net after application of any NDFS net credit balance to any SDFS net debit balance, to any NSCC debit balance, and to any guaranty payment from DTC to NSCC and (2) the portion remaining after application of any SDFS net credit balance to any NDFS net debit balance and to any guaranty.

(4) NSCC Rules 1, 4, 12, and 31

The proposed changes to Rule 1 define the terms Clearing Agency Cross-Guaranty Agreement, Cross-Guaranty Party and Cross-Guaranty Obligation to more easily reference these terms throughout NSCC's Rules.

The proposed changes to Rule 4, Section 3 make it clear that the clearing fund deposits may be used to cover cross-guaranty obligations.

The proposed changes to Rule 12 clarify NSCC's settlement obligations to its members. The changes to Section 1 together with new Section 6 will give NSCC the right to net internally any and all credit balances of a member against the member's debit balances before any payments are made to DTC or to the member. Section 5 will make it clear that in the case of a member that has not failed and that is also a participant at DTC, NSCC is obligated to the member only for the portion of its net credit balance remaining after application of the net credit balance to any DTC debit balance. Section 6 will give NSCC the right to net all credits against all debits owning to and from a member with more than one account at NSCC.

The purpose of proposed new Rule 31 is to make the amount of NSCC's limited guaranty to DTC an obligation that the member owes to NSCC. As a result, Rule 31 will operate so that any amount guaranteed by NSCC to DTC will be supported by a secured obligation of a member to NSCC.

The proposed rule changes are consistent with the requirements of section 17A of the Act[7] and the rules and regulations thereunder because they increase the protection of investors and persons facilitating transactions by and acting on behalf of investors by reducing the exposure to risk of solvent DTC participants and solvent NSCC members from the failure of a common member.

(B) Self-Regulatory Organizations' Statement on Burden on Competition

DTC and NSCC do not believe that the proposed rule changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

(C) Self-Regulatory Organizations' Statement on Comments on the Proposed Rule Changes Received From Members, Participants or Others

DTC and NSCC have not solicited or received comments on the proposed rule changes.

[7] 15 U.S.C. 78q-1 (1988).

III. Date of Effectiveness of the Proposed Rule Changes and Timing for Commission Action

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

(A) By order approve such proposed rule changes or

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

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the submissions, all subsequent amendments, all written statements with respect to the proposed rule changes that are filed with the Commission, and all written communications relating to the proposed rule changes between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filings will also be available for inspection and copying at the principal offices of DTC and NSCC. All submissions should refer to the File Nos. SR-DTC-93-08 and SR-NSCC-93-07 and should be submitted by December 1, 1993.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[8]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 93-27660 Filed 11-9-93; 8:45 am]

BILLING CODE 8010-01-M

[8] 17 CFR 200.30-3(a)(12) (1992).

Self-Regulatory Organizations; Applications for Unlisted Trading Privileges; Notice and Opportunity for Hearing; Philadelphia Stock Exchange, Incorporated

November 4, 1993.

The above-named national securities exchange has filed applications with the Securities and Exchange Commission ("Commission") pursuant to section 12(f)(1)(B) of the Securities Exchange Act of 1934 and Rule 12f-1 thereunder for unlisted trading privileges in the following securities:

Morrison Restaurants, Inc.
Common Stock, $.01 Par Value (File No. 7-11482)
Texas Utilities Electric Company
Depositary Shares Series B 7.22 Cum. Pfd. Stock, No Par Value (File No. 7-11483)
New Age Media Fund, Inc.
Common Stock, $.001 Par Value (File No. 7-11484)
Lexington Corporate Properties, Inc.
Common Stock, $.001 Par Value (File No. 7-11485)
Boyd Gaming Corporation
Common Stock, $.01 Par Value (File No. 7-11486)
PSI Resources, Inc.
6¾ Cum. Pfd. Stock (File No. 7-11487)
Aquila Gas Pipeline Corporation
Common Stock, $.01 Par Value (File No. 7-11488)
Regency Realty Corporation
Common Stock, $.01 Par Value (File No. 7-11489)
Tejas Gas Corporation
Depositary Shares each representing 1/15 of a share of Cv. Pfd. Stock (File No. 7-11490)
CBL & Associates Properties, Inc.
Common Stock, $.01 Par Value (File No. 7-11491)
Mississippi Power Company
Dep. Shares 6.65 Pc. Series Pfd. Stock, $100 Par Value (File No. 7-11492)

These securities are listed and registered on one or more other national securities exchange and are reported in the consolidated transaction reporting system.

Interested persons are invited to submit on or before November 26, 1993, written data, views and arguments concerning the above-referenced application. Persons desiring to make written comments should file three copies thereof with the Secretary of the Securities and Exchange Commission, 450 5th Street NW., Washington DC 20549. Following this opportunity for hearing, the Commission will approve the application if it finds, based upon all the information available to it, that the extensions of unlisted trading privileges pursuant to such applications are consistent with the maintenance of fair and orderly markets and the protection of investors.

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

Jonathan G. Katz,
Secretary.

[FR Doc. 93-27658 Filed 11-9-93; 8:45 am]
BILLING CODE 8010-01-M

[Release No. 34-33142; File No. SR-PHLX-93-43]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Philadelphia Stock Exchange, Inc., Relating to Floor Procedure Advice F-15, Minor Infractions of Position/Exercise Limits and Hedge Exemptions

November 3, 1993.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on October 13, 1993, the Philadelphia Stock Exchange, Inc. ("PHLX" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

Paragraph (b) of Floor Procedure Advice ("Advice") F-15, "Minor Infractions of Position/Exercise Limits and Hedge Exemptions," exempts from the position and exercise limit aggregation count each option of a stock option position that is hedged by 100 shares of the underlying stock or securities convertible into the stock. The exemption, which applies only to certain hedged positions and is limited to an amount of option contracts no greater than twice the standard limit of the option, is available only as long as the hedge is maintained. Accordingly, paragraph (b)(ii) of Advice F-15 provides that the failure to appropriately reduce a hedged option position following a decrease in the stock position such that the option position does not exceed the limit by more than 5% may result in a fine specified in the Advice. Instances where the resulting option position exceeds established limits by 5% or more are subject to review by the Exchange's Business Conduct Committee ("BCC"). Thus, under the current version of Advice F-15, it is not clear whether a position limit violation of 5% over the applicable limit will be subject to the fine schedule provided in Advice F-15 or referred to the BCC. Accordingly, the PHLX proposes to amend paragraph (b)(ii) to provide that a fine specified in Advice F-15 applies if the remaining option position does not exceed the position limit by more than 5% (*i.e.*, the position limit violation is 5% or less of the applicable limit), and the BCC review applies if the resulting option position exceeds established limits by more than 5%.

The text of the proposed rule change is available at the Office of the Secretary, PHLX, and at the Commission.

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

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

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

The PHLX proposes to amend the text of Advice F-15 to correct the threshold above which a hedge exemption position exceeding the Exchange's position limits is referred to the BCC. Specifically, the PHLX proposes to amend paragraph (b) of Advice F-15 to provide that hedge exemption position limit violations of more than 5% will be referred to the Exchange's BCC pursuant to the Exchange's disciplinary rules. Violations below the threshold (5% or less) will be considered minor violations of the requirement to maintain a hedged position, and will be administered pursuant to the PHLX's minor rule enforcement and reporting plan ("minor rule plan").

The PHLX believes that the proposal is consistent with Section 6(b) of the Act, in general, and, in particular, with Section 6(b)(5), in that it is designed to promote just and equitable principles of trade and to prevent fraudulent and manipulative acts and practices, as well as to protect investors and the public interest by streamlining the procedure for enforcing compliance with the Exchange's position and exercise limits.

In addition, the Exchange believes that violations of 5% or less of the Exchange's position and exercise limits and the hedge exemption are objective in nature and thus appropriate for inclusion in the Exchange's minor rule plan, which is consistent with the requirement of section 6(b)(6) of the Act that the rules of an exchange provide that its members be appropriately disciplined for violations of the Act, the rules and regulations thereunder, and the Exchange's rules.

(B) Self-Regulatory Organization's Statement on Burden on Competition

The PHLX does not believe that the proposed rule change will impose any inappropriate burden on competition.

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

No written comments were solicited or received.

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

The foregoing rule change constitutes a stated policy, practice or interpretation with respect to the administration of an existing PHLX rule. Specifically, the proposal clarifies Advice F–15(b)(ii) by stating that a failure to maintain a hedged option position which results in a position limit violation of more than 5% of the applicable limit will be referred to the BCC, while a position limit violation of 5% or less of the applicable limit will be subject to the fine schedule provided in Advice F–15 and administered under the PHLX's minor rule plan. Accordingly, the proposal has become effective pursuant to section 19(b)(3)(A) of the Act and subparagraph (e) of Rule 19b–4 thereunder. At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying at the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number in the caption above and should be submitted by December 1, 1993.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[1]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 93–27661 Filed 11–9–93; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 34–33144; File No. SR–Phlx–91–08]

Self-Regulatory Organizations; Philadelphia Stock Exchange Inc.; Order Approving Proposed Rule Change Relating to Block Transactions in Foreign Currency Options

November 3, 1993.

On April 28, 1992,[1] the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") submitted to the Securities and Exchange Commission ("Commission" or "SEC"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")[2] and Rule 19b–4 thereunder,[3] a proposed rule change to permit foreign currency options orders of 1,000 contracts or more to trade utilizing special procedures applicable to block transactions.

The proposed rule change was published in Securities Exchange Act Release No. 31120 (August 28, 1992), 57 FR 40930. No comments were received on the proposed rule change. This order approves the proposal.

The Exchange proposes to add Phlx Rule 1016—Block Transactions in Foreign Currency Options—which would provide executions at a single price for orders of over 1,000 contracts.[4] Specifically, the block execution procedure would allow a floor broker with a block order to quote the market in a particular foreign currency option, announce that a block quotation for a specified number of contracts over 1,000 is sought, and ascertain from the trading crowd the best price at which the entire order can be executed.[5] Contrary to the existing permitted practice, the proposed block trade rule would permit the execution of trades outside the best bid and offer ("BBO").[6]

The proposed block order execution procedures additionally provide for priority among categories of those contra-side interests competing in the trading crowd for participation in the block trade.[7] From the responses received by the trading crowd, the floor broker is required to derive the block quote (BBO at which the block order can be entirely satisfied) and determine the priority of eligible interests within the clean-up range.

Priority among eligible interests within the clean-up range will be determined under proposed Rule 1016(c) in the following manner. First, customer orders[8] of less than 100 contracts have precedence at any price

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[1] 17 CFR 200.30–3(a)(12)(1992).

[1] The Phlx originally submitted its proposal on May 9, 1991. On April 21, 1992, the Phlx amended its proposal to clarify that any bid/offer for the account of a member which relies on the exemption under Section 11(a)(1)(G) of the Act must yield priority to any bid/offer for the account of a customer. See letter from Gerald D. O'Connell, Vice President, Market Surveillance, Phlx, to Thomas Gira, Branch Chief, Options Regulation, Division of Market Regulation, SEC, dated April 21, 1992 ("Amendment No. 1").

[2] 15 U.S.C. section 78s(b)(1) (1993).

[3] 17 CFR 240.19b–4 (1993).

[4] A "block order" is defined as any Exchange foreign currency options order of 1,000 contracts or more.

[5] The "clean-up price" is the price at which the block order is executed, and the "clean-up range" includes those bids or offers as the case may be of eligible interests at the clean-up price or better.

[6] Large orders in foreign currency options are presently executed in the same manner as all other foreign currency options. In particular, a member requests the trading crowd to give an indication as to where a large-sized order may be executed. A response from the crowd to any such request may include large-sized indications of interest at prices outside the existing bid and offer, however, no trade may be consummated at the outside price until the previously established superior bids or offers are either satisfied or withdrawn and a new market established within which the large sized order may trade. See Phlx Rules 1014(h) and 119.

[7] An "Eligible interest" is defined in the proposal as: (1) orders placed on the book or held by a broker in the crowd at any price within the clean-up range; (2) bids/offers within the clean-up range which constitute markets in the crowd in response to the floor broker's request for the current market and prior to his request for a block quote; and (3) bids/offers within the clean-up range made in response to the request for a block quote.

[8] Rule 1014(g) defines account types as either a controlled account or customer account. A controlled account includes any account controlled by or under common control with a member broker-dealer. Specialist accounts of Phlx Options Specialists, however, are not subject to yielding requirements placed upon controlled accounts by this Rule. Customer accounts are all other accounts.

within the clean-up range. Second, all eligible interests constituting the best market in the crowd in response to the floor broker's request for the current market and prior to the floor broker's request for a block quote. Third, all interests of 1,000 contracts or more at any price better than the clean-up price made in response to the request for a block quote. Fourth, all eligible interests of 200 contracts or more at any price within the clean-up range made in response to the request for a block quote. Lastly, if any eligible interests are remaining then such priority that may still exist will apply.[9] In those instances where the question of priority arises in connection with orders within the same category as described above, priority is established in accordance with existing Exchange Rules 1014(g) and 119.

The proposed priorities described above can best be understood by the following example. The market first quoted is 16 bid and 20 ask ("16–20"), and in response to a request for a block quote for 3,000 contracts, the market given was 12–23, 3,000 contracts on each side; the floor broker executes a block order to buy 3,000 at 23. First, priority goes to customer orders of less than 100 contracts offering from 20 to 23. Second, thereafter priority is afforded to the interest that constituted the best offer when the floor broker first quoted the market, but prior to the announcement of the block order. Thus, any offer at 20 is executed next. Third, interests of 1,000 contracts or more at prices better than the block price receive priority. For example, offers of 21 and 22, of at least 1,000 contracts fall into this category. Fourth, any eligible interest of at least 200 contracts at the block price or better, such as offers of 21, 22 or 23, receive next priority. Finally, any remaining portion of a block order can be executed against any remaining eligible interests, such as offers of 21 through 23, for less than 200 contracts. Under this example, all of the executions occur at a price of 23, the clean-up price, despite the offer being for a lower price, such as 21 or 22.

The Exchange believes that there are two reasons for arranging foreign currency block executions in the proposed manner. First, the Phlx believes that enduring customer orders of under 100 contracts top priority to participate in the block price is consistent with the Exchange's commitment to the retail investor. Second, the Phlx believes that providing the opportunity for a trader in the crowd or an off-floor interest to increase his participation (over that of pro-rata parity split) by voicing a market quicker and larger than others, will foster competition in the crowd resulting in better and faster executions of block-sized orders. Accordingly, the Phlx believes that providing this limited block execution exception to the existing priority and parity rules will enable the Exchange to more effectively compete with the over-the-counter ("OTC") foreign currency options market for block orders.

With respect to priority among orders of the same category, the Phlx notes that within each of the specified categories priority is determined in accordance with the Exchange's rules regarding the priority and parity of foreign currency options orders in Rules 1014(h) and 119. For example, within the third category in the example above (offers of 1,000 contracts or more at prices better than the block price) priority is given to the 21 offer, the best price. If a portion of the block order remains after all offers of 1,000 at 21 are satisfied, priority is next given to the offers at 22.[10]

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, the requirements of section 6[11] and the rules and regulations thereunder. The Commission believes that the block trading procedure proposed by the Phlx will remove impediments to and perfect the mechanism of a free and open options market by efficiently executing large-size foreign currency options orders consistent with the protection of investors. In particular, the Commission believes that the Phlx proposal is an appropriate attempt to attract large-sized foreign currency options orders that may be transacted in the OTC market.[12]

The Commission also finds that the Phlx's block execution procedure strikes a reasonable balance between the Exchange's desire to execute large foreign currency options orders in an efficient manner and its obligation to prevent fraudulent and manipulative practices. Specifically, the block trading procedure will enable market participants to execute large-size foreign currency options orders in an orderly fashion at a price that may not be the BBO for that particular foreign currency option, but is the best price available for executing a block trade in such foreign currency options. The block trading procedure for foreign currency options will permit this limited exception to the existing priority and precedence rules of the Exchange while continuing to protect smaller customer orders and orders that constitute the "best market" or best bid or offer.[13]

IT IS THEREFORE ORDERED, pursuant to section 19(b)(2) of the Act,[14] that the proposed rule change (SR–Phlx–91–08) is approved.

For the Commission, by the Division of Market Regulations, pursuant to delegated authority.[15]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 93–27662 Filed 11–9–93; 8:45 am]

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[9] Notwithstanding the priorities of eligible interests noted above, any bid or offer for the account of a member relying on the exemption under Section 11(a)(1)(G) of the Act must yield time priority to any bid or offer for the account of a customer. See Amendment No. 1, *supra* note 1.

[10] According to the proposal, any bid or offer, regardless of which category of contra-side interest it is in, for the account of an Exchange member which relies on the exemption under section 11(a)(1)(G) of the Act must yield priority to any bid or offer for the account of a customer. See Amendment No. 1, *supra* note 1.

[11] 15 U.S.C. section 78f (1993).

[12] The Commission notes that block trades executed at the Phlx are subject to the protections afforded by a regulated exchange options market. Furthermore, the Phlx proposal contains safeguards to ensure that the Rule is not used for impermissible purposes. Specifically, a floor broker must quote the market before announcing the existence of a block order, and, must actually hold an order ticket for a block order. In addition, any bid or offer for the account of a member relying on the section 11(a)(1)(G) exemption must yield priority to any bid or offer of a customer.

[13] Presently, Exchange Rule 1067 requires that the highest bid and lowest offer shall have precedence in all cases. In addition, Rule 1014(h) states that bids or offers in foreign currency options, regardless of account type or size of the bid or offer, or whether opening or closing, all are treated the same for purposes of determining time priority pursuant to Rule 119. The Rule contains the following two exceptions: (1) all bids or offers of customer accounts for under 100 contracts have time priority over all other bids or offers; and (2) any bid or offer for the account of a member which relies on the exemption under Section 11(a)(1)(G) of the Act must yield time priority to any bid or offer for the account of a customer. However as stated in Rule 119 (b) and (c), if a bid does not have precedence in time or if it is impossible to determine time priority, all bids have parity subject to precedence based on the size of the bid at that particular price. Accordingly, the Phlx's block trading proposal will allow trades to be executed outside a previous quoted market while reserving priority and precedence protections for customer orders and those orders constituting the "best market" within the quoted block trading price range.

[14] 15 U.S.C. section 78s(b)(2) (1993).

[15] 17 CFR 200.30–3(a)(12) (1993).

[Release No. 34-33129; File No. SR-NSCC-93-10]

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Certain Legal Consequences of Continuous Net Settlement Processing

November 1, 1993.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),[1] notice is hereby given that on August 3, 1993, National Securities Clearing Corporation ("NSCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared primarily by NSCC. The Commission is publishing this notice to solicit comments on the proposal from interested persons.

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

The proposed rule change makes explicit certain legal consequences of Continuous Net Settlement ("CNS") processing as described below in Item II(A).

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

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

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

NSCC's current Rules and Procedures, including formal interpretations thereof and statements of policy pertaining thereto (collectively, the "Rules"), provide that NSCC becomes the contra-party to CNS transactions so that rights of receiving members to receive securities are against NSCC and the obligations of delivering members to deliver securities run the NSCC.[2] Thus, CNS, deliveries are processed by having securities transferred from the accounts of the delivering members at the Depository Trust Company ("DTC") to an NSCC account at DTC, and CNS receives are processed by having securities transferred from the NSCC account to the receiving members' DTC accounts. NSCC has always taken the view that a legal consequence of its Rules is that securities transferred to NSCC's account and not retransferred to a receiving member because NSCC has ceased to act for the receiving member and needs to close-out its long positions become NSCC's property and, as such, may be pledged by NSCC to finance the close-out of the positions of the receiving member for whom NSCC has ceased to act.

In addition, NSCC's Rules provide that NSCC will guarantee the completion of most CNS transactions as of midnight of the day the trades are reported to members as compared, which is usually midnight of T+1.[3] NSCC has always taken the view that a legal consequence of this guarantee is to cause the delivering members' obligations to deliver securities to NSCC, and the receiving members' rights to receive securities from NSCC, to arise at the time the guarantee becomes effective. Thus, the guarantee operates by creating these rights and obligations. Once a receiving member has a right to receive from NSCC rather than from another member, NSCC has, in effect, guaranteed delivery to the member. What stands behind NSCC's obligation to deliver to the receiving members is a corresponding obligation on the part of the delivering members, arising at the same time, to make delivery to NSCC.

The proposed rule change makes explicit the aforementioned legal consequences of NSCC's Rules relating to both CNS receive and deliver obligations and NSCC's guarantee thereof. NSCC is amending its Rules to provide the degree of legal assurance required by its primary lender in connection with an amendment to NSCC's line of credit provided by that lender which raises the amount of the line of credit from $200 million to $300 million and which permits NSCC to pledge under the line of credit securities delivered to NSCC as part of CNS processing.

By increasing its committed line of credit from $200 million to $300 million and obtaining the ability to pledge under the line of credit securities delivered to NSCC as part of CNS processing, NSCC is providing additional assurances to its members and the investing public that trades to be settled through the CNS system will settle in a timely manner. The proposed rule change is required in connection with these changes to the line of credit.

Therefore, NSCC believes that the proposal is consistent with the requirements of the Act, in particular section 17A(b)(3)(F) thereof, because it facilitates the prompt and accurate clearance and settlement of securities transactions as required by that section.

(B) Self-Regulatory Organization's Statement on Burden on Competition

NSCC does not believe that the proposed rule change will impose a burden on competition.

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

NSCC has neither solicited nor received comments on the proposed rule change.

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

The foregoing rule change has become effective pursuant to section 19(b)(3)(A)(i) of the Act and Rule 19b-4(e)(1) thereunder because it constitutes a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule of the self-regulatory organization. At any time within sixty days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Those wishing to make a written submission should file six copies of the submission with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the submission, subsequent amendments, written statements with respect to the proposed change that are filed with the Commission, and written communications relating to the proposal between the Commission and any persons, other than those that may be withheld from the public in accordance with 5 U.S.C. section 552, will be available for inspection and copying in

[1] 15 U.S.C. section 78s(b)(1) (1988).

[2] NSCC's Rules and Procedures, Rule 11, Section 1.

[3] NSCC's Rules and Procedures, Addendum M.

the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of NSCC. All submissions should refer to File No. SR–NSCC–93–10 and should be submitted by December 1, 1993.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[4]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 93–27659 Filed 11–9–93; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 34–33143; File No. SR–NASD–93–62]

Self-Regulatory Organizations; Filing and Immediate Effectiveness of Proposed Rule Change by the National Association of Securities Dealers, Inc. Relating to a Waiver of SOES and SelectNet Fees for November and December 1993

November 3, 1993.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on November 2, 1993, the National Association of Securities Dealers, Inc. ("NASD" or "Association") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the NASD. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), the National Association of Securities Dealers, Inc. ("NASD" or "Association") is proposing to waive member fees associated with the operation of the Small Order Execution System ("SOES") and SelectNet for November and December 1993. Specifically, the NASD proposes to waive the SelectNet fees imposed by Section A.13. of Part VIII to Schedule D of the NASD's By-Laws [1] and the SOES fees imposed by Section f) of the SOES Rules.[2]

[4] 17 CFR 200.30–3(a)(12) (1992).

[1] NASD Manual, Schedules to the By-Laws, Schedule D, Part VIII, Sec. A, (CCH) ¶ 1850.

[2] NASD Manual, SOES Rules, Sec. f), (CCH) ¶ 2463.

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

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

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

This rule change reflects the Corporation's determination to temporarily waive the collection of SOES and SelectNet fees for November and December 1993. Such action is the result of positive developments in The Nasdaq Stock Market ("Nasdaq") for 1993, including members' increased usage of Nasdaq's Small Order Execution System ("SOES") and SelectNet system. The waiver of SOES and SelectNet fees for the remainder of 1993 will maintain total revenue from these systems at levels believed to be reasonable in relation to recovery of the development and ongoing operational costs associated with these systems.

The NASD believes that the proposed rule change is consistent with and in furtherance of section 15A(b)(5) of the Act. Section 15A(b)(5) requires that the rules of a national securities association provide for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which the association operates or controls. By waiving SOES and SelectNet fees for a limited two-month period, the NASD believes that the total fees assessed for SOES and SelectNet usage by members will remain at levels sufficient to ensure satisfaction of the statutory mandate that these fees be reasonable and equitably allocated.

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

The NASD believes that the proposed rule change will not result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

Comments were neither solicited nor received.

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

The foregoing rule change has become effective pursuant to section 19(b)(3)(A) of the Act and subparagraph (e) of Rule 19b–4 thereunder because the proposal establishes or changes a due, fee, or other charge imposed by the NASD. At any time within 60 days of the filing of such rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to the file number in the caption above and should be submitted by December 1, 1993.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[3]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 93–27663 Filed 11–9–93; 8:45 am]

BILLING CODE 8010–01–M1

[3] 17 CFR 200.30–3(a)(12).

[Rel. No. IC-19836; 812-8340]

Emerald Funds et al.; Application

November 4, 1993.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of application for exemption under the Investment Company Act of 1940 ("the Act").

APPLICANTS: Emerald Funds (the "Trust"), Emerald Asset Management, Inc. ("EAM"), Concord Holding Corporation ("Concord"), Barnett Banks Trust Company, N.A. ("Barnett"), BNY Hamilton Funds, Inc., (the "Fund"), BNY Hamilton Distributors, Inc. ("BDI"), and The Bank of New York ("BNY"). Applicants request that any relief granted pursuant to the application also apply to any investment company for which Barnett, BNY, or any subsidiary of Concord acts now or in the future as investment adviser or distributor and which elects to adhere to the representations and conditions set forth in the application (together with the Trust and the Fund, the "Companies").[1]

RELEVANT ACT SECTIONS: Exemption requested under section 6(c) from sections 2(a)(32), 2(a)(35), 18(f), 18(g), 18(i), and 22(d) of the Act and rule 22c-1 thereunder.

SUMMARY OF APPLICATION: Applicants seek an amendment to a prior order (the "Prior Order") to permit the Companies to offer an unlimited number of classes or series of shares in the same portfolio.[2] In addition, the amendment would permit the imposition and waiver of a contingent deferred sales charge ("CDSC") on redemptions of shares of the Companies' non-money market portfolios, and the implementation of certain conversion features.

FILING DATE: The application was filed on March 31, 1993, and amended on July 30, 1993. By supplemental letter dated November 2, 1993, counsel, on behalf of applicants, agreed to file a further amendment during the notice period to make certain technical changes. This notice reflects the changes to be made to the application by such further amendment.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Any interested person may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m., on November 29, 1993 and should be accompanied by proof of service on the applicants in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street NW., Washington, DC 20549. Applicants: the Trust, EAM, Concord, the Fund, and BDI, 125 W. 55th St., 11th Floor, New York, NY 10019. Barnett, 9000 Southside Boulevard, Building 100, 6th Floor, Jacksonville, FL 32203. BNY, 1 Wall Street, 7th Floor, New York, NY 10286.

FOR FURTHER INFORMATION CONTACT: John V. O'Hanlon, Staff Attorney, at (202) 272-3922, or Elizabeth G. Osterman, Branch Chief, at (202) 272-3922 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application is available for a fee from the SEC's Public Reference Branch.

Applicants' Representations

1. The Trust is a Massachusetts business trust registered under the Act as an open-end management investment company of the series type. As of the date of the application, the Trust offered fourteen classes of shares representing eight separate investment portfolios. Three of the portfolios, the Prime Fund, Treasury Fund, and Tax-Exempt Fund, are money market portfolios operating under rule 2a-7 under the Act. Each of these portfolios currently offers three classes of shares (known as Emerald Shares, Emerald Service Shares, and Investor Shares) to both institutional and individual investors pursuant to the Prior Order. Two other of the portfolios, the Prime Trust Fund and Treasury Trust Fund, also are money market portfolios, each of which currently offers a single class of shares solely to specified fiduciary accounts. Each of the three other portfolios, the Equity fund, U.S. Government Securities Fund, and Florida Tax-Exempt Fund, currently offers a single class of shares, subject to a front-end sales load, to institutional and individual investors.

2. The Fund is a Maryland corporation registered under the Act as an open-end management investment company of the series type. As of the date of the application, the fund offered four classes representing interests in four separate investment portfolios. The fund offers the Money Fund, a money market portfolio operating under rule 2a-7 under the Act, and the Equity Income Fund, Intermediate Government Fund, and Intermediate New York Tax-Exempt Fund. Shares in each of these four investment portfolios are currently offered to investors without a sales load.

3. The investment portfolios offered by the Trust and the Fund, together with all investment portfolios that may be offered by a Company in the future, are referred to herein as the "Portfolios."

4. Barnett serves as the Trust's investment adviser, and EAM serves as the Trust's distributor. BNY serves as the Fund's investment adviser, and DBI serves as the Fund's distributor.

5. Under the current distribution arrangement, shares of each of the Trust's Portfolios are offered by EAM to Barnett, its affiliates, and other institutional and individual investors at net asset value per share plus, for the non-money market Portfolios, a front-end sales load. Under the current distribution arrangement, shares of each of the Fund's Portfolios are offered by BDI at net asset value per share.

6. The Prior Order permits the Trust to issue separate classes of shares representing interests in the Treasury Fund, Prime Fund, and Tax-Exempt Fund investment portfolios. Applicants propose that each Company be permitted to offer an unlimited number of classes of shares in its existing and future Portfolios. These classes might be offered (a) in connection with a plan or plans adopted pursuant to rule 12b-1 under the Act (a "Distribution Plan"); and/or (b) in connection with a non-rule 12b-1 administrative plan or plans (an "Administrative Plan"); and/or (c) in connection with the allocation of certain expenses ("Class Expenses") that are directly attributable only to certain of such classes; and/or (d) subject to the imposition of varying front-end sales charges; and/or (e) subject to the imposition of varying CDSCs; and/or (f) subject to certain conversion features.

7. Applicants intend that any order issued by the Commission pursuant to the application will supersede the Prior Order, such that applicants would thereafter adhere only to the representations and conditions set forth

[1] Barnett does not act as investment adviser to any investment company other than the Trust, and BNY does not act as investment adviser to any investment company other than the Fund. Although subsidiaries of Concord currently act as distributors of other investment companies, such other investment companies do not presently intend to rely on the requested order. Applicants request, however, that any such investment company may rely on the order in the future if such company determines to issue multiple classes of shares in accordance with the representations and conditions of the order.

[2] Investment Company Act Release Nos. 17361 (Mar. 1, 1990) (notice) and 17408 (Apr. 4, 1990) (order).

in the application. Any classes of shares that have been created pursuant to the Prior Order will conform to the representations and conditions of the current application and will continue to be offered and sold under any new order issued by the Commission.

8. With respect to each class, a Company could adopt a Distribution Plan and/or an Administrative Plan (collectively, the "Plans") concerning the financing of marketing programs intended to result in the sale of shares and the provision of various distribution and administrative services. Such services might be provided directly by a Company's distributor and/or administrator, or by groups, organizations or institutions ("Organizations") which have entered into agreements with the Company or its distributor or administrator concerning the provision of services to the clients, members, or customers of such Organizations who from time to time beneficially own shares of a particular class.

9. When a class is subject to a Distribution Plan and an Administrative Plan, the provision of services under one plan would augment (and not be duplicative of) the services provided under the other plan.

10. In all cases, the Companies shall comply with Article III, Section 26 of the Rules of Fair Practice of the National Association of Securities Dealers, Inc. as it relates to the maximum amount of asset-based sales charges and service fees that may be imposed by an investment company.

11. Each class will bear payments under the Plans relating to such class ("Plan Payments"). In addition, a company will identify other Class Expenses that are directly attributable to a particular class and should be allocated to that class exclusively, consisting of the following: (a) Transfer agent fees identified by the transfer agent as being attributable to a specific class of shares; (b) fees and expenses of the administrator that are identified and approved by the Company's board as being attributable to a specific class of shares; (c) printing and postage expenses related to preparing and distributing materials such as shareholder reports, prospectuses, and proxies to current shareholders of a class; (d) blue sky registration fees incurred by a class of shares; (e) SEC registration fees incurred by a class of shares; (f) the expense of administration personnel and services as required to support the shareholders of a specific class; (g) litigation or other legal expenses or audit or other accounting expenses relating solely to one class of shares; and (h) directors' or trustees' ("trustees") fees incurred as a result of issues relating to one class of shares. Any additional Class Expenses not specifically identified above which are subsequently identified and determined to be properly allocated to one class of shares shall not be so allocated until approved by the Commission pursuant to an amended order.

12. Expenses of a Company that can not be attributed directly to any one Portfolio will be allocated to each Portfolio based on the relative net assets of such Portfolio or as otherwise determined under the supervision of its trustees. Certain expenses may be attributable to a Portfolio but not to a particular class. These expenses will be allocated to each class on the basis of relative net asset value of the respective classes in the Portfolio.

13. A Company's investment adviser or other service contractor may choose to reimburse or waive Class Expenses on certain classes on a voluntary, temporary basis. The amount of Class Expenses waived or reimbursed by the investment adviser or other service contractor may vary from class to class. Class Expenses are by their nature specific to a given class and obviously expected to vary from one class to another. Applicants believe that it is acceptable and consistent with shareholder expectations to reimburse or waive Class Expenses at different levels for different classes of the same portfolio.

14. In addition, the investment adviser or other service contractor may waive or reimburse Company Expenses and/or Portfolio Expenses (with or without a waiver or reimbursement of Class Expenses) but only if the same proportionate amount of Company Expenses and/or Portfolio Expenses are waived or reimbursed for each class. Thus, any Company Expenses that are waived or reimbursed would be credited to each class of a portfolio based on the relative net assets of the classes. Similarly, any Portfolio Expenses that are waived or reimbursed would be credited to each class of that portfolio according to the relative net assets of the classes. Company Expenses and Portfolio Expenses apply equally to all classes of a given portfolio. Accordingly, it may not be appropriate to waive or reimburse Company Expenses or Portfolio Expenses at different levels for different classes of the same portfolio.

15. Because of the Plan Payments and Class Expenses that may be borne by each class of shares, the per share net income of, and dividends to, each class may be different from the per share net income of, and dividends to, the other classes of shares of the Portfolio. Dividends paid to each class of shares in a Portfolio would, however, be declared and paid on the same days and at the same times, and, except as noted with respect to the expenses of Plan Payments and Class Expenses, would be determined in the same manner and paid in the same amounts.

16. In addition, except for those Portfolios that seek to maintain a stable net asset value per share, or that declare dividends of net investment income daily, the net asset value attributable to each class of a Portfolio's shares may diverge over time due to the payment of Plan Payments or Class Expenses, if any. The extent of such divergence would be affected by the accrued per share net income to which the holders of a class are entitled, but which has not yet been declared as a dividend.

17. Shares of classes of the non-money market portfolios may be subject to a CDSC if such shares are redeemed within a prescribed period of time after their purchase. The amount of the CDSC would be calculated as the lesser of the amount that represents a specified percentage of the net asset value of the shares at the time of purchase, or the amount that represents the same or lesser percentage of the net asset value of the shares at the time of redemption.

18. No CDSC would be imposed with respect to: (a) The portion of redemption proceeds attributable to increases in the value of the shares due to capital appreciation; (b) shares acquired through the reinvestment of income dividends or capital gain distributions; or (c) shares held for more than a certain period of time after their purchase. Shareholders might also be credited with any CDSC paid if a reinvestment occurs within a certain period after a redemption. Any such credit would be paid by the distributor. In determining whether a CDSC would be payable, it would be assumed that shares, or amounts representing shares, that are not subject to a CDSC would be redeemed first and other shares or amounts would be redeemed in the order purchased.

19. The amount of the CDSC and the timing of its imposition for a class of a Portfolio may vary among the Portfolios. Any changes in the specified terms of a CDSC arrangement with respect to its implementation by a Portfolio will be reflected in the Portfolio's prospectus. In addition, any such change will not affect shares that have already been issued unless such change would result in terms more favorable to the holders of such shares, such as by reducing the amount of the CDSC or reducing the period during which a redemption

would be subject to a CDSC. No CDSC would be imposed on any shares purchased prior to the effective date of the requested order or prior to the amendment of the affected Portfolio's prospectus disclosing the CDSC arrangement.

20. Applicants propose to vary or waive the CDSC for the following redemptions: (a) Redemptions in connection with required (or, in some cases, discretionary) distributions to participants or beneficiaries of an employee pension, profit-sharing, or other trust or qualified retirement or Keogh plan, individual retirement account, or custodial account maintained pursuant to section 403(b)(7) of the Internal Revenue Code;[3] (b) redemptions in connection with required (or, in some cases, discretionary) distributions to participants in qualified retirement or Keogh plans, individual retirement accounts, or custodial accounts maintained pursuant to section 403(b)(7) of the Internal Revenue Code due to death, disability, or the attainment of a specified age; (c) redemptions effected pursuant to a Portfolio's right to liquidate a shareholder's account if the aggregate net asset value of shares held in the account is less than the minimum account size; (d) redemptions in connection with the combination of the Portfolios with any other investment company registered under the Act by merger, acquisition of assets, or by any other transaction; (e) redemptions in connection with the death or disability of a shareholder; (f) redemptions of shares that qualify for rights of accumulation, privileges under a letter of intent, or quantity discount; (g) redemptions resulting from a tax-free return of an excess contribution pursuant to section 408(d) (4) or (5) of the Internal Revenue Code; (h) redemptions made in connection with a systematic withdrawal plan; (i) redemptions of shares held by current and/or former board members, officers, and employees (and their families) of the applicants and current and/or former registered representatives or employees (and their families) of banks or broker/dealers that have entered into selling agreements with respect to the applicants' shares; (j) redemptions by a state, county, or city, or any instrumentality thereof, and/or by trust companies and bank trust departments; (k) redemptions effected by advisory accounts managed by Barnett, BNY, or other firms registered (or exempt from registration) under the Investment Advisers Act of 1940; (l) redemptions pursuant to a qualified domestic affairs order, as defined in section 414(p) of the Internal Revenue Code; or (m) redemptions of shares purchased with dividends or distributions earned in other Portfolios. If a Portfolio waives or reduces a CDSC, such action will be applied uniformly to all offerees in the specified class.

21. Exchange privileges may be available to shareholders to permit the exchange of shares of one Portfolio (including shares subject to a CDSC) for shares of another Portfolio having similar characteristics; the exchange of shares of an equity Portfolio or a fixed income Portfolio for shares of a money market portfolio (or vice versa); and/or the exchange of shares of one class of a Portfolio for shares of another class of the same Portfolio. Any exchange of shares will comply with rule 11a-3 under the Act.

22. Shares of certain CDSC classes ("Convertible CDSC Shares") could automatically convert into shares of non-CDSC classes ("Non-CDSC Shares") after a prescribed period following the purchase of the Convertible CDSC Shares. Shares acquired through the reinvestment of dividends and other distributions paid with respect to Convertible CDSC Shares will also be Convertible CDSC Shares. However, such Convertible CDSC Shares will convert to Non-CDSC Shares on the earlier of a prescribed period following the date of such reinvestment or the conversion date of the most recently purchased Convertible CDSC Shares which were not acquired through the reinvestment of dividends or other distributions.

23. Non-CDSC Shares into which Convertible CDSC Shares may be converted will in all cases be subject to lower aggregate distribution and administrative support services fees and other ongoing Class Expenses than Convertible CDSC Shares.

Applicants' Legal Analysis

1. Applicants request an amendment to the Prior Order to the extent that the proposed issuance and sale of shares representing interests in a Company's existing and future Portfolios might be deemed: (a) To result in a "senior security" within the meaning of section 18(g) of the Act and to be prohibited by section 18(f)(1) of the Act; and (b) to violate the equal voting provisions of section 18(i) of the Act. In addition, applicants request an amendment to the Prior Order under sections 2(a)(32), 2(a)(35), and 22(d) of the Act and rule 22c-1 thereunder to the extent necessary to permit the imposition and waiver of a CDSC on redemption of shares of the non-money market Portfolios and the conversion of some or all of the classes affected by a CDSC into a non-CDSC class after a prescribed period following the purchase of the original shares.

2. Applicants assert that by offering shares as described, the Companies will be able to address more precisely the needs of particular investors and to cause the associated expenses to be borne by such investors. Applicants state that the proposed allocation of expenses and voting rights relating to the Plans in the manner described is equitable and would not discriminate against any group of shareholders. Activities financed by Plan Payments or Class Expenses would be intended for the investors that purchase the shares bearing these Payments and Expenses.

3. Applicants state that the proposed arrangement would not involve borrowings and would not affect the Companies' existing assets or reserves. The proposed arrangement will not increase the speculative character of the shares in a Portfolio, since all shares will participate pro rata in all of the Portfolio's income and all of the Portfolio's expenses (with the exception of the proposed Plan Payments and Class Expenses).

4. Applicants assert that the requested exemptions are appropriate in the public interest and are consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Applicants' Conditions

Applicants agree that any order of the Commission granting the requested relief shall be subject to the following conditions:

1. Each class of shares will represent interests in one Portfolio of a Company, and will be identical in all respects, except as set forth below. The only differences among the classes of shares of the same Portfolio will relate solely to: (a) The impact of (i) expenses assessed to a class pursuant to a Plan, (ii) other Class Expenses which would be limited to (A) transfer agency fees identified by the transfer agent as being attributable to a specific class of shares; (B) fees and expenses of a Company's administrator that are identified and approved by the Company's board as being attributable to a specific class of shares; (C) printing and postage expenses related to preparing and distributing materials such as

[3] The distributions referenced in clauses (a) and (b) refer solely to distributions that are either required under the Internal Revenue Code or other applicable law or are made at the discretion of a participant, beneficiary, or fiduciary of a listed plan or account.

shareholder reports, prospectuses, and proxies to current shareholders of a class; (D) blue sky registration fees incurred by a class of shares; (E) SEC registration fees incurred by a class of shares; (F) the expense of administrative personnel and services as required to support the shareholders of a specific class; (G) litigation or other legal expenses or audit or other accounting expenses relating solely to one class of shares; and (H) trustees' fees incurred as a result of issues relating to one class of shares; and (iii) any other incremental expenses subsequently identified that should be properly allocated to one class and which are approved by the Commission pursuant to an amended order; (b) the fact that the classes will vote separately with respect to a Portfolio's Plans and any other matter submitted to shareholders relating to Class Expenses, except as provided in condition 17 below; (c) the different exchange privileges of the classes of shares; (d) the designation of each class of shares; and (e) certain conversion features offered by some of the classes.

2. The board of trustees of a Company, including a majority of the independent trustees, will approve the offering of different classes of shares under the multi-class distribution system. The minutes of the meetings of the trustees regarding the deliberations of the trustees with respect to the approvals necessary to implement a multi-class system will reflect in detail the reasons for the trustees' determination that the proposed multi-class system is in the best interests of both the Company involved and its shareholders.

3. The initial determination of the Class Expenses that will be allocated to a particular class and any subsequent changes thereto will be reviewed and approved by a vote of the board of trustees of a Company, including a majority of the trustees who are not interested persons of the Company. Any person authorized to direct the allocation and disposition of monies paid or payable by a Company to meet Class Expenses shall provide to the board of trustees, and the trustees shall review at least quarterly, a written report of the amounts so expended and the purposes for which such expenditures were made.

4. On an ongoing basis, the trustees of a Company, pursuant to their fiduciary responsibilities under the Act and otherwise, will monitor each Portfolio having a multi-class system for the existence of any material conflicts among the interests of the various classes of each Portfolio. The trustees, including a majority of the independent trustees, shall take such action as is reasonably necessary to eliminate any such conflicts that may develop. A Portfolio's investment adviser and distributor will be responsible for reporting any potential or existing conflicts to the trustees. If a conflict arises, a Portfolio's investment adviser and/or distributor at their own cost will remedy such conflict up to and including establishing a new registered management investment company.

5. Any Administrative Plan will be adopted and operated in accordance with the procedures set forth in rule 12b–1 (b) through (f) as if the expenditures made thereunder were subject to rule 12b–1, except that shareholders need not enjoy the voting rights specified in rule 12b–1.

6. The trustees of a Company will receive quarterly and annual statements concerning distribution and shareholder servicing expenditures complying with paragraph (b)(3)(ii) of rule 12b–1, as amended from time to time. In the statements, only expenditures properly attributable to the sale or servicing of a particular class of shares will be used to justify any distribution or servicing expenditure charged to that class. Expenditures not related to the sale or servicing of a particular class will not be presented to the trustees to justify any fee attributable to that class. The statements, including the allocations upon which they are based, will be subject to the review and approval of the independent trustees in the exercise of their fiduciary duties.

7. Dividends paid by a Portfolio with respect to each class of its shares, to the extent any dividends are paid, will be calculated in the same manner, at the same time, on the same day, and will be in the same amount, except that Plan Payments relating to each respective class of shares will be borne exclusively by that class.

8. The methodology and procedures for calculating the net asset value and dividends and distributions of various classes in any Portfolio having a multi-class distribution system and the proper allocation of expenses among the various classes in each such Portfolio have been reviewed by an expert (the "Expert") who has rendered a report to the Company involved, which report has been provided to the staff of the Commission, that such methodology and procedures are adequate to ensure that such calculations and allocations will be made in an appropriate manner. On an ongoing basis, the Expert, or an appropriate substitute Expert, will monitor the manner in which the calculations and allocations are being made and, based upon such review, will render at least annually a report to the Company involved that the calculations and allocations are being made properly. The reports of the Expert will be filed as part of the periodic reports filed with the Commission pursuant to sections 30(a) and 30(b)(1) of the Act. The work papers of the Expert with respect to such reports, following request by the Company involved (which the Company agrees to provide), will be available for inspection by the Commission's staff upon the written request for such work papers by a senior member of the Division of Investment Management or of a Regional Office of the Commission limited to the Director, an Associate Director, the Chief Accountant, the Chief Financial Analyst, and Assistant Director, and any Regional Administrators or Associate and Assistant Administrators. The initial report of the Expert is a "Special Purpose" report on the "Design of a System" as defined and described in SAS No. 44 of the AICPA, and the ongoing reports will be "reports on policies and procedures placed in operation and tests of operating effectiveness" as defined and described in SAS No. 70 of the AICPA, as it may be amended from time to time, or in similar auditing standards as may be adopted by the AICPA from time to time.

9. Applicants have adequate facilities in place to ensure implementation of the methodology and procedures for calculating the net asset value and dividends and distributions of the classes of shares and the proper allocation of expenses among the classes of shares and this representation has been concurred with by the Expert in the initial report referred to in condition 8 above and will be concurred with by the Expert, or an appropriate substitute Expert, on an ongoing basis at least annually in the ongoing reports referred to in condition 8 above. Applicants will take immediate corrective measures if this representation is not concurred in by the Expert or appropriate substitute Expert.

10. The prospectuses of each Portfolio having a multi-class system will contain a statement to the effect that a salesperson and any other person entitled to receive compensation for selling or servicing shares of a Portfolio may receive different compensation with respect to one particular class of shares over another in the same Portfolio.

11. The distributor for a Company having a multi-class system will adopt compliance standards for any Portfolio which has a multi-class system, which standards will relate to when each class of shares may appropriately be sold to

particular investors. Applicants will require all persons selling shares of a Portfolio having a multi-class system to agree to conform to such applicable standards.

12. The conditions pursuant to which the exemptive order is granted and the duties and responsibilities of the trustees with respect to the multi-class system will be set forth in guidelines which will be furnished to the trustees of a Company having a multi-class system.

13. Each Portfolio having a multi-class system will disclose the respective expenses, performance data, distribution arrangements, services, fees, front-end sales loads, conversion features, CDSCs, and exchange privileges applicable to each class of shares in a Portfolio in every prospectus relating to such Portfolio, regardless of whether all classes of shares are offered through each prospectus. Each such Portfolio will disclose the respective expenses and performance data applicable to all classes of shares in a Portfolio in every shareholder report relating to such Portfolio. The shareholder reports will contain, in the statement of assets and liabilities and statement of operations, information related to the Portfolio as a whole generally and not on a per class basis. Each Portfolio's per share data, however, will be prepared on a per class basis with respect to all classes of shares of such Portfolio. To the extent any advertisement of sales literature describes the expenses or performance data applicable to any class of shares, it will also disclose the respective expenses and/or performance data applicable to all classes of shares. The information provided by applicants for publication in any newspaper or similar listing of any Portfolio's net asset value and public offering price will present each class of shares separately.

14. Applicants acknowledge that the grant of the amended order requested by the application will not imply Commission approval, authorization or acquiescence in any particular level of payments that the Portfolios may make pursuant to a Plan in reliance on the exemptive order.

15. If a CDSC arrangement is implemented with respect to shares of a Portfolio, applicants agree to comply with the provisions for proposed rule 6c–10 under the Act, Investment Company Act Release No. 16619 (Nov. 2, 1988), as such rule is currently proposed and as it may be reproposed, adopted, or amended.

16. Any class of shares with a conversion feature will convert into another class of shares on the basis of the relative net asset values of the two classes, without the imposition of any sales load, fee, or other charge. After conversion, the converted shares will be subject to an asset-based sale charge and/or service fee (as those terms defined in Article III, Section 26 of the NASD's Rules of Fair Practice), if any, that in the aggregate are lower than the asset-based sales charge and service to which they were subject prior to the conversion.

17. If a Company implements any amendment to its Distribution Plan(s) (or, if presented to shareholders, adopts or implements any amendment to an Administrative Plan or Plans) that would increase materially the amount that may be borne by the Non-CDSC Shares under the Plan, existing Convertible CDSC Shares will stop converting into the Non-CDSC Shares unless the Convertible CDSC Shares, voting separately as a class, approve the proposal. The trustees will take such action as is necessary to ensure that Convertible CDSC Shares are exchanged or converted into a new class of shares ("New Non-CDSC Shares"), identical in all material respect to the Non-CDSC Shares as they existed prior to the implementation of the proposal, no later than the date such Shares previously were scheduled to convert into Non-CDSC Shares. If deemed advisable by the trustees to implement the foregoing, such action may include the exchange of all existing Convertible CDSC Shares for a new class ("New Convertible CDSC Shares"), identical to the existing Convertible CDSC Shares in all material respects excepts that the New Convertible CDSC Shares will convert into New Non-CDSC Shares. New Non-CDSC Shares or New Convertible CDSC Shares may be formed without further exemptive relief. Exchanges or conversions described in this condition shall be affected in a manner that the trustees reasonably believe will not be subject to federal taxation. In accordance with condition 4, any additional cost associated with the creation, exchange, or conversion of New Non-CDSC Shares or New Convertible CDSC Shares shall be borne solely by the adviser and the distributor. Convertible CDSC Shares sold after implementation of the proposal may convert into Non-CDSC Shares subject to the higher maximum payment, provided that the material features of the Non-CDSC Share Plan and the relationship such plan to the Convertible CDSC Shares are disclosed in an effective registration statement.

For the SEC, by the Division of Investment Management, pursuant to delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 93–27680 Filed 11–9–93; 8:45 am]

BILLING CODE 8010–01–M

[Rel. No. IC–19834; 812–8562]

Weitz Partners, Inc., et al.; Notice of Application

November 4, 1993.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of Application for Exemption under the Investment Company Act of 1940 (the "Act").

APPLICANTS: Weitz partners, Inc. (the "Company"), Weitz Partners–II Limited Partnership (the "Partnership"), Wallace R. Weitz & Company (the "Adviser"), and Mr. Wallace R. Weitz ("Weitz").

RELEVANT ACT SECTIONS: Order requested under section 17(b) of the Act for an exemption from the provisions of section 17(a) of the Act.

SUMMARY OF APPLICATION: Applicants seek an order that would permit the exchange of shares of Partners Value Fund for portfolio securities of the Partnership, after which the Partnership will dissolve and distribute the shares it received in the exchange *pro rata* to its partners.

FILING DATE: The application was filed on August 26, 1993, and amended on October 29, 1993. By supplemental letter dated November 3, 1993, counsel to applicants agreed to file an amendment during the notice period to make certain changes to its application. This notice reflects the changes to be made to the application by such further amendment.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on November 29, 1993, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issue contested. Persons who wish to be notified of a hearing may request notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW., Washington, DC 20549.

Applicants, Suite 405, 9290 West Dodge Road, Omaha, Nebraska 68114–3349.

FOR FURTHER INFORMATION CONTACT: James J. Dwyer, Staff Attorney, at (202) 504–2920, or Elizabeth G. Osterman, Branch Chief, at (202) 272–3016 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee at the SEC's Public Reference Branch.

Applicants' Representations

1. The Partnership was organized in 1983 as a limited partnership under Nebraska law. The Partnership has not been registered under the Act in reliance upon section 3(c)(1) of the Act, and the Partnership interests have not been registered under the Securities Act of 1933 (the "Securities Act") in reliance upon section 4(2) thereof. Weitz is the sole general partner of the Partnership and has exclusive control over the management of its business. Weitz has maintained an investment (contributed in the form of cash and/or securities, not "services rendered") in the Partnership not less than 1% of the net assets of the Partnership, and is allocated net income, gains, and losses of the Partnership in accordance with his investment. In addition, Weitz currently is the portfolio manager of the Partnership. The Adviser is the sole adviser to the Partnership.

2. The Company is an open-end non-diversified investment company of the series type organized under Nebraska law. The Company currently is comprised of one portfolio, Partners Value Fund ("Value Fund"). The Company's registration under the Securities Act is currently pending, and no offering of the shares of Value Fund has commenced. The Adviser acts as investment adviser to the Company, and will act as investment adviser to Value Fund. The principal underwriter for the shares of Value Fund will be Weitz Securities, Inc. ("Weitz Securities"). Weitz is the chief executive officer and sole stockholder of the Adviser and Weitz Securities.

3. Applicants propose that the Partnership exchange its portfolio securities for shares of Value Fund, after which the Partnership would dissolve and distribute the shares of Value Fund *pro rata*, based on the net asset value of the Partnership, to the partners of the Partnership, including Weitz as general partner, along with cash received, if any, from the sale of the portfolio securities of the Partnership not acquired by Value Fund. After the exchange, partners of the Partnership will constitute all of the holders of shares of Value Fund. The exchange was proposed to permit the limited partners of the Partnership to invest in a larger fund, and to eliminate administrative burdens, filing requirements, and complicated allocation calculations currently faced by the Partnership.

4. Value Fund will be sold without any load or sales charge, will not pay rule 12b–1 distribution fees, and will not enlist the assistance of an outside broker-dealer to market its shares. It is anticipated that, at least for the foreseeable future, shares of Value Fund will be marketed to essentially the same classes of persons and in the same manner as the interests in the Partnership have been to date.

5. Value Fund has been designed as a successor investment vehicle to the Partnership, with investment objectives and policies substantially the same as those of the Partnership. The same person, Weitz, who selected the investments for the Partnership will select them for Value Fund.

6. The proposed exchange will be effected pursuant to an agreement and plan of exchange (the "Plan") to be approved by the limited partners of the Partnership, in accordance with Nebraska law and the Partnership's agreement of limited partnership. Under the Plan, the portfolio securities of the Partnership will be acquired at their independent "current market price," as defined in rule 17a–7 under the Act. Value Fund will not acquire securities that, in the opinion of the Adviser, would result in a violation of Value Fund's investment objectives, policies, or restrictions.

7. The Company's board of directors has considered the desirability of the exchange from the point of view of the Company and the Partnership, and a majority of the board, including a majority of the non-interested members, has concluded that (a) the exchange is in the best interest of Value Fund, the Partnership, and the limited partners of the Partnership, (b) the exchange will not dilute the interests of the partners of the Partnership when their interests are converted into shares of Value Fund, and (c) the terms of the exchange as reflected in the Plan have been designed to meet the criteria set forth in section 17(b) of the Act that the exchange be reasonable and fair, not involve overreaching, and be consistent with the policies of Value Fund and the Partnership. The board considered each aspect of the exchange, including (a) the method of valuing the portfolio securities to be acquired from the Partnership, (b) the net asset value of the shares to be delivered to the Partnership, (c) the procedure for selecting among the portfolio securities of the Partnership, (d) the possibility of incurring excessive brokerage costs, (e) the allocation of the costs of the exchange, (f) the possibility of adverse tax consequences to future shareholders of Value Fund, and (g) the benefits from the exchange accruing to Weitz and the Adviser.

8. The exchange will not be effected unless the following conditions are satisfied: (9a) the registration statements of Value Fund under the Act and the Securities Act have been declared effective, (b) the Plan has been approved by the limited partners of the Partnership, (c) the requested order has been granted, and (d) the limited partners have received an opinion of counsel that (i) the distribution of Value Fund shares from the Partnership to its limited partners; which will be in liquidation of the Partnership interests in the Partnership, will not cause taxable gain or loss to be recognized by the limited partners, (ii) the basis to the limited partners for the Value Fund shares will be equal to the adjusted basis of the limited partners' interests in the Partnership, and (iii) the limited partners' holding periods with respect to the Value Fund shares will include the Partnership's holding period with respect to such shares.

9. The Adviser will assume the costs of the exchange, except for registration and filing fees of the shares of Value Fund, and will assume the legal fees and expenses relating to the requested order and the obtaining of the opinion of counsel on certain tax matters. Value Fund may pay proceeds of a redemption of its shares of a former partner of the Partnership in-kind, rather than in cash, in order to avoid the issuance of excessive brokerage costs by Value Fund after the exchange. No brokerage commission, fee, or other remuneration will be paid in connection with the exchange.

10. After the exchange is accomplished, the Adviser intends for the foreseeable future to manage the assets of Value Fund in substantially the same manner as it did for the Partnership, except as may be necessary or desirable (a) to qualify Value Fund as a regulated investment company under the Internal Revenue Code of 1986, as amended, (b) to comply with the investment restrictions adopted by Value Fund in accordance with the requirements of the Act or securities laws of states where Value Fund shares will be offered, or (c) in light of changed market conditions.

Applicants' Legal Conclusions

1. Section 17(a) of the Act, in relevant part, prohibits an affiliated person of a registered investment company, or affiliate thereof, from selling to or purchasing from such investment company any security or other property. Applicants contend that the Company and the Partnership may be deemed to be affiliated persons of each other, or affiliates thereof, by, among other reasons, being under the common control of the Adviser and Weitz. Thus, applicants submit, the proposed exchange may be prohibited by section 17(a). Section 17(b) authorizes the SEC to exempt a proposed transaction from section 17(a) if evidence establishes that the terms of the transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned, the transaction is consistent with the policies of the registered investment company, and the transaction is consistent with the general purposes of the Act.

2. Applicants assert that the proposed transaction satisfies the criteria of section 17(b). They contend that, given that Value Fund and the Partnership have similar investment objectives and policies, Value Fund will attempt to assemble a portfolio of securities substantially similar to that held by the Partnership. Applicants assert that Value Fund will acquire the Partnership securities at their independent "current market price." Applicants assert that this price will be as advantageous to Value Fund as open-market purchases. In addition, by acquiring suitable securities from the Partnership, Value Fund will avoid incurring brokerage and other transaction costs. Applicants further assert that neither the limited partners nor the Adviser nor Weitz will be in a position to influence the valuation of the securities acquired by Value Fund.

3. Applicants submit that the exchange is consistent with the general purposes of the Act because it does not give rise to the abuses that section 17(a) was designed to prevent, and, in fact, is consistent with the purposes underlying rule 17a–7. They contend that the exchange can be viewed as a change in the form in which the assets are held, rather than as a disposition giving rise to section 17(a) concerns.

For the Commission, by the Division of Investment Management, under delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 93–27681 Filed 11–9–93; 8:45 am]

BILLING CODE 8010–01–M

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. 93–82; Notice 1]

Rover Group Ltd.; Receipt of Petition for Determination of Inconsequential Noncompliance

Rover Group Ltd. (Rover) of Lanham, Maryland has determined that some of its spare wheels fail to comply with 49 CFR 571.120, "Tire Selection and Rims for Motor Vehicles Other Than Passenger Cars," (Federal Motor Vehicle Safety Standard (FMVSS) No. 120), and has filed an appropriate report pursuant to 49 CFR part 573. Rover has also petitioned to be exempted from the notification and remedy requirements of the National Traffic and Motor Vehicle Safety Act (15 U.S.C. 1381 *et seq.*) on the basis that the noncompliance is inconsequential as it relates to motor vehicle safety.

This notice of receipt of a petition is published under section 157 of the National Traffic and Motor Vehicle Safety Act (15 U.S.C. 1417) and does not represent any agency decision or other exercise of judgment concerning the merits of the petition.

Paragraph S5.2 of FMVSS No. 120 requires that each rim shall be marked with the following:

(a) A designation which indicates the source of the rim's published nominal dimensions * * *. (b) The rim size designation * * *. (c) The symbol DOT, constituting a certification by the manufacturer of the rim that the rim complies with all applicable motor vehicle safety standards. (d) A designation that identifies the manufacturer of the rim by name, trademark, or symbol. (e) The month, day, and year, or the month and year, of manufacture, expressed in numerals.

Between March 8, 1993 and July 8, 1993, Rover produced 1,703 model year 1993 Range Rover County and County LWB vehicles with spare wheels that do not comply with Paragraph S5.2 of FMVSS No. 120. In addition, approximately 39 noncompliant replacement wheels were manufactured that may have entered the U.S. parts distribution system with the same noncompliance.

The rims on the subject wheels may be lacking the designation that indicates the source of the rim's published nominal dimensions (S5.2(a)), the "DOT" certification (S5.2(c)), and a wholly numerical date code (S5.2(e)).

Rover cites the following reasons for requesting an exemption from the notification and remedy requirements:

A. The tire and rim of the affected spare wheels are properly matched, and are appropriate for the load-carrying characteristics of these vehicles. The lack of complete rim marking has no effect on the performance of the tire/rim combination.

B. The alloy wheels attached to the vehicles contain all of the FMVSS No. 120 required information. As these alloy wheels are the same size as the spare wheel, they should provide an adequate reference for any required information required by the owner/operator/mechanic.

C. The persons who change tires rely primarily on the information marked on the sidewalls of the tires being removed. Under this circumstance, the most likely source of information to be consulted on the wheel is the wheel size, which is included on the subject steel wheels.

D. The vehicle owner's manual references the proper wheel and tire size, and wheel/tire information appears on the certification label fitted to the edge of the driver's door. (Certain of these vehicles built before May 22, 1993 are also the subject of a July 2, 1993 Part 573 Report, and subsequent recall campaign.)

E. The subject spare wheels include a date code that can be decoded by Rover Group and the wheel manufacturer, Dunlop, which companies, in accordance with 49 CFR 571.120 S5.2(d), may be contacted should there by any confusion about the source of the published nominal dimensions of the wheel or its certification status.

F. NHTSA has long maintained the policy that the omission of the certification (DOT) symbol is not the type of noncompliance requiring notification and remedy.

Rover believes that the safety goals of FMVSS 120 have been achieved by means of the wheel size (the information most often referenced by service personnel) being marked on the steel spare wheel and all required information being provided to the vehicle operator or service personnel (1) on the four alloy wheels installed on the vehicle axles, (2) the vehicle owner's manual and (3) the certification label fitted to the edge of the driver's door. Therefore, we submit that the failure to provide a wholly numerical date code, "DOT" certification mark and the source of the rim's published nominal dimensions on the subject spare wheels is inconsequential as it relates to motor vehicle safety.

Interested persons are invited to submit written data, views, and arguments on the petition of Rover, described above. Comments should refer to the Docket Number and be submitted to: Docket Section, National Highway Traffic Safety Administration, room

5109, 400 Seventh Street, SW., Washington, DC 20590. It is requested but not required that six copies be submitted.

All comments received before the close of business on the closing date indicated below will be considered. The application and supporting materials, and all comments received after the closing date, will also be filed and will be considered to the extent possible. When the petition is granted or denied, the notice will be published in the **Federal Register** pursuant to the authority indicated below.

Comment closing date: December 10, 1993.

Authority: 15 U.S.C. 1417; delegations of authority at 49 CFR 1.50 and 49 CFR 501.8.

Issued on: November 4, 1993.

Barry Felrice,

Associate Administrator for Rulemaking.

[FR Doc. 93-27682 Filed 11-9-93; 8:45 am]

BILLING CODE 4910-59-M

DEPARTMENT OF THE TREASURY

Public Information Collection Requirements Submitted to OMB for Review

November 4, 1993.

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1980, Public Law 96-511. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, room 3171, Treasury Annex, 1500 Pennsylvania Avenue, NW., Washington, DC 20220.

Departmental Offices/Office of Foreign Assets Control

OMB Number: 1505-0130.

Form Number: None.

Type of Review: Extension.

Title: Iraqi Sanctions Regulations.

Description: This submission will provide the U.S. Government with information to be used in administering and enforcing sanctions against Iraq.

Respondents: Individuals or households, Businesses or other for-profit.

Estimated Number of Respondents: 1,000.

Estimated Burden Hours Per Response: 1 hour, 54 minutes.

Frequency of Response: On occasion.

Estimated Total Reporting Burden: 1,900 hours.

Clearance Officer: Lois K. Holland (202) 622-1563, Departmental Offices, room 3171, Treasury Annex, 1500 Pennsylvania Avenue, NW., Washington, DC 20220.

OMB Reviewer: Milo Sunderhauf (202) 395-6880, Office of Management and Budget, room 3001, New Executive Office Building, Washington, DC 20503.

Lois K. Holland,

Departmental Reports, Management Officer.

[FR Doc. 93-27692 Filed 11-9-93; 8:45 am]

BILLING CODE 4810-25-P

Public Information Collection Requirements Submitted to OMB for Review

November 4, 1993.

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1980, Public Law 96-511. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, room 3171 Treasury Annex, 1500 Pennsylvania Avenue, NW., Washington, DC 20220.

Internal Revenue Service

OMB Number: 1545-1191.

Regulation ID Number: INTL-0868-89 Final.

Type of Review: Extension.

Title: Information With Respect to Certain Foreign-Owned Corporations.

Description: The regulations required record maintenance, annual information filing, and the authorization of the U.S. corporation to act as an agent for IRS summons purposes. These requirements will allow IRS international examiners to better audit the tax returns of U.S. corporations engaged in crossborder transactions with a related party.

Respondents: Individuals or households, Businesses or other for-profit.

Estimated Number of Recordkeepers: 63,000.

Estimated Burden Hours Per Recordkeeper: 10 hours.

Frequency of Response: Annually.

Estimated Total Recordkeeping Burden: 630,000 hours.

Clearance Officer: Garrick Shear (202) 622-3869, Internal Revenue Service, room 5571, 1111 Constitution Avenue, NW., Washington, DC 20224.

OMB Reviewer: Milo Sunderhauf (202) 395-6880, Office of Management and Budget, room 3001, New Executive Office Building, Washington, DC 20503.

Lois K. Holland,

Departmental Reports, Management Officer.

[FR Doc. 93-27691 Filed 11-9-93; 8:45 am]

BILLING CODE 4830-01-P

Public Information Collection Requirements Submitted to OMB for Review

November 4, 1993.

The Department of the Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1980, Public Law 96-511. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 3171 Treasury Annex, 1500 Pennsylvania Avenue, NW., Washington, DC 20220.

Financial Management Service.

OMB Number: 1510-0008.

Form Number: None.

Type of Review: Extension.

Title: Pools and Associations—Annual Letter.

Description: The information is collected for the determination of an acceptable percentage for each pool and association to allow Treasury certified companies credit on their schedule F for authorized ceded reinsurance in determining the companies' underwriting limitations.

Respondents: Businesses or other for-profit, Small businesses or organizations.

Estimated Number of Respondents: 97.

Estimated Burden Hours Per Response: 1 hour, 30 minutes.

Frequency of Response: Annually.

Estimated Total Reporting Burden: 146 hours.

Clearance Officer: Jacqueline R. Perry, (301) 344-8577, Financial Management Service, 3361-L 75th Avenue, Landover, MD 20785.

OMB Reviewer: Milo Sunderhauf, (202) 395-6880, Office of Management and Budget, room 3001, New Executive Office Building, Washington, DC 20503.

Lois K. Holland,

Departmental Reports, Management Officer.

[FR Doc. 93-27690 Filed 11-9-93; 8:45 am]

BILLING CODE 4810-35-P

Public Information Collection Requirements Submitted to OMB for Review

November 3, 1993.

The Department of the Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1980, Public Law 96–511. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, room 3171 Treasury Annex, 1500 Pennsylvania Avenue, NW., Washington, DC 20220.

U.S. Customs Service

OMB Number: 1515–0032.

Form Number: CF 5125.

Type of Review: Extension.

Title: Application for Withdrawal of Bonded Stores for Fishing Vessel and Certification of Use.

Description: Customs Forms 5125 are used for the withdrawal of bonded merchandise (especially alcoholic beverages) for use on board U.S. fishing vessels and foreign or domestic vessels involved in international trade. CF 5125's are also for certification of use: total consumption or partial consumption with secured storage for use on next voyage.

Respondents: Businesses or other for-profit, Small businesses or organizations.

Estimated Number of Respondents: 500.

Estimated Burden Hours Per Respondent: 5 minutes.

Frequency of Response: On occasion.

Estimated Total Reporting Burden: 42 hours.

Clearance Officer: Ralph Meyer, (202) 927–1552, U.S. Customs Service, Paperwork Management Branch, room 6316, 1301 Constitution Avenue, NW., Washington, DC 20229.

OMB Reviewer: Milo Sunderhauf, (202) 395–6880, Office of Management and Budget, room 3001, New Executive Office Building, Washington, DC 20503.

Lois K. Holland,

Departmental Reports, Management Officer.

[FR Doc. 93–27689 Filed 11–9–93; 8:45 am]

BILLING CODE 4820–02–P

Fiscal Service

1994 Fee Schedule for the Transfer of U.S. Treasury Book-Entry Securities Held at Federal Reserve Banks

AGENCY: Bureau of the Public Debt, Fiscal Service, Department of the Treasury.

ACTION: Notice.

SUMMARY: The Department of the Treasury is announcing the schedule of fees to be charged in 1994 on the transfer of book-entry Treasury securities between depository institution accounts maintained at Federal Reserve Banks and Branches.

EFFECTIVE DATE: January 3, 1994.

FOR FURTHER INFORMATION CONTACT: Carl M. Locken, Jr., Assistant Commissioner (Financing), Bureau of the Public Debt, room 534, E St. Building, Washington, DC 20239–0001, telephone (202) 219–3350; Diane M. Polowczuk, Government Securities Specialist, Bureau of the Public Debt, room 534, E St. Building, Washington, DC 20239–0001, telephone (202) 219–3350.

SUPPLEMENTARY INFORMATION: On October 1, 1985, the Department of the Treasury established a fee schedule for the transfer of Treasury book-entry securities between one book-entry subaccount to another book-entry subaccount of the same depository institution, and between the subaccounts of one depository institution and the subaccounts of another depository institution that maintain their accounts at Federal Reserve Banks and Branches.

Based on the latest review of book-entry costs and volumes, the Treasury has decided to raise the off-line transfer fee from $7.90 to $9.40 for off-line transfers originated, off-line transfers received, and off-line reversal transfers received. This fee will more accurately reflect the costs of processing off-line transfers. Fees for on-line transfers will not change in 1994.

The fees described in this notice apply only to the transfer of Treasury book-entry securities. The Federal Reserve System assesses the fees to recover the costs associated with the processing of the funds component of Treasury book-entry transfer messages, as well as the costs of providing book-entry services for Government agencies. Information concerning book-entry transfers of government agency securities, which are priced by the Federal Reserve System, is set out in a separate notice published by the Board of Governors of the Federal Reserve System.

The following is the Treasury fee schedule that will be effective January 3, 1994, for the Treasury book-entry transfer service:

1994 FEE SCHEDULE

	Cost per transfer
On-line transfers originated	$1.65
On-line reversal transfers received	1.65
Off-line transfers originated	9.40
Off-line transfers received	9.40
Off-line reversal transfers received	9.40

Dated: November 4, 1993.

Gerald Murphy,

Fiscal Assistant Secretary.

[FR Doc. 93–27676 Filed 11–8–93; 9:10 am]

BILLING CODE 4810–35–P

Office of Thrift Supervision

[AC–56; OTS No. 05233]

First Home Savings Bank, Mountain Grove, MO; Approval of Conversion Application

Notice is hereby given that on October 29, 1993, the Deputy Assistant Director, Corporate Activities Division, Office of Thrift Supervision, or her designee, acting pursuant to delegated authority, approved the application of First Home Savings Bank, Mountain Grove, Missouri to convert to the stock form of organization. Copies of the application are available for inspection at the Information Services Division, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, and the Midwest Regional Office, Office of Thrift Supervision, 122 W. John Carpenter Freeway, suite 600, Irving, Texas 75039.

Dated: November 5, 1993.

By the Office of Thrift Supervision.

Kimberly M. White,

Corporate Technician.

[FR Doc. 93–27702 Filed 11–9–93; 8:45 am]

BILLING CODE 6720–01–M

[AC–57; OTS No. 05593]

Capital Savings Bank, FSB, Jefferson City, MO; Approval of Conversion Application

Notice is hereby given that on October 29, 1993, the Deputy Assistant Director, Corporate Activities Division, Office of Thrift Supervision, or her designee, acting pursuant to delegated authority, approved the application of Capital Savings Bank, FSB, Jefferson City,

Missouri to convert to the stock form of organization. Copies of the application are available for inspection at the Information Services Division, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, and the Midwest Regional Office, Office of Thrift Supervision, 122 W. John Carpenter Freeway, suite 600, Irving, Texas 75039.

Dated: November 5, 1993.

By the Office of Thrift Supervision.

Kimberly M. White,

Corporate Technician.

[FR Doc. 93-27701 Filed 11-9-93; 8:45 am]

BILLING CODE 6720-01-M

[AC-61; OTS No. 04219]

First Federal Savings and Loan Association of Kane, Kane, PA; Approval of Conversion Application

Notice is hereby given that on October 27, 1993, the Deputy Assistant Director, Corporate Activities Division, Office of Thrift Supervision, or her designee, acting pursuant to delegated authority, approved the application of First Federal Savings and Loan Association of Kane, Kane, Pennsylvania to convert to the stock form of organization. Copies of the application are available for inspection at the Information Services Division, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, and the Northeast Regional Office, Office of Thrift Supervision, 10 Exchange Plaza, 18th Floor, Jersey City, New Jersey 07302.

Dated: November 5, 1993.

By the Office of Thrift Supervision.

Kimberly M. White,

Corporate Technician.

[FR Doc. 93-27697 Filed 11-9-93; 8:45 am]

BILLING CODE 6720-01-M

[AC-54; OTS No. 02499]

First Federal Savings and Loan Association of Lake County, Leesburg, FL; Approval of Conversion Application

Notice is hereby given that on November 1, 1993, the Deputy Assistant Director, Corporate Activities Division, Office of Thrift Supervision, or her designee, acting pursuant to delegated authority, approved the application of First Federal Savings and Loan Association of Lake County, Leesburg, Florida to convert to the stock form of organization. Copies of the application are available for inspection at the Information Services Division, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, and the Southeast Regional Office, Office of Thrift Supervision, 1475 Peachtree Street, NE., Atlanta, GA 30309.

Dated: November 5, 1993.

By the Office of Thrift Supervision.

Kimberly M. White,

Corporate Technician.

[FR Doc. 93-27704 Filed 11-9-93; 8:45 am]

BILLING CODE 6720-01-M

[AC-60; OTS No. 036271]

North Federal Savings Bank, Chicago, IL; Approval of Conversion Application

Notice is hereby given that on October 29, 1993, the Deputy Assistant Director, Corporate Activities Division, Office of Thrift Supervision, or her designee, acting pursuant to delegated authority, approved the application of North Federal Savings Bank, Chicago, Illinois to convert to the stock form of organization. Copies of the application are available for inspection at the Information Services Division, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, and the Central Regional Office, Office of Thrift Supervision, 111 Wacker Drive, Suite 800, Chicago, Illinois 60601-4360.

Dated: November 5, 1993.

By the Office of Thrift Supervision.

Kimberly M. White,

Corporate Technician.

[FR Doc. 93-27698 Filed 11-9-93; 8:45 am]

BILLING CODE 6720-01-M

[AC-63; OTS No. 01857]

Northwestern Savings Bank, F.S.B., Fargo, ND; Approval of Conversion Application

Notice is hereby given that on October 26, 1993, the Deputy Assistant Director, Corporate Activities Division, Office of Thrift Supervision, or her designee, acting pursuant to delegated authority, approved the application of Northwestern Savings Bank, F.S.B., Fargo, North Carolina to convert to the stock form of organization. Copies of the application are available for inspection at the Information Services Division, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, and the Midwest Regional Office, Office of Thrift Supervision, 122 W. John Carpenter Freeway, suite 600, Irving, Texas 75039.

Dated: November 5, 1993.

By the Office of Thrift Supervision.

Kimberly M. White,

Corporate Technician.

[FR Doc. 93-27695 Filed 11-9-93; 8:45 am]

BILLING CODE 6720-01-M

[AC-58; OTS No. 01275]

Quaker City Federal Savings and Loan Association, Whittier, CA; Approval of Conversion Application

Notice is hereby given that on October 29, 1993, the Deputy Assistant Director, Corporate Activities Division, Office of Thrift Supervision, or her designee, acting pursuant to delegated authority, approved the application of Quaker City Federal Savings and Loan Association, Whittier, California to convert to the stock form of organization. Copies of the application are available for inspection at the Information Service Division, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, and the West Regional Office, Office of Thrift Supervision, 1 Montgomery Drive, Suite 400, San Francisco, California 94120.

Dated: November 5, 1993.

By the Office of Thrift Supervision.

Kimberly M. White,

Corporate Technician.

[FR Doc. 93-27700 Filed 11-9-93; 8:45 am]

BILLING CODE 6720-01-M

[AC-59; OTS No. 02198]

St. Francois County Savings and Loan Association, Farmington, MO; Approval of Conversion Application

Notice is hereby given that on October 29, 1993, the Deputy Assistant Director, Corporate Activities Division, Office of Thrift Supervision, or her designee, acting pursuant to delegated authority, approved the application of St. Francois County Savings and Loan Association, Farmington, Missouri to convert to the stock form of organization. Copies of the application are available for inspection at the Information Services Division, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, and the Midwest Regional Office, Office of Thrift Supervision, 122 W. John Carpenter Freeway, suite 600, Irving, Texas 75039.

Dated: November 5, 1993.

By the Office of Thrift Supervision.

Kimberly M. White,

Corporate Technician.

[FR Doc. 93-27699 Filed 11-9-93; 8:45 am]

BILLING CODE 6720-01-M

[AC-55; OTS No. 02020]

Sentinel Federal Savings and Loan Association of Kansas City, Kansas City, MO; Approval of Conversion Application

Notice is hereby given that on November 1, 1993, the Deputy Assistant Director, Corporate Activities Division, Office of Thrift Supervision, or her designee, acting pursuant to delegated authority, approved the application of Sentinel Federal Savings and Loan Association of Kansas City, Kansas City, Missouri to convert to the stock form of organization. Copies of the application are available for inspection at the Information Services Division, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, and the Midwest Regional Office, Office of Thrift Supervision, 122 W. John Carpenter Freeway, Suite 600, Irving, Texas 75039.

Dated: November 5, 1993.

By the Office of Thrift Supervision.

Kimberly M. White,

Corporate Technician.

[FR Doc. 93-27703 Filed 11-9-93; 8:45 am]

BILLING CODE 6720-01-M

[AC-64; OTS No. 01193]

Seven Hills Savings Association, Cincinnati, OH; Approval of Conversion Application

Notice is hereby given that on October 22, 1993, the Deputy Assistant Director, Corporate Activities Division, Office of Thrift Supervision, or her designee, acting pursuant to delegated authority, approved the application of Seven Hills Savings Association, Cincinnati, Ohio to covert to the stock form of organization. Copies of the application are available for inspection at the Information Services Division, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, and the Central Regional Office, Office of Thrift Supervision, 111 East Wacker Drive, suite 800, Chicago, Illinois 60601-4360.

Dated: November 5, 1993.

By the Office of Thrift Supervision.

Kimberly M. White,

Corporate Technician.

[FR Doc. 93-27694 Filed 11-9-93; 8:45 am]

BILLING CODE 6720-01-M

[AC-62; OTS No. 07416]

Washington Savings Bank, Washington, MO; Approval of Conversion Application

Notice is hereby given that on October 26, 1993, the Deputy Assistant Director, Corporate Activities Division, Office of Thrift Supervision, or her designee, acting pursuant to delegated authority, approved the application of Washington Savings Bank, Washington, Missouri to convert to the stock form of organization. Copies of the application are available for inspection at the Information Services Division, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, and the Midwest Regional Office, Office of Thrift Supervision, 122 W. John Carpenter Freeway, suite 600, Irving, Texas 75039.

Dated: November 5, 1993.

By the Office of Thrift Supervision.

Kimberly M. White,

Corporate Technician.

[FR Doc. 93-27696 Filed 11-9-93; 8:45 am]

BILLING CODE 6720-01-M

Sunshine Act Meetings

Federal Register
Vol. 58, No. 216
Wednesday, November 10, 1993

This section of the FEDERAL REGISTER contains notices of meetings published under the "Government in the Sunshine Act" (Pub. L. 94-409) 5 U.S.C. 552b(e)(3).

UNITED STATES COMMISSION ON CIVIL RIGHTS

DATE AND TIME: Friday, November 19, 1993, 9 a.m.

PLACE: U.S. Commission on Civil Rights, 624 Ninth Street, NW., room 540, Washington, DC 20425.

STATUS: Open to the Public.

Agenda for November 19, 1993

I. Approval of Agenda
II. Approval of Minutes of October 22, 1993 Meeting
III. Announcements
IV. Followup to Previous Meeting
V. Appointments to the Iowa Advisory Committee
VI. Hate Crimes in Indiana: A Monitoring of the Level, Victims, Locations, and Motivations
VII. New York Hearing Update
VIII. Commissioner Task Force Reports
Reauthorization
SAC Member Processes
IX. Staff Director's Report
X. Future Agenda Items
XI. Commissioner Briefing on Census

Hearing impaired persons who will attend the meeting and require the services of a sign language interpreter, should contact Betty Edmiston, Administrative Services and Clearinghouse Division (202) 376–8105 (TDD 202–376–8116) at least five (5) working days before the scheduled date of the hearing.

CONTACT PERSON FOR FURTHER INFORMATION:
Barbara Brooks, Press and Communications (202) 376–8312.

Dated: November 8, 1993.

Emma Monroig,
Solicitor.

[FR Doc. 93–27833 Filed 11–8–93; 1:03 pm]
BILLING CODE 6335–01–M

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

TIME AND DATE: 2:30 p.m., Friday, November 12, 1993.

PLACE: Marriner S. Eccles Federal Reserve Board Building, C Street entrance between 20th and 21st Streets, NW., Washington, D.C. 20551.

STATUS: Open.

MATTERS TO BE CONSIDERED:

Summary Agenda

Because of its routine nature, no substantive discussion of the following item is anticipated. This matter will be voted on without discussion unless a member of the Board requests that the item be moved to the discussion agenda.

1. Publication for comment of revision of Regulation M (Consumer Leasing).

Discussion Agenda

2. Proposed amendments to Regulation B (Equal Credit Opportunity) regarding availability of appraisal reports. (Proposed earlier for public comment; Docket No. R–0782)

3. Proposed amendments to Regulation E (Electronic Fund Transfers) to cover Electronic Benefit Transfer (EBT) programs established by federal, state, or local agencies. (Proposed earlier for public comment; Docket No. R–0796)

4. Publication for comment of revision of Regulation E (Electronic Fund Transfers).

5. Proposed amendments to Regulation O (Loans to Executive Officers, Directors, and Principal Shareholders of Member Banks) regarding (A) increasing the aggregate lending limit for certain small banks (proposed earlier for public comment; Docket No. R–0800); and (B) (i) exceptions to the aggregate insider lending limit; (ii) the definition of "extension of credit"; and (iii) modifications to the recordkeeping requirements (proposed earlier for public comment; Docket No. R–0809).

6. Any items carried forward from a previously announced meeting.

Note: This meeting will be recorded for the benefit of those unable to attend. Cassettes will be available for listening in the Board's Freedom of Information Office, and copies may be ordered for $5 per cassette by calling (202) 452–3684 or by writing to: Freedom of Information Office, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

CONTACT PERSON FOR MORE INFORMATION:
Mr. Joseph R. Coyne, Assistant to the Board; (202) 452–3204.

Dated: November 5, 1993.

Jennifer J. Johnson,
Associate Secretary of the Board.

[FR Doc. 93–27758 Filed 11–8–93; 8:45 am]
BILLING CODE 6210–01–P

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

TIME AND DATE: Approximately 4:30 p.m., Friday, November 12, 1993, following a recess at the conclusion of the open meeting.

PLACE: Marriner S. Eccles Federal Reserve Board Building, C Street entrance between 20th and 21st Streets, NW., Washington, D.C. 20551.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.
2. Any items carried forward from a previously announced meeting.

CONTACT PERSON FOR MORE INFORMATION:
Mr. Joseph R. Coyne, Assistant to the Board; (202) 452–3204. You may call (202) 452–3207, beginning at approximately 5 p.m. two business days before this meeting, for a recorded announcement of bank and bank holding company applications scheduled for the meeting.

Dated: November 5, 1993.

Jennifer J. Johnson,
Associate Secretary of the Board.

[FR Doc. 93–27759 Filed 11–8–93; 8:45 am]
BILLING CODE 6210–01–P

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

TIME AND DATE: 12 noon, Monday, November 15, 1993.

PLACE: Marriner S. Eccles Federal Reserve Board Building, C Street entrance between 20th and 21st Streets, NW., Washington, D.C. 20551.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Proposed delegation of authority.
2. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.
3. Any items carried forward from a previously announced meeting.

CONTACT PERSON FOR MORE INFORMATION:
Mr. Joseph R. Coyne, Assistant to the Board; (202) 452-3204. You may call (202) 452-3207, beginning at approximately 5 p.m. two business days before this meeting, for a recorded announcement of bank and bank holding company applications scheduled for the meeting.

Dated: November 8, 1993.

Jennifer J. Johnson,
Associate Secretary of the Board.

[FR Doc. 93-27832 Filed 11-8-93; 11:52 am]
BILLING CODE 6210-01-P

UNITED STATES INSTITUTE OF PEACE

DATE/TIME: Thursday, November 18, 1993, 9 a.m. to 5:30 p.m.

LOCATION: First Floor Conference Room, 1550 M Street, NW., Washington, DC.

STATUS: *(Open Session)*—Portions may be closed pursuant to Subsection (c) of Section 552(b) of Title 5, United States Code, as provided in subsection 1706(h)(3) of the United States Institute of Peace Act, Public Law 98–525.

AGENDA: Approval of Minutes of the Sixty-first Meeting of the Board of Directors; Chairman's Report; President's Report; General Issues; Discussion of Past Progress, Present Possibilities, and Future Opportunities; and Consideration of Grants.

CONTACT: Mr. Gregory McCarthy, Director, Public Affairs and Information, Telephone: (202) 457–1700.

Dated: November 8, 1993.

Bernice J. Carney,

Director, Office of Administration, United States Institute of Peace.

[FR Doc. 93–27855 Filed 11–8–93; 1:04 pm]

BILLING CODE 6820–AR–M

Corrections

Federal Register
Vol. 58, No. 216
Wednesday, November 10, 1993

This section of the FEDERAL REGISTER contains editorial corrections of previously published Presidential, Rule, Proposed Rule, and Notice documents. These corrections are prepared by the Office of the Federal Register. Agency prepared corrections are issued as signed documents and appear in the appropriate document categories elsewhere in the issue.

FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Part 362

RIN 3064–AA29

Activities and Investments of Insured State Banks

Correction

In rule document 92-26696 beginning on page 53213 in the issue of Monday, November 9, 1992, make the following correction:

§ 362.3 [Corrected]

On page 53237, in the first column, in § 362.3(d)(5)(ii), in the eighth line, "December 19, 1966," should read "December 19, 1996,".

BILLING CODE 1505-01-D

FEDERAL RESERVE SYSTEM

Pikeville National Corporation, et al.; Notice of Applications to Engage de novo in Permissible Nonbanking Activities

Correction

In notice document 93-27219 beginning on page 59038 in the issue of Friday, November 5, 1993, make the following correction:

On page 59039, in the first column, under **B. Federal Reserve Bank of St. Louis**, under paragraph 1, in the seventh line insert after "§ 225.25(b)(1)" the words "and acting as principal, agent, or broker in the sale of credit life, disability, involuntary unemployment and property insurance pursuant to § § 225.25(b)(8)(i) and (b)(8)(ii)".

BILLING CODE 1505-01-D

federal register

Wednesday
November 10, 1993

Part II

Environmental Protection Agency

Federal Agency Hazardous Waste Compliance Docket; Notice

ENVIRONMENTAL PROTECTION AGENCY

[FRL-4787-7]

Federal Agency Hazardous Waste Compliance Docket

AGENCY: Environmental Protection Agency.

ACTION: Notice of eighth update of the Federal Agency Hazardous Waste Compliance Docket, pursuant to CERCLA section 120(c).

SUMMARY: Section 120(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended by the Superfund Amendments and Reauthorization Act of 1986 (SARA), requires the Environmental Protection Agency (EPA) to establish a Federal Agency Hazardous Waste Compliance Docket. The docket is to contain certain information regarding Federal facilities that manage hazardous waste or from which hazardous substances may be or have been released. (As defined by CERCLA section 101(22), a release is any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment.) CERCLA requires that the docket be updated every six months, as new facilities are reported to EPA by Federal agencies. The following list identifies the Federal facilities to be included in the eighth update of the docket (that is, facilities not previously listed on the docket and reported to EPA since the last update to the docket, 58 FR 7298, February 5, 1993, which was current as of December 7, 1992). EPA policy specifies that, for each Federal facility that is included on the docket during an update, the responsible Federal agency must complete a preliminary assessment (PA) and, if warranted, a site inspection (SI) within 18 months of publication of the notice. Such remedial site evaluation activities will help determine whether the facility should be included on the National Priorities List (NPL) and will provide EPA and the public with valuable information about the facility. In addition to the list of additions to the docket, this notice includes a section comprising revisions (that is, corrections and deletions) of the previous docket list and a list of the facilities on the docket that have been evaluated and determined to be not appropriate for listing on the NPL at this time (the site evaluation accomplished [SEA] list). At the time of publication of this notice, the new total number of Federal facilities listed on the docket is 1,946.

DATES: This list is current as of July 16, 1993.

FOR FURTHER INFORMATION CONTACT: Federal Facilities Docket Hotline, Telephone: (800) 548-1016 (toll free) or (703) 883-8577.

SUPPLEMENTARY INFORMATION:

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I. Introduction

Section 120(c) of CERCLA, 42 U.S.C. 9620(c), as amended by SARA, required the establishment of the Federal Agency Hazardous Waste Compliance Docket ("docket"). The docket contains information on Federal facilities that is submitted by Federal agencies to the U.S. Environmental Protection Agency ("EPA" or "the Agency") under sections 3005, 3010, and 3016 of the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. 6925, 6930, and 6937 and under section 103 of CERCLA, 42 U.S.C. 9603. Specifically, RCRA section 3005 establishes a permitting system for certain hazardous waste treatment, storage, and disposal (TSD) facilities; RCRA section 3010 requires waste generators, transporters, and TSD facilities to notify EPA of their hazardous waste activities; and RCRA section 3016 requires Federal agencies to submit biennially to EPA an inventory of hazardous waste sites that the Federal agencies own or operate. CERCLA section 103(a) requires notification of the National Response Center (NRC) of a release. CERCLA section 103(c) requires reporting to EPA the existence of a facility at which hazardous substances are or have been stored, treated, or disposed of and the existence of known or suspected releases of hazardous substances at such facilities.

The docket serves, among others, three major purposes: (1) To identify all Federal facilities that must be evaluated to determine whether they pose a risk to human health and the environment sufficient to warrant inclusion on the NPL; (2) to compile and maintain the information submitted to EPA on such facilities under the provisions listed in section 120(c) of CERCLA; and (3) to provide a mechanism to make the information available to the public.

The initial list of Federal facilities to be included on the docket was published on February 12, 1988 (53 FR 4280). Updates to the docket have been published on November 16, 1988 (54 FR 46364); December 15, 1989 (54 FR 51472); August 22, 1990 (55 FR 34492); September 27, 1991 (56 FR 49328); December 12, 1991 (56 FR 64898); July 17, 1992 (57 FR 31758); and February 5, 1993 (58 FR 7298). This notice constitutes the eighth update of the docket.

Today's notice is divided into four major sections: (1) Corrections, (2) deletions, (3) additions, and (4) the SEA list. The docket corrections section lists changes in information about facilities already listed on the docket. The deletions section lists facilities that EPA is deleting from the docket. The additions section lists newly identified facilities that have been reported to EPA since the last update and that now are being included on the docket. The SEA list is the list of all docket facilities to which EPA has assigned a status of site evaluation accomplished.

The information submitted to EPA on each Federal facility is contained in the docket repository located in the EPA Regional Office of the Region in which the facility is located (see 53 FR 4280 [February 12, 1988] for a description of the information required under those provisions). Each repository contains the documents submitted to EPA under the reporting provisions and correspondence relevant to the reporting provisions for each facility. A complete national index of the information found in the Regional docket repositories is maintained at EPA's Office of Federal Facilities Enforcement in Washington, DC, and is available to the public. The index for each Region is available for public review at each Regional repository. Contact the Federal Facilities Docket Hotline (800-548-1016) for information on Regional repository locations and on making arrangements for obtaining specific documents.

II. Revisions in the Previous Docket

Following is a discussion of the inclusion of revisions made in the previous docket, including corrections, deletions, and additions.

1. Corrections

Changes necessary to correct the previous docket were identified by both EPA and Federal agencies. The changes needed varied from simple address and spelling changes to corrections of the recorded name and ownership of a facility. In addition, some changes in facility names were made to establish consistency in the docket. Many new entries are simply corrections of typographical errors. For each facility for which a correction has been entered, the original entry (designated by an

"O"), as it appeared in the February 12, 1988 notice or subsequent updates, is shown directly below the corrected entry (designated by a "C"), for easy comparison.

2. Deletions

Today, 98 facilities are being deleted from the docket for various reasons, such as incorrect reporting of hazardous waste activity, change in ownership, and exemption as a small quantity generator (SQG) under RCRA (40 CFR 262.44). Facilities being deleted no longer will be subject to the requirements of CERCLA section 120(d).

3. Additions

Today, 113 facilities are being added to the docket primarily because of new information obtained by EPA (for example, recent reporting of a facility pursuant to RCRA sections 3005, 3010, or 3016 or CERCLA section 103). For all facilities being added to the docket, it is EPA's policy that the responsible agency must complete the required PA, and, if warranted, an SI within 18 months from the date of this publication.

Of the 113 facilities being added to the docket, 10 are facilities that have reported to the NRC the release of a reportable quantity (RQ) of a hazardous substance. Under section 103(a) of CERCLA, a facility is required to report to the NRC the release of a hazardous substance in a quantity that equals or exceeds the established RQ. Release reports received by the NRC, the U.S. Coast Guard, and EPA are electronically transmitted to the Transportation Systems Center at the U.S. Department of Transportation (DOT), where they become part of the Emergency Response Notification System (ERNS) data base. ERNS is a national computer data base and retrieval system that stores information on releases of oil and hazardous substances. Facilities being added to the docket and facilities already listed on the docket for which an ERNS report has been filed are identified by the notation of "103(a)" in the "Reporting Mechanism" column.

It is EPA's policy generally not to list on the docket facilities that are SQGs and that have never generated more than 1,000 kilograms (kg) of hazardous waste in any single month. If a facility has generated more than 1,000 kg of hazardous waste in any single month (that is, if the facility is an episodic generator), it will be added to the docket. In addition, facilities that are SQGs, but that have reported releases under CERCLA section 103 or hazardous waste activities pursuant to another reporting mechanism, will be listed on the docket and will undergo remedial site evaluation activities, such as a PA and, when appropriate, an SI. All such facilities will be listed on the docket, whether or not they are SQGs pursuant to RCRA. As a result, some of the facilities that EPA is adding today to the docket are SQGs that had not been listed on the docket but that have reported releases or hazardous waste activities to EPA under another reporting provision.

In the process of compiling the documents for the Regional repositories, EPA identified a number of facilities that had previously submitted a PA report, an SI report, a Department of Defense Installation Restoration Program report, or another Federal agency environmental restoration program report, but had not submitted a CERCLA section 103 notification form. Section 120(c)(3) of CERCLA requires that EPA include information submitted under section 103 on the docket. In general, section 103 requires certain persons to provide notice of certain releases of hazardous substances. The aforementioned Federal agency environmental restoration program reports contain information similar to information provided pursuant to CERCLA section 103 and are considered equivalent forms of notification for the docket. Thus, the Agency believes that facilities that have provided information equivalent to a CERCLA section 103 notification, such as a Federal agency environmental restoration program report, should be included on the docket, regardless of the absence of formal section 103 notification. Therefore, some of the facilities that EPA is adding today are being placed on the docket because of the above-mentioned reports.

EPA also includes privately owned, government-operated facilities (POGO) on the docket. CERCLA section 120(c) requires that the docket contain information submitted under RCRA sections 3005, 3010, and 3016, and CERCLA section 103, all of which impose duties on operators as well as owners of facilities. In addition, other subsections of CERCLA section 120 refer to facilities "owned or operated" by an agency or other instrumentality of the Federal government. This terminology clearly includes facilities that are operated by the Federal government, even if they are not owned by it. Specifically, CERCLA section 120(e), which sets forth the duties of the Federal agencies after a facility has been listed on the NPL, refers to the agency that "owns or operates" the facility. In addition, the primary basis for assigning responsibility for conducting PAs and SIs, as required when a facility is listed on the docket, is Executive Order 12580, which assigns this responsibility to the agency having "jurisdiction, custody, or control" over a facility. An operator may be deemed to have jurisdiction, custody, or control over a facility.

III. Process for Compiling the Updated Docket

In compiling the newly reported facilities for the update being published today, EPA extracted the names, addresses, and identification numbers of facilities from four EPA data bases—ERNS, the Biennial Inventory of Federal Agency Hazardous Waste Activities, the Resource Conservation and Recovery Information System (RCRIS), and the Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS)—that contain information about Federal facilities submitted under the four provisions listed in CERCLA section 120(c).

Extensive computer checks compared the current docket list with the information obtained from the above data bases to determine which facilities were, in fact, newly reported and qualified for inclusion on the update. In spite of the quality assurance efforts EPA has undertaken, it is possible that State-owned or privately owned facilities that are not operated by the Federal government may have been included. Such problems are the result of procedures historically used to report and track data on Federal facilities; the Agency is working to resolve such problems. Representatives of Federal agencies are requested to write to EPA's Docket Coordinator at the following address if revisions in this update information are necessary: Federal Facilities Docket Coordinator, Office of Federal Facilities Enforcement (OE-2261), U.S. EPA, 401 M Street SW., Washington, DC 20460.

IV. Facilities Not Included

As explained in the preamble to the original docket (53 FR 4280), the docket does not include the following categories of facilities (note, however, that any of these types of facilities may, when appropriate, be listed on the NPL):

1. Facilities formerly owned by a Federal agency and now privately owned. However, facilities that are now owned by another Federal agency will remain on the docket and the responsibility for conducting PAs and SIs will rest with the current owner.

2. SQGs that have never produced more than 1,000 kg in any single month and that have not reported releases under CERCLA section 103 or other hazardous waste activities under RCRA

section 3016 will not be listed on the docket.

3. Facilities that are solely transporters as reported under RCRA section 3010, will not be listed on the docket.

V. Information Contained on Docket Listing

As discussed above, the update information below is divided into three separate sections. The first section is a list of new facilities that are being added to the docket. The second section is a list of facilities that are being deleted from the docket. The third section comprises corrections of the docket. Each facility listed as part of the update has been assigned a code that indicates a more specific reason(s) for the addition, deletion, or correction. The code key precedes the lists.

It is EPA's policy that all facilities on the additions list to this eighth docket update must submit a PA and, if warranted, an SI to EPA within 18 months of the date of this publication. The PA must include existing information about a site and its surrounding environment, including a thorough examination of human, food-chain, and environmental targets, potential waste sources, and migration pathways. From information in the PA or other information coming to EPA's attention, EPA will determine whether a followup SI is required. An SI augments the data collected in a PA. An SI may reflect sampling and other field data that are used to determine whether further action or investigation is appropriate. This policy includes any facility for which there is a change in the identity of the responsible agency. These reports should be submitted to the Federal facilities coordinator in the appropriate EPA Regional Office.

The facilities listed in each section are organized by State and then grouped alphabetically within each State by the Federal agency responsible for the facility. Under each State heading is listed the facility name and address, the statutory provision(s) under which the facility was reported to EPA, the EPA Region in which the facility is located, and the correction codes.

The statutory provisions under which a facility reported are listed in a column titled "Reporting Mechanisms." Applicable mechanisms are listed for each facility: for example 3010, 3016, and 103c.

The complete list of Federal facilities that now makes up the docket is not being published today. However, the list is available to interested parties and can be obtained by calling the Federal Facilities Docket Hotline (800–548–1016 or 703–883–8577). As of today, the total number of Federal facilities that appear on the docket is 1,946.

VI. Facility Status Reporting

In response to numerous requests from Federal agencies, EPA has expanded the docket data base to include information on the SEA status of facilities listed. A prevalent concern has been the inability to identify facilities that, after submitting all necessary site assessment information, were found to warrant no further EPA involvement at the time. Accordingly, EPA has expanded the docket data base to include a column indicating the facility's status.

The status codes are as follows:

U=Undetermined
N=Site evaluation accomplished (SEA)
P=Currently proposed for the NPL
F=Currently final on the NPL
R=Removed from the proposed NPL and no longer considered for the final NPL
D=Deleted from the final NPL

EPA changed the site assessment recommendation no further remedial action planned (NFRAP) to SEA to denote a more positive attitude and to emphasize that the determination involves an affirmative effort on EPA's part to evaluate sites.

SEA is a term used in the Superfund site assessment program to identify facilities for which EPA has found that currently available information indicates that listing on the NPL is not likely and further assessment is not appropriate at the time. SEA status does not represent an EPA determination that there are no environmental threats present at the facility or that no further environmental response action of any kind is necessary. As stated, SEA status means only that the facility does not appear, from the information available to EPA at this time, to warrant listing on the NPL, and that, therefore, no further involvement by EPA in site assessment or cleanup at the facility is anticipated. However, additional CERCLA response actions by the agency that owns or operates the facility, whether remedial or removal actions, may be necessary at a facility with SEA status.

The status information contained in the docket data base is the result of Regional evaluation of information taken directly from CERCLIS. (CERCLIS is a data base that helps EPA Headquarters and Regional personnel with site, program, and project management. It contains the official inventory of all CERCLA [NPL and non-NPL] sites and supports all site planning and tracking functions. It also integrates financial data from preremedial, remedial, removal, and enforcement programs.) The status information was taken from CERCLIS and sent to the Regional Docket Coordinators for review. The results of their reviews were incorporated into the status field in the docket data base. Subsequently, a list of all facilities having SEA status (those for which an "N" appears in the status field) was generated; this list is being published today.

Important limitations apply to this SEA status list. First, the information is accurate only as of July 16, 1993. Second, a facility's status may change at any time because of any number of factors, including new site information or changing EPA policies. Finally, the SEA status list is based on Regional review of CERCLIS data, is provided for information purposes only, and should not be considered binding upon either the agency responsible for the facility or on EPA.

The status information in the docket data base will be reviewed, and a new list of SEA facilities will be published at each docket update.

Dated: September 30, 1993.

Steven A. Herman,

Assistant Administrator for Enforcement.

I. Docket Revisions

Categories of Revisions for Docket Update by Correction Code.

Categories for Deletion of Facilities

(1) Small Quantity Generator
(2) Not Federally Owned
(3) Formerly Federally Owned
(4) No Hazardous Waste Generated
(5) (This correction code is no longer used.)
(6) Redundant Listing/Site on Facility
(7) Combining Sites Into One Facility/ Entries Combined
(8) Does Not Fit Facility Definition (All Are Vessels)
(9) No Hazardous Waste (Responsible Agency Changed)
(10) Small Quantity Generator (Responsible Agency Changed)
(11) No Hazardous Waste (Temporary Storage Only)
(12) Not Federally Owned (Small Quantity Generator)
(13) Redundant Listing/Site on Facility (Agencies Will Coordinate)
(14) Small Quantity Generator (Never Actually Built) Categories for Facility Addition
(15) Small Quantity Generator With Either a RCRA 3016 or CERCLA 103 Reporting Mechanism
(16) One Entry Being Split Into Two/ Agency Responsibility Being Split
(17) New Information Obtained

Showing That Facility Should Be Included

(18) Facility Was a Site on a Facility That Was Disbanded; Now a Separate Facility

(19) Sites Were Combined Into One Facility

(19A) New Facility

Categories for Corrections of Facility Information

(20) Reporting Provisions Change

(20A) Typo Correction/Name Change/ Address Change

(21) Changing Responsible Agencies (New Responsible Agency Has 18 Months To Submit PA)

(22) Changing Responsible Agencies and Title (New Responsible Agency Has 18 Months To Submit PA)

(23) New Reporting Mechanism Added at Update

(24) Reporting Mechanism Determined To Be Not Applicable After Review of Regional Files

Note: Further information on definitions of categories can be obtained by calling the Docket Hotline.

FEDERAL FACILITIES DOCKET, DOCKET ADDITIONS

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction code
North River Radio Relay	North River	Unalakleet	AK	99684	Air Force	3016	19A
FWS-Kenai Wildlife Rfg Swan Lk, Moose Research Sta.		Soldotna	AK	99619	Interior	103c	19A
FAA-Annette Island	Annette Airport Nav Aids	Annette	AK	99926	Transportation	103c	19A
FAA-Barrow Air Navigation	Barrow Airport Area	Barrow	AK	99723	Transportation	103c	19A
FAA-Bethel Station	T8N R72W S13 Seward Meridian.	Bethel	AK	99559	Transportation	103c	19A
FAA-Big Lake Vortac Site	Big Lake	Big Lake	AK	99687	Transportation	103c	19A
FAA-Cold Bay			AK		Transportation	103c	19A
FAA-Cordova			AK		Transportation	103c	19A
FAA-Deadhorse			AK		Transportation	103c	19A
FAA-Duncan Canal			AK		Transportation	103c	19A
FAA-Dutch Harbor		Dutch Harbor	AK		Transportation	103c	19A
FAA-Fairbanks Station	5640 Airport Way	Fairbanks	AK		Transportation	103c	19A
FAA-Gulkana ANS	Gulkana Airport	Gulkana	AK	99586	Transportation	103c	19A
FAA-Gustavus	Gustavus Airport Nav Aids	Gustavus	AK	99826	Transportation	103c	19A
FAA-Juneau			AK		Transportation	103c	19A
FAA-King Salmon Station	Airport S of Cy Nav Aids	King Salmon	AK	99613	Transportation	103c	19A
FAA-Lake Hood Facility	T13N R4W S34 NE	Anchorage	AK	99518	Transportation	103c	19A
FAA-Level Island	Level Island Nav Aids	Petersburg	AK	99833	Transportation	103c	19A
FAA-Nome Airport Station	Nome Airport Municipal Airport.	Nome	AK	99762	Transportation	103c 3010	19A
FAA-Point Woronzot Rtr Facility	Anchorage International Airport Area.	Anchorage	AK	99502	Transportation	103c	19A
FAA-Sand Point			AK		Transportation	103c	19A
FAA-Sisters Island	Sisters Island Nav Aids	Juneau	AK	99803	Transportation	103c	19A
FAA-Sitka	Japonski Island Naval Air Station.	Sitka	AK	99835	Transportation	103c	19A
FAA-St. Mary's Air Navigation	Yukon Delta National Wildlife Refuge.	St. Mary's	AK		Transportation	103c	19A
FAA-Strawberry Point	Point Bentinck Nav Aids	Cordova	AK	99574	Transportation	103c	19A
FAA-Tanana Air Field	Tanana Airport	Tanana	AK	99777	Transportation	103c	19A
FAA-Yakutat Airport	Yakutat Airport	Yakutat	AK	99689	Transportation	103c	19A
Huxtable Pumping	Highway 79 8M N	Marianna	AR	72360	Corps of Engineers, Civil.	3010	19A
Prescott NF: Golden Belt Mine		Prescott	AZ	86303	Agriculture	103c 3016	16
Prescott NF: Upper Hassayampa Creek Mines.		Prescott	AZ	86303	Agriculture	103c 3016	16
Gila River Site #2	T3S R63 Sec 3	Gila River Indian Resv.	AZ	85247	Interior	103c	19A
NPS-Grand Canyon National Park.	P.O. Box 129	Grand Canyon	AZ	86023	Interior	103c	19A
Aerospace Corporation	2400 E El Segundo Blvd	El Segundo	CA	90245		3010	19A
San Francisco Federal Reserve Bank.	101 Market Street	San Francisco	CA	94105		3010	19A
Jerry L. Pettis Veterans Hospital	11201 Benton Street	Loma Linda	CA	92357	Army	3010	19A
Casmalia Resources	NTU Road, P.O. Box 208	Casmalia	CA		EPA	103a	19A
Campbell Postal Service	1587 Dell Avenue	Campbell	CA	95008	Postal Service	103c	19A
San Francisco Postal Service	151 Mendell Street	San Francisco	CA	94124	Postal Service	103a	19A
Bennett Army National Guard Facility.	15 Miles SW of Bennett	Bennett	CO	80102	Army	103c	19A
NPS-Weir Farm National Historic Site.	Nod Hill Road	Wilton	CT		Interior	103c	19A
NPS-Anacostia Park Sections E and F.	1900 Anacostia Drive, SE	Washington	DC	20020	Interior	103c	19A
NPS-Washington Gas and Light Site.	1900 Anacostia Drive, SE	Washington	DC	20020	Interior	103c	19A
NPS-Big Cypress National Preserve.	Star Route 11	Ochopee	FL	33943	Interior	3010 103c	17

FEDERAL FACILITIES DOCKET, DOCKET ADDITIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction code
Atlanta Naval Air Station	Halsey Street	Marietta	GA	30060	Navy	103a	19A
FAA-Regional Office	340 Norman Berry Drive	East Point	GA	30320	Transportation	103a	19A
Fort Derussy Military Reserve	Kalia Road at Intersection	Honolulu	HI	96815	Army	3010	19A
Des Moines Air National Guard	3100 McKinley Ave	Des Moines	IA	50321	Air Force	103c 3010	17
Sioux City Air National Guard	6301 MacArthur Air Force Base.	Sergeant Bluff	IA	51110	Air Force	103c 3010	17
BLM-Clover Hollow Illegal Airstrip	T5S R7E SEC7 SESW 8 Mi S of Cy.	Mountain Home	ID	83647	Interior	103c	19A
BLM-Liberty	T3S, R33E, SEC 19E, 20N, 21SWNW; NWNW 30N.	Liberty	ID		Interior	103c	19A
BLM-Mud Lake Airport	T6N R34E Sect 18 NE of NE.	Mud Lake	ID	83450	Interior	3010	19A
BLM-Pine Creek	T47,48,49N R2E	Near Pinhurst	ID		Interior	103c	19A
BLM-Wiregrass Reservoir Site	TIIS R36E Sect 13 NW of NE.	Downey	ID	83234	Interior	3010	19A
Michigan City East PHD Light	Washington Park Site B Pier.	Michigan City	IN	46360		3010	19A
Jeffersonville Federal Center	1201 E. 10th Street	Jeffersonville	IN	47130	Commerce	3010 3016 103c	17
Dean D. Mitchell Farm	Rt 1	Liberty	KS	67351		3016	19A
Kansas City Natl Guard Armory and Parking Lot.	100 South 20th Street	Kansas City	KS	66012	Army	103c	19A
Shreveport Medical Center	510 East Stoner Ave	Shreveport	LA	71130	Veterans Administration.	103a	19A
Westfield Air National Guard (104TFG).	Barnes Municipal Airport	Westfield	MA	01085	Air Force	103c 3010	19A
Royalston Town Dump	Birch Hill Dam	Royalston	MA		Corps of Engineers, Civil.	103c	19A
NPS-Minute Man National Historical Park.	P.O. Box 160	Concord	MA	01742	Interior	103c	19A
Jachman Army Reserve Center	12100 Greenspring Ave	Owings Mills	MD	21117	Army	3010	19A
NIH-NCI-Biomakers and Prevention.	9610 Medical Center Dr Keywest.	Rockville	MD	20850	Health and Human Services.	3010	19A
Ritchie Rubbleville	2001 Ritchie Marlboro Highway.	Upper Marlboro	MD		Navy	103a	19A
Brainerd Foundry	801 South 10th Street	Brainerd	MN	56401	Commerce	3010 3016 103c	17
Fond Du Lac Casino	105 University Rd	Cloquet	MN	55720	Interior	3010	19A
Lambert St. Louis International Airport (ANG).	Natural Bridge & Woodson Rds.	St Louis	MO	63134	Air Force	103c 3010	17
St. Joseph Air National Guard	Rosecrans Memorial Airport.	St Joseph	MO		Air Force	103c	17
BATFA-Kansas City	811 Grand Ave Rm 106	Kansas City	MO	64106	General Services Administration.	3010	19A
River Operations Dry Dock (CELMK-OD-R).	COE Supply Base—Vicksburg Harbor.	Vicksburg	MS	39180	Corps of Engineers, Civil.	3016	19A
Cape Hatteras National Seashore	Dare County	Rodanthe	NC	27968	Transportation	103c	19A
Flying J Petroleums Inc Williston Refine.	1 Mi E. of Williston Hwy 1804.	Williston	ND	58801		3005 3010	19A
Lynn Keller Property	Sec 6 T16N R8E	Cedar Bluffs	NE	68015	Agriculture	3016	19A
Manchester Housing and Development Authority.	83 Trahan Street	Manchester	NH	03103		3010	19A
NPS-Morristown National Historical Park.	Washington Place	Morristown	NJ	07960	Interior	103c	19A
Santa Fe NF: Tererro Mine Tailings.		Santa Fe	NM	87504	Agriculture	3016	16
Sage Complex	510 Stewart Dr W	North Syracuse	NY	13212		3010	19A
Malone Army Reserve Center	111 Finney Blvd	Malone	NY	12953	Army	3010	19A
IRS Center	1040 Waverly Ave	Holtsville	NY	11742	General Services Administration.	3010	19A
NPS-Federal Hall NM	26 Wall Street	New York	NY	10005	Interior	3010	19A
NPS-Saratoga National Historical Park.	RD #2, P.O. Box 33	Stillwater	NY	12170	Interior	103c	19A
NPS-Statue of Liberty Natl Monument: Ellis Island.		Liberty Island	NY	10004	Interior	3010	19A
NPS-Theodore	28 E 20th Street	New York	NY	10003	Interior	3010	19A

FEDERAL FACILITIES DOCKET, DOCKET ADDITIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction code
Vacant Building	74 E Main St	Trumansburg	NY	14886	Small Business Administration.	3010	19A
Ponca City Army Reserve Center	805 W Hartford Ave	Ponca City	OK	74601	Army	3010	19A
Ochoco NF: Crooked River Grasslands.	T12S R14E S34	Madras	OR	99741	Agriculture	3010	19A
Keno Air Force Station	Haymaker Mt Rd Peak End of Rd.	Keno	OR	97627	Air Force	3010	19A
Lake Region Medical Inc	620 Alpha Dr RIDC East .	Pittsburgh	PA	15238		3010	19A
Mill Creek Site		Erie	PA			103a	19A
Cannonsburg Field		Cannonsburg	PA		Army	103a	19A
Philadelphia Site	Collins and Ontario Streets.	Philadelphia	PA		EPA	103a	19A
Smithfield Army Reserve Maintenance Facility.	Albion Road	Smithfield	RI	02917	Army	103c	19A
FWS-Trustom Pond Natl Wildlife Refuge Disp Areas.	990 Schoolhouse Road	South Kingstown	RI	02879	Interior	103c	19A
Donaldson Air Industrial Center		Greenville	SC		Air Force	103c	17
McEntire Air National Guard Base.		Columbia	SC		Air Force	103c	17
Monks Corner Army Air Force Depot.		Monks Corner	SC		Defense	103c	17
Lackland Training Center	Ray Ellison Dr & Hwy 90 .	San Antonio	TX	78236	Air Force	3005 3010	19A
NALF Orange Grove	Dirt Rd 3M E H-281	Orange Grove	TX	78363	Navy	3010	19A
Manti-Lasal NF: Bears NARS-REX Group.		Old La Sal	UT	84530	Agriculture	3016 103c	16
Manti-Lasal NF: Brushy Basin #31.		Old La Sal	UT	84530	Agriculture	3016 103c	16
Manti-Lasal NF: Firefly-Pygmy Mine.		Old La Sal	UT	84530	Agriculture	3016 103c	16
Manti-Lasal NF: Mt. Linnaeus #1 Laura.		Old La Sal	UT	84530	Agriculture	3016 103c	16
Manti-Lasal NF: Mt. Linnaeus Horseshoe.		Old La Sal	UT	84530	Agriculture	3016 103c	16
Manti-Lasal NF: Yellow Circle Group.		Old La Sal	UT	84530	Agriculture	3016 103c	16
Springfield Proving Ground	7500 Backlick Road	Springfield	VA	22150	Army	3005 3010	19A
NPS-George Washington Memorial Parkway.	Turkey Run Park	McLean	VA	22102	Interior	103c	19A
Yorktown Reserve Training Center.	Route 238 SE Corner of York Co.	Yorktown	VA	23690	Transportation	3010	19A
St. Thomas	St. Thomas Beach	St. Thomas	VI	00801		103c	19A
FWS-New Richmond	1618 220th Ave Rural Area.	New Richmond .	WI	54017	Interior	3010	19A
La Crosse Naval Reserve Center	2226 Green Bay St	La Crosse	WI	54601	Navy	3010	19A
Gallapolis Lock and Dam	Rt 2	Apple Grove	WV		Navy	103a	19A
Cheyenne Air National Guard	Cheyenne Municipal Airport.	Cheyenne	WY	82003	Air Force	103c 3010	19A
BLM-Old Saratoga Landfill	Sec 7, T17N, R83W	Saratoga	WY	82331	Interior	103c	19A

FEDERAL FACILITIES DOCKET, DOCKET DELETIONS

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction code
Canyon Creek RRS	T 7 S, R 6 E, Sec 15	Big Delta	AK	99737		3016	6
Canyon Creek RRS	T7S R6E Sec 15	Big Delta	AK	99737	Air Force	3010 103c	3
Duncan Canal	12 Mi SW of Cy	Petersburg	AK	99883	Air Force	103c	3
Wildwood Air Force Station	Wildwood Village off Kenai SPU.	Kenai	AK	99611	Air Force	3010	3
BLM-Biorka Island Facility	Biorka Island	Biorka Island	AK	99835	Interior	103c	6
BLM-Farewell Air Navigation Site.	Farewell Lake	Farewell	AK	99695	Interior	103c 3016	6
BLM-Fire Island Housing Area	FAA Housing Area	Fire Island	AK	99506	Interior	103c	6
BLM-Galena Airbase	Galena Airport	Galena	AK	99741	Interior	3016 103c	6
NPS-Katmai National Park and Preserve.	Box 7	King Salmon	AK	99613	Interior	103c	4
NPS-Lake Clark National Park and Preserve.	Box 61; 701 C. Street	Anchorage	AK	99513	Interior	103c	4
NPS-Noatak National Preserve .	Desperation Lake/T34N, R29-30W.	Kotzebue	AK	99752	Interior	103c	4

FEDERAL FACILITIES DOCKET, DOCKET DELETIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction code
North East Cape St. Lawrence Island.	St. Lawrence Island 70 Mi E of Savoonea.	Northeast Cape	AK	99769	Navy	103c	6
St. Lawrence Island-Cargo Beach Site.	Cargo Beach	North East Cape	AK		Navy	103c	6
Rogersville Corp of Engineers	Route 4 Box 305	Rogersville	AL	35652	Army	3010	4
Mt. Lemon Air Force Station	Mt Lemon	Mt Lemon	AZ		Air Force	103c	3
Br-Yuma Projects Office	3800 Avenue SE	Yuma	AZ	85365	Interior	3010	6
DEA-Phoenix	10809 N. 40th Street	Phoenix	AZ		Justice	103a	6
Phoenix General Mail Facility	4949 E Van Buren St	Phoenix	AZ	85026	Postal Service	3010	1
Philip Burton Federal Building	450 Golden Gate Avenue	San Francisco	CA	94102	General Services Admin	3010	1
Oakland City Housing	1180 25th Avenue	Oakland	CA	94601	Housing and Urban Development.	3010	6
Chollas Heights Radio Transmitter.	6410 Zero Rd	San Diego	CA	92115	Navy	3010	1
Coronado Naval Aviation Depot	Building 65	Coronado	CA		Navy	103a	6
San Diego Aviation Depot	Building 379	San Diego	CA	92135	Navy	103a	6
Silver Strand Navy Housing	1202 Laytey Rd	Coronado	CA	92118	Navy	3010	1
Cathedral City Postal Service	36–660 Bankside Unit E	Cathedral City	CA	92234	Postal Service	3010	1
Los Angeles General Mail Facility.	7001 S Central Ave	Los Angeles	CA	90052	Postal Service	3010	1
Los Angeles Postal Service	900 N Alameda St	Los Angeles	CA	90052	Postal Service	3010	1
San Francisco Bulk Mail Center	2501 Rydin Rd	Richmond	CA	94804	Postal Service	3010	1
Santa Ana Postal Service	3101 W Sunflower	Santa Ana	CA	92799	Postal Service	3010	1
Stockton Postal Service Vehicle Maintenance Facil..	3131 E Arch Road	Stockton	CA	95213	Postal Service	3010	1
Van Nuys Postal Service	15701 Sherman Way	Van Nuys	CA	91409	Postal Service	3010	1
Sterling Department of Military Affairs.	1400 S. 3rd Ave	Sterling	CO		Air Force	103c 3010	2
BLM-Boise District-Reeder Airstrip.	T8S R13E Sec 6 NESW	Hagerman	ID	83332	Interior	3010	6
BLM-Glenns Ferry Landfill	T.5.S. R. 10E BM NW ¼ SW¼ Sec 21.	Glenns Ferry	ID		Interior	103c	2
Fort Rodman	Fort Rodman	New Bedford	MA		Army	103c	2
DEA-Hamilton Residence	Lakeshore Drive	Hamilton	MA		Justice	103a	2
DEA-Video Corner	68 Humphrey Street	Swampscott	MA		Justice	103a	2
South Boston Naval Annex	Marine Industrial Park Drydock Ave.	Boston	MA		Navy	103c	3
Lowell Postal Service	Post Office Square	Lowell	MA	01853	Postal Service	103c 3010	2
Marshfield Coast Guard Communications Center.	900 Ferry Street	Marshfield	MA	02050	Transportation	103a	4
Bedford Hospital Wells 76 & 77	Westview Street	Lexington	MA	02173	Veterans Administration.	3010 103c	2
Granite Control	2845 Hernwood Road	Woodstock	MD	21163	Defense	103c	6
Kincheloe Air Force Base	Tone Rd	Kincheloe	MI	49788	Air Force	3010	3
Camp Grayling	I–75	Grayling	MI	49738	Army	103c	2
Detroit	231 W Lafayette St	Detroit	MI	48226	General Services Admin.	3010	1
NPS-Isle Royale National Park	87 N Ripley St	Houghton	MI	49931	Interior	3010	1
Mt. Clemens Naval Air Facility		Mt Clemens	MI	48043	Transportation	103c 3010	6
Glasgow Air Force Base	19 Miles N.W. of Glasgow	Glasgow	MT		Air Force	103c	3
Precious Metals Plating	Star Route Box 85	Bonner	MT		Housing and Urban Development.	103c	6
Atlantic City Naval Reserve Center.	Foot of Huron Ave	Atlantic City	NJ	08401	Navy	3010	1
Hightstown Postal Service	150 Mercer Street	Hightstown	NJ	08520	Postal Service	3010	1
New Brunswick Postal Service	21 Kilmer Rd & Truman Dr.	New Brunswick	NJ	08917	Postal Service	3010	1
BLM-Eddy Potash	3071 Potash Mine Road	Carlsbad	NM	88220	Interior	3016	6
CAL West	West Frontage Road	Lemitar	NM	87801	Small Business Admin.	3005 3010 103c	2
BLM-Nevada Hapth Corporation	Unavailable From Site Office.		NV		Interior	103c	6
Alex Rogowski Property	RFD 2 Box 334	Goshen	NY	10924		3016	2
Dresden Naval Underwater Systems Center.	Seneca Lake Field Station.	Dresden	NY	14441		3010	1
General Electric-Johnson City	600 Main St	Johnson City	NY	13790		3010	6
Soiltech Inc Wide Beach Site	10848 Lake Shore Road	Irving	NY	14081		3010	2

FEDERAL FACILITIES DOCKET, DOCKET DELETIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction code
Bronx Organizational Maintenance Shop #30 & #31.	29 West Kingsbridge Road.	Bronx	NY	10468	Air Force	3010	2
Bronx Organizational Maintenance Shop #31.	29 W. Kingsbridge Road .	Bronx	NY	10468	Air Force	3010	6
Brooklyn Organizational Maintenance Shop #23.	355 Marcy Avenue	Brooklyn	NY	11206	Air Force	3010	2
Brooklyn Organizational Maintenance Shop #24.	14 Street 8th Avenue	Brooklyn	NY	11215	Air Force	3010	2
Brooklyn Organizational Maintenance Shop #40.	1579 Bedford Avenue	Brooklyn	NY	11225	Air Force	3010	2
Carthage Organizational Maintenance Shop #14.	1 Park Drive	Carthage	NY	13619	Air Force	3010	2
Peekskill Organizational Maintenance Shop #21 NYAR.	955 Washington Street ...	Peekskill	NY	10566	Air Force	3010	2
Peekskill Organizational Maintenance Shop #29.	Camp Smith	Peekskill	NY	10566	Air Force	3010	2
Staten Island Organizational Maintenance Shop #36.	321 Manor Road	Staten Island	NY	10314	Air Force	3010	2
Syracuse Organizational Maintenance Shop #5.	1055 E. Genesee Street .	Syracuse	NY	13210	Air Force	3010	2
USPFO–SNY OMS #3	158 Willow St.	Lockport	NY	14094	Air Force	3010	1
Valhalla Organizational Maintenance Shop #22 HHC10.	Dana Road	Valhalla	NY	10595	Air Force	3010	2
Whitehall Organizational Maintenance Shop #15.	62 Poultney St	Whitehall	NY	12887	Air Force	3010	2
Glens Falls Naval Reserve Center.	2 Parker Street	Glens Falls	NY	12801	Navy	3010	1
Scotia Naval Administrative Unit	Bldg 606, GSA Depot	Scotia	NY	12302	Navy	3010	1
Hicksville Post Office	260 Engineers Drive	Hicksville	NY	11802	Postal Service ..	3010	2
Woodside Postal Service	54–20 Broadway	Woodside	NY	11377	Postal Service ..	3010	1
General Electric Company Aircraft Engine.	1 Neumann Way	Evendale	OH	45215	Air Force	3005 3010	2
Perry Nuclear Power Plant		Perry	OH		Energy	103a	2
Westinghouse Plant	P.O. Box 398704	Cincinnati	OH		Energy	103a	6
Atlantic Fleet Weapons Training Fac. Inner Range.		Vieques	PR	00765	Defense	3005 3010 3016	6
Beavertail Point Radar Station ...	Off Beavertail Rd	Jamestown	RI	02835	Defense	3016	3
Portsmouth Abandoned Mine	Betwn W Shore Rd & RR Tracks.	Portsmouth	RI		Defense	103c	3
South Dakota Air National Guard-CSMSI Mitch.	Municipal Airport	Mitchell	SD	57301	Army	3010	1
WAPA-Pierre Hydroelectric Plant	I–90	Pierre	SD	57501	Corps of Engineers, Civil.	103a	6
Fort Randall Project-Corps of Engineers.	Fort Randall Power Plant	Pickstown	SD	57367	Corps of Engineers-Civil Works.	3010	6
Fort Meade Medical Center	Engineering Service 138 .	Fort Meade	SD	57741	Veterans Administration.	3010	1
Capital Wire & Cable	910 10th St	Plano	TX	75086		3010	2
Federal Grain Union Equity	2631 Tidal Rd	Deer Park	TX	77536	Agriculture	3010	2
El Paso Border Patrol	8901 Montana St	El Paso	TX	79925	Justice	3010	1
Norfolk Naval Air Station	Building V82	Norfolk	VA	23511	Navy	3005 3010 3016 103c 103a	6
Norfolk Naval Aviation Depot		Norfolk	VA	23511	Navy	103a	6
Norfolk Naval Aviation Depot		Norfolk	VA		Navy	103a	6
Norfolk Navy Public Work Center.	640Z140	Norfolk	VA		Navy	103a	6
Southeastern Public Service		Portsmouth	VA		Navy	103a 3010	6
Centralia Army National Guard ..	309 Byrd Street	Centralia	WA	98531	Army	3010	2
Montesano Army National Guard	298 Clemons Road	Montesano	WA	98430	Army	3010	2
Lynnwood Vehicle Maintenance Facility.	6817 208th St SW	Lynnwood	WA	98036	Postal Service ..	3010	1
Martinsburg Hospital	Route 9	Martinsburg	WV	25401	Veterans Administration.	103c	6

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
C Chugach NF: Kenai Lake Work Center.	Mi 23.5 Seward Highway	Seward	AK	99664	Agriculture	103c 3010 3016	23, 20A
O Chugach National Forest	Mi 23.5 Seward Highway	Seward	AK	99664	Agriculture	103c 3010	
C Duncan Canal Level Island Vortac Site.	Level Island—North End .	Level Island (Petersburg).	AK	99833	Agriculture	3016 103c	20A
O Duncan Canal Level Island Vortac Site.	Level Island—North End .	Level Island (Petersburg).	AK		Agriculture	3016 103c	
C Tongass NF: Thorne Bay Dump.		Thorne Bay	AK	99919	Agriculture	103c	20A
O Tongass National Forest: Thorne Bay Dump.		Thorne Bay	AK	99919	Agriculture	103c	
C Dewline Site Bar-Main	Barter Isl., ½ Mi E of NE Shr.	Kaktovik	AK	99747	Air Force	103c 3016	23
O Dewline Site Bar-Main	Barter Isl., ½ Mi E of NE Shr.	Kaktovik	AK	99747	Air Force	103c	
C Dewline Site Pow-1	Lonely, Pitt Point, E of Smith Bay.	Lonely	AK	99999	Air Force	3010 103c 3016	23
O Dewline Site Pow-1	Lonely, Pitt Point, E of Smith Bay.	Lonely	AK	99999	Air Force	3010 103c	
C Dewline Site Pow-2	Simpson Lagoon-Beaufort Bay.	Oliktok	AK	99599	Air Force	3010 103c 3016	23
O Dewline Site Pow-2	Simpson Lagoon-Beaufort Bay.	Oliktok	AK	99599	Air Force	3010 103c	
C Dewline Site Pow-3	E of Flaxman Island	Bullen Point	AK	99723	Air Force	3010 103c 3016	23
O Dewline Site Pow-3	E of Flaxman Island	Bullen Point	AK	99723	Air Force	3010 103c	
C Dewline Site Pow-Main	Point Barrow Between N Salt Lagoon & Imikpuk.	Point Barrow Station.	AK	99723	Air Force	3010 103c 3016	23
O Dewline Site Pow-Main	Point Barrow Between N Salt Lagoon & Imikpuk.	Point Barrow Station.	AK	99723	Air Force	3010 103c	
C Elmendorf Air Force Base	21 CSG/CC 21	Elmendorf AFB .	AK	99506–5000	Air Force	3005 3010 3016 103c 103a	23
O Elmendorf Air Force Base	21 CSG/CC 21	Elmendorf AFB .	AK	99506–5000	Air Force	3005 3010 3016 103c	
C Noatak National Guard Bureau.	(Unspecified)	Noatak	AK	99761	Army	103c	20A
O Noatak National Guard Bureau.	(Unspecified)	Noatak	AK		Army	103c	
C NOAA-National Marine Fisheries Service.	Pribilof Island	St Paul Islands .	AK	99660	Commerce	103c	20A
O NOAA-St. Paul Island	171' 30' 30" Long W and 57' 5'.	St. Paul Village .	AK		Commerce	103c	
C Whittier Tank Farm	¾ Mi N of Town	Whittier	AK	99693	Defense	103c 3016	23
O Whittier Tank Farm	¾ Mi N of Town	Whittier	AK	99693	Defense	103c	
C BLM-Chandalar Dump	T16S, R11E, Sec 9 UM 155 Mi SE Cy.	Barrow	AK	99723	Interior	103c	20A
O BLM-Chandalar Dump	T16S, R11E, Sec 9	Umiat Meridian .	AK	99723	Interior	103c	
C BLM-Old Man Camp Site	T19N, R14W, Sec 19 and T19N, R15W, Sec 24.	Fairbanks Meridian.	AK	99720	Interior	103c	20A
O BLM-Old Man Camp Site	T19N, R14W, Sec 19 & T19N, R15W, Sec 24.	Fairbanks Meridian.	AK		Interior	103c	
C BLM-Paxson Dump	T22S, R12E, Sec 31	Fairbanks Meridian.	AK	99737	Interior	103c	20A
O BLM-Paxson Dump	T22S, R12E, Sec 31	Fairbanks Meridian.	AK		Interior	103c	
C BLM-Pump Station 12 Dump Site NWSW.	T4S, R1E, Sec 26	Copper Center ..	AK	99573	Interior	103c	20A
O BLM-Pump Station 12 Dump Site.	T.4.S., R.1.E., Sec 26	Copper Center ..	AK		Interior	103c	
C BLM-Red Devil Mine Waste Ponds.	L61–10–12 L149–56–48 .	Bethel	AK	99656	Interior	3016 103c	20A
O BLM-Red Devil Mine Waste Ponds.	L61–10–12 L149–56–48 .		AK		Interior	3016 103c	
C BLM-Sag River Dump	T8S, R14E, Sec 8	Umiat Meridian .	AK	99740	Interior	103c	20A
O BLM-Sag River Dump	T8S, R14E, Sec 8	Umiat Meridian .	AK		Interior	103c	
C BLM-Slana Dump Site	Mile 67 of Denali Hwy		AK	99729	Interior	103c	20A
O BLM-Slana Dump Site	Mile 67 of Denali Hwy		AK		Interior	103c	
C BLM-Tangle Lakes Dump Site	Mile 22 Denali Hwy	Paxson	AK	99737	Interior	103c	20A

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
O BLM-Tangle Lakes Dump Site	Mile 22 Denali Hwy	Paxson	AK		Interior	103c	
C FWS-Skilak Guard Station		Soldotna	AK	99669	Interior	103c 3016	20A
O FWS-Skilak Guard Station		Soldotna	AK		Interior	103c 3016	
C NPS-Bering Land Bridge National Preserve.	P.O. Box 220	Nome	AK	99762	Interior	103c 3016	23
O NPS-Bering Land Bridge National Preserve.	P.O. Box 220	Nome	AK	99762	Interior	103c	
C NPS-Denali National Park and Preserve.	P.O. Box 9	Denali Park	AK	99755	Interior	3016 103c	20A
O NPS-Denali National Park and Preserve.	P.O. Box 9	Denali Park	AK		Interior	3016 103c	
C NPS-Yukon-Charley Rivers National Park.	T5N, R21E, Sec 3 & 4	Eagle	AK	99738	Interior	103c 3016	23
O NPS-Yukon-Charley Rivers National Park.	T5N, R21E, Sec 3 & 4	Eagle	AK	99738	Interior	103c	
C Cape Sabine Dew Line Site	Point Hope, 65 MI SE	Point Hope	AK	99766	Navy	103c	22
O BLM-Cape Sabine Dew Line Site.	Point Hope, 65 MI SE	Point Hope	AK	99766	Interior	103c	
C Northeast Cape St. Lawrence Island.	70 MI E of Savoonga St. Lawrence.	Northeast Cape	AK	99769	Navy	3010 3016 103c	23, 20A
O Northeast Cape St. Lawrence Island.	70 MI E of Savoongs St Lawrence.	Northeast Cape	AK	99769	Navy	3010	
C FAA-Air Route Traffic Center	5400 Davis Highway	Anchorage	AK	99506	Transportation	103c 3010	20A
O FAA-Air Route Traffic Center	5400 Davis Highway	Anchorage	AK		Transportation	103c 3010	
C FAA-Aniak Airport	61' 34N 159' 31'W	Aniak	AK	99557	Transportation	103c 3016	22
O BLM-Aniak Airport	61' 34N 159' 31'W	Aniak	AK	99557	Interior	103c 3016	
C FAA-Cape Yakataga Facility	Cape Yakataga	Cape Yakataga	AK	99574	Transportation	3010 3016	20A
O FAA-Capa Yakataga Facility	Cape Yakataga	Cape Yakataga	AK	99574	Transportation	3010 3016	
C FAA-Dillingham Airport	Dillingham	Dillingham	AK	99576	Transportation	3016 103c	22
O BLM-Dillingham Airport	Dillingham	Dillingham	AK	99576	Interior	3016 103c	
C FAA-Farewell Facilities	Farewell Airport Area	Farewell	AK	99695	Transportation	3010 103c 3016	23
O FAA-Farewell Facilities	Farewell Airport Area	Farewell	AK	99695	Transportation	3010	
C FAA-Fort Yukon Airport	Fort Yukon Airport	Fort Yukon	AK	99740	Transportation	3016 103c	22
O BLM-Fort Yukon Airport	Fort Yukon Airport	Fort Yukon	AK	99740	Interior	3016 103c	
C FAA-Haines Air Navigation Site.	Haines-FAA Road	Haines	AK	99827	Transportation	103c	22
O BLM-Haines Air Navigation Site.	Haines-FAA Road	Haines	AK	99827	Interior	103c	
C FAA-Homer Airport	Homer	Homer	AK	99603	Transportation	3016 103c	22
O BLM-Homer Airport	Homer	Homer	AK	99603	Interior	3016 103c	
C FAA-Johnstone Point Air Naval Station.	Johnstone Point Nav Aids	Cordova	AK	99574	Transportation	3016 103c	20A, 23
O Hinchinbrook Island-Johnstone Point.	Johnstone Point VOR/		AK		Transportation	3016	
C FAA-Kotzebue Airport	Kotzebue Airport	Kotzebue	AK	99752	Transportation	3016 103c	22
O BLM-Kotzebue Airport	Kotzebue Airport	Kotzebue	AK	99752	Interior	3016 103c	
C FAA-Moses Point Facility	Moses Point Airfield Nav Aids.	Moses Point	AK	99762	Transportation	3010 3016	20A
O FAA-Moses Point Facility	Moses Point Airfield Nav Aids.	Moses Point	AK	99825	Transportation	3010 3016	
C FAA-North Nenana Vortac Site.	Nenana	Nenana	AK	99760	Transportation	3016 103c	22
O BLM-North Nenana Vortac Site.	Nenana	Nenana	AK	99760	Interior	3016 103c	
C FAA-Puntilla Air Navigation Site.	Puntilla Lake	Puntilla Lake	AK	99999	Transportation	3016 103c	22
O BLM-Puntilla Air Navigation Site.	Puntilla Lake	Puntilla Lake	AK	99999	Interior	3016 103c	
C FAA-Skwentna Airfield	Skwentna Airfield	Skwentna	AK	99667	Transportation	103c 3016	22
O BLM-Skwentna Airfield	Skwentna Airfield	Skwentna	AK	99667	Interior	103c 3016	
C FAA-Talkeetna Airport	Talkeetna Airport	Talkeetna	AK	99676	Transportation	3016 103c	22
O BLM-Talkeetna Airport	Talkeetna Airport	Talkeetna	AK	99676	Interior	3016 103c	
C FAA-Unalakeet Airport	Unalakeet	Unalakeet	AK	99684	Transportation	3016 103c	22
O BLM-Unalakeet Airport	Unalakeet	Unalakeet	AK	99684	Interior	3016 103c	
C FAA-Woody Island Navigation Site.	Woody Island	Kodiak	AK	99615	Transportation	3016 103c	22
O BLM-Woody Island Navigation Site.	Woody Island	Kodiak	AK	99615	Interior	3016 103c	
C Percy Roy Farm	County Rd. 40	Pine Level	AL	36065	Agriculture	3016	21
O Percy Roy Farm	County Rd. 40	Pine Level	AL	36065		3016	

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
C Gunter Air Force Station	US 231 & Dairide Road ..	Montgomery	AL	36112	Air Force	103c 3016	23
O Gunter Air Force Station	US 231 & Dairide Road ..	Montgomery	AL	36112	Air Force	103c	
C Martin-Gadsden Air National Guard Station.	Gadsden Municipal Airport.	Gadsden	AL		Air Force	103c 3010	20A
O Martin-Gasden Air National Guard Station.	Gadsden Municipal Airport.	Gadsden	AL		Air Force	103c 3010	
C Fort McClellan Chemical and MP Centers.	Off AL Hwy 202A and US Hwy 21.	Fort McClellan, Calhoun City.	AL	36205	Army	3005 3010 3016 103c	20A
O Chemical and MP Centers and Fort McClellan.	Off AL Hwy 202 US Hywy 21.	Fort McClellan, Calhoun City.	AL	36205	Army	3005 3010 3016 103c	
C Guntersville Hydro Plant	Off US Hwy 431, 11 Mi NW of Guntersville.	Guntersville	AL	35976	Tennessee Valley Authority.	3010	20A
O Guntersville Hydropower Plant	Off US Hwy 431, 11 Mi. NW of Guntersville.	Guntersville	AL	35976	Tennessee Valley Authority.	3010	
C Wheeler Hydro Plant	Rt 2	Town Creek	AL	35672	Tennessee Valley Authority.	3010 103a	20A
O Wheeler Hydropower Plant	Rt 2	Town Creek	AL	35672	Tennessee Valley Authority.	3010 103a	
C Wilson Hydro Plant	AL Hwy 133	Florence	AL	35660	Tennessee Valley Authority.	3010	20A
O Wilson Hydropower Plant	AL Hwy 133	Florence	AL	35660	Tennessee Valley Authority.	3010	
C Millwood Resident Engineers Office.	Route 1	Ashdown	AR		Corps of Engineers, Civil.	103c	20A
O Millwood Reservation	Route 1	Ashdown	AR		Corps of Engineers, Civil.	103c	
C Apache/Sitgreaves NF: Middle Mtn Silvex Site.	P.O. Box 640	Springerville	AZ	85938	Agriculture	103c 3016	23, 20A
O Apache/Sitgreaves NF-Middle Mtn Silvex Site.	P.O. Box 640	Springerville	AZ	85938	Agriculture	103c	
C Prescott NF: Upper Lynx Creek Mines.	344 South Cortez	Prescott	AZ	86303	Agriculture	103c 3016	23, 20A
O Prescott National Forest	344 South Cortez	Prescott	AZ	86303	Agriculture	103c	
C Plant #44 (Hughes Aircraft Co.).	Old Nogales Road	Tucson	AZ	85734	Air Force	3005 3016 103a	23
C Plant #44 (Hughes Aircraft Co.).	Old Nogales Road	Tucson	AZ	85734	Air Force	3005 3016	
C Yuma Proving Ground	US Army Yuma Proving Ground.	Yuma	AZ	85364	Army	3005 3010 3016 103c 103a	23
O Yuma Proving Ground	US Army Yuma Proving Ground.	Yuma	AZ	85364	Army	3005 3010 3016 103c	
C BIA-San Carlos Irrigation Project.	Cm Hwy 287 and Coolidge Blvd.	Coolidge	AZ	85228	Interior	3010	20A
O BR-San Carlos Irrigation Project.	Cm Hwy 287 & Coolidge Blvd.	Coolidge	AZ	85228	Interior	3010	
C BIA-Somerton Landfill	S of AZ 95 at 16th St and Ave B.	Somerton	AZ		Interior	103c	20A
O BR-Somerton Landfill	S of AZ 95 at 16th St & Ave B.	Somerton	AZ		Interior	103c	
C DEA-Phoenix	3020 N 2nd Street	Phoenix	AZ	85002	Justice	103a	20A
O DEA-Phoenix	3010 N 2nd Street	Phoenix	AZ	85002	Justice	103a	
C Angeles NF: Dillon Divide Midnight Dump.	Dillon Divide off Little Tujunga Road.	San Fernando	CA		Agriculture	103a	20A
O Angeles Nat'l Forest: Dillon Divide Midnight Dump.	Dillon Divide off Little Tujunga Road.	San Fernando	CA		Agriculture	103a	
C Los Padres NF: Black Bob Mine Tailings.	Aprx 5 Mi SW of Lebec, Sec 110 T9N R20W.	Lebec	CA		Agriculture	103c	20A
O Los Padres National Forest (Black Bob Mine Tail.).	Aprx 5 M. S.W of Lebec, Sec 10T. 9N–R.20W.	Lebec	CA		Agriculture	103c	
C Los Padres NF: Gibraltar Mining Company.	6144 Calle Real	Goleta	CA		Agriculture	103c	20A
O Los Padres National Forest (Gibraltar Mining Co.).	6144 Calle Real	Goleta	CA		Agriculture	103c	
C Plumas NF: Walker Mine Tailings.	159 Lawrence St, Box 11500.	Quincy	CA	95971–6025	Agriculture	103c 3016 3010	20A, 23

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
O Plumas National Forest	159 Lawrence St. Box 11500.	Quincy	CA	95971-6025	Agriculture	103c 3016	
C Beale Air Force Base	9 CSG/CC	Beale AFB	CA	95903	Air Force	3005 3010 3016 103c 103a	23
O Beale Air Force Base	9 CSG/CC	Beale AFB	CA	95903	Air Force	3005 3010 3016 103c	
C Jet Propulsion Laboratory	North Base Rd, Edwards AFB.	Edwards	CA	93523	Air Force	3010 3016	23
O Jet Propulsion Laboratory	North Base Rd, Edwards AFB.	Edwards	CA	93523	Air Force	3010	
C Travis Air Force Base	60 ABG/CC Air Base Parkway Fairfield 6 Mi E of Address.	Travis AFB	CA	94535	Air Force	3005 3010 3016 103c 103a	23
O Travis Air Force Base	60 ABG/CC Air Base Parkway Fairfield 6 Mi E of Address.	Travis AFB	CA	94535	Air Force	3005 3010 3016 103c	
C Laboratory for Energy-Health Research (LEHR).	Old Davis Road	Davis	CA	95616	Energy	3016 103c	23
O Laboratory for Energy-Health Research (LEHR).	Old Davis Road	Davis	CA	95616	Energy	3016	
C WAPA-Tracy Pump & Substation.	Mountainhouse and Kelsa Roads.	Tracy	CA	95376	Energy	103c 3010 3016	23
O WAPA-Tracy Pump & Substation.	Mountainhouse and Kelsa Roads.	Tracy	CA	95376	Energy	103c 3010	
C BLM-Aurora Canyon Millsite	Nearest City Bridgeport	Bridgeport	CA	93517	Interior	103c 3016	23
O BLM-Aurora Canyon Millsite	Nearest City Bridgeport	Bridgeport	CA	93517	Interior	103c	
C Ames Research Center	Environmental Health & Safety.	Moffett Field	CA	94035	NASA	3010 3016	23
O Ames Research Center	Environmental Health & Safety.	Moffett Field	CA	94035	NASA	3010	
C Bridgeport Marine Corps, Mountain Warfare Training.	Pickle Meadows	Bridgeport	CA	93517	Navy	3010 103c 3016	23
O Bridgeport Marine Corps, Mountain Warfare Training.	Pickle Meadows	Bridgeport	CA	93517	Navy	3010 103c	
C Camp Pendleton Marine Corps Base.	Bldg 2631	Camp Pendleton	CA	92055	Navy	3005 3010 3016 103c 103a	23
O Camp Pendleton Marine Corps Base.	Bldg 2631	Camp Pendleton	CA	92055	Navy	3005 3010 3016 103c	
C Chocolate Mtn Aerial Gunnery Range-Seal Camp Area.	Niland Nearest Town	Imperial County	CA	92557	Navy	103c	20A
O Chocolate Mountain Seal Camp Area.	Niland Nearest Town	Imperial County	CA		Navy	103c	
C Dixon Naval Radio Transmitting Facility.	Radio Station Road	Dixon	CA	95620	Navy	103c 3016	23
O Dixon Naval Radio Transmitting Facility.	Radio Station Road	Dixon	CA	95620	Navy	103c	
O Long Beach Naval Station	Seaside Ave	Long Beach	CA	90822	Navy	3010 103c 103a	23
C Long Beach Naval Station	Seaside Ave	Long Beach	CA	90822	Navy	3010 103c	
C Moffett Field Naval Air Station		Moffett Field	CA	94035	Navy	3005 3010 3016 103c 103a	23
O Moffett Field Naval Air Station		Moffett Field	CA	94035	Navy	3005 3010 3016 103c	
C Port Hueneme Naval Construction Battalion Center.	Ventura Road and Channel Island Boulevard.	Port Hueneme	CA	93043	Navy	103a	20A
O Port Hueneme Construction Batallion Center.	Building 1360 NEESA	Port Hueneme	CA	93043	Navy	103a	
C San Clemente Island	Building 60130 San Clemente Island.	San Clemente	CA	92136	Navy	103c 103a	23
O San Clemente Island	Building 60130 San Clemente Island.	San Clemente	CA	92136	Navy	103c	

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
C San Diego Public Works Center.	San Diego Naval Station .	San Diego	CA	92145	Navy	3010 103c 103a	23
O San Diego Public Works Center.	San Diego Naval Station .	San Diego	CA	92145	Navy	3010 103c	
C Rio Grande NF: Bonanza Mining Area.	1803 West Highway 160 .	Monte Vista	CO	81144	Agriculture	103c 3016	23, 20A
O Rio Grande National Forest—Bonanza Mining Area.	1803 West Highway 160 .	Monte Vista	CO	81144	Agriculture	103c	
C BLM—Oak Creek Landfill (Routt County).	T4N, R86W, Sec 24 W½ SE¼ SW½.	Routt County	CO	.....	Interior	103c	20A
O BLM—Oak Creek Landfill	.....	Routt County	CO	.....	Interior	103c	
C BLM—Town of Mesa Landfill .	T10S, R96W, Sec22	Molina	CO	.....	Interior	103c	20A
O BLM—Town of Mesa Landfill .	T19SR96WSec22	Molina	CO	.....	Interior	103c	
C GS—Denver, NWQL	5293 Ward Rd.	Denver	CO	80225	Interior	3010 3016	23
O GS—Denver, NWQL	5293 Ward Rd.	Denver	CO	80225	Interior	3010	
C Central Direct Fed. Division Materials—FHWA.	6th St., Bldg. 52, DFC	Denver	CO	80225	Transportation ..	3005 3010 103c 3016	23
O Central Direct Fed. Division Materials—FHWA.	6th St., Bldg. 52, DFC	Denver	CO	80225	Transportation ..	3005 3010 103c	
C Connecticut Air National Guard, Bradley Base.	Bradley ANG Base	East Granby	CT	06026	Air Force	3010	20A
O Connecticut Army National Guard, Bradley Base.	Bradley ANG Base	East Granby	CT	06026	Air Force	3010	
C U.S. Government Printing Office.	N Capitol & H Sts NW	Washington	DC	20401	General Services Administration.	3010 3005	23, 21
O U.S. Government Printing Office.	N Capitol & H Sts NW	Washington	DC	20401	.....	3010	
C Osceola National Forest Site 1.	Highway 100	Lake City	FL	32055	Agriculture	3016 103c	20A
O Osceola National Forest: Site 1.	Highway 100	Lake City	FL	32055	Agriculture	3016 103c	
C Hurlburt Field	1 SOCES/CEV	Hurlburt Field	FL	32544	Air Force	3005 3010 103c 103a	23, 20A
O Hurlburt Field	834 CSG/CC	Hurlburt Field	FL	32544	Air Force	3005 3010 103c	
C Key West Naval Air Station—Boca Chica.	Naval Air Station	Key West	FL	33042	Navy	3005 3010 3016 103c 103a	20A, 23
O Key West Naval Air Station ...	Naval Air Station	Key West	FL	33042	Navy	3005 3010 3016 103c	
C Orlando Naval Training Center	8 Street/NTC	Orlando	FL	30213	Navy	103c 3010 103a	23
O Orlando Naval Training Center.	8 Street/NTC	Orlando	FL	30213	Navy	103c 3010	
C Orlando Naval Training Center	Bennett and Maguire	Orlando	FL	32813	Navy	3010	20A
O Orlando Naval Training Center.	Main Base Bennett & Maguire.	Orlando	FL	32813	Navy	3010	
C Saufley Field NETPMSA	6490 Saufley Field Road .	Pensacola	FL	32509–5000	Navy	103c 3010	20A
O Saufley Field NAS	.....	.....	FL	.....	Navy	103c 3010	
C Garden City Air National Guard Training Site.	Savannah International Airport.	Garden City	GA	31408	Air Force	3010	21
O Garden City Air National Guard Training Site.	Savannah International Airport.	Garden City	GA	31408	Army	3010	
C Guam Fleet and Industrial Supply Center.	Marine Drive	Piti	GU	96630	Navy	3010 3016	20A
O Guam Naval Supply Depot	Sumay Drive Supply Depot.	Naval Station	GU	96630	Navy	3010 3016	
C Johnston Atoll National Wildlife Refuge.	P.O. Box 50167	Honolulu	HI	96850	Army	3010 3016 103a	23
O Johnston Atoll National Wildlife Refuge.	P.O. Box 50167	Honolulu	HI	96850	Army	3010 3016	
C FWS-Baker Island National Wildlife Refuge.	300 Ala Moana Blvd	Honolulu	HI	96813	Interior	3016 103c	23, 20A
O FWS-Baker National Wildlife Refuge.	P.O. Box 50167	Honolulu	HI	96850	Interior	3016	

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
C FWS-Howland Island National Wildlife Refuge.	300 Ala Moana Blvd	Honolulu	HI	96813	Interior	3016	20A
O FWS-Howland Island National Wildlife Refuge.	Lat 1 N, Long 170 W	1 N, 170 W	HQ	.....	Interior	3016 103c	
C Barbers Point Naval Air Station.	.....	Barbers Point	HI	96862	Navy	3010 3016 103c 103a	23
O Barbers Point Naval Air Station.	.....	Barbers Point	HI	96862	Navy	3010 3016 103c	
C Pearl Harbor Naval Station	US Naval Sta	Pearl Harbor	HI	96860	Navy	3010 3016 103c 103a	23
O Pearl Harbor Naval Station	US Naval Sta	Pearl Harbor	HI	96860	Navy	3010 3016 103c	
C Urbandale Bulk Mail Center ...	4000 NW 109th Street	Urbandale	IA	50395	Postal Service ..	3016	20A
O Des Moines Bulk Mail Center	4000 NW 109th Street	Urbandale	IA	50395	Postal Service ..	3016	
C Boise NF: Kirby Dam Monarch Stamp Mill Site.	750 Front Street	Boise	ID	83702	Agriculture	103c 3016	23, 20A
O Boise National Forest	750 Front Street	Boise	ID	83702	Agriculture	103c	
C Boise NF: Missouri Mine	Idaho City District	Idaho City	ID	83631	Agriculture	3016	20A
O Boise National Forest: Missouri Mine.	Idaho City Dist	.....	ID	.....	Agriculture	3016	
C Payette NF: Cinnabar Mine	Krassel District	.....	ID	.....	Agriculture	3016	20A
O Payette National Forest: Cinnabar Mine.	Krassel Dist	.....	ID	.....	Agriculture	3016	
C Payette NF: Stibnite Mine	P.O. Box 1026	McCall	ID	83638	Agriculture	103c 3016	23, 20A
O Payette National Forest	P.O. Box 1026	McCall	ID	83638	Agriculture	103c	
C Salmon NF: Blackbird Mine ...	P.O. Box 729	Salmon	ID	83467	Agriculture	103c 3016	20A, 23
O Salmon National Forest	P.O. Box 729	Salmon	ID	83467	Agriculture	103c	
C BLM-Black Mesa Dump	T6S, R10E, Sec. 13	Glenns Ferry	ID	83623	Interior	103c	20A
O BLM-Black Mesa Dump	T.6.S.R.10.E.Sec. 13	.....	ID	.....	Interior	103c	
C BLM-Browns Gulch	T6S, R7E, Sec. 10 W½ ..	Bruneau	ID	83604	Interior	103c	20A
O BLM-Browns Gulch	T6S R7E Sec. 10 W½	Bruneau	ID	.....	Interior	103c	
C BLM-Butte North Isolated Tract Hazardous Site.	T12S, R21E, Sec 5	Burley	ID	83318	Interior	103c	20A
O BLM-Butte North Isolated Tract Hazardous Site.	T12S, R21E, Sec 5	.....	ID	.....	Interior	103c	
C BLM-Castleford Butte	T10S, R12E, Sec 23	Castleford	ID	83321	Interior	103c	20A
O BLM-Castleford Butte	T10S R12E Sec 23	Castleford	ID	.....	Interior	103c	
C BLM-Central Cove Landfill	T3N, R4W, Sec 8 and 9 ..	Caldwell	ID	83605	Interior	3016 103c	20A
O BLM-Central Cove Landfill	T3NR4W Sec 8,9	Caldwell	ID	.....	Interior	3016 103c	
C BLM-Clarks Air Service Airstrip-Jarbridge Ra.	T6S, R9E, Sec 27	Glenns Ferry	ID	83623	Interior	103c	20A
O BLM-Clark's Air Service Airstrip-Jarbridge Ra.	T6S R9E, Sec 27	.....	ID	.....	Interior	103c	
C BLM-Delamar Silver Mine	T15S, R35E	Owyhee	ID	83650	Interior	103c	20A
O BLM-Delamar Silver Mine	T.15.S.R.35.E	Owyhee	ID	.....	Interior	103c	
C BLM-Dry Lakes Air Service Airstrip-Cascade Ra.	T1N, R3W, Sec 26	Canyon	ID	83650	Interior	103c	20A
O BLM-Dry Lakes Air Service Airstrip-Cascade Ra.	T1N, R3W, Sec 26	Canyon	ID	.....	Interior	103c	
C BLM-Gem County Landfill	Dewey Lane, 10M East of Emmett.	Emmett	ID	83617	Interior	103c	20A
O BLM-Gem County Landfill	Dewey Lane, 10M East of Emmett.	Emmett	ID	.....	Interior	103c	
C BLM-Idaho Air National Guard-Gowen Field.	43 33 N, 116 13W	Boise	ID	83705	Interior	3005 3010 103c	20A
O BLM-Idaho Air National Guard-Gowen Field.	43 33 N, 116 13 W	Boise	ID	.....	Interior	3005 3010 103c	
C BLM-Jerome County Landfill ..	.....	Jerome County .	ID	83338	Interior	103c	20A
O BLM-Jerome County Landfill ..	.....	Jerome County .	ID	.....	Interior	103c	
C BLM-Menan Unauthorized Dump.	T6N, R38E, Sec 26 and 27.	Madison	ID	83440	Interior	103c	20A
O BLM-Menan Unauthorized Dump.	T6NR38E Sec 26 & 27 ...	Madison	ID	.....	Interior	103c	
C BLM-Montview	T8N, R34E, Sec 22 NWNW E of City.	Montview	ID	83435	Interior	103c	20A
O BLM-Montview	T8N R34ES EC22 NWNW E of City.	Montview	ID	.....	Interior	103c	
C BLM-Reeder Flying Service Airstrip #3.	T8S, R13E, Sec 6	Glenns Ferry	ID	83623	Interior	103c 3010	23, 20A

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
O BLM-Reeder Flying Service Airstrip #3.	T8SR13E Sec 6	Glenns Ferry	ID	83623	Interior	103c	
C BLM-Warrior Road	T35N, R1W, Sec 11 Nearest City Kona.	Kona	ID	83634	Interior	103c	20A
O BLM-Warrior Road	T35N, R1W, Sec 11 Nearest City Kona.	Kona	ID		Interior	103c	
C Peoria Army Maintenance Support Activity 48G.	3523 W Farmington Rd	Peoria	IL	61604	Army	3010	20A
O AMSA 48 G	3523 W Farmington Rd	Peoria	IL	61604	Army	3010	
C Wayne-Hoosier NF: Branchville Site.		Bedford	IN	47421	Agriculture	103c 3016	23, 20A
O Wayne/Hoosier National Forest: Branchville Site.		Bedford	IN	47421	Agriculture	103c	
C Armor School and Center at Fort Knox.	Hwy 31 W	Fort Knox	KY	40121	Army	3005 3010 3016 103a	23
O Armor School and Center at Fort Knox.	Hwy 31 W	Fort Knox	KY	40121	Army	3005 3010 3016	
C Lexington Bluegrass Depot Activity.	US Hwy 421	Richmond	KY	40475	Army	3005 103c	20A
O Lexington Blue Grass Depot Activity.	US Hwy 421	Richmond	KY	40475	Army	3005 103c	
C Kentucky Hydro Plant	Hwy 62 and 641	Gilbertsville	KY	42044	Tennessee Valley Authority.	3010	20A
O Kentucky Hydropower Plant	Hwy 62 & 641	Gilbertsville	KY	42044	Tennessee Valley Authority.	3010	
C England Air Force Base	23 CSG/DE	England AFB	LA	71311	Air Force	3005 3010 3016 103c	20A
O England Air Force Base SE	23 CSG/DE	England AFB	LA	71311	Air Force	3005 3010 3016 103c	
C New Orleans Military Ocean Terminal.	4400 Dauphine St	New Orleans	LA	70145	Army	103c	20A
O New Orleans Military Terminal	4400 Dauphine St.	New Orleans	LA	70145	Army	103c	
C SPR-West Hackberry	3.8 Mi W of Hackberry, Hwy 390.	Hackberry	LA		Energy	103c	20A
O SPR-West Hackberry Site	3.8 Mi W of Hackberry, Hwy 390.	Hackberry	LA		Energy	103c	
C New Orleans Naval Support Activity.	2600 Gen Meyer Ave Bldg 101.	New Orleans	LA		Navy	103c	20A
O New Orleans Naval Support Action.	2600 Gen Meyer Ave Bldg 101.	New Orleans	LA		Navy	103c	
C Bedford Naval Weapons Industrial Reserve Plant.	Hartwell Road	Bedford	MA	01730	Navy	3016 103c	20A
O Bedford Navpro	Hartwell Road	Bedford	MA	01730	Navy	3016 103c	
C Glenndale Plant Germplasm Quarantine Fac.	11601 Old Pond Road	Glenn Dale	MD	20769	Agriculture	103c 3010	23
O Glenndale Plant Germplasm Quarantine Fac.	11601 Old Pond Road	Glenn Dale	MD	20769	Agriculture	103c	
C Kaiser Aluminum & Chemical Corporation.	2000 Halethorpe Ave	Baltimore	MD	21227	Air Force	3010	21
O Kaiser Aluminum & Chemical Corporation.	2000 Halethorpe Ave	Baltimore	MD	21227		3010	
C Martin's Airport Air National Guard.	2701 Eastern Boulevard	Baltimore	MD	21220–2899	Air Force	103c 3016	20A
O Martin's Airport Air National Guard.	Eastern Ave and Wilson Point Rd.	Baltimore	MD	21220–2899	Air Force	103c 3016	
C Brunswick Naval Air Station	Bounded by Routes 24 & 123.	Brunswick	ME	04011	Navy	3005 3010 3016 103c 103a	23
O Brunswick Naval Air Station	Bounded by Routes 24 & 123.	Brunswick	ME	04011	Navy	3005 3010 3016 103c	
C Cutler Naval Communications Unit.		Cutler	ME	04626	Navy	3010 3016	23
O Cutler Naval Communications Unit.		Cutler	ME	04626	Navy	3010	
C Fort Snelling National Cemetery, Minneapolis.	7601 34th Avenue South	Minneapolis	MN	55450	Veterans Administration.	3016 103c	23

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
O Fort Snelling National Cemetery, Minneapolis.	7601 34th Avenue South	Minneapolis	MN	55450	Veterans Administration.	3016	
C Atkins Farm	1.5 Mi W on Hwy 16 Then S 3/4 Mi.	Canton	MO	63435	Agriculture	103c 3016	23
O Atkins Farm	1.5 Mi W on Hwy 16 Then S 3/4 Mi.	Canton	MO	63435	Agriculture	103c	
C Hanley Area	E Natural Bridge Goodfellow Rd.	St Louis	MO	63120	Army	103c	20A
O Goodfellow Army Reserve Center Area #2.	E Natural Bridge Goodfellow Rd.	St Louis	MO	63120	Army	103c	
C Pascagoula Naval Station	Singing River Island	Pascagoula	MS	39561	Navy	3010 103a	23
O Pascagoula Naval Station	Singing River Island	Pascagoula	MS	39561	Navy	3010	
C Kootenai NF: Libby Airport Wood Trea.	Libby Airport	Libby	MT	59923	Agriculture	3016	20A
O Kootenai National Forest: Libby Airport Wood Trea.	Libby Airport	Libby	MT	59923	Agriculture	3016	
C Nantahala NF: Graham County Landfill.	North of Snowbird Mountain.	Robbinsville	NC		Agriculture	3016 103c	20A
O Nantahala National Forest-Graham County Landfill.	North of Snowbird Mountain.	Robbinsville	NC		Agriculture	3016 103c	
C Nantahala NF: Swain County Landfill.	SR 1311	Bryson City	NC	28713	Agriculture	103c 3016	23, 20A
O Nantahala National Forest-Swain County Landfill.	SR 1311	Bryson City	NC	28713	Agriculture	103c	
C Omaha Naval and Marine Corps Reserve Center.	Fort Omaha	Omaha	NE	68102	Navy	103c 103a	23
O Omaha Naval and Marine Corps Reserve Center.	Fort Omaha	Omaha	NE	68102	Navy	103c	
C Fort Monmouth	Tinton & Pinebrook	Tinton Falls	NJ	07724	Army	3010 3016 103c 103a	23
O Fort Monmouth	Tinton & Pinebrook	Tinton Falls	NJ	07724	Army	3010 3016 103c	
C Princeton Plasma Physics Laboratory.	Forrestal Campus	Princeton	NJ		Energy	103c 3010 3016	23
O Princeton Plasma Physics Laboratory.	Forrestal Campus	Princeton	NJ		Energy	103c 3010	
C Belle Mead Supply Depot	Belle Mead #1 Route 206	Belle Mead	NJ	08502	General Services Admin.	3010 103c 103a	23
O Belle Mead Supply Depot	Belle Mead #1 Route 206	Belle Mead	NJ	08502	General Services Admin.	3010 103c	
C Trenton Naval Air Propulsion Center.	Parkway Avenue PO Box 7176.	Trenton	NJ	08628–0176	Navy	3005 3010 3016 103c 103a	23
O Trenton Naval Air Propulsion Center.	Parkway Avenue PO Box 7176.	Trenton	NJ	08628–0716	Navy	3005 3010 3016 103c	
C FAA–NAFEC	Routes 563 and 575	Pomona	NJ	08405	Transportation	3016 103c 103a	23
O FAA–NAFEC	Routes 563 and 575	Pomona	NJ	08405	Transportation	3016 103c	
C Hillsborough Supply Depot	Route 206	Hillsborough Twp.	NJ	08853	Veterans Administration.	103c 3010	23
O Hillsborough Supply Depot	Route 206	Hillsborough Twp.	NJ	08853	Veterans Administration.	103c	
C Cibola NF: Cobb Resources Corporation.	Cibola National Forest	Magdalena	NM	87825	Agriculture	103c 3016	20A, 23
O Cibola National Forest	Cibola National Forest	Magdalena	NM	87825	Agriculture	103c	
C Cibola NF: Unc San Mateo Mine.	T13N, R8E, Sec 30, NE¾.	San Mateo	NM	87050	Agriculture	103c 3016	23, 20A
O Unc San Mateo Mine	T13N R8E, Sec 30 NE¾	San Mateo	NM	87050	Agriculture	103c	
C Lincoln NF: High Rolls Mining District.	3.3 M S of Inter. of W US 82.	High Rolls	NM	88325	Agriculture	103c 3016	20A, 23
O FS-High Rolls Mining District	3.3 M S of Inter. of W US 82.	High Rolls	NM	88325	Agriculture	103c	
C Santa Fe NF: La Bajada Mine	1.25 Mi Upstream From La Bajada.	La Bajada	NM		Agriculture	103c	20A
O La Bajada Mine	1.25 Mi Upstream From La Bajada.	La Bajada	NM		Agriculture	103c	
C Santa Fe NF: Pecos Campground.	1220 St. Francis Drive	Santa Fe	NM	87504	Agriculture	103c 3016	23, 20A

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
O Sante Fe National Forest	1220 St. Francis Drive	Santa Fe	NM	87504	Agriculture	103c	
C Fort Bliss Air Defense Center	McGregor Range FAW 10	McGregor Range.	NM	88003	Army	3010	20A
O Air Defense Center & Fort Bliss.	McGregor Range FAW 10	McGregor Range.	NM	88003	Army	3010	
C Whitesands Missile Range	Stews-Fe	White Sands	NM	88002–5076	Army	3005 3010 3016 103c 103a	20A
O White Sands Missile Range	Stews-Fe	White Sands	NM	88002–5076	Army	3005 3010 3016 103c 103a	
C BLM-Amax Chemical Company.	Eddy County	Artesia	NM	88201	Interior	103c 3016	20A
O BLM-Amax Chemical	Eddy County	Artesia	NM	88201	Interior	103c 3016	
C BLM-Bloomfield Landfill	T29N, R11W, Sec 34	Bloomfield	NM	87413	Interior	3016 103c	20A
O BLM-Bloomfield City Landfill	T29N, R11W, Sec 34	Bloomfield	NM	87413	Interior	3016 103c	
C BLM–Duval Corporation	20 Miles East of Carlsbad	Carlsbad	NM	88220	Interior	103c 3016	20A
O BLM–Duval Company	20 Miles East of Carlsbad	Carlsbad	NM	88220	Interior	103c 3016	
C BLM–Eddy Potash Company	3071 Potash Mine Road	Carlsbad	NM	88220	Interior	103c 3016	20A
O BLM–Potash Company of America (PCA).	Eddy County	Carlsbad	NM	88220	Interior	103c 3016	
C BLM–Hatch Landfill	T19S, R3W, Sec 4, Lot 1	Hatch	NM	87937	Interior	103c 3016	20A
O BLM–Hatch Landfill	T14S, R3W, Sec 4, Lot 1	Hatch	NM	87937	Interior	103c 3016	
C BLM–I&W Hot Oil Service	T17S, R31E, Sec 21	Loco Hills	NM	87415	Interior	103c 3016	20A
O BLM–I&W Oil Service Roswell	T20S, R31E, Sec 17, 18	Loving	NM	87415	Interior	103c 3016	
C BLM–Kerr McGee Laguna Toston.	Lee County	Hobbs	NM	88240	Interior	103c 3016	20A, 23
O BLM–Kerr-McGee Laguna Toston.	Lee County	Hobbs	NM	88240	Interior	103c	
C BLM–Kerr McGee Potash Company.	Lee County	Hobbs	NM	88240	Interior	103c	20A
O BLM–Kerr-McGee Chem Corp Hobbs Potash.	Lee County	Hobbs	NM	88240	Interior	103c	
C BLM–La Mesa Landfill	T25S, R2E, Sec 34	La Mesa	NM	88044	Interior	103c 3016	20A
O BLM–La Mesa	T25S, R2E, Sec 34	La Mesa	NM	88044	Interior	103c 3016	
C BLM–Mesilla Dam Landfill	T24W, R1E, Sec 14	Mesilla	NM	88046	Interior	103c 3016	20A
O BLM–Mesilla Landfill	T24W, R1E, Sec 14	Mesilla	NM	88046	Interior	103c 3016	
C BLM–South Farmington Landfill.	T29N, R13W, Sec 20	Farmington	NM	87401	Interior	3016 103c	20A
O BLM–South Farmington Sanitary Landfill.	T29N, R13W, Sec 20	Farmington	NM	87401	Interior	3016 103c	
C BLM–Standard Transpipe Corp.	T17S, R9E, Sec 18 and 19.	Alamogordo	NM	88310	Interior	103c 3016	20A
O BLM–Standard Transpipe Corp.	T17S, R9E, Sec 18, 19	Alamogardo	NM	88310	Interior	103c 3016	
C BLM–UNM Hazardous Waste Storage Facility.	T23S, R2E, Sec 23	Las Cruces	NM	88001	Interior	3005 3010 3016 103c	20A
O BLM–University of NM Hazardous Waste Storage Facil.	T23S, R2E, Sec 23	Las Cruces	NM	88001	Interior	3005 3010 3016 103c	
C White Sands Test Facility	14 Mi E and 6 Mi N of Las Cruces.	Las Cruces	NM	88004	NASA	3005 3010 3016 103c 103a	20A
O JSC Whitesands Test Facility	14 Mi E and 6 Mi N of Las Cruces.	Las Cruces	NM	88004	NASA	3005 3010 3016 103c 103a	
C Las Vegas Postal Service Main Office.	1001 Circus Dr	Las Vegas	NV	89114	Postal Service	3010 103a	23
O Las Vegas Postal Service Main Office.	1001 Circus Dr	Las Vegas	NV	89114	Postal Service	3010	
C Plant #59	600 Main Street	Johnson City	NY	13790	Air Force	3016 103c 3010	23
O Plant #59	600 Main Street	Johnson City	NY	13790	Air Force	3016 103c	
C Brookhaven National Laboratory.	53 Bell Ave	Upton	NY	11973	Energy	3005 3010 3016 103a	23

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
O Brookhaven National Laboratory.	53 Bell Ave	Upton	NY	11973	Energy	3005 3010 3016	
C West Valley Demonstration Project.	10300 Rock Springs Road.	West Valley	NY	14171	Energy	3005 3010 3016	20A
O West Valley Demonstration Project.	Rock Springs Road	West Valley	NY	14171	Energy	3005 3010 3016	
C Emmanuel Cellard Federal Building.	225 Cadman Plaza	Brooklyn	NY	11201	General Services Admin.	3010	20A
O Emmanuel Cellard Federal Bldg. 225CA.	225 Cadman Plaza	Brooklyn	NY	11201	General Services Admin.	3010	
C NPS-United Nuclear	Old Rte. 55	Pawling	NY	12564	Interior	103c 3010	23
O NPS-United Nuclear	Old Rte. 55	Pawling	NY	12564	Interior	103c	
C Manhattan General Mail Facility.	West 29th St and 9th Ave	New York	NY	10001	Postal Service	3010 103c	20A, 23
O New York Postal MGMF	W 29th St & 9th Ave	New York	NY	10001	Postal Service	3010	
C Wayne-Hoosier NF: Webb Site.	T4N, R16W, Sec. 18	Ironton	OH		Agriculture	103c 3016	20A
O Wayne-Hoosier National Forest Webb Site.	T4N, R16W, Sec. 18	Ironton	OH		Agriculture	103c 3016	
C NPS-Cuyahoga Valley National Recreational Area.	15610 Vaughn Road	Brecksville	OH	44141	Interior	3010 3016	20A
O NPS-Cuyahoga Valley National Recovery Area.	15610 Vaughn Road	Brecksville	OH	44141	Interior	3010 3016	
C Grazinglands Research	P.O. Box 1199	El Reno	OK	73036	Agriculture	3016 103c	20A, 23
O Forage and Livestock Research Laboratory.	P.O. Box 1199	El Reno	OK	73036	Agriculture	3016	
C Range and Pasture Research	2000 18th Street	Woodward	OK	73801	Agriculture	103c 3016	20A
O Southern Plains Range Research Laboratory.	2000 18th Street	Woodward	OK	73801	Agriculture	103c 3016	
C Atlas Missile Site #10		Mangum	OK	73554	Air Force	103c	20A
O Atlas Missile Site #10		Mangum	OK	73554	Air Force	103c	
C Atlas Missile Site #3		Snyder	OK	73566	Air Force	103c	20A
O Atlas Missile Site #3		Snyder	OK	73566	Air Force	103c	
C Atlas Missile Site #4		Cache	OK	73527	Air Force	103c	20A
O Atlas Missile Site #4		Cache	OK	73527	Air Force	103c	
C Atlas Missile Site #5		Manitou	OK	73555	Air Force	103c	20A
O Atlas Missile Site #5		Manitou	OK	73555	Air Force	103c	
C Atlas Missile Site #6		Manitou	OK	73555	Air Force	103c	20A
O Atlas Missile Site #6		Manitou	OK	73555	Air Force	103c	
C Atlas Missile Site #8		Olustee	OK	73560	Air Force	103c	20A
O Atlas Missile Site #8		Olustee	OK	73560	Air Force	103c	
C Atlas Missile Site #9		Hollis	OK	73550	Air Force	103c	20A
O Atlas Missile Site #9		Hollis	OK	73550	Air Force	103c	
C Fremont National Forest	524 North G Street	Lakeview	OR	97630	Agriculture	103c 3016	20A
O Fremont National Forest	524 North G Street	Lakeview	OR		Agriculture	103c 3016	
C Ochoco NF: Motherlode Mine	Highway 26 12 Mi E of Cy.	Prineville	OR	97754	Agriculture	103c 3016 3010	23, 20A
O Ochoco National Forest	Highway 26 12 Mi E of Cy.	Prineville	OR	97754	Agriculture	103c	
C Willamette National Forest	Highway 126 35 Mi E of Cy.	Eugene	OR	97440	Agriculture	3016 103c	20A
O FS-Willamette National Forest	Highway 126 35 Mi E of Cy.	Eugene	OR	97440	Agriculture	3016 103c	
C PETC	PO Box 10940	Pittsburgh	PA	15236	Energy	3010 103c 3016	23
O PETC	PO Box 10940	Pittsburgh	PA	15236	Energy	3010 103c	
C BM-Bruceton	626 Cochrans Mill	Bruceton	PA	15025	Interior	3010 103c 3016	23
O BM-Bruceton	626 Cochrans Mill	Bruceton	PA	15025	Interior	3010 103c	
C Allenwood Federal Prison Camp.	Route 15	Montgomery	PA	17752	Justice	3016 103c 3010	23
O Allenwood Federal Prison Camp.	Route 15	Montgomery	PA	17752	Justice	3016 103c	
C Eastern Vieques	Vieques	Vieques	PR	00765	Navy	103c 3005 3010 3016	20A, 23
O Camp Garcia #1	Vieques	Vieques	PR	00765	Navy	103c	
C Sabana Seca Naval Security Group Activity.	Route 866	Sabana Seca	PR	00952	Navy	3010 3016	20A
O Sabana Seca Naval Security Group Activity.	Sabana Seca	Sabana Seca	PR	00749	Navy	3010 3016	

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
C North Smithfield Nike Control Area.	Old Oxford Road	North Smithfield	RI	02876	Air Force	103c	20A
O Rhode Island Air National Guard 102nd.	Old Oxford Rd./North Smithfield.	Slatersville	RI	02876	Air Force	103c	
C North Smithfield Nike Launcher Area.	Poundhill Road	North Smithfield	RI	02857	Army	103c	20A
O North Smithfield Nike Site	Poundhill Road	North Smithfield	RI	02876	Army	103c	
C FWS-Ninigret Natl Wildlife Refuge Disposal Areas.	P.O. Box 307	Charlestown	RI	02813	Interior	3016 103c	20A
O FWS-Charlestown Naval Air Station.	PO Box 307	Charlestown	RI	02813	Interior	3016 103c	
C FWS-Sachuest Point Dump National Wildlife Refuge.	Sachuest Point Road	Middletown	RI	02840	Interior	103c	20A
O FWS-Sachuset Point Dump	Sachuset Point Road	Middletown	RI	02840	Interior	103c	
C Davisville Naval Construction Battalion Center.	Off Sanford Road	North Kingstown	RI	02871	Navy	3016 103c 103a	20A
O Davisville Naval Construction Battalion Center.	Off Quonessett Rd	North Kingstown	RI	02871	Navy	3016 103c 103a	
C Newport Naval Education and Training Center.	Defence Highway (Burma Road).	Middletown	RI	02841	Navy	3005 3010 3016 103c 103a	20A, 23
O Newport Naval Education and Training Center.	Public Works Dept. Code 42.	Newport	RI	02841	Navy	3005 3010 3016 103c	
C Fort Jackson and Training Center.	Jackson Blvd	Fort Jackson	SC	29207	Army	3005 3010 3016 103a	20A
O Training Center and Fort Jackson.	Jackson Blvd	Fort Jackson	SC	29207	Army	3005 3010 3016 103a	
C Charleston Naval Shipyard	Viaduct Road	Charleston	SC	29408	Navy	3005 3010 3016	20A
O Charleston Naval Shipyard	Viaduct Road	Charleston	SC	29408	Navy	3005 3010 3016	
C Black Hills NF: Custer Ranger District.	647 North 3rd St	Custer	SD	57730	Agriculture	3010 3016	23, 20A
O Custer Ranger District BH National Forest.	647 North 3rd St	Custer	SD	57730	Agriculture	3010	
C Black Hills NF: Spokane Munitions.	R6E, T25, SW¼, Sec 26	Spokane	SD		Agriculture	103c 3016	23, 20A
O Spokane Munitions	R6E, T25, SW¼, Sec 26	Spokane	SD		Agriculture	103c	
C Mississippi River Division	Cold Brook Dam	Hot Springs	SD	57747	Corps of Engineers, Civil.	103a 103c	20A, 23
O Mississippi River Division	Cold Brook Dam	Hot Springs	SD		Corps of Engineers, Civil.	103a	
C Pierre Hydroelectric Plant	I-90	Pierre	SD	57501	Corps of Engineers, Civil.	103a	21
O Pierre Hydroelectric Plant	I-90	Pierre	SD	57501	Energy	103a	
C Milan Army Ammunition Plant	Hwy 104	Milan	TN	38358-5000	Army	3005 3010 3016 103c 103a	23
O Milan Army Ammunition Plant	Hwy 104	Milan	TN	38358-5000	Army	3005 3010 3016 103c	
C Ensley Engineer Yard	1726 Mithchell Rd	Memphis	TN	38109	Corps of Engineers, Civil.	3010	22
O Ensley Engineer Yard-Corps of Engineers.	1726 Mithchell Rd	Memphis	TN	38109	Corps of Engineers-Civil Works.	3010	
C Boone Hydro Plant	TN Hwy 75/8 Mi SE of	Kingsport	TN	37662	Tennessee Valley Authority.	103a	20A
O Boone Hydropower Plant	TN Hwy 75/8 Mi SE of	Kingsport	TN	37662	Tennessee Valley Authority.	103a	
C Johnsonville Fossil Plant	US Hwy 70E	New Johnsonville.	TN	37134	Tennessee Valley Authority.	103c 3010 103a 3005	20A
O Johnsonville Steam Plant	US Hwy 70 E	New Johnsonville.	TN	37134	Tennessee Valley Authority.	103c 3010 103a 3005	

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
C Ripley Substation	Webb Road	Ripley	TN		Tennessee Valley Authority.	103a	20A
O Ripley	Webb Road	Ripley	TN		Tennessee Valley Authority.	103a	
C Watauga Hydro Plant	Wilbur Dam Rd 5 Mi E of	Elizabethton	TN	37643	Tennessee Valley Authority.	3010	20A
O Watauga Hydropower Plant	Wilbur Dam Rd 5 Mi E of	Elizabethton	TN	37643	Tennessee Valley Authority.	3010	
C 147th Wing at Ellington Field	Clothier Avenue	Houston	TX	77209	Air Force	103c 3016	20A
O 147th Wing at Ellington Field	Clothier Avenue	Houston	TX	77209	Air Force	103c 3016	
C Atlas Missile Site #7		Odell	TX	79247	Air Force	103c	20A
O Atlas Missile Site #7		Odell	TX	79247	Air Force	103c	
C Camp Bullis	East of NIH10 on Camp Bullis Road.	San Antonio	TX	78265	Army	103c 3005 3010	20A, 23
O Camp Bullis		San Antonio	TX	78265	Army	103c	
C Corpus Christi Army Maintenance Support Activity.	2022 Saratoga	Corpus Christi	TX	78415	Army	3005 3010 103c 103a	23
O Corpus Christi Army Maintenance Support Activity.	2022 Saratoga	Corpus Christi	TX	78415	Army	3005 3010 103c	
C Fort Bliss Air Defense Center	Pershing Drive	Fort Bliss	TX	79916	Army	3005 3010 3016 103c 103a	20A
O Air Defense Center & Fort Bliss.	Pershing Drive	Fort Bliss	TX	79916	Army	3005 3010 3016 103c 103a	
C Houston Army Maintenance Support Activity #4.	6903 Perimeter Park	Houston	TX	77041	Army	3010	20A
O AMSA #4	6903 Perimeter Park	Houston	TX	77041	Army	3010	
C SPR-Big Hill	23 Mi SW of Pt. Arthur	Port Arthur	TX	77641	Energy	103c	20A
O SPR-Big Hill Site	23 Mi SW of Pt. Arthur	Port Arthur	TX	77641	Energy	103c	
C Manti-Lasal NF: Black Hat Mine.	559 West Price River Drive.	Price	UT		Agriculture	3016 103c	20A, 23
O Manti-Lasal National Forest, Lasal #1, Black Hat.	559 West Price River Drive.	Price	UT		Agriculture	3016	
C BLM-Mercur Canyon Outwash	Highway 73, East of Tooele Army Depot.	Tooele	UT	84074	Interior	3016 103c	20A, 23
O BLM-Mercur Canyon Outwash			UT		Interior	3016	
C BLM-Snowville Landfill	T14N, R9W, Sec32	Snowville	UT	84336	Interior	103c	20A
O BLM-Snowville Landfill	T14NR9WSec32SLM	Snowville	UT		Interior	103c	
C BLM-Wendover Landfill	T1S, R19W, Sec3, Lots 1 and 2, 3 Mi E of Wendover.	Wendover	UT	84083	Interior	103c 3016	23, 20A
O BLM-Wendover Landfill	T1SR19WSec3, Lots 1 & 2, 3 Mi E of Wendover.	Wendover	UT	84083	Interior	103c	
C Fort A.P. Hill	US Rte 301	Bowling Green	VA	22427–5000	Army	3005 3010 3016 103c 103a	23
O Fort A.P. Hill	US Rte 301	Bowling Green	VA	22427–5000	Army	3005 3010 3016 103c	
C Defence Communication Agency.	South Courthouse Road	Arlington	VA	22204	Defense	103c 3010	21
O Defense Communication Agency.	South Courthouse Road	Arlington	VA	22204	Navy	103c 3010	
C Wallops Flight Center	Rte 175	Wallops Island	VA	23337	NASA	3010 103a 103c 3016	23
O Wallops Flight Center	Rte 175	Wallops Island	VA	23337	NASA	3010 103a 103c	
C Chesapeake Auxiliary Landing Field F.	3–4 Mi S Princess Ann Cth.	Chesapeake	VA	23322	Navy	103c 3016	23
O Chesapeake Auxiliary Landing Field F.	3–4 Mi S Princess Ann Cth.	Chesapeake	VA	23322	Navy	103c	
C Norfolk Naval Shipyard	N/A Code 411, Bldg M–32.	Portsmouth	VA	23709	Navy	3005 3010 3016 103c 103a	23

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
O Norfolk Naval Shipyard	N/A Code 411, Bldg M–32.	Portsmouth	VA	23709	Navy	3005 3010 3016 103c	
C Portsmouth Naval Hospital	Effingham Street	Portsmouth	VA	23708–5000	Navy	3010 3016 103c	20A
O Portsmouth Naval Hospital	US Navy	Portsmouth	VA	23708	Navy	3010 3016 103c	
C Saint Helena Annex	South Main St	Norfolk	VA	23523	Navy	3010	22
O FWS-Saint Helena Annex	South Main St	Norfolk	VA	23523	Interior	3010	
C Sewells Point Naval Complex	US 64 at VA 564	Norfolk	VA	23511	Navy	3005 3010 3016 103c 103a	20A
O Norfolk Naval Base	Gilbert St Bldg N–26	Norfolk	VA	23511–6002	Navy	3005 3010 3016 103c 103a	
C Virginia Beach Fleet Combat Training Center.	FCTC Atlantic Dam Neck	Virginia Beach	VA	23461	Navy	3010 3016 103c 103a	23
O Virginia Beach Fleet Combat Training Center.	FCTC Atlantic Dam Neck	Virginia Beach	VA	23461	Navy	3010 3016 103c	
C Ethan Allen Firing Range	Lee River Road	Jericho	VT	05465	Army	3010 103c	20A, 23
O General Electric Company	Ethan Allen Firing Range	Jericho	VT	05465	Army	3010	
C Okanagan NF: Alder Creek		Twisp	WA	98856	Agriculture	103c	20A
O Okanagan National Forest: Alder Crk.		Twisp	WA	98856	Agriculture	103c	
C Okanagan NF: Bonaparte		Chesaw	WA	98844	Agriculture	103c	20A
O Okanagan National Forest: Bonaparte.		Chesaw	WA	98844	Agriculture	103c	
C Okanagan NF: Eight Mile Ranch.		Winthrop	WA	98862	Agriculture	103c	20A
O Okanagan National Forest: Eight Mile Ranch.		Winthrop	WA	98862	Agriculture	103c	
C Okanagan NF: Kerr		Conconully	WA	98819	Agriculture	103c	20A
O Okanagan National Forest: Kerr.		Conconully	WA	98819	Agriculture	103c	
C Okanagan NF: Lost Lake		Chesaw	WA	98844	Agriculture	103c	20A
O Okanagan National Forest: Lost Lake.		Chesaw	WA	98844	Agriculture	103c	
C Okanagan NF: Minnie Mine	T32N, R22E, S23	Twisp	WA	98856	Agriculture	3016 103c	20A, 23
O Okanagan National Forest: Minnie Mine.			WA		Agriculture	3016	
C Okanagan NF: Twisp		Twisp	WA	98856	Agriculture	103c	20A
O Okanagan National Forest: Twisp.		Twisp	WA	98856	Agriculture	103c	
C Wenatchee NF: Steliko		Ardenvoir	WA	98811	Agriculture	103c	20A
O Wenatchee National Forest: Steliko.		Ardenvoir	WA	98811	Agriculture	103c	
C Yakima Agricultural Research Laboratory.	3706 W Nob Hill Blvd	Yakima	WA	98902	Agriculture	3010 3016 103c	20A
O Yakima Agricultural Research Laboratory-U.	3706 W Nob Hill Blvd	Yakima	WA	98902	Agriculture	3010 3016 103c	
C Columbia Gardens		Pasco	WA		Commerce	103c 3016	23
O Columbia Gardens		Pasco	WA		Commerce	103c	
C BPA–Bake Oven Substation	Bake Oven Road	Maupin	WA		Energy	103c 103a	23
O BPA–Bake Oven Substation	Bake Oven Road	Maupin	WA		Energy	103c	
C BPA–Covington Substation	28401 Covington Way SE	Kent	WA	98031	Energy	3010 3016 103c 103a	23
O BPA–Covington Substation	28401 Covington Way SE	Kent	WA	98031	Energy	3010 3016 103c	
C Region 10, Environmental Services Division Lab.	7411 Beach Dr E	Manchester	WA	98353	EPA	3010 3016	23
O Region 10, Environmental Services Division Lab.	7411 Beach Dr E	Manchester	WA	98353	EPA	3010	
C Jackson Park Housing	Austin Drive at Shore Drive.	Bremerton	WA	98312	Navy	3010 3016	20A
O Jackson Park Housing	Boone Rd	Bremerton	WA	98312	Navy	3010 3016	
C Jim Creek Naval Radio Station T.	4 Miles East of State Highway 530 at Oso.	Oso	WA	98223	Navy	103c	20A

FEDERAL FACILITIES DOCKET, DOCKET CORRECTIONS—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism	Correction codes
O Jim Creek Naval Radio Station T.	4 Miles East of State Highway 530 at Oso.	Oso	WA		Navy	103c	
C FAA–Mica Peak	T24N, R45E, S14	Mica	WA	99023	Transportation	103c 3016	23, 20A
O FAA–Mica Peak	T24N R45 E S14	Mica	WA	99023	Transportation	103c	
C Chequamegon National Forest.	157 N. 5th Avenue	Park Falls	WI	54552	Agriculture	3010 3016	20A
O FS–Chequamegon National Forest.	157 N. 5th Avenue	Park Falls	WI	54552	Agriculture	3010 3016	
C Forest Products Laboratory	One Gifford Pinchot Drive	Madison	WI	53705	Agriculture	3005 3010 3016	23, 20A
O FS–Forest Production Laboratory.	502 Walnut Street	Madison	WI	53705	Agriculture	3005 3010	
C Nicolet NF: Laona & Lakewood SLF.	68 South Stevens	Rhinelander	WI	54501	Agriculture	3016	20A
O Nicolet National Forest-Laona & Lake SLF.	68 South Stevens	Rhinelander	WI	54501	Agriculture	3016	
C West Virginia Air National Guard.	Yeager Airport	Charleston	WV	25311	Defense	103c 3010	21
O West Virginia Air National Guard.	Yeager Airport	Charleston	WV	25311	Transportation	103c 3010	
C Sugar Grove Naval Security Group Activity, LF #1.	10 Mi off Rte 33	Sugar Grove	WV	26815–0001	Navy	3010 3016 103c	20A
O Sugar Grove Naval Radio Station LF #1.	10 Mi off Rte 33	Sugar Grove	WV	26815	Navy	3010 3016 103c	

FEDERAL FACILITIES DOCKET, SEA STATUS FACILITIES

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism
Dewline Site Bar-Main	Barter Isl., ½ Mi E of NE Shr.	Kaktovik	AK	99747	Air Force	103c 3016
Dewline Site LIZ–2	Kasegalik Lagoon-Chukchi Sea.	Point Lay	AK	99766	Air Force	3010 103c 3016
Dewline Site LIZ–3	Kuk River & Chukchi Sea	Wainwright	AK	99782	Air Force	3010 103c 3016
Dewline Site POW–1	Lonely, Pitt Point, E of Smith Bay.	Lonely	AK	99999	Air Force	3010 103c 3016
Dewline Site POW–2	Simpson Lagoon-Beaufort Bay.	Oliktok	AK	99599	Air Force	3010 103c 3016
Dewline Site POW–Main	Point Barrow Between N Salt Lagoon & Imikpuk.	Point Barrow Station.	AK	99723	Air Force	3010 103c 3016
BLM-Loran Station on Sitkinak	Sitkinak Island	Sitkinak Island	AK	99615	Interior	103c
BLM-Red Devil Mine Waste Ponds	L61–10–12 L149–56–48	Bethel	AK	99656	Interior	3016 103c
BLM-Sagwon Airstrip	T5R4ESEC10–11	Sagwon	AK	99513	Interior	3016 103c
FWS–Brownlow Point Dewline Site	Barrow, 265 Mi SE	Barrow	AK	99723	Interior	103c 3016
FWS–Demarcation Point Dewline	Barrow, 380 Mi SE	Barrow	AK	99723	Interior	103c 3016
NPS-Bering Land Bridge National Preserve.	P.O. Box 220	Nome	AK	99762	Interior	103c 3016
Northeast Cape St. Lawrence Island.	70 Mi E of Savoonga St. Lawrence.	Northeast Cape	AK	99769	Navy	3010 3016 103c
FAA-Woody Island Navigation Site	Woody Island	Kodiak	AK	99615	Transportation	3016 103c
St. Paul Island Coast Guard Loran Station.	USDOT–CG St Paul Is Loran Stat.	St Paul Island	AK	99660	Transportation	3010
Maxwell Air Force Base	3800 Air Base Group Dee	Maxwell AFB	AL	36112	Air Force	3010 103c 3016
Bellefonte Nuclear Plant	Off US Hwy 72	Hollywood	AL	36401	Tennessee Valley Authority.	3005 3010 103c
Browns Ferry Nuclear Plant	US Hwy 72	Athens	AL	35611	Tennessee Valley Authority.	3010
Colbert Fossil Plant	Off US Hwy 72 W	Tuscumbia	AL	35674	Tennessee Valley Authority.	3005 3010 103c
Guntersville Hydro Plant	Off US Hwy 431, 11 Mi NW of Guntersville.	Guntersville	AL	35976	Tennessee Valley Authority.	3010
Muscle Shoals Power Stores	AL Hwy 133	Muscle Shoals	AL	35660	Tennessee Valley Authority.	3005 3010 3016 103a
National Fertilizer and Environmental Research Ctr.	Wilson Dam Road	Muscle Shoals	AL	35660	Tennessee Valley Authority.	3005 3010 3016 103c
Widows Creek Fossil Plant	Off US Hwy 72 W	Stevenson	AL	25772	Tennessee Valley Authority.	3005 3010 103c
Wilson Hydro Plant	AL Hwy 133	Florence	AL	35660	Tennessee Valley Authority.	3010

FEDERAL FACILITIES DOCKET, SEA STATUS FACILITIES—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism
Guam Naval Magazine	Apra Hbr Hts Area by Fena Resv.	Apra Harbor	AQ	96910	Navy	103c
South Central Family Farm Research Center.	Rt. 2, Box 144A Hwy 23 South.	Booneville	AR		Agriculture	3016
Fort Chaffee	Building 239	Fort Chaffee	AR	72905	Army	3005 3010 3016 103c
Millwood Resident Engineers Office	Route 1	Ashdown	AR		Corps of Engineers, Civil.	103c
Combustion Research Facility	NCTR Bldg. 45	Jefferson #72070.	AR	72079	EPA	3005 3010 3016
Sky Harbor International Airport	2001 S. 32nd St	Phoenix	AZ	85034	Air Force	3010
Fort Huachuca	RCRA Units	Fort Huachuca	AZ	85613	Army	3010 3016 103c 103a
Sierra National Forest	1130 O St. Room 3017	Fresno	CA	93721	Agriculture	103c 3016
Plant #19	4297 Pacific Coast Hwy	San Diego	CA	92101–5001	Air Force	103c 3016 3010
Norwalk Defense Fuel Supply Center.	15306 Norwalk Blvd	Norwalk	CA	90650	Defense Logistics Agency.	3010 3016 103c
Lawrence Berkeley Laboratory	1 Cyclotron Rd	Berkeley	CA	94720	Energy	3005 3010 3016
Stanford Linear Accelerator Center	2575 Sandhill Rd	Menlo Park	CA	94305	Energy	3010 3016 103c 103a
Civil Engineering Laboratory	NCBC	Port Hueneme	CA	93043	Navy	3010 103a
Crows Landing Naval Air Logistics Force.	NALF Crows Landing	Crows Landing	CA	95313	Navy	3010 3016
Fallbrook Naval Weapons Station Annex.	Seal Beach	Fallbrook	CA	92028	Navy	103c
Imperial Beach Naval Communications Station.	Outlying Landing Field Bldg 162 Rt 75 & Palm Ave.	Imperial Beach	CA	92032	Navy	3005 3010 103c 103a
Oakland Naval Regional Medical Center.	8750 Mountain Blvd	Oakland	CA	94627	Navy	3010 103c
Point Sur Naval Facility	Naval Facility Point Sur	Big Sur	CA	93920	Navy	3010
San Diego Naval Facilities Engineering Command.	Western Division	San Diego	CA	92136	Navy	103c
Skaggs Island Naval Security Group Activity.	Skaggs Island	Sonoma	CA	95476	Navy	3010 3016
Colorado Springs Academy	AFA/DE	Colorado Springs.	CO	80840	Air Force	3010 103c
Peterson Air Force Base	1003 SSG/CC	Peterson AFB	CO	80914	Air Force	3005 3010 103c
Fort Carson	DFAE Bldg. 304, AFZC–FE–EQ.	Ft. Carson	CO	80913	Army	3005 3010 3016 103c
Grand Junction Projects Office	3597 B–3/4 RD PO2567	Grand Junction	CO	81502–5504	Energy	3016 103c
Solar Energy Research Institute	1617 Cole Blvd	Golden	CO	80401	Energy	3005 3010 3016 103c
WAPA-Power Operations	1800 S. Rio Grande Ave	Montrose	CO	81401	Energy	103c
National Enforcement Investigation Center.	DFC	Denver	CO	80225	EPA	3010
BLM-Fremont	T48NR12ESEC19	Cata Paxi	CO		Interior	103c
BLM-Montrose County Dump	T48NR19WSEC22	Montrose	CO		Interior	103c
BLM-Placerville Tram Site	T44NR11WSEC35 HWY 62	Placerville	CO	81430	Interior	103c
BLM-San Miguel Landfill #1	T44NR15WSEC26	Naturita	CO		Interior	103c
BLM-San Miguel Landfill #2	T44NR17WSEC18	Slick Rock	CO		Interior	103c
BLM-Sawpit Tram Site (Ore Storage).	T43NR10WSEC18	Saw Pit	CO	81435	Interior	103c
BLM-Town of Mesa Landfill	T10S, R96W, SEC22	Molina	CO		Interior	103c
BR-Loveland	910 Van Buren	Loveland	CO	80537	Interior	3010 103c.
GS-Denver, NWQL	5293 Ward Rd	Denver	CO	80225	Interior	3010 3016
NPS-Denver Service Center	755 Parfet St., Box 25287	Denver	CO	80225	Interior	3016 103c
Denver Bulk Mail Center	7755 E. 56th Ave	Denver	CO	80238	Postal Service	3016 103c
Central Direct Fed. Division Materials-FHWA.	6th St., Bldg. 52, DFC	Denver	CO	80225	Transportation	3005 3010 103c 3016
Transportation Test Center	21 Miles NE Pueblo Mem Airport.	DOT Test Track Rd.	CO	81001	Transportation	3005 3010 3016
Stratford Engine Plant	550 South Main Street	Stratford	CT	06497	Army	3005 3010 3016
Knolls Atomic Power Laboratory-Windsor Site.	Prospect Hill Road	Windsor	CT	06095	Energy	3005 3010 3016 103c 103a
East Lyme Naval Underwater Systems Center.	Dodge Pond Field Station	East Lyme	CT	06357	Navy	3010 3016
New London Naval Underwater Systems Center.	New London Laboratory	New London	CT	06320	Navy	3010 103c
Fort McNair	350 P Street, S.W.	Washington	DC	20319	Army	3010 103c

FEDERAL FACILITIES DOCKET, SEA STATUS FACILITIES—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism
U.S. Soldiers and Airmens Home	Michigan Ave. N.E	Washington	DC	20317	Defense	3010 3016 103c
Customs Field Office	1200 Pennsylvania Avenue	Washington	DC	20004	General Services Administration.	3010 103c
Washington Naval Research Laboratory.	4555 Overlook Ave	Washington	DC	20375	Navy	3005 3010 3016 103c 103a
Bureau of Engraving & Printing	14th & C Sts SW	Washington	DC	20228	Treasury	3005 3010 103c 103a
Canal Site	Main St, North St Georges	Newcastle	DE	19733	Corps of Engineers, Civil.	3016 103c
Wildlife Research Field Station	2820 E University Ave	Gainesville	FL	32601	Agriculture	103c
Avon Park Air Force Base	56 Combat Support Group/DE.	MacDill AFB	FL	33608	Air Force	3005 3010 3016
Cape Canaveral Air Force Base	6550 ABG/DEEV	Patrick AFB	FL	32925	Air Force	3005 3010 3016 103c 103a
Eglin Air Force Base	3200 SPTW/DEV	Eglin AFB	FL	32542	Air Force	3005 3010 3016 103c 103a
Hurlburt Field	1 SOCES/CEV	Hurlburt Field	FL	32544	Air Force	3005 3010 103c 103a
MacDill Air Force Base	56 Combat Support Group/DE.	MacDill AFB	FL	33608	Air Force	3005 3010 3016 103c
Patrick Air Force Base	6550 ABG/DEEV	Patrick AFB	FL	32925	Air Force	3005 3010 3016 103c 103a
Tyndall Air Force Base	4756 CSG/DE	Tyndall AFB	FL	32403	Air Force	3005 3010 3016 103c
AFA 49–A Orlando	8601 Ave B McCoy NTC Annex.	Orlando	FL	32812	Army	3005 3010
Colonel Frank M. Williams Army Reserve Center.	11700 NW 27th Ave	Miami	FL	33167	Army	3005 3010
Lt. Clarence Lovejoy Army Reserve Center.	4823 N Hubert Ave	Tampa	FL	33614	Army	3005 3010
Lynn Haven Defense Fuel Support Point.	W End of 10th Street	Lynn Haven	FL	32444	Defense Logistics Agency.	3010 3016 103c
Tampa Defense Fuel Support Point	Box 13736	Tampa	FL	33611	Defense Logistics Agency.	3010 3016 103c
NPS-Gulf Islands National Seashore.	Fort Pickens Rd	Gulf Breeze	FL	32561	Interior	103c
Kennedy Space Center	NASA Mail Code DF–EMS	Kennedy Space Center.	FL	32899	NASA	3005 3010 3016 103c 103a
Key West Naval Air Station-Boca Chica.	Naval Air Station	Key West	FL	33042	Navy	3005 3010 3016 103c 103a
Mayport Naval Air Station	PO Box 265 Naval Station	Mayport	FL	32228	Navy	3005 3010 3016 103c 103a
Panama City Coastal Systems Station.	Hwy 98 Code 6310MC	Panama City	FL	32407	Navy	3005 3010 3016
Key West Coast Guard Station		Key West	FL	33040	Transportation	3010
Mayport Coast Guard Base	PO Box 385	Mayport	FL	32267	Transportation	3010 103c
Miami Beach Coast Guard Base	100 MacArthur Cswy	Miami Beach	FL	33139	Transportation	3005 3010
St. Petersburg Coast Guard Station	600 8th Ave SE	St Petersburg	FL	33701	Transportation	3010
Dobbins Air Force Base	94 CSG/DE	Marietta	GA	30069	Air Force	3016 103c
Moody Air Force Base	347 CSG/DE	Moody AFB	GA	31669	Air Force	3005 3010 3016 103c
Plant #6 (Lockheed)	86 S Cobb Drive Zone 54	Marietta	GA	30063	Air Force	3005 3010 3016
Fort Benning	GA Hwy 1 & US 27	Fort Benning	GA	31905	Army	3005 3010 3016 103c
Fort Gillem	Attn AFZK–EH–C	Forest Park	GA	30330	Army	3005 3010 3016 103c
Fort Gordon and National Signal Center.	ATZHFE EC	Fort Gordon	GA	30905	Army	3005 3010 3016 103c 103a
Fort Stewart	24th Infantry Div AFZP–DEN–E.	Fort Stewart	GA	31314	Army	3005 3010 3016 103c
Hunter Army Airfield	24th Infantry Div AFZP–DEN–E.	Fort Stewart	GA	31314	Army	3005 3010 3016 103c
Kings Bay Naval Submarine Base	GA State Hwy Spur	Kings Bay	GA	31547	Navy	3005 3010 3016 103c 103a
Atlanta Medical Center	1670 Clairmont Road	Decatur	GA	30333	Veterans Administration.	3005 3010 3016
Guam Naval Hospital	Naval Hosp Guam	Naval Hosp Guam.	GU	96638	Navy	103c
Pearl Harbor Naval Submarine Base.		Pearl Harbor	HI	96860	Navy	3010 103a

FEDERAL FACILITIES DOCKET, SEA STATUS FACILITIES—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism
Pearl Harbor Naval Supply Center	Naval Base	Pearl Harbor	HI	96860	Navy	3005 3010 103c 3016
Pearl Harbor Navy Public Works Center.	Naval Station Area	Pearl Harbor	HI	96860	Navy	3005 3010 3016 103c 103a
WAPA-Hinton	PO Box 1012	Hinton	IA	51024	Energy	3005 3010 3016
Urbandale Bulk Mail Center	4000 NW 109th Street	Urbandale	IA	50395	Postal Service	3016
Idaho Panhandle National Forests	1201 Ironwood Dr	Coeur D'Alene	ID	83814	Agriculture	3016 3010 103c
Sheep Experiment Station	HC 62, Box 2010	Dubois	ID	83423	Agriculture	3016 103c
BLM-Blue Dome Unauthorized Dump.	T10, NR30E, Sec 30	Blue Dome	ID	83464	Interior	103c
BLM-Central Cove Landfill	T3N, R4W, Sec 8 and 9	Caldwell	ID	83605	Interior	3016 103c
BLM-Champaigne Creek Mine	T3N, R24E, Sec 15	Grouse	ID	83242	Interior	3016 103c
BLM-Delamar Silver Mine	T15S, R35E	Owyhee	ID	83650	Interior	103c
BLM-Elk City	T29, NR8E, Sec 23	Elk City	ID	83525	Interior	3016 103c
BLM-Howe Dumpsite	T6, NR29E, Sec 31	Howe	ID	83244	Interior	103c
BLM-Menan Unauthorized Dump	T6N, R38E, Sec 26 and 27	Madison	ID	83440	Interior	103c
BLM-Morgan's Pasture	T1N, R35E, Sec 33 & 34	Shelly	ID	83274	Interior	3010 103c
BLM-Owyhee Co. Grandview Landfill.	T6, SR4E, Sec 14	Bruneau	ID	83604	Interior	103c
BLM-Owyhee Co. Marsing/ Homedale Landfill.	Johnson Rd. T4N, R5W, S32 SW¼.	Marsing-Homedale.	ID	83639	Interior	103c
BLM-Owyhee Co. Wilson Creek Landfill.	T1, SR34E, Sec 13	Marsing	ID	83639	Interior	103c
BLM-Pesticide Dump Site, Reynolds.	T2, SR3W, Sec 31	Reynolds	ID	83650	Interior	103c
BLM-Pesticide Dumpsite Sec. 5,	Boise Dist Sec. 5	Murphy	ID	83650	Interior	103c
BLM-Pullman Mine	T29N, R4W, S14	Cottonwood	ID	83522	Interior	103c
BLM-Springfield Dumpsite	T3SR32ESec 12	Springfield	ID	83277	Interior	103c
BLM-Springfield Unauthorized Dumpsite.	T35N, R32E, Sec 15	Springfield	ID	83277	Interior	103c
BR-Minidoka Dam	Rt. 4, Box 292	Rupert	ID	83350	Interior	3010 3016
Fermi National Accelerator Laboratory.	Route 16 & 59 Kane County	Batavia	ID	60510	Energy	3005 3010 3016 103c
Danville Medical Center Hospital	1900 E Main St	Danville	ID		Veterans Administration.	103c
Former Jeffersonville Quartermaster Depot.	Located on Segrams Property Clark County.	Jeffersonville	IN	47130	Army	3016 103c
New Haven Defense Logistics Agency Depot.	State Rt. 14	New Haven	IN	46774	Defense Logistics Agency.	3010
Atchison Defense Industrial Plant Equipment Facil.	Old Rte 1	Atchison	KS	66002	Army	103c
Region 7, Environmental Services Division Lab.	25 Funston Road	Kansas City	KS	66115	EPA	3005 3010 3016 103c
Armor School and Center at Fort Knox.	Hwy 31 W	Fort Knox	KY	40121	Army	3005 3010 3016 103a
Fort Campbell	AFZB-FE-ECE	Fort Campbell	KY	42223	Army	3005 3010 3016 103c
Lexington Bluegrass Depot Activity	US Hwy 421	Richmond	KY	40475	Army	3005 103c
Lexington-Bluegrass Army Depot	Haley Rd	Lexington	KY	40511	Army	3005 3010 3016 103c 103a
Louisville Naval Ordance Station	Southside Dr. MDS 42	Louisville	KY	40214	Navy	3005 3010 3016
Southern Regional Research Center.	1100 Robert E. Lee Blvd	New Orleans	LA	70124	Agriculture	3010 3016 103c
SPR-Weeks Island	2 Mi NW of Cypremont	Cypremont	LA	70560	Energy	103c
SPR-West Hackberry	3.8 Mi W of Hackberry, Hwy 390.	Hackberry	LA		Energy	103c
FWS-Lacassine National Wildlife Refuge.	Route 1	Lake Arthur	LA	70549	Interior	103c
Martin Marietta Aerospace	13800 Old Gentilly Road	New Orleans	LA	70129	NASA	3005 3010 3016 103c
New Orleans Medical Center	1601 Perdido Street	New Orleans	LA	70112	Veterans Administration.	3010
Boston Postal Service	135 A Street	Boston	MA	02210	Postal Service	3010
Woods Hole Coast Guard Base	Little Harbor Road	Falmouth	MA	02543	Transportation	3010
Adelphi Laboratory Center	2800 Powder Mill Rd	Adelphi	MD	20783	Army	3005 3010 3016 103c
National Institute of Standards and Technology.	Quince Orchard Rd	Gaithersburg	MD	20760	Commerce	3005 3010 103c
National Marine Fisheries Service	South Morris Street Ext.	Oxford	MD	21654	Commerce	103c 3010
Defense National Stockpile Center	710 Ordnance Road	Baltimore	MD	21226	Defense Logistics Agency.	3005 3010 3016 103c

FEDERAL FACILITIES DOCKET, SEA STATUS FACILITIES—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism
NIH-Bethesda	9000 Rockville Pike	Bethesda	MD	20892	Health and Human Services.	3005 3010 3016 103c 103a
Goddard Space Flight Center	Greenbelt Road	Greenbelt	MD	20771	NASA	3010 103c
Annapolis Naval Academy	Annapolis Naval Complex	Annapolis	MD	21402	Navy	3005 3010 3016 103c
National Naval Medical Center	8901 Wisconsin Ave	Bethesda	MD	20814	Navy	3005 3010 3016 103c
Seal Island	C/O Seal Island National Wildlife Refuge.	Milbridge	ME	04658	Defense	103c
Casco Bay Defense Fuel Support Point.	Rt 123	South Harpswell Neck.	ME	04079	Defense Logistics Agency.	3010 3016 103c
Searsport Defense Fuel Support Point.	Trundy Road Box 112	Searsport	ME	04974	Defense Logistics Agency.	3010 3016 103c
Gouldsboro Naval Security Group Activity.	Bldg 41 (Operations Site)	Gouldsboro	ME	04624	Navy	103c
Winterharbor Naval Security Group Activity.	Route 186	Winterharbor	ME	04693	Navy	3010 103c
Tank Automotive Command	6501 E. 11 Mile Rd Macomb County.	Warren	MI	48090	Army	3005 3010 3016 103c
Harrisville Defense Fuel Support Point.	US Hwy 23	Harrisville	MI	48740	Defense	103c
Ann Arbor Motor Vehicle Emission Laboratory.	2565 Plymouth Road	Ann Arbor	MI	48105	EPA	3010
Minneapolis St. Paul Bulk Mail Center.	3165 S. Lexington Ave	St. Paul	MN	55121	Postal Service	3010
Schuster Farm	SEC58 S17 T55N R33W	Gower	MO		Agriculture	103c
MO Aviation Classification & Repair Activity Depot.	2501 Lester Jones Ave	Springfield	MO	65803	Army	103c 3010.
Defense Mapping Agency-Fee	3200 S. Second Street	St. Louis	MO	63118	Defense Mapping Agency.	3010
Defense Mapping Agency-Fee	8900 S. Broadway	St. Louis	MO	63118	Defense Mapping Agency.	3010
Mobile Incinerator	SE¼ NW¼ NW¼ Sec 20	McDowell	MO	65769	EPA	3010 103c
St. Louis	1222 Spruce	St. Louis	MO	63103	General Services Admin.	3005 3010
BM–Rolla Research Center	1300 Bishop Ave	Rolla	MO	65401	Interior	103c
Columbus Air Force Base	14 ABG/DE	Columbus AFB	MS	39701	Air Force	3005 3010 3016 103c
Keesler Air Force Base	3380 CES/DE	Keesler AFB	MS	39534	Air Force	3005 3010 3016 103c
Engineering Environmental Waterway Laboratory.	PO Box 631	Vicksburg	MS	39180	Army	3005 3010 3016 103c
Gulfport Naval Construction Battalion Center.	33rd Ave	Gulfport	MS	39501	Navy	3010 103c
Malmstrom Air Force Base	Facility 1501 Perimeter Rd	Great Falls	MT	59402	Air Force	3005 3010 3016 103c 103a
BLM–Jet Fuel Refinery Site	T14NR31E 4 Mi E of Mosby	Mosby	MT		Interior	103c
BLM–Roundup Landfill	1.5 Miles Northwest of Roundup.	Roundup	MT		Interior	103c
BLM–Sluice Gulch Leaking Adit	T6SR15WSEC5		MT		Interior	103c
BLM–Thorium City Waste Dump	T105R15WSEC21,22,27,28	Grant	MT	59734–3016	Interior	3016 103c
BLM–Tungsten Mill Tailings	T45W9WSEC4,5,9	Glen	MT	59732	Interior	103c
FWS–Charles M. Russell Refuge	T21N, R2E, Sec. 15	Turkey Joe Landing.	MT	59457	Interior	3010 103c
Pope Air Force Base	317 CSG/CC	Pope AFB	NC	28308	Air Force	3005 3010 103c 3016
Albemarle Army Reserve Center	1816 E Main St	Albemarle	NC	28001	Army	3010 103c
Asheville Army Reserve Center	224 Louisiana	Asheville	NC	28806	Army	3010 103c
Brevard Army Reserve Center	E French Broad St	Brevard	NC	28712	Army	3010 103c
Charlotte #1 Army Reserve Center	1300 Westover Dr	Charlotte	NC	28205	Army	3010 103c
Durham #1 Army Reserve Center	1228 Carrol St	Durham	NC	27701	Army	3010 103c
Durham #2 Army Reserve Center	724 Foster St	Durham	NC	27701	Army	3010 103c
Garner Army Reserve Center	2017 Garner St	Garner	NC	27529	Army	3010 103c
Greensboro Army Reserve Center	1120 Church St	Greensboro	NC	27405	Army	3010 103c
Greenville Army Reserve Center	1391 N Mem Dr	Greenville	NC	27834	Army	3010 103c
Hickory Army Reserve Center	1500 12th Street NW	Hickory	NC	28601	Army	3010 103c
High Point Army Reserve Center	156 Parris Ave	High Point	NC	28307	Army	3010 103c
Lumberton Army Reserve Center	1400 Carthage Rd	Lumberton	NC	28358	Army	3010 103c

FEDERAL FACILITIES DOCKET, SEA STATUS FACILITIES—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism
Morehead City Army Reserve Center.	405 Fisher St	Morehead City	NC	28557	Army	3010 103c
Raleigh Army Reserve Center	3115 Western Blvd	Raleigh	NC	27606	Army	3005 3010 103c
Rocky Mount Army Reserve Center	804 Fairview Rd	Rocky Mount	NC	28701	Army	3010 103c
Salisbury Army Reserve Center	1825 Woodleaf Rd, PO Box 1927.	Salisbury	NC	28114	Army	3010 103c
Wilmington Army Reserve Center	2144 Lakeshore Dr	Wilmington	NC	28401	Army	3010 103c
National Marine Fisheries Service	Pivers Island off US Hwy 70 West.	Beaufort	NC	28512	Commerce	3010 3016
National Institute of Environmental Health Science.	S on Alexander Dr	Research Triangle Park.	NC	27709	Health and Human Services.	3005 3010 103c
Bogue Burn Pit Marine Corps Auxilary Landing Bogu.	MCALF Bogue	Morehead City	NC	28557	Navy	3016 103c
Cherry Point Marine Corps Air Station.	NC Hwy 101	Cherry Point	NC	28533	Navy	3005 3010 3016 103c
Fort Macon Coast Guard Station	PO Box 237	Atlantic Beach	NC	28512	Transportation	3010 103c
North Dakota Agricultural Experiment Station.	1605 W. College St	Fargo	ND	58105	Agriculture	3010 3016 103c
Minot Air Force Base	41 CSG/CC	Minot AFB	ND	58705	Air Force	3005 3010 3016 103c
Concrete Missile Early Warning Station.	DET 1 57 AD/DE	Concrete	ND	58221	Army	103c 3010 3005
Grand Forks Defense Fuel Support Point.	Grand Forks AFB 42nd Street.	Grand Forks	ND	58210	Defense Logistics Agency.	3010 3016 103c
Section 5 Impoundment	SW¼NW¼SE¼ of Sec 5	Glenvil Township.	NE		Agriculture	103c
Lincoln Naval Reserve Center	1625 N 10th St	Lincoln	NE	68508	Navy	103c
Omaha Naval and Marine Corps Reserve Center.	Fort Omaha	Omaha	NE	68102	Navy	103c 103a
Newington Defense Fuel Support Point.	Patterson Lane	Newington	NH	03801	Defense Logistics Agency.	3010 3016 103c
Bayonne Military Ocean Terminal	Foot of 32nd Street	Bayonne	NJ	07002	Army	3005 3010 3016 103c 103a
Fort Monmouth	Tinton & Pinebrook	Tinton Falls	NJ	07724	Army	3010 3016 103c 103a
SFC NV Brittan Army Reserve Center.	39th and Federal Street	Camden	NJ	08105	Army	3010
Storck Army Reserve Center	Shore Road	Northfield	NJ	08225	Army	3010
Stryker Reserve Center	2150 Nottingham Way	Trenton	NJ	08619	Army	3010
NOAA/NMFS/NEFC	Sandy Hook Laboratory	Highlands	NJ	07732	Commerce	3005 3010
Somerville Depot	Route 206	Somerville	NJ	08876	General Services Admin.	103c
FWS—Great Swamp National Wildlife Refuge.	Rd 1, Box 152	Basking Ridge	NJ	07920	Interior	3016 103c
NPS—Gateway National Recreational Area.	Fort Hancock	Sandy Hook-Brooklyn.	NJ	07732	Interior	3010 3016 103c
East Orange Medical Center	Tremont Ave	East Orange	NJ	07019	Veterans Administration.	3010
Hillsborough Supply Depot	Route 206	Hillsborough Twp.	NJ	08853	Veterans Administration.	103c 3010
Lyons Medical Center	Knollcraft Road	Lyons	NJ	07939	Veterans Administration.	3010 103c.
Cibola NF: Cobb Resources Corporation.	Cibola National Forest	Magdalena	NM	87825	Argiculture	103c 3016
Jornada Experimental Range	1700 Jornada Road	Las Cruces	NM	88001	Agriculture	3016
Lincoln NF: High Rolls Mining District.	3.3 M S of Inter. of W US 82.	High Rolls	NM	88325	Agriculture	103c 3016
Santa Fe NF: La Bajada Mine	1.25 Mi Upstream From LA Bajada.	La Bajada	NM		Agriculture	103c
Melrose Range	25 Mi W of Cannon AFB	Melrose	NM	88124	Air Force	3005 3010 3016
Gasbuggy	T29N, R4W S36; 55 M E. of Farmington.	Dulce (Near)	NM		Energy	103c
Lovelace Inhalation Toxicology Research Institute.	Bldg. 9200, Kirtland AFB East.	Albuquerque	NM	87185	Energy	103c 3016
BLM-Anthony Landfill	T26S R4E SEC30 NW¼ + E½ of Lot 2.	Anthony	NM	88021	Interior	103c 3016
BLM-Blanco Landfill	T29NR10WSEC13	Blanco	NM	87412	Interior	103c 3016
BLM-Bloomfield Landfill	T29N, R11W, SEC34	Bloomfield	NM	87413	Interior	3016 103c
BLM-Blue Canyon Allotment	T20SR5WSEC8	Hatch	NM	87937	Interior	103c 3016
BLM-Chaparral Landfill	T26SR5ESEC14	Chaparral	NM		Interior	103c 3016

FEDERAL FACILITIES DOCKET, SEA STATUS FACILITIES—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism
BLM-Espanola Landfill	T20N R9E SEC 6N MPH	Espanola	NM	87532	Interior	103c 3016
BLM-Hatch Landfill	T19S, R3W, SEC4, Lot 1	Hatch	NM	87937	Interior	103c 3016
BLM-Hill Landfill	T22SR1ESECS3&4NMPH	Hill	NM		Interior	103c 3016
BLM-Hyde Mine	35/32/46 & 108/41/26	Gallup	NM	87301	Interior	103c 3016
BLM-International Mineral and Chemical.	P.O. Box 71	Carlsbad	NM	88220	Interior	103c 3016
BLM-Kerr McGee Laguna Toston	Lee County	Hobbs	NM	88240	Interior	103c 3016
BLM-Kerr McGee Potash Company	Lee County	Hobbs	NM	88240	Interior	103c
BLM-La Union Landfill	T27SR3ESEC18 Dona Ana Co.	La Union	NM	88021	Interior	3016 103c
BLM-Las Cruces Landfill	T23SR2ESEC11	Las Cruces	NM	88001	Interior	3016 103c
BLM-Mesquite Landfill	T24SR3ESEC29NMPH	Mesquite	NM		Interior	103c 3016
BLM-National Potash Company	Eddy & Lee Countys	Carlsbad	NM	88220	Interior	103c 3016
BLM-Orogrande Landfill	T22SR8ESEC14SWSESW	Orogrande	NM		Interior	103c 3016
BLM-San Antonio Landfill	T5SR1ESEC6NMPH	San Antonia	NM		Interior	103c 3016
BLM-Standard Transpipe Corp	T17S, R9E, SEC 18 and 19	Alamogordo	NM	88310	Interior	103c 3016
BLM-Thoreau Landfill	T14NR13WSEC20NMPH	Thoreau	NM		Interior	103c 3016
BLM-UNM Hazardous Waste Storage Facility.	T23S, R2E, SEC23	Las Cruces	NM	88001	Interior	3005 3010 3016 103c
BLM-Velarde Landfill	T22NR9ESEC20NMPH	Velarde	NM	87582	Interior	103c 3016
BLM-Waste Elec. Transformer Site No. 1.	T4SR1WSEC17,20	Socorro	NM	87801	Interior	103c
BLM-Waterflow Landfill	T30 NR 16W SEC35	Waterflow	NM	87421	Interior	103c 3016
Tonopah Test Range (Sandia National Laboratory).	PO Box 10359	Tonopah	NV	89049	Energy	3005 3010 103c 103a 3016
BLM-Henderson Landfill	T21S R63E Section 28, 29	Henderson	NV		Interior	103c
BLM-Rio Tinto Copper Mine	Sec 10 & 11 T45N R53E MDM.	Mountain City	NV	89831	Interior	103c
Plum Island Animal Disease Center	Plum Island	Orient Point	NY	11957	Agriculture	3016 103c
Hancock Field	Taft and Thompson Roads	North Syracuse	NY	13212	Air Force	3010 3016 103c
Niagara Falls Air Force Reserve Facility.	914 TAG/DE PO Box F La-Salle Station.	Niagara Falls IAP.	NY	14304	Air Force	3005 3010 3016 103c
Plant #38	Porter & Balmer Rds	Porter Twp	NY	14131	Air Force	3005 3010 3016 103c
Bellmore Maintenance Facility	2755 Maple Ave	Bellmore	NY	11710	Army	3010
Fort Hamilton	Ft Hamilton	Brooklyn	NY	11252	Army	3010 103c
Fort Totten	Bayside	Queens	NY	11359	Army	3010 103c
Roosevelt Army Reserve Center	101 Oak St	Hempstead	NY	11550	Army	3010
Watervliet Arsenal	Broadway	Watervliet	NY	12189	Army	3005 3010 3016 103a
West Point Military Academy	Steward Army Subpost	West Point	NY	10996	Army	3016
West Point Military Academy	RT 9W—Bldg 733	West Point	NY	10996	Army	3005 3010 3016 103c
Verona Defense Fuel Support Point	Main St	Verona	NY	13478	Defense Logistics Agency.	3010 3016 103c
Colonie Interim Storage Site	1130 Central Ave	Colonie	NY	12205	Energy	3005 3010 3016
Brooklyn Information Agency	29th & 3rd Ave, Door 15	Brooklyn	NY	11232	General Services Admin.	3010
Emmanuel Cellard Federal Building	225 Cadman Plaza	Brooklyn	NY	11201	General Services Admin.	3010
Federal Building	252 7th Ave	New York	NY	10001	General Services Admin.	3010
Merchandise Control Sales Section	6 World Trade Center	New York	NY	10048	General Services Admin.	3010
New York	201 Varick St	New York	NY	10014	General Services Admin.	3010
BLM-Pennsylvania Ave/Fountain Ave Landfills.	Pennsylvania Ave, Shore Pkwy.	Brooklyn	NY	11207	Interior	3010
FWS-Iroquois National Wildlife Refuge.	Casey Rd	Alabama	NY	14003	Interior	3016 103c
FWS-Montezuma National Wildlife Refuge.	3395 Route 5 & 20 East	Seneca Falls	NY	13148	Interior	3010 3016 103c
NPS-Gateway National Recreational Area.	Floyd Bennett Field	Brooklyn	NY	11234	Interior	103c
Brooklyn Naval and Marine Corps Reserve Center	Floyd Bennett Field	Brooklyn	NY	11234	Navy	103c
Mitchel Field Housing Facility	Navsta New York Housing Office, Bldg. 19, West Road, Mitchel Field.	Garden City	NY	11530	Navy	103c

FEDERAL FACILITIES DOCKET, SEA STATUS FACILITIES—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism
Mitchel Manor Housing Facility	Navsta New York Housing Office, 85 A Mitchel Avenue.	East Meadow	NY	11554	Navy	103c
New York Naval Station	207 Flushing Ave	Brooklyn	NY	11251	Navy	3010 103c
Aids to Navigation Team	7063 Lighthouse Drive	Saugertles	NY	12477	Transportation	3010
Support Center Governor's Island	C/O US Coast Guard Group	Governor's Island.	NY	10004	Transportation	3010 103c
Columbus Defense Construction Supply Center.	3990 E. Broad St. Franklin County.	Columbus	OH	43215	Army	3005 3010 3016 103c
Lima Defense Plant Representative Office.	Defense Logistics Agency, DPRO General Dynamics—Lima, 1155 Buckeye Rd.	Lima	OH	45804–1898	Army	3010 3016 103c
Electronic Supply Center	1507 Wilmington Pike Montgomery County.	Dayton	OH	45444	Defense	3010 3016 103c
Cincinnati Defense Fuel Support Plant.	4820 River Rd Hamilton County.	Cincinnati	OH	45233	Defense Logistics Agency.	3010 3016 103c
Andrew W, Breidenbach Environmental Research Ctr.	26 W. St. Clair Street	Cincinnati	OH	45268	EPA	3005 3010 3016
Center Hill Hazardous Waste Engrg Research Lab.	5595 Center Hill Road	Cincinnati	OH	45268	EPA	3005 3010 3016
Testing and Evaluation Facility	1600 Gest Street	Cincinnati	OH	45203	EPA	3005 3010 3016
Plant Sciences and Water Conservation Laboratory.	1301 N. Western Rd	Stillwater	OK	74076	Agriculture	3016 103c
BIA-Caddo County Landfill #1	SE/4 SEC7 T5N R11W SW/4 SEC8.	Apache	OK		Interior	103c
FWS-Wichita Mountains National Wildlife Refuge.	Comanche County		OK		Interior	3016 103c
Willamette Falls Locks	West Linn	West Linn	OR	97068	Corps of Engineers, Civil.	103c 3016
BLM-Minexco Millsite	T9SR42ESec8	Baker	OR	97814	Interior	3016 103c
BLM-Slides Dump Site	T15SR46ESec35,Lots1,2	Ontario	OR	97914	Interior	3016 103c
Greater Pittsburgh International Airport.	911 TAG/DE	Pittsburgh	PA	15231	Air Force	3016 103c
Chas Kelly Support Center	US Army	Oakdale	PA	15071	Army	3010 103c
Philadelphia Defense Personnel Support Center.	2800 S 20th St	Philadelphia	PA	19101	Army	3005 3010 3016
Bettis Atomic Power Laboratory	PO Box 109 Bettis Rd	West Mifflin Borough.	PA	15122–0109	Energy	3005 3010 3016 103c
NPS-Gettysburg National Military Park.	RD 1	Gettysburg	PA	17325	Interior	103c
NPS-Valley Forge National Historic Park.	Rte 23	Valley Forge	PA	19481	Interior	103c 3010
Fort Allen	Route 1	Juana Diaz	PR	00665	Army	103c
Ceiba Naval Station	Roosevelt Roads	Ceiba	PR	00635	Navy	3005 3010 3016 103c
Eastern Vieques	Vieques	Vieques	PR	00765	Navy	103c 3005 3010 3016
Roosevelt Roads Naval Station	Villa Verde Street Drydock & Repair Facility.	Miramar	PR	00903	Navy	3005 3010 3016
Borinquen Coast Guard Air Station	Ramey Air Force Base	Aquadilla	PR	00604	Transportation	3010 103c
Beaufort Marine Corps Air Station	Lafrene Road	Beaufort	SC	29904	Navy	3005 3010 3016 103c 103a
Beaufort Naval Hospital	SC Highway 280	Beaufort	SC	29902	Navy	3010
Charleston Naval Shipyard	Viaduct Road	Charleston	SC	29408	Navy	3005 3010 3016
Charleston Naval Weapons Station South Annex.	Remount Road	North Charleston	SC	29406	Navy	103c
Silver King Mines Inc	US Hwy. 18	Edgemont	SD	57735	Tennessee Valley Authority.	3010 103c
Holston Army Ammunition Plant	West Stone Drive	Kingsport	TN	37660	Army	3005 3010 3016 103c
Memphis Naval Air Station	Millington-Arlington Road	Millington	TN	38054	Navy	3005 3010 3016 103c
Allen Fossil Plant	2574 Plant Rd	Memphis	TN	38109	Tennessee Valley Authority.	3005 3010 3016 103c 103a
Bull Run Fossil Plant	Edgemoor Rd., 6 Mi SE of Oak Ridge.	Oak Ridge	TN	37930	Tennessee Valley Authority.	3010
Cumberland Fossil Plant	TN Highway 149 South	Cumberland City	TN	37050	Tennessee Valley Authority.	3010
Hartsville Site	TN Hwy 25	Hartsville	TN	37050	Tennessee Valley Authority.	3010

FEDERAL FACILITIES DOCKET, SEA STATUS FACILITIES—Continued

Facility name	Facility address	City	State	ZIP code	Agency	Reporting mechanism
John Sevier Fossil Plant	TN Hwy 70E	Rogersville	TN	37134	Tennessee Valley Authority.	3005 3010 103c
Kingston Fossil Plant	Off I–40 East	Kingston	TN	37763	Tennessee Valley Authority.	3005 3010 103c
Sequoyah Nuclear Plant	Hixson Pike Rd	Daisys	TN	37319	Tennessee Valley Authority.	3005 3010 103c
Watts Bar Nuclear Plant	TN Hwy 68	Spring City	TN	37381	Tennessee Valley Authority.	3005 3010 103c
Conservation and Production Research Laboratory.	½ Mile W., T–40 S.	Bushland	TX	79012	Agriculture	3016 103c
Honey Bee Research Laboratory		Weslaco	TX	78520	Agriculture	103c
Knipling-Bushland Livestock Insects Laboratory.	Intersection SH 16 and IH 10.	Kerrville	TX	78028	Agriculture	3016
Subtropical Agriculture Research Laboratory.	FM 1015, South Expressway 83.	Weslaco	TX	76115	Agriculture	3010 3016
Bergstrom Air Force Base	67 CSG/DE	Bergstrom AFB	TX	78743	Air Force	3005 3010 3016 103c 103a
Dyess Air Force Base	96 CSG/CC	Abilene	TX	79607	Air Force	3005 3010 3016 103c 103a
Nederland Air National Guard	Highway 69	Nederland	TX	77627	Air Force	103c
Sheppard Air Force Base	3750 ABG/DE	Wichita Falls	TX	76311	Air Force	3005 3010 3016 103c
Canyon Lake Recreation Area	North Side of Canyon Lake (By Dam).	San Antonio	TX	78234	Army	103c
Corpus Christi Army Maintenance Support Activity.	2022 Saratoga	Corpus Christi	TX	78415	Army	3005 3010 103c 103a
Fort Bliss Air Defense Center	Pershing Drive	Fort Bliss	TX	79916	Army	3005 3010 3016 103c 103a
Fuels & Lubricant Research Laboratory.	6220 Cuevra	San Antonio	TX	78284	Army	103c
Saginaw Aircraft Plant	Blue Mound Road Highway 156.	Saginaw	TX	76131	Army	3010 103c
Terrell Nike Missile Site	½ Mi E. of Hwy 205	Terrell	TX	75160	Army	103c
Lake Lavon-North Gully Site 1	Highway 380	Wylie	TX	75077	Corps of Engineers, Civil.	3016
Lake Lavon-St Paul Site 2	S End Rolling Meadows St	Wylie	TX	75098	Corps of Engineers, Civil.	103c
Houston Laboratory	6608 Hornwood Dr	Houston	TX	77074	EPA	3010 103c
NPS-Padre Island National Seashore Bone Yard.	Park Road 22	Corpus Christi	TX	78418	Interior	3010 3016 103c
Kingsville Naval Air Station	Military Highway	Kingsville	TX	78363	Navy	3010 103c 103a
BLM-Chevron Red Wash Unit	T7SR7ESec22	Vernal	UT	84078	Interior	3016 103c
BLM-Desert Mound Mine	T35NR13WSec35	Cedar City	UT	84720	Interior	3016 103c
BLM-Frye Canyon Tailing	T36SR16ESec34	Hite	UT	84511	Interior	3016 103c
BLM-Ore Buying Station-Moab	T26SR22ESec6PARCLABC	Moab	UT	84532	Interior	3016 103c
Oyster Point Development Corp.	610 Thimble Shoals Blvd	Newport News	VA	23601	Air Force	103c
Arlington Hall Station	US Army	Warrenton	VA	22186	Army	3010 103c
Arlington Marine Corps Battalion Headquarters Arl.	Henderson Hall	Arlington	VA	22214	Navy	103c
Roanoke Navy and Marine Corps Reserve.	5301 Barnes Ave	Roanoke	VA	24019	Navy	3010 103c
BLM-Enlo Powerhouse Aka Similkameen.	T40NR27ESec13	Oroville	WA	98844	Interior	103c
BR-Grand Coulee Dam Project	PO Box 620	Grand Coulee	WA	99133	Interior	3010 3016
Forest Products Laboratory	One Gifford Pinchot Drive	Madison	WI	53705	Agriculture	3005 3010 3016
WAPA-Casper Field Br	W of Mt View on Spider Rd	Mills	WY	82644	Energy	103c

[FR Doc. 93–25101 Filed 11–9–93; 8:45 am]
BILLING CODE 6560–50–M

federal register

Wednesday
November 10, 1993

Part III

Department of Agriculture

Rural Electrification Administration

7 CFR Part 1767
Accounting Requirements for REA Electric Borrowers; Final Rule

DEPARTMENT OF AGRICULTURE

Rural Electrification Administration

7 CFR Part 1767

RIN 0572-AA23

Accounting Requirements for REA Electric Borrowers

AGENCY: Rural Electrification Administration, USDA.

ACTION: Final rule.

SUMMARY: The Rural Electrification Administration (REA) is adding a new regulation to implement provisions of the standard form of REA security instrument between REA and its electric borrowers and to revise and codify the current REA policy set forth in REA Bulletin 181–1, Uniform System of Accounts Prescribed for Electric Borrowers of the Rural Electrification Administration, and REA Bulletin 181–3, Accounting Interpretations for REA Electric Borrowers. REA is establishing a Uniform System of Accounts (USoA) and is prescribing specific accounting procedures to be followed by electric borrowers in certain circumstances. The establishment of these accounts and procedures ensures uniformity and consistency in the manner in which borrowers account for financial transactions. By prescribing standard, uniform accounting procedures, REA may evaluate borrowers' financial performance, determine whether current loans are at risk, and determine the credit worthiness of future loans. Bulletins 181–1 and 181–3 are rescinded as of the effective date of this final rule.

EFFECTIVE DATE: December 10, 1993.

FOR FURTHER INFORMATION CONTACT: Ms. Roberta E. Detwiler, Chief, Technical Accounting and Auditing Staff, Borrower Accounting Division, Rural Electrification Administration, Room 2222, South Building, U.S. Department of Agriculture, Washington, DC 20250, telephone number (202) 720–5227.

SUPPLEMENTARY INFORMATION:

Executive Order 12291

This final rule has been issued in conformance with Executive Order 12291 and Departmental Regulation 1512–1. This action has been classified as "nonmajor" because it does not meet the criteria for a major regulation as established by the Order.

Regulatory Flexibility Act Certification

The Administrator of REA has determined that the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) does not apply to this final rule.

Information Collection and Recordkeeping Requirements

In compliance with the Office of Management and Budget (OMB) regulations (5 CFR Part 1320) which implements the Paperwork Reduction Act of 1980 (Pub. L. 96–511) and section 3504 of that Act, the new information collection and recordkeeping requirements have been approved by the Office of Management and Budget (OMB) under control number 0572–0002. Comments regarding these requirements may be sent to the United States Department of Agriculture, Clearance Office, OIRM, Room 404–W, Washington, DC 20250 or to the Office of Management and Budget, Office of Information and Regulatory Affairs, Room 3201, Washington, DC 20503.

National Environmental Policy Act Certification

The Administrator, REA, has determined that this final rule will not significantly affect the quality of the human environment as defined by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*). Therefore, this action does not require an environmental impact statement or assessment.

Catalog of Federal Domestic Assistance

The program described by this final rule is listed in the Catalog of Federal Domestic Assistance Programs under numbers 10.850—Rural Electrification Loans and Loan Guarantees. This catalog is available on a subscription basis from the Superintendent of Documents, the United States Government Printing Office, Washington, DC 20402.

Executive Order 12372

This final rule is excluded from the scope of Executive Order 12372, Intergovernmental Consultation. A Notice of Final rule entitled Department Programs and Activities Excluded from Executive Order 12372 (50 FR 47034) exempts REA and Rural Telephone Bank (RTB) loans and loan guarantees, and RTB bank loans, to governmental and nongovernmental entities from coverage under this Order.

Executive Order 12778

This final rule has been reviewed under Executive Order 12778, Civil Justice Reform. This final rule: (1) will not preempt any state or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule; (2) will not have any retroactive effect; and (3) will not require administrative proceeding before parties may file suit challenging the provisions of this rule.

Background

In order to facilitate the effective and economical operation of a business enterprise, adequate and reliable financial records must be maintained. Accounting records must provide a clear and accurate picture of current economic conditions from which management can make informed decisions in charting the company's future. The rate regulated environment of an electric utility causes an even greater need for financial information that is accurate, complete, and comparable with that generated by other electric utilities.

REA, as a Federal lender and mortgagee, and in furthering the objectives of the Rural Electrification Act, has a legitimate programmatic interest and a substantial financial interest in requiring adequate records to be maintained. In order to provide REA with financial information that can be analyzed and compared with the operations of other borrowers in the REA program, all REA borrowers must maintain financial records that utilize uniform accounts and uniform accounting policies and procedures. The standard REA security instrument requires borrowers to maintain their books, records, and accounts in accordance with methods and principles of accounting prescribed by REA in the USoA for its electric borrowers. This covenant is one of many terms and conditions prescribed by the Administrator of REA with respect to loans and loan guarantees as authorized by the Rural Electrification Act of 1936, as amended (7 U.S.C. 901 *et seq.*) This final rule implements those requirements by requiring borrowers to maintain their accounts in accordance with the USoA.

REA is prescribing a USoA that must be maintained and is establishing specific accounting procedures to be followed for certain circumstances that either the USoA does not specifically address or for which REA has specific accounting procedures that it requires because of the corporate structure of REA borrowers and REA's programmatic interest in assuring that it has current financial information concerning its borrowers' financial condition. The USoA and required accounting procedures will provide the financial information necessary to operate a rural electric cooperative. The uniformity of the accounts and accounting procedures prescribed will enable REA to make determinations concerning the current financial condition of REA borrowers.

In accordance with this Part 1767, REA borrowers are required to account for all transactions as prescribed herein. REA borrowers must receive REA's prior written approval before departing from this Part 1767. All submissions to a state regulatory commission or the Tennessee Valley Authority must be based upon accounting prescribed in this final rule. However, this final rule does not prohibit a borrower from maintaining additional accounting books and records to satisfy the needs of management or the requirements of other regulatory bodies.

Subsequent to the publication, by REA, of the proposed rule, Accounting Requirements for REA Electric Borrowers, published September 7, 1990, 55 FR 36936, the Federal Energy Regulatory Commission (FERC), after responding to comments, published a final rule in the **Federal Register** on April 7, 1993, 58 FR 17982, amending the FERC USoA. The rule adopts accounting requirements for allowances for emission of sulfur dioxide under Title IV of the Clean Air Act Amendments of 1990, Pub. L. No. 101-549, 104 Stat. 2399, 2584, and for assets and liabilities created through the ratemaking actions of regulatory agencies. The final rule was effective January 1, 1993. As further discussed in the comment section of this final rule, after reviewing the appropriateness and applicability of each amendment to the FERC USoA, REA will propose revisions, as necessary, to the REA USoA. REA has reviewed and analyzed the accounting requirements, comments to the FERC proposal, changes to the FERC USoA as published in this final rule, and has decided to include and implement the FERC ruling without modification.

This rule prescribes the accounting requirements for utilities, for financial accounting purposes only, for allowances for the emission of sulfur dioxide under the Clean Air Act Amendments of 1990. With regard to allowances for the emission of sulfur dioxide, this rule is not intended to modify or change the provision of a utility's mortgage and security agreement with REA. Any sale or disposal of allowances for the emission of sulfur dioxide under the Clean Air Act Amendments of 1990 must be made in accordance with the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901 *et seq.*) and the utility's mortgage and loan contract agreement with REA.

The section numbers in this final rule have been renumbered to subdivide the chart of accounts into major classifications of accounts to permit easier access and use.

The information set forth in this final rule is currently contained in REA Bulletins 181-1 and 181-3. Upon the effective date of this rule, REA Bulletins 181-1 and 181-3 are rescinded.

Comments

A proposed rule entitled Accounting Requirements for REA Electric Borrowers, published September 7, 1990, at 55 FR 46936, invited interested parties to submit comments on or before November 6, 1990. Comments were received from electric borrowers, certified public accountants (CPAs), statewide organizations, industry representatives, and state commissions. The following paragraphs address various topics that are discussed by the commenters.

1767.13, Departures from the Prescribed REA USoA

Comment. Many commenters questioned REA's authority to require REA approval for departures from the prescribed REA USoA prior to seeking state commission approval. The commenters stated that REA was attempting to preempt the jurisdiction of the state commissions to regulate rates and services. The commenters stated that REA had no legal authority to preempt state law in accounting procedures.

Response. REA's intent in requiring approval of departures from the prescribed REA USoA before such departures are submitted to a state commission was to implement the provisions of Article II, Section 12 of the standard form of REA security instrument which requires REA borrowers to at all times keep, and safely preserve, proper books, records, and accounts in which full and true entries will be made of all of the dealings, business and affairs of the Mortgagor, in accordance with the methods and principles of accounting prescribed in the Uniform System of Accounts. This covenant and requirement is in each and every standard form of REA security instrument and has been a requirement for numerous years. Pursuant to Section 4 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 904), this covenant is one of many terms and conditions prescribed by the Administrator of REA relating to the expenditure of the moneys loaned and the security therefore with respect to loans and loan guarantees.

This rule is not intended to preempt a state commission's authority in setting rates and prescribing service. It is intended to insure that similar transactions are accounted for in a consistent manner in accordance with the USoA. Consistency in the application of accounting methodologies is critical if REA is to properly evaluate a borrower's financial condition, programmatic performance, and ultimately its creditworthiness. REA has, therefore, amended the final rule in § 1767.13 to more clearly reflect this intent.

It should be noted that this final rule does not prohibit a borrower from maintaining additional accounting books and records to satisfy the needs of management or the requirements of regulatory bodies. Maintaining additional accounting books and records to reflect the differences between financial accounting, the requirements of the Internal Revenue Service, and the requirements of state or Federal regulatory bodies is a common business practice and, as such, should not impose unreasonable recordkeeping burdens upon REA borrowers. Any and all submissions to REA, however, must comply with the USoA as set forth in this final rule.

While REA has no objection to borrowers' maintaining two sets of financial records, the standard form of REA security instrument requires REA borrowers to keep their accounting records in accordance with the REA USoA. The REA USoA parallels the USoA prescribed by the FERC and, as such, is consistent with the standards of financial accounting for the electric utility industry as a whole. It seems inconsistent to REA, therefore, to require borrowers to adhere to the REA USoA and permit the same borrowers to submit rate filings to their individual state commissions that include accounting methodologies or procedures that will not provide rates adequate to achieve the Times Interest Earned Ratio (TIER) and Debt Service Coverage (DSC) requirements established in their REA security instruments. For example, REA borrowers are required to use straight line depreciation for reporting on the REA Forms 7 or 12, Financial and Statistical Reports. If, however, this borrower requests rates that are based upon a much lower sinking fund depreciation expense component, the revenues generated will not be sufficient to meet the financial ratio requirements in that borrower's REA security instrument, and the commission has not been given the opportunity to set rates that recover costs in a manner consistent with financial accounting.

Conversely, if the commission orders sinking fund depreciation when a borrower has requested straight line, the

commission is impairing the borrower's ability to meet the financial requirements of its REA security instrument. These situations are examples of problems currently facing REA and its borrowers and, it is for the reasons set forth above, that REA believes that rate filings and financial reporting must be based upon the consistent application of accounting principles as prescribed by the REA USoA.

Generally Accepted Accounting Principles (GAAP)

Comment. Several commenters stated that REA should incorporate a general policy statement incorporating GAAP into the USoA. These commenters stressed the importance of consistency between GAAP and USoA requirements and argued that lack of consistency may require a borrower to maintain duplicate sets of financial records. One commenter provided detailed comments regarding technical accounting practices contained in the USoA.

Response. The preamble of the proposed rule stated that there are benefits in not having inconsistencies between GAAP and REA USoA requirements, to the extent practicable. Many of the accounting procedures proposed in Section 1767.21 are adoptions or implementations of recent pronouncements of the Financial Accounting Standards Board (FASB). As with all directives, however, these pronouncements are open to professional interpretation and application. It has been REA's experience that different accountants often interpret these accounting pronouncements in different ways, therefore, leading to inconsistencies in the methods of accounting for similar transactions. Consistency in the application of accounting methodologies is critical if REA is to properly evaluate a borrower's financial condition, financial performance, and creditworthiness for comparison to the financial results of other borrowers in the REA program.

REA believes that the REA USoA should parallel the FERC USoA in order to ensure consistent financial reporting among all electric utilities. FERC has not incorporated such a policy statement in its USoA; rather it reviews the applicability of each pronouncement to the utility industry and amends its USoA accordingly. This process provides FERC the flexibility needed to properly prescribe accounting requirements appropriate for the utility industry. Similar flexibility is necessary in order for REA to consider and evaluate the impact of accounting pronouncements on cooperative entities and the REA program as a whole.

For these reasons, a general policy statement incorporating GAAP into the final rule has not be adopted. This does not, however, preclude REA borrowers from requesting and receiving REA approval of applications of GAAP for specific transactions that do not comply with the USoA.

Section 1767.15(o)

Comment. One commenter stated that this section referred to an annual report and questioned whether this information should be reported in the audited financial statements or on the REA Form 7, Financial and Statistical Report, or REA Form 12, Operating Report—Financial.

Response. It is REA's intention that this information be reported in the footnotes to both the audited financial statements and the REA Financial and Statistical Reports (REA Forms 7 and 12). Section 1767.15 (o) has been revised accordingly.

Section 1767.15(p)

Comment. One commenter questioned the term "licensed project" in this section and asked if REA licenses projects.

Response. REA does not license projects. However, all generating plants are licensed by FERC and for that reason, the term "licensed project" is used in the USoAs of both REA and FERC. This term has also been consistently applied since REA Bulletin 181–1 was last issued in 1978. For this reason, REA believes that there is no need to change this terminology.

Sections 1767.15(q)(6) and 1767.15 (r)(2)

Comment. One commenter stated that these sections and Accounts 190 and 281 are inconsistent with the provisions of Statement of Financial Accounting Standards No. 96, Accounting for Income Taxes. To ensure consistency with GAAP, the respondent suggested that these areas be amended accordingly.

Response. To ensure consistency in reporting for all electric utilities, REA will consider amending its USoA after the FERC USoA is amended. After reviewing the appropriateness and applicability of such FERC amendments to cooperative entities and the REA program, REA will, if necessary, propose revisions to the REA USoA. FERC is currently reviewing the impact of Statement No. 96 and will revise its USoA accordingly. At that time, REA will review the amendment to the FERC USoA and propose, if necessary, any revisions to the REA USoA.

Section 1767.16(c)(17)

Comment. One commenter suggested that the formula for computing Allowance for Funds Used During Construction (AFUDC) proposed in this section should not include a component for common equity because REA borrowers do not issue common stock.

Response. REA agrees with the comment. In practice, REA has permitted its borrowers to incorporate a component for patronage capital assigned in lieu of common equity in AFUDC. REA has, therefore, revised the formula in Section 1767.16(c)(17) to specifically include patronage capital assigned in lieu of common equity.

Section 1767.21, No. 118, Load Control Equipment

Comment. One commenter suggested that Load Control Receivers are moved, on a continual basis, from one consumer's premise to another and, therefore, have characteristics similar to items of special equipment. As such, the commenter suggested that Load Control Receivers be accounted for in accordance with the procedures detailed in Section 1767.21, No. 119, Special Equipment.

Response. REA's engineering staff reviewed this issue and determined that Load Control Receivers do, in fact, have characteristics similar to other items of special equipment and should be accounted for accordingly. Section 1767.41, Nos. 118 and 119, have, therefore, been revised to include Load Control Receivers as items of special equipment.

Account 123, Investment in Associated Companies

Comment. One commenter suggested that REA amend the language in Account 123 to be consistent with GAAP requirements for investments in associated organizations. The commenter suggested that the equity method be used when the GAAP conditions for applying the equity method had been met and that wholly owned subsidiaries should be consolidated when appropriate.

Response. The USoA prescribed for an REA borrower must provide accounting guidance for investments in entities that are organized as either a cooperative or a subsidiary. Through the prescribed subaccounts, Account 123 provides this flexibility. Due to the cooperative organizational structure of a generation and transmission (G&T) borrower, the net margins of the G&T must be allocated, at year's end, to its

member distribution cooperatives. The allocated earnings of the G&T are income to the distribution cooperatives at that time. If REA were to impose the equity method of accounting, very few of the distribution borrowers would have a sufficient ownership interest (at least 20%) to account for its investment in its G&T on the equity method. Therefore, in only a few rare instances, would the annual earnings of the G&T accrue to its member distribution cooperatives. Similarly, the subaccounts of Account 123 provide for the equity method of accounting for subsidiary companies. The accounting for subsidiary companies prescribed in REA's USoA parallels that of the FERC USoA and for these reasons, the language in Account 123 is not revised.

Account 434, Extraordinary Income

Comment. One commenter pointed out that Account 434, Extraordinary Income, dealt with infrequent, nonrecurring losses rather than gains.

Response. Account 434 was incorrectly cited in the proposed rule and has been appropriately corrected.

Materiality

Comment. Two commenters recommended that REA require approval for only material departures from the REA USoA.

Response. Materiality is acknowledged by auditors as a means of determining relative importance of a financial transaction to the financial statements. A uniform method of applying the concept of materiality has not been devised. Rather, the application of materiality has been left to the auditor's professional judgement. Because there is no recognized standard of materiality, professional judgement comes into play. Materiality may be based upon the financial statements taken as a whole, the balance sheet, the income statement, or individual amounts reported in each. Therefore, an accounting methodology that results in a departure from the prescribed REA USoA may be viewed as material for one REA borrower and immaterial for another. If REA borrowers are accounting for the same transaction differently, consistency and comparability of financial information is impaired and REA's ability to make prudent lending decisions could be hampered. It is for these reasons that REA will not modify the proposed rule to include a materiality provision.

It should be noted, however, that if a transaction is truly immaterial, the departure from GAAP to comply with the REA USoA should not impact the auditor's opinion on the financial statements. Experience has shown that auditors do not qualify their opinions for immaterial departures from GAAP.

Non-rate-regulated enterprises

Comment. One commenter pointed out the inconsistencies between the USoA and the accounting for REA borrowers no longer subject to the provisions of Statement of Financial Accounting Standards No. 71, Accounting for the Effects of Certain Types of Regulation (Statement No. 71). That commenter suggested that REA direct those borrowers that are no longer subject to the provisions of Statement No. 71 to follow GAAP in instances in which the USoA prescribes accounting which is inconsistent with GAAP for non-rate-regulated enterprises.

Response. An entity is not considered to be rate-regulated when, due to actions of competition or its regulator, it can no longer set its rates to recover its prudently incurred costs. If rates are not sufficient to cover current period expenses, the entity typically operates at a loss. Financially troubled borrowers that fall into this category create special programmatic concerns for REA and for the security of REA loans and loan guarantees. For these borrowers, it is critical that REA is aware of the accounting methodologies that form the basis for the financial data submitted. This data is utilized by REA to properly evaluate the borrower's current financial condition, financial performance, the security of its loans or loan guarantees, and to determine whether there is a need for restructuring. REA has a legitimate and substantial interest here. These borrowers may request REA approval to adopt accounting treatments that comply with GAAP but differ with the USoA. However, REA must have the ability to review these requests and to analyze the ultimate impact on the borrowers' financial statements.

Approval Time Frames

Comment. Several commenters suggested that a time period be imposed for REA to approve requests for departures from the prescribed REA USoA. One cooperative further suggested that REA borrowers could assume the departures were approved if REA did not respond within the agreed upon time frame.

Response. REA agrees with the commenters that a timely response is essential if our borrowers are to operate efficiently. REA believes that, by imposing a time frame, REA is working cooperatively with the borrowers to ensure adherence to the USoA. Because it is impossible to project the nature and difficulty of all requests and the resulting time requirements needed for REA to review such requests and for REA to respond, the final rule, in § 1767.13 (f) incorporates a 90-day time period for REA to respond to requests for departures from the prescribed REA USoA. The 90-day response period will begin to run when all the information necessary for REA to begin its review and to make a decision has been received by REA. If, due to extenuating circumstances, REA is unable to reach a decision within the required time period, the REA borrower will be notified of the delay and will be provided a projected decision date. Because of the necessity for borrowers to account for similar transactions and situations in a consistent manner and because this consistency is essential when REA reviews financial information, borrowers cannot be permitted to assume that a lack of response should be interpreted as REA approval. Until such time as a response is provided by REA, therefore, the borrower must not implement any accounting methodology that constitutes a departure from the REA USoA.

List of Subjects in 7 CFR Part 1767

Accounting.

For the reasons set out in the preamble, REA hereby adds a new Part 1767, Accounting Requirements for REA Electric Borrowers, to Title 7 of the Code of Federal Regulations to read as follows:

PART 1767—ACCOUNTING REQUIREMENTS FOR REA ELECTRIC BORROWERS

Subpart A—General [Reserved]

Sec.

1767.1–1767.9 [Reserved]

Subpart B—Uniform System of Accounts

1767.10 Definitions.
1767.11 Purpose.
1767.12 Accounting system requirements.
1767.13 Departures from the prescribed REA Uniform System of Accounts.
1767.14 Interpretations of the REA Uniform System of Accounts.
1767.15 General instructions.
1767.16 Electric plant instructions.
1767.17 Operating expense instructions
1767.18 Assets and other debits.
1767.19 Liabilities and other credits.
1767.20 Plant accounts.
1767.21 Operating income.
1767.22 Other income and deductions.
1767.23 Interest charges.
1767.24 Extraordinary items.
1767.25 Retained earnings.
1767.26 Operating revenue.
1767.27 Operation and maintenance expenses.
1767.28 Customer accounts expenses.
1767.29 Customer service and informational expenses.

1767.30 Sales expenses.
1767.31 Administrative and general expenses.
1767.32–1767.40 [Reserved]
1767.41 Accounting methods and procedures required of all REA borrowers.
1767.42–1767.45 [Reserved]

Subpart C—Depreciation Rates and Procedures [Reserved]

1767.46–1767.65 [Reserved]

Subpart D—Preservation of Records [Reserved]

1767.66–1767.85 [Reserved]

Authority: 7 U.S.C. 901 *et seq.*

Subpart A—General [Reserved]

§§ 1767.1–1767.9 [Reserved]

Subpart B—Uniform System of Accounts

§ 1767.10 Definitions.

As used in this part:

Accounting borrower is an REA borrower.

Accounts are the accounts prescribed in this system of accounts.

Actually issued as applied to securities issued or assumed by the utility, are those which have been sold to bona fide purchasers for a valuable consideration, those issued as dividends on stock, and those which have been issued in accordance with contractual requirements direct to trustees of sinking funds.

Actually outstanding as applied to securities issued or assumed by the utility, are those which have been actually issued and are neither retired nor held by or for the utility; provided, however, that securities held by trustees shall be considered as actually outstanding.

Amortization is the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

Associated (affiliated) companies are companies or persons that directly, or indirectly through one or more intermediaries, control, or are controlled by, or under common control with, the accounting company.

Book Cost means the amount at which property is recorded in these accounts without deduction of related provisions for accrued depreciation, amortization, or for other purposes.

Capital lease is a lease of property used in utility or nonutility operations, which meets one or more of the criteria stated in § 1767.15 (s).

CFC is the National Rural Utilities Cooperative Finance Corporation.

Continuing Property Records are company plant records for retirement units and mass property that provide, as either a single record, or in separate records readily obtainable by references made in a single record, the following information:

(1) For each retirement unit:

(i) The name or description of the unit, or both;

(ii) The location of the unit;

(iii) The date the unit was placed in service;

(iv) The cost of the unit as set forth in § 1767.16 (b) and (c); and

(v) The plant control account to which the cost of the unit is charged.

(2) For each category of mass property:

(i) A general description of the property and quantity;

(ii) The quantity placed in service by vintage year;

(iii) The average cost as set forth in § 1767.16 (b) and (c); and

(iv) The plant control account to which the costs are charged.

Control (including the terms *controlling, controlled by,* and *under common control with*) is the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or through voting of securities; common directors, officers, or stockholders; voting trusts; holding trusts; associated companies; contracts; or any other direct or indirect means.

Cost is the amount of money actually paid for property or services. When the consideration given is other than cash in a purchase and sale transaction, as distinguished from a transaction involving the issuance of common stock in a merger or a pooling of interest, the value of such consideration shall be determined on a cash basis.

Cost of removal is the cost of demolishing, dismantling, tearing down or otherwise removing electric plant, including the cost of transportation and handling incidental thereto.

Customer is a consumer or patron.

Debt expense includes all expenses incurred in connection with the issuance and initial sale of evidence of debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; costs of engraving and printing bonds and certificates of indebtedness; fees paid to trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesmen for marketing such evidences of debt; fees and expenses of listing on exchanges; and other like costs.

Depreciation, as applied to depreciable electric plant, is the loss in service value, not restored by current maintenance, incurred in connection with the consumption or prospective retirement of electric plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand and requirements of public authorities.

Discount, as applied to the securities issued or assumed by the utility, is the excess of the par (stated value of no-par stocks) or face value of the securities plus interest or dividends accrued at the date of the sale over the cash value of the consideration received from their sale.

FASB is the Financial Accounting Standards Board.

G&T is a generation and transmission cooperative.

Investment advances are advances, represented by notes or by book accounts only, with respect to which it is mutually agreed or intended between the creditor and debtor that they shall be settled by the issuance of securities or shall not be subject to current settlement.

Minor items of property are the associated parts or items of which retirement units are composed.

Net salvage value is the salvage value of property retired less the cost of removal.

Nominally issued, as applied to securities issued or assumed by the utility, are those which have been signed, certified, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special funds of the utility, but which have not been sold, or issued direct to trustees of sinking funds in accordance with contractual requirements.

Nominally outstanding, as applied to securities issued or assumed by the utility, are those which, after being actually issued, have been reacquired by or for the utility under circumstances which require them to be considered as held alive and not retired, provided, however, that securities held by trustees shall be considered as actually outstanding.

NRECA is the National Rural Electric Cooperative Association.

Operating lease is a lease of property used in utility or nonutility operations, which does not meet any of the criteria stated in § 1767.15 (s).

Original cost, as applied to electric plant, is the cost of such property to the person first devoting it to public service.

Person is an individual, a corporation, a partnership, an association, a joint stock company, a business trust, or any organized group of persons, whether incorporated or not, or any receiver or trustee.

Premium, as applied to securities issued or assumed by the utility, is the excess of the cash value of the consideration received from their sale over the sum of their par (stated value of no-par stocks) or face value and interest or dividends accrued at the date of sale.

Project is a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights of way, ditches, dams, reservoirs, lands, or interest in lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit.

Property retired, as applied to electric plant, is property which has been removed, sold, abandoned, destroyed, or which for any cause has been withdrawn from service.

REA is the Rural Electrification Administration, an agency of the United States Department of Agriculture, or its successor.

REA Form 7 is the August 1988 revision (or the revision of any other date which may be specified) of such REA Form 7, Financial and Statistical Report, or any later revision which shall have been at the time prescribed for use by REA.

REA Form 12 is the November 1979 revision (or the revision of any other date which may be specified) of such REA Form 12, Operating Report—Financial, or any later revision which shall have been at the time prescribed for use by REA.

REA USoA is the USoA prescribed in this subpart.

Regulatory Assets and Liabilities are assets and liabilities that result from rate actions of regulatory agencies. Regulatory assets and liabilities arise from specific revenues, expenses, gains, or losses that would have been included in net income determinations in one period under the general requirements of the Uniform System of Accounts but for it being probable:

(1) That such items will be included in a different period(s) for purposes of developing the rates the utility is authorized to charge for its utility services; or

(2) In the case of regulatory liabilities, that refunds to customers, not provided for in the other accounts, will be required.

Replacing (including replacement) when not otherwise indicated in the context, is the construction or installation of electric plant in place of property retired, together with the removal of the property retired.

Research, Development, and Demonstration (RD&D) includes all expenditures incurred by borrowers either directly or through another person or organization (such as a research institute, industry association, foundation, university, engineering company or similar contractor) in pursuing research, development, and demonstration activities including experiment, design, installation, construction, or operation. This definition includes expenditures for the implementation or development of new and/or existing concepts until technically feasible and commercially feasible operations are verified. Such research, development, and demonstration costs should be reasonably related to the existing or future utility business, broadly defined, of the borrower or in the environment in which it operates or expects to operate. The term includes, but is not limited to, all such costs incidental to the design, development or implementation of an experimental facility, a plant process, a product, a formula, an invention, a system or similar items, and the improvement of already existing items of a like nature; amounts expended in connection with the proposed development and/or proposed delivery of alternate sources of electricity; and the costs of obtaining its own patent, such as attorney's fees expended in making and perfecting a patent application. The term includes preliminary investigations and detailed planning of specific projects for securing for customers non-conventional electric power supplies that rely on technology that has not been verified previously to be feasible. The term does not include expenditures for efficiency surveys; studies of management, management techniques, and organization; or consumer surveys, advertising, promotions, or items of a like nature.

Retirement units are those items of electric plant which, when retired with or without replacement, are accounted for by crediting the book cost thereof to the electric plant accounts in which included.

Salvage value is the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale; or, if retained, the amount at which the material recovered is chargeable to materials and supplies, or other appropriate accounts.

Service life is the time between the date electric plant is includible in electric plant in service, or electric plant leased to others, and the date of its retirement. If depreciation is accounted for on a production basis rather than on a time basis, service life should be measured in terms of the appropriate unit of production.

Service value is the difference between original cost and net salvage value of electric plant.

State is a State admitted to the Union, the District of Columbia, and any organized Territory of the United States.

Subsidiary company is a company which is controlled by the utility through ownership of voting stock. (See the definition of control in § 1767.10.) A corporate joint venture in which a corporation is owned by a small group of businesses as a separate and specific business or project for the mutual benefit of the members of the group is a subsidiary company for the purposes of this system of accounts.

Utility is an REA borrower.

Work order is an order authorizing the construction of utility plant. It serves as the basis for the accounts or subaccounts in which costs are recorded.

§ 1767.11 Purpose.

(a) The standard form of REA loan documents for electric borrowers requires that the borrower keep books, records, and accounts in which full and true entries will be made of all of the dealings, business and affairs of the borrower in accordance with the methods and principles of accounting of this part.

(b) This subpart implements these provisions of the REA loan documents by prescribing the REA USoA for electric borrowers and by providing accounting methodologies and procedures which are applicable to particular situations.

§ 1767.12 Accounting system requirements.

(a) Each REA electric borrower must maintain and keep its books of accounts and all other books and records that support the entries in such books of accounts in accordance with §§ 1767.18–1767.31.

(b) Each REA electric borrower shall maintain and keep its books of accounts and all other books and records which support the entries in such books of accounts in accordance with § 1767.41, Accounting Methods and Procedures Required of All REA Borrowers, herein, which prescribes accounting principles to be applied to specific factual circumstances.

§ 1767.13 Departures from the prescribed REA Uniform System of Accounts.

(a) No departures are to be made to the prescribed REA USoA without the prior written approval of REA.

(b) REA borrowers subject to the jurisdiction of a state regulatory authority with jurisdiction over rates and/or accounting for electric utilities will not:

(1) Request approval of such authority to use accounting methodologies and principles that depart from the provisions herein; or

(2) File with such authority, any documents or information, including without limitation, any filings associated with the borrower's rates, based upon accounting methods and principles inconsistent with the provisions of this part.

(c) If any state regulatory authority with jurisdiction over an REA borrower prescribes accounting methods or principles for the borrower that are inconsistent with the provisions of this part, the borrower must immediately notify REA and provide such documents, information, and reports as REA may request to evaluate the impact that such accounting methods or principles may have on the interests of REA.

(1) If REA determines that the accounting methods and principles do not adversely impact REA interests, REA will permit the borrower to use the accounting methods and principles as prescribed by the state regulatory authority to comply with the provisions of the REA loan documents.

(2) If REA determines that the accounting methods and principles may adversely impact REA's interests, REA may require that, for the purposes of complying with provisions of REA loan documents, including, without limitation, those provisions relating to financial coverage standards (e.g. "TIER"), the borrower continue to maintain books, records, and accounts in accordance with this subpart.

(i) REA may, however, approve requests by the borrower to maintain such additional books, records, and accounts as necessary to comply with the requirements of the state regulatory authority.

(ii) Such approval will not waive, modify or amend the requirements of the REA loan documents or of this subpart.

(d) REA borrowers will not implement the provisions of Statement of Financial Accounting Standards (SFAS) No. 71, Accounting for the Effects of Certain Types of Regulation, SFAS No. 90, Regulated Enterprises—Accounting for Abandonments and Disallowances of Plant Costs, SFAS No. 92, Regulated Enterprises—Accounting for Phase-in Plans, without the prior written approval of REA.

(e) REA will consider approval of specific departures from this part upon submission of:

(1) A detailed description of the proposed departure;

(2) The specific accounting journal entries that will be used including the account number and title, and the dollar amounts where appropriate;

(3) The total dollar amount of the departure and the impact on margins during the time period of the departure; and

(4) Any additional information REA may deem necessary to adequately evaluate the borrower's request.

(f) REA will, within 90 days of final receipt of this information, render a decision on the borrower's request for a departure from the prescribed REA USoA.

(1) If, due to extenuating circumstances, REA is unable to reach a decision within the required time period, REA will notify the borrower of the delay within this same 90-day period, and provide a projected decision date.

(2) The requested departure from the prescribed REA USoA must not be implemented until final approval is granted by REA.

§ 1767.14 Interpretations of the REA Uniform System of Accounts.

To maintain uniformity in accounting, borrowers must submit questions concerning interpretations of the REA USoA to REA for consideration and decision.

(Approved by the Office of Management and Budget under control number 0572–0002.)

§ 1767.15 General instructions.

(a) *Records.* (1) Each utility shall keep its books of account, and all other books, records, and memoranda which support the entries in such books of account so as to be able to furnish readily full information as to any item included in any account.

(2) Each entry shall be supported by such detailed information as will permit ready identification, analysis, and verification of all facts relevant thereto.

(3) The books and records referred to herein include not only accounting records in a limited technical sense, but all other records, such as minute books, stock books, reports, correspondence, memoranda, etc., which may be useful in developing the history of or facts regarding any transaction.

(4) No utility shall destroy any such books or records unless the destruction thereof is permitted by the rules and regulations of REA in 7 CFR chapter XVII.

(5) In addition to the prescribed accounts, clearing accounts, temporary or experimental accounts, and subdivisions of any accounts, may be kept, provided the integrity of the prescribed accounts is not impaired.

(6) All amounts included in the accounts prescribed herein for electric plant and operating expenses shall be just and reasonable and any payments or accruals by the utility in excess of just and reasonable charges shall be included in Account 426.5, Other Deductions.

(7) The arrangement or sequence of the accounts prescribed herein shall not be controlling as to the arrangement or sequence in report forms which may be prescribed by REA.

(b) *Numbering system.* (1) The account numbering plan used herein consists of a system of three-digit whole numbers as follows:

100–199	Assets and other debits.
200–299	Liabilities and other credits.
300–399	Plant accounts.
400–432, 434–435	Income accounts.
433, 436–439	Retained earnings accounts.
440–459	Revenue accounts.
500–599	Production, transmission, and distribution expenses.
900–949	Customer accounts, customer service and informational, sales, and general and administrative expenses.

(2) In certain instances, numbers have been skipped in order to allow for possible later expansion or to permit better coordination with the numbering system for other utility departments.

(3) The numbers prefixed to account titles are to be considered as parts of the titles.

(i) Each utility, however, may adopt, for its own purposes, a different system of account numbers provided that the numbers herein prescribed shall appear in the descriptive headings of the ledger

accounts and in the various sources of original entry.

(ii) If a utility uses a different group of account numbers and it is not practicable to show the prescribed account numbers in the various sources of original entry, such reference to the prescribed account numbers may be omitted from the various sources of original entry.

(iii) Each utility using different account numbers for its own purposes shall keep readily available, a list of such account numbers which it uses and a reconciliation of such account numbers with the account numbers provided herein.

(iv) The utility's records shall be so kept as to permit ready analysis by prescribed accounts (by direct reference to sources of original entry to the extent practicable) and to permit preparation of financial and operating statements directly from such records at the end of each accounting period according to the prescribed accounts.

(c) *Accounting period.* (1) Each utility shall keep its books on a monthly basis so that for each month, all transactions applicable thereto, as nearly as may be ascertained, shall be entered in the books of the utility.

(2) Amounts applicable or assignable to specific utility departments shall be so segregated monthly.

(3) Each utility shall close its books at the end of each fiscal year unless otherwise authorized by REA.

(d) *Submission of questions.* To maintain uniformity of accounting, utilities shall submit questions of doubtful interpretation to REA for consideration and decision.

(e) *Item lists.* (1) Lists of "items" appearing in the texts of the accounts or elsewhere herein are for the purpose of more clearly indicating the application of the prescribed accounting.

(2) The lists are intended to be representative, but not exhaustive.

(3) The appearance of an item in a list warrants the inclusion of the item in the account mentioned only when the text of the account also indicates inclusion inasmuch as the same item frequently appears in more than one list.

(4) The proper entry in each instance must be determined by the texts of the accounts.

(f) *Extraordinary items.* (1) Net income shall reflect all items of profit and loss during the period with the exception of prior period adjustments as described in § 1767.15 (g) and long-term debt as described in § 1767.15 (q).

(2) Those items related to the effects of events and transactions which have occurred during the current period and which are not typical or customary business activities of the company shall be considered extraordinary items.

(3) They will be events and transactions of significant effect which would not be expected to recur frequently and which would not be considered as recurring factors in any evaluation of the ordinary operating processes of business.

(i) In determining significance, items of a similar nature should be considered in the aggregate.

(ii) Dissimilar items should be considered individually; however, if they are few in number, they may be considered in the aggregate.

(iii) To be considered as extraordinary under the above guidelines, an item should be more than approximately 5 percent of income, computed before extraordinary items.

(iv) REA approval must be obtained to treat an item of less than 5 percent, as extraordinary. (See Accounts 434 and 435.)

(g) *Prior period items.* (1) Items of profit and loss related to the following shall be accounted for as prior period adjustments and excluded from the determination of net income for the current year:

(i) Correction of an error in the financial statements of a prior year.

(ii) Adjustments that result from realization of income tax benefits of preacquisition operating loss carryforwards of purchased subsidiaries.

(2) All other items of profit and loss recognized during the year shall be included in the determination of net income for that year.

(h) *Unaudited items.* (1) Whenever a financial statement is required by REA, if it is known that a transaction has occurred which affects the accounts but the amount involved in the transaction and its effect upon the accounts cannot be determined with absolute accuracy, the amount shall be estimated and such estimated amount included in the proper accounts.

(2) The utility is not required to anticipate minor items which would not appreciably affect the accounts.

(i) *Distribution of pay and expenses of employees.* Charges to electric plant, operating expense, and other accounts for services and expenses of employees engaged in activities chargeable to various accounts, such as construction, maintenance, and operations, shall be based upon the actual time engaged in the respective classes of work, or in case that method is impracticable, upon the basis of a study of the time actually engaged during a representative period.

(j) *Payroll distribution.* (1) Underlying accounting data shall be maintained so that the distribution of the cost of labor charged direct to the various accounts will be readily available.

(2) Such underlying data shall permit a reasonably accurate distribution to be made of the cost of labor charged initially to clearing accounts so that the total labor cost may be classified among construction, cost of removal, electric operating functions (steam generation, nuclear generation, hydraulic generation, transmission, distribution, etc.) and nonutility operations.

(k) *Accounting on an accrual basis.* (1) The utility is required to keep its accounts on the accrual basis.

(i) This requires the inclusion, in its accounts, of all known transactions of appreciable amount which affect the accounts.

(ii) If bills covering such transactions have not been received or rendered, the amounts shall be estimated and appropriate adjustments made when the bills are received.

(2) When payments are made in advance for items such as insurance, rents, taxes, or interest, the amount applicable to future periods shall be charged to Account 165, Prepayments, and spread over the periods to which applicable, by credits to Account 165, and charges to the accounts appropriate for the expenditure.

(l) *Records for each plant.* (1) Separate records shall be maintained by electric plant accounts of the book cost of each plant owned, including additions by the utility to plant leased from others, and of the cost of operating and maintaining each plant owned or operated.

(2) The term "plant" as used herein includes each generating station and each transmission line or appropriate group of transmission lines.

(m) *Accounting for other departments.* (1) If the utility also operates other utility departments, such as gas or water, it shall keep such accounts for the other departments as may be prescribed by proper authority and in the absence of prescribed accounts, it shall keep such accounts as are proper or necessary to reflect the results of operating each such department.

(2) It is not intended that proprietary and similar accounts which apply to the utility as a whole shall be departmentalized.

(n) *Transactions with associated companies.* (1) Each utility shall keep its accounts and records so as to be able to furnish accurately and expeditiously statements of all transactions with associated companies.

(2) The statements may be required to show the general nature of the transactions, the amounts involved therein and the amounts included in each account prescribed herein with

respect to such transactions. Transactions with associated companies shall be recorded in the appropriate accounts for transactions of the same nature. Nothing herein contained, however, shall be construed as restraining the utility from subdividing accounts for the purpose of recording separately transactions with associated companies.

(o) *Contingent assets and liabilities.* (1) Contingent assets represent a possible source of value to the utility contingent upon the fulfillment of conditions regarded as uncertain.

(2) Contingent liabilities include items which may, under certain conditions, become obligations of the utility but which are neither direct nor assumed liabilities at the date of the balance sheet. The utility shall be prepared to give a complete statement of significant contingent assets and liabilities (including cumulative dividends on preference stock) in its audited financial statements; its REA Form 7, Financial and Statistical Report, or its REA Form 12, Operating Report—Financial; and at such other times as may be requested by REA.

(p) *Separate accounts or records for each licensed project.* The accounts or records of each borrower shall be so kept as to show for each project (including pumped storage) under license:

(1) The actual legitimate original cost of the project, including the original cost of the original project, the original cost of additions thereto and betterments thereof, and credits for property retired from service, as determined under REA's regulations in 7 CFR chapter XVII;

(2) The charges for operation and maintenance of the project property directly assignable to the project;

(3) The credits and debits to the depreciation and amortization accounts, and the balances in such accounts; and

(4) The credits and debits to the operating revenue, income, and retained earnings accounts that can be identified with and directly assigned to the project.

Note: The purpose of this instruction is to insure that accounts or records are currently maintained by each borrower from which reports may be made to REA for use in determining the net investment in each licensed project. The instruction covers only the debit and credit items appearing in the borrower's accounts which may be identified with and assigned directly to any project. In the determination of the net investment, allocations of items affecting the net investment may be required where direct assignment is not practicable.

(q) *Long-term debt: premium, discount and expense, and gain or loss on reacquisition*—(1) *Premium, discount and expense.* (i) A separate premium, discount and expense account shall be maintained for each class and series of long-term debt (including receivers' certificates) issued or assumed by the utility.

(ii) The premium will be recorded in Account 225, Unamortized Premium on Long-Term Debt, the discount will be recorded in Account 226, Unamortized Discount on Long-Term Debt—Debit, and the expense of issuance shall be recorded in Account 181, Unamortized Debt Expense.

(iii) The premium, discount and expense shall be amortized over the life of the respective issues under a plan which will distribute the amounts equitably over the life of the securities.

(A) The amortization shall be charged or credited on a monthly basis with the amounts relating to discount and expense charged to Account 428, Amortization of Debt Discount and Expense.

(B) The amounts relating to premium shall be credited to Account 429, Amortization of Premium on Debt—Credit.

(2) *Reacquisition, without refunding.* (i) When long-term debt is reacquired or redeemed without being converted into another form of long-term debt and when the transaction is not in connection with a refunding operation (primarily redemptions for sinking fund purposes), the difference between the amount paid upon reacquisition and the face value; plus any unamortized premium less any related unamortized debt expense and reacquisition costs; or less any unamortized discount, related debt expense and reacquisition costs applicable to the debt redeemed, retired and cancelled, shall be included in Account 189, Unamortized Loss on Reacquired Debt, or Account 257, Unamortized Gain on Reacquired Debt, as appropriate.

(ii) The utility shall amortize the recorded amounts equally on a monthly basis over the remaining life of the respective security issues (old original debt).

(iii) The amount so amortized shall be charged to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debt—Credit, as appropriate.

(3) *Reacquisition, with refunding.* (i) When the redemption of one issue or series of bonds or other long-term obligations is financed by another issue or series before the maturity date of the first issue, the difference between the amount paid upon refunding and the face value; plus any unamortized premium less related debt expense or less any unamortized discount and related debt expense, applicable to the debt refunded, shall be included in Account 189, Unamortized Loss on Reacquired Debt, or Account 257, Unamortized Gain on Reacquired Debt, as appropriate.

(ii) The utility may elect to account for such amounts as follows:

(A) Write them off immediately when the amounts are insignificant;

(B) Amortize them by equal monthly amounts over the remainder of the original life of the issue retired; or

(C) Amortize them by equal monthly amounts over the life of the new issue.

(iii) Once an election is made, it shall be applied on a consistent basis.

(iv) The amounts in paragraphs (q)(3)(ii)(A), (B), or (C) of this section shall be charged to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debt—Credit, as appropriate.

(4) Under methods in paragraphs (q)(3)(ii)(B) and (C) of this section, the increase or reduction in current income taxes resulting from the reacquisition should be apportioned over the remainder of the original life of the issued retired or over the life of the new issue, as appropriate, as directed more specifically in paragraphs (q)(5) and (6) of this section.

(5) When the utility recognizes the loss in the year of reacquisition as a tax deduction, Account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, shall be debited and Account 283, Accumulated Deferred Income Taxes—Other, shall be credited with the amount of the related tax effect, such amount to be allocated to the periods affected in accordance with the provisions of Account 283.

(6) When the utility chooses to recognize the gain in the year of reacquisition as a taxable gain, Account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, shall be debited with the amount of the related tax effect, such amount to be allocated to the periods affected in accordance with the provisions of Account 190, Accumulated Deferred Income Taxes.

(7) When the utility chooses to use the optional privilege of deferring the tax on the gain attributable to the reacquisition of debt by reducing the depreciable basis of utility property for tax purposes, pursuant to Section 108 of the Internal Revenue Code (26 U.S.C. 108), the related tax effects shall be deferred as the income is recognized for accounting purposes, and the deferred amounts shall be amortized over the life

of the associated property on a vintage year basis.

(i) Account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, shall be debited, and Account 282, Accumulated Deferred Income Taxes—Other Property, shall be credited with an amount equal to the estimated income tax effect applicable to the portion of the income, attributable to reacquired debt, recognized for accounting purposes during the period.

(ii) Account 282 shall be debited and Account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, shall be credited with an amount equal to the estimated income tax effects, during the life of the property, attributable to the reduction in the depreciable basis for tax purposes.

(8) The tax effects relating to gain or loss shall be allocated as above to utility operations except in cases where a portion of the debt reacquired is directly applicable to nonutility operations.

(i) In that event, the related portion of the tax effects shall be allocated to nonutility operations.

(ii) Where it can be established that reacquired debt is generally applicable to both utility and nonutility operations, the tax effects shall be allocated between utility and nonutility operations based on the ratio of net investment in utility plant to net investment in nonutility plant.

(9) Premium, discount, or expense on debt shall not be included as an element in the cost of construction or acquisition of property (tangible or intangible), except under the provisions of Account 432, Allowance for Borrowed Funds Used During Construction—Credit.

(10) *Alternate method.* Where a regulatory authority or a group of regulatory authorities having prime rate jurisdiction over the utility specifically disallows the rate principle of amortizing gains or losses on reacquisition of long-term debt without refunding, and does not apply the gain or loss to reduce interest charges in computing the allowed rate of return for rate purposes, the following alternate method may be used to account for gains or losses relating to reacquisition of long-term debt, with or without refunding:

(i) The difference between the amount paid upon reacquisition of any long-term debt and the face value, adjusted for unamortized discount, expenses or premium, as the case may be, applicable to the debt redeemed shall be recognized currently in income and recorded in Account 421, Miscellaneous Nonoperating Income, or Account 426.5, Other Deductions.

(ii) When this alternate method of accounting is used, the utility shall include a footnote to each financial statement, prepared for public use, explaining why this method is being used along with the treatment given for ratemaking purposes.

(r) *Comprehensive interperiod income tax allocation.* (1) Where there are timing differences between the periods in which transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income, the income tax effects of such transactions are to be recognized in the periods in which the differences between book accounting income and taxable income arise and in the periods in which the differences reverse using the deferred tax method.

(2) Comprehensive interperiod tax allocation should be followed whenever transactions enter into the determination of pretax accounting income for the period even though some transactions may affect the determination of taxes payable in a different period.

(3) Utilities are not required to utilize comprehensive interperiod income tax allocation until the deferred income taxes are included as an expense in the rate level by the regulatory authority having rate jurisdiction over the utility.

(4) Where comprehensive interperiod tax allocation accounting is not practiced the utility shall include as a note to each financial statement, prepared for public use, a footnote explanation setting forth the utility's accounting policies with respect to interperiod tax allocation and describing the treatment for rate making purposes of the tax timing differences by regulatory authorities having rate jurisdiction.

(5) Should the utility be subject to more than one agency having rate jurisdiction, its accounts shall appropriately reflect the ratemaking treatment (deferral or flow through) of each jurisdiction.

(6) Once comprehensive interperiod tax allocation has been initiated either in whole or in part it shall be practiced on a consistent basis and shall not be changed or discontinued without prior REA approval.

(7) Tax effects deferred currently will be recorded as deferred debits or deferred credits in Accounts 190, Accumulated Deferred Income Taxes; 281, Accumulated Deferred Income Taxes—Accelerated Amortization Property; 282, Accumulated Deferred Income Taxes—Other Property, and 283, Accumulated Deferred Taxes—Other, as appropriate.

(8) The resulting amounts recorded in these accounts shall be disposed of as prescribed in this system of accounts or as otherwise authorized by REA.

(s) *Criteria for classifying leases.* (1) If, at its inception, a lease meets one or more of the following criteria, the lease shall be classified as a capital lease:

(i) The lease transfers ownership of the property to the lessee by the end of the lease term.

(ii) The lease contains a bargain purchase option.

(iii) The lease term is equal to 75 percent or more of the estimated economic life of the leased property. However, if the beginning of the lease term falls within the last 25 percent of the total estimated economic life of the leased property, including earlier years of use, this criterion shall not be used for purposes of classifying the lease.

(iv) The present value at the beginning of the lease term of the minimum lease payments, excluding that portion of the payments representing executory costs such as insurance, maintenance, and taxes to be paid by the lessor, including any profit thereon, equals or exceed 90 percent of the excess of the fair value of the leased property to the lessor at the inception of the lease over any related investment tax credit retained by the lessor and expected to be realized by lessor.

(A) However, if the beginning of the lease term falls within the last 25 percent of the total estimated economic life of the leased property, including earlier years of use, this criterion shall not be used for purposes of classifying the lease.

(B) The lessee utility shall compute the present value of the minimum lease payments using its incremental borrowing rate, unless it is practicable for the utility to learn the implicit rate computed by the lessor, and the implicit rate computed by the lessor is less than the lessee's incremental borrowing rate. If both of those conditions are met, the lessee shall use the implicit rate.

(2) If, at any time, the lessee and lessor agree to change the provisions of the lease, other than by renewing the lease or extending its term, in a manner that would have resulted in a different classification of the lease under the criteria in paragraph (s)(1) of this section had the changed terms been in effect at the inception of the lease, the revised agreement shall be considered as a new agreement over its term, and the criteria in paragraph (s)(1) of this section shall be applied for purposes of the expiration of the existing lease term, such as the exercise of a lease renewal option other than those already included in the lease term, shall be

considered as a new agreement and shall be classified according to the above provision. Changes in estimates (for example, changes in estimates of the economic life or of the residual value of the leased property) or changes in circumstances (for example, default by the lessee) shall not give rise to a new classification of a lease for accounting purposes.

(t) *Accounting for leases.* (1) All leases shall be classified as either capital or operating leases.

(2) The utility shall record a capital lease as an asset in Account 101.1, Property Under Capital Leases, and Account 120.6, Nuclear Fuel Under Capital Leases; as appropriate, and an obligation in Account 227, Obligations Under Capital Leases—Noncurrent, or Account 243, Obligations Under Capital Leases—Current, at an amount equal to the present value at the beginning of the lease term of minimum lease payments during the lease term, excluding that portion of the payments representing executory costs such as insurance, maintenance, and taxes to be paid by the lessor, together with any profit thereon. However, if the amount so determined exceeds the fair value of the leased property at the inception of the lease, the amount recorded as the asset and obligation shall be the fair value.

(3) Rental payments on all leases shall be charged to rent expense, fuel expense, construction work in progress, or other appropriate accounts as they become payable.

(4) For a capital lease, for each period during the lease term, the amounts recorded for the asset and obligation shall be reduced by an amount equal to the portion of each lease payment that would have been allocated to the reduction of the obligation, if the payment had been treated as a payment on an installment obligation (liability) and allocated between interest expense and a reduction of the obligation so as to produce a constant periodic rate of interest on the remaining balance.

(u) *Allowances.* (1) Title IV of the Clean Air Act Amendments of 1990, Pub. L. 101–549, 104 Stat. 2399, 2584 (42 U.S.C. 7407 and 42 U.S.C. 7651), provides for the issuance of allowances as a means to limit the emissions of certain airborne pollutants by various entities, including utilities. Utilities owning allowances, other than those acquired for speculative purposes, shall account for such allowances at cost in Account 158.1, Allowance Inventory, or Account 158.2, Allowances Withheld, as appropriate. Allowances acquired for speculative purposes and identified as such in contemporaneous records at the time of purchase shall be accounted for in Account 124, Other Investments.

(2) When purchased, allowances become eligible for use in different years, and the allocation of the purchase cost cannot be determined by fair value, the purchase cost allocated to allowances of each vintage shall be determined through use of a present-value based measurement. The interest rate used in the present-value measurement shall be the utility's incremental borrowing rate, in the month in which the allowances are acquired, for a loan with a term similar to the period that it will hold the allowances and in an amount equal to the purchase price.

(3) The underlying records supporting Account 158.1 and Account 158.2 shall be maintained in sufficient detail so as to provide the number of allowances and the related cost by vintage year.

(4) Issuances from inventory included in Account 158.1 and Account 158.2 shall be accounted for on a vintage basis using a monthly weighted-average method of cost determination. The cost of eligible allowances not used in the current year shall be transferred to the vintage for the immediately following year.

(5) Account 158.1 shall be credited and Account 509, Allowances, debited so that the cost of the allowances to be remitted for the year is charged to expense monthly based on each month's emissions. This may, in certain circumstances, require allocation of the cost of an allowance between months on a fractional basis.

(6) In any period in which actual emissions exceed the amount allowable based on eligible allowances owned, the utility shall estimate the cost to acquire the additional allowances needed and charge Account 158.1 with the estimated cost. This estimated cost of future allowance acquisitions shall be credited to Account 158.1 and charged to Account 509 in the same accounting period as the related charge to Account 158.1. Should the actual cost of these allowances differ from the estimated cost, the differences shall be recognized in the then-current period's inventory issuance cost.

(7) Any penalties assessed by the Environmental Protection Agency for the emission of excess pollutants shall be charged to Account 426.3, Penalties.

(8) Gains on dispositions of allowances, other than allowances held for speculative purposes, shall be accounted for as follows. First, if there is uncertainty as to the regulatory treatment, the gain shall be deferred in Account 254, Other Regulatory Liabilities, pending resolution of the uncertainty. Second, if there is certainty as to the existence of a regulatory liability, the gain will be credited to Account 254, with subsequent recognition in income when reductions in charges to customers occur or the liability is otherwise satisfied. Third, all other gains will be credited to Account 411.8, Gains from Disposition of Allowances. Losses on disposition of allowances, other than allowances held for speculative purposes, shall be accounted for as follows. Losses that qualify as regulatory assets shall be charged directly to Account 182.3, Other Regulatory Assets. All other losses shall be charged to Account 411.9, Losses from Disposition of Allowances. (See the definition of regulatory assets and liabilities.) Gains or losses on disposition of allowances held for speculative purposes shall be recognized in Account 421, Miscellaneous Nonoperating Income, or Account 426.5, Other Deductions, as appropriate.

(9) The costs and benefits of exchange-traded allowance futures contracts used to protect the utility from the risk of unfavorable price changes ("hedging transactions") shall be deferred in Account 186, Miscellaneous Deferred Debits, or Account 253, Other Deferred Credits, as appropriate. Such deferred amounts shall be included in Account 158.1, Allowance Inventory, in the month in which the related allowances are acquired, sold or otherwise disposed of. Where the costs or benefits of hedging transactions are not identifiable with specific allowances, the amounts shall be included in Account 158.1 when the futures contract is closed. The costs and benefits of exchange-traded allowance futures contracts entered into as a speculating activity shall be charged or credited to Account 421, Miscellaneous Nonoperating Income, or Account 426.5, Other Deductions, as appropriate.

§ 1767.16 Electric plant instructions.

(a) *Classification of electric plant at effective date of system of accounts.* (1) The electric plant accounts provided herein are the same as those contained in the prior system of accounts except for inclusion of accounts for nuclear production plant and some changes in classification in the general equipment accounts. Except for these changes, the balances in the various plant accounts, as determined under the prior system of accounts, should be carried forward. Any remaining balance of plant which has not yet been classified, pursuant to the requirements of the prior system, shall be classified in accordance with the following instructions.

(2) The cost to the utility of its unclassified plant shall be ascertained by analysis of the utility's records. Adjustments shall not be made to record in utility plant accounts amounts previously charged to operating expenses or to income deductions in accordance with the USoA in effect at the time or in accordance with the discretion of management as exercised under a USoA, or under accounting practices previously followed.

(3) The detailed electric plant accounts (301 to 399, inclusive) shall be stated on the basis of cost to the utility of plant constructed by it and the original cost, estimated if not known, of plant acquired as an operating unit or system. The difference between the original cost, as above, and the cost to the utility of electric plant after giving effect to any accumulated provision for depreciation or amortization shall be recorded in Account 114, Electric Plant Acquisition Adjustments. The original cost of electric plant shall be determined by analysis of the utility's records or those of the predecessor or vendor companies with respect to electric plant previously acquired as operating units or systems and the difference between the original cost so determined, less accumulated provisions for depreciation and amortization and the cost to the utility with necessary adjustments for retirements from date of acquisition, shall be entered in Account 114, Electric Plant Acquisition Adjustments. Any difference between the cost of electric plant and its book cost, when not properly includible in other accounts, shall be recorded in Account 116, Other Electric Plant Adjustments.

(b) *Electric plant to be recorded at cost.* (1) All amounts included in the accounts for electric plant acquired as an operating unit or system, except as otherwise provided in the texts of the intangible plant accounts, shall be stated at the cost incurred by the person who first devoted the property to utility service. All other electric plant shall be included in the accounts at the cost incurred by the utility except for property acquired by lease which qualifies as capital lease property under § 1767.15 (s), Criteria for Classifying Leases, and is recorded in Account 101.1, Property Under Capital Lease, or Account 120.6, Nuclear Fuel Under Capital Leases. Where the term "cost" is used in the detailed plant accounts, it shall have the meaning stated in this paragraph (b).

(2) When the consideration given for property is other than cash, the value of such consideration shall be determined on a cash basis (see, however, the definition of cost in § 1767.10). In the entry recording such transition, the actual consideration shall be described with sufficient particularity to identify it. The utility shall be prepared to furnish REA the particulars of its determination of the cash value of the consideration if other than cash.

(3) When property is purchased under a plan involving deferred payments, no charge shall be made to the electric plant accounts for interest, insurance, or other expenditures occasioned solely by such form of payment.

(4) The electric plant accounts shall not include the cost or other value of electric plant contributed to the company. Contributions in the form of money or its equivalent toward the construction of electric plant shall be credited to accounts charged with the cost of such construction. Plant constructed from contributions of cash or its equivalent shall be shown as a reduction to gross plant constructed when assembling cost data in work orders for posting to plant ledgers of accounts. The accumulated gross costs of plant accumulated in the work order shall be recorded as a debit in the plant ledger of accounts along with the related amount of contributions concurrently be recorded as a credit.

(c) *Components of construction cost.* The cost of construction properly includible in the electric plant accounts shall include, where applicable, the direct and overhead costs as listed and defined hereunder:

(1) *Contract work* includes amounts paid for work performed under contract by other companies, firms, or individuals, costs incident to the award of such contracts, and the inspection of such work.

(2) *Labor* includes the pay and expenses of employees of the utility engaged on construction work, and related workmen's compensation insurance, payroll taxes, and similar items of expense. It does not include the pay and expenses of employees which are distributed to construction through clearing accounts nor the pay and expenses included in other items hereunder.

(3) *Materials and supplies* includes the purchase price at the point of free delivery plus customs duties, excise taxes, the cost of inspection, loading and transportation, the related stores expenses, and the cost of fabricated materials from the utility's shop. In determining the cost of materials and supplies used for construction, proper allowance shall be made for unused materials and supplies, for materials recovered from temporary structures used in performing the work involved, and for discounts allowed and realized in the purchase of materials and supplies.

Note: The cost of individual items of equipment of small value (for example, $500 or less) or of short life, including small portable tools and implements, shall not be charged to utility plant accounts unless the correctness of the accounting therefor is verified by current inventories. The cost shall be charged to the appropriate operating expense or clearing accounts, according to the use of such items, or, if such items are consumed directly in construction work, the cost shall be included as part of the cost of the construction.

(4) *Transportation* includes the cost of transporting employees, materials and supplies, tools, purchased equipment, and other work equipment (when not under own power) to and from points of construction. It includes amounts paid to others as well as the cost of operating the utility's own transportation equipment. (See Item in paragraph (c)(5) of this section.)

(5) *Special machine service* includes the cost of labor (optional), materials and supplies, depreciation, and other expenses incurred in the maintenance, operation and use of special machines, such as steam shovels, pile drivers, derricks, ditchers, scrapers, material unloaders, and other labor saving machines; also expenditures for rental, maintenance and operation of machines of others. It does not include the cost of small tools and other individual items of small value or short life which are included in the cost of materials and supplies. (See Item in paragraph (c)(3) of this section.) When a particular construction job requires the use for an extended period of time of special machines, transportation or other equipment, the net book cost thereof, less the appraised or salvage value at time of release from the job, shall be include in the cost of construction.

(6) *Shop service* includes the proportion of the expense of the utility's shop department assignable to construction work except that the cost of fabricated materials from the utility's shop shall be included in "materials and supplies."

(7) *Protection* includes the cost of protecting the utility's property from fire or other casualties and the cost of preventing damages to others, or to the property of others, including payments for discovery or extinguishment of fires, cost of apprehending and prosecuting incendiaries, witness fees in relation thereto, amounts paid to municipalities and others for fire protection, and other analogous items of expenditures in connection with construction work.

(8) *Injuries and damages* includes expenditures or losses in connection

with construction work on account of injuries to persons and damages to the property of others; also the cost of investigation of and defense against actions for such injuries and damages. Insurance recovered or recoverable on account of compensation paid for injuries to persons incident to construction shall be credited to the account or accounts to which such compensation is charged. Insurance recovered or recoverable on account of property damages incident to construction shall be credited to the account or accounts charged with the cost of the damages.

(9) *Privileges and permits* includes payments for and expenses incurred in securing temporary privileges, permits or rights in connection with construction work, such as for the use of private or public property, streets, or highways, but it does not include rents, or amounts chargeable as franchises and consents for which see Account 302, Franchises and Consents.

(10) *Rents* includes amounts paid for the use of construction quarters and office space occupied by construction forces and amounts properly includible in construction costs for such facilities jointly used.

(11) *Engineers and supervision* includes the portion of the pay and expenses of engineers, surveyors, draftsmen, inspectors, superintendents and their assistants applicable to construction work.

(12) *General administration capitalized* includes the portion of the pay and expenses of the general officers and administrative and general expenses applicable to construction work.

(13) *Engineering services* includes amounts paid to other companies, firms, or individuals engaged by the utility to plan, design, prepare estimates, supervise, inspect, or give general advice and assistance in connection with construction work.

(14) *Insurance* includes premiums paid or amounts provided or reserved as self-insurance for the protection against loss and damages in connection with construction, by fire or other casualty, injuries or deaths of persons other than employees, damages to property of others, defalcation of employees and agents, and the nonperformance of contractual obligations of others. It does not include workmen's compensation or similar insurance on employees included as "labor" in Item in paragraph (c)(2) of this section.

(15) *Law expenditures* includes the general law expenditures incurred in connection with construction and the court and legal costs directly related thereto, other than law expenses included in "Protection," Item in paragraph (c)(7) of this section, and in Injuries and damages, Item in paragraph (c)(8) of this section.

(16) *Taxes* includes taxes on physical property (including land) during the period of construction and other taxes properly includible in construction costs before the facilities become available for service.

(17) *Allowance for funds used during construction* includes the net cost for the period of construction of borrowed funds used for construction purposes and a reasonable rate on other funds when so used, not to exceed, without prior approval of REA, allowances computed in accordance with the formula prescribed in Item in paragraph (c)(17)(i) of this section. No allowance for funds used during construction charges shall be included in these accounts upon expenditures for construction projects which have been abandoned.

(i) The formula and elements for the computation of the allowance for funds used during construction shall be:

$$A_i = s\left(\frac{S}{W}\right) + d\left(\frac{D}{D+P+C}\right)\left(1 - \frac{S}{W}\right)$$

$$A_c = \left[1 - \frac{S}{W}\right]\left[P\left(\frac{P}{D+P+C}\right) + c\left(\frac{C}{D+P+C}\right)\right]$$

Where:

A_i = Gross allowance for borrowed funds used during construction rate.
A_c = Allowance for other funds used during construction rate.
S = Average short-term debt.
s = Short-term debt interest rate.
D = Long-term debt.
d = Long-term debt interest rate.
P = Preferred stock.
p = Preferred stock cost rate.
C = Patronage capital assigned.
c = Entity's incremental borrowing rate.
W = Average balance in construction work in progress plus nuclear fuel in process of refinement, conversion, enrichment, and fabrication.

(ii) The rate shall be determined annually.

(A) The balance for long-term debt, preferred stock, and patronage capital assigned shall be the actual book balances as of the end of the prior year.

(B) The cost rate for long-term debt and preferred stock shall be the weighted average cost.

(C) The cost rate for patronage capital assigned shall be the entity's incremental borrowing rate.

(D) The short-term debt balances and related cost and the average balance for construction work in progress plus nuclear fuel in process of refinement, conversion, enrichment, and fabrication shall be estimated for the current year with appropriate adjustments as actual data becomes available.

Note: When only a portion of a plant or project is placed in operation or is completed and ready for service but the construction work as a whole is incomplete, that part of the cost of the property placed in operation or ready for service shall be treated as "Electric Plant in Service," and an allowance for funds used during construction thereon as a charge to construction shall cease. Allowance for funds used during construction on that part of the cost of the plant which is incomplete may continue to be charged to construction until such time as it is placed in operation or is ready for service, except as limited in Item in paragraph (c)(17) of this section.

(18) *Earnings and expenses during construction.* The earnings and expenses during construction shall constitute a component of construction costs.

(i) The earnings shall include revenues received or earned for power produced by generating plants during the construction period and sold or used by the utility.

(A) Where such power is sold to an independent purchaser before intermingling with power generated by

other plants, the credit shall consist of the selling price of the energy.

(B) Where the power generated by a plant under construction is delivered to the utility's electric system for distribution and sale, or is delivered to an associated company, or is delivered to and used by the utility for purposes other than distribution and sale (for manufacturing or industrial use, for example), the credit shall be the fair value of the energy so delivered.

(C) Revenue shall also include rentals for lands, buildings, and other property, and miscellaneous receipts not properly includible in other accounts.

(ii) Expenses shall consist of the cost of operating the power plant, and other costs incident to the production and delivery of the power for which construction is credited under paragraph (c)(18)(i) of this section, including the cost of repairs and other expenses of operating and maintaining lands, buildings, and other property, and other miscellaneous and like expenses not properly includible in other accounts.

(19) *Training costs.* (i) When it is necessary that employees be trained to operate or maintain plant facilities that are being constructed and such facilities are not conventional in nature, or are new to the company's operations, these costs may be capitalized as a component of construction cost.

(ii) Once plant is placed in service, the capitalization of training costs shall cease and subsequent training costs shall be expensed. (See § 1767.17 (d).)

(20) *Studies.* (i) Studies include the costs of studies such as nuclear operational, safety, or seismic studies, or environmental studies mandated by regulatory bodies relative to plant under construction.

(ii) Studies relative to facilities in service shall be charged to Account 183, Preliminary Survey and Investigation Charges.

(d) *Overhead construction costs.* (1) All overhead construction costs, such as engineering, supervision, general office salaries and expenses, construction engineering and supervision performed by others than the accounting utility, law expenses, insurance, injuries and damages, relief and pensions, taxes and interest, shall be charged to particular jobs or units on the basis of the amounts of such overheads reasonably applicable thereto, to the end that each job or unit shall bear its equitable proportion of such costs and that the entire cost of the unit, both direct and overhead, shall be deducted from the plant accounts as the time the property is retired.

(2) As far as practicable, the determination of payroll charges includible in construction overheads shall be based on time card distributions thereof.

(i) Where this procedure is impractical, special studies shall be made periodically of the time of supervisory employees devoted to construction activities to the end that only such overhead costs as have a definite relation to construction shall be capitalized.

(ii) The addition to direct construction cost of arbitrary percentages or amounts to cover assumed overhead costs is not permitted.

(3) The records supporting the entries for overhead constructions costs shall be so kept as to show:

(i) The total amount of each overhead for each year;

(ii) The nature and amount of each overhead expenditure charged to each construction work order and to each electric plant account; and

(iii) The bases of distribution of such costs.

(e) *Electric plant purchased or sold.* (1) When electric plant constituting an operating unit or system is acquired by purchase, merger, consolidation, liquidation, or otherwise, after the effective date of this system of accounts, the costs of acquisition, including expenses incidental thereto properly includible in electric plant, shall be charged to Account 102, Electric Plant Purchased or Sold.

(2) The accounting for the acquisition shall then be completed as follows:

(i) The original cost of plant, estimated if not known, shall be credited to Account 102, Electric Plant Purchased or Sold, and concurrently charged to the appropriate electric plant in service accounts and to Account 104, Electric Plant Leased to Others; Account 105, Electric Plant Held for Future Use; and Account 107, Construction Work in Progress—Electric, as appropriate.

(ii) The depreciation and amortization applicable to the original cost of the properties purchased shall be charged to Account 102, Electric Plant Purchased or Sold, and concurrently credited to the appropriate account for accumulated provision for depreciation or amortization.

(iii) The cost to the utility of any property includible in Account 121, Nonutility Property, shall be transferred thereto.

(iv) The amount remaining in Account 102, Electric Plant Purchased or Sold, shall then be closed to Account 114, Electric Plant Acquisition Adjustments.

(3) If property acquired in the purchase of an operating unit or system is in such physical condition when acquired that it is necessary to substantially rehabilitate it in order to bring the property up to the standards of the utility, the cost of such work, except replacements, shall be accounted for as a part of the purchase price of the property.

(4) When any property acquired as an operating unit or system includes duplicate or other plant which will be retired by the accounting utility in the reconstruction of the acquired property or its consolidation with previously owned property, the proposed accounting for such property shall be presented to REA.

(5) In connection with the acquisition of electric plant constituting an operating unit or system, the utility shall procure, if possible, all existing records relating to the property acquired or certified copies thereof, and shall preserve such records in conformity with regulations or practices governing the preservation of records of its own construction.

(6) When electric plant constituting an operating unit or system is sold, conveyed, or transferred to another by sale, merger, consolidation, or otherwise, the book cost of the property sold or transferred to another shall be credited to the appropriate utility plant accounts, including amounts carried in Account 114, Electric Plant Acquisition Adjustments, and the amounts (estimated if not known) carried with respect thereto in the accounts for accumulated provision for depreciation and amortization and in Account 252, *Customer Advances for Construction*, shall be charged to such accounts and contra entries made to Account 102, Electric Plant Purchased or Sold. Unless otherwise ordered by REA, the difference, if any, between:

(i) The net amount of debits and credits, and

(ii) The consideration received for the property (less commissions and other expenses of making the sale) shall be included in Account 421.1, Gain on Disposition of Property, or Account 421.2, Loss on Disposition of Property. (See Account 102, Electric Plant Purchased or Sold.)

Note: In cases where existing utilities merge or consolidate because of financial or operating reasons or statutory requirements rather than as a means of transferring title of purchased properties to a new owner, the accounts of the constituent utilities, with the approval of REA, may be combined. In the event original cost has not been determined, the resulting utility shall proceed to determine such cost as outlined herein.

(f) *Expenditures on leased property.* (1) The cost of substantial initial

improvements (including repairs, rearrangements, additions, and betterments) made in the course of preparing for utility service property leased for a period of more than one year, and the cost of subsequent substantial additions, replacements, or betterments to such property, shall be charged to the electric plant account appropriate for the class of property leased.

(i) If the service life of the improvements is terminable by action of the lease, the cost, less net salvage, of the improvements shall be spread over the life of the lease by charges to Account 404, Amortization of Limited-Term Electric Plant.

(ii) If the service life is not terminated by action of the lease but by depreciation proper, the cost of the improvements, less net salvage, shall be accounted for as depreciable plant. The provisions of (1) are applicable to property leased under either capital leases or operating leases.

(2) If improvements made to property leased for a period of more than one year are of relatively minor cost, or if the lease is for a period of not more than one year, the cost of the improvements shall be charged to the account in which the rent is included, either directly or by amortization thereof.

(g) *Land and land rights.* (1) The accounts for land and land rights shall include the cost of land owned in fee by the utility and rights, interests, and privileges held by the utility in land owned by others, such as leaseholds, easements, water and water power rights, diversion rights, submersion rights, rights-of-way, and other like interests in land.

(i) Do not include in the accounts for land and land rights and rights-of-way costs incurred in connection with first clearing and grading of land and rights-of-way and the damage costs associated with the construction and installation of plant.

(ii) Such costs shall be included in the appropriate plant accounts directly benefited.

(2) Where special assessments for public improvements provide for deferred payments, the full amount of the assessments shall be charged to the appropriate land account and the unpaid balance shall be carried in an appropriate liability account.

(i) Interest on unpaid balances shall be charged to the appropriate interest account.

(ii) If any part of the cost of public improvements is included in the general tax levy, the amount thereof shall be charged to the appropriate tax account.

(3) The net profit from the sale of timber, cord wood, sand, gravel, other resources or other property acquired with the rights-of-way or other lands shall be credited to the appropriate plant accounts to which related. Where land is held for a considerable period of time and timber and other natural resources on the land at the time of purchase increase in value, the net profit (after giving effect to the cost of the natural resources) from the sale of timber or its products or other natural resources shall be credited to the appropriate utility operating income account when such land has been recorded in Account 105, Electric Plant Held for Future Use, or classified as plant in service, otherwise to Account 421, Miscellaneous Nonoperating Income.

(4) Separate entries shall be made for the acquisition, transfer, or retirement of each parcel of land, and each land right (except rights-of-way for distribution lines), or water right, having a life of more than one year.

(i) A record shall be maintained showing the nature of ownership, full legal description, area, map reference, purpose for which used, city, county, and tax district on which situated, from whom purchased or to whom sold, payment given or received, other costs, contract date and number, date of recording of deed, and book and page of record.

(ii) Entries transferring or retiring land or land rights shall refer to the original entry recording its acquisition.

(5) Any difference between the amount received from the sale of land or land rights, less agents' commissions and other costs incident to the sale, and the book cost of such land or rights, shall be included in Account 411.6, Gains from Disposition of Utility Plant, or 411.7, Losses from Disposition of Utility Plant, when such property has been recorded in Account 105, Electric Plant Held for Future Use, otherwise to Account 421.1, Gain on Disposition of Property, or 421.2, Loss on Disposition of Property, as appropriate, unless a reserve therefor has been authorized and provided. Appropriate adjustments of the accounts shall be made with respect to any structures or improvements located on land sold.

(6) The cost of buildings and other improvements (other than public improvements) shall not be included in the land accounts. If, at the time of acquisition of an interest in land, such interest extends to buildings or other improvements (other than public improvements) which are then devoted to utility operations, the land and improvements shall be separately appraised and a cost allocated to land and buildings or improvements on the basis of the appraisals. If the improvements are removed or wrecked without being used in operations, the cost of removing or wrecking shall be charged and the salvage credited to the account in which the cost of land is recorded.

(7) When the purchase of land for electric operations requires the purchase of more land than needed for such purposes, the charge to the specific land account shall be based upon the cost of the land purchased, less the fair market value of that portion of the land which is not to be used in utility operations. The portion of the cost measured by the fair market value of the land not to be used shall be included in Account 105, Electric Plant Held for Future Use, or Account 121, Nonutility Property, as appropriate.

(8) Provisions shall be made for amortizing amounts carried in the accounts for limited-term interest in land so as to apportion equitably the cost of each interest over the life thereof. (See Account 111, Accumulated Provision for Amortization of Electric Utility Plant, and Account 404, Amortization of Limited-Term Electric Plant.)

(9) The items of cost to be included in the accounts for land and land rights are as follows:

(i) Bulkheads, buried, not requiring maintenance or replacement;

(ii) First cost of acquisition including mortgages and other liens assumed (but not subsequent interest thereon);

(iii) Condemnation proceedings, including court and counsel costs;

(iv) Consents and abutting damages;

(v) Conveyancers' and notaries' fees;

(vi) Fees, commissions, and salaries to brokers, agents, and other in connection with the acquisition of the land or land rights;

(vii) Leases, cost of voiding upon purchase to secure possession of land;

(viii) Removing, relocating, or reconstructing property of others, such as buildings, highways, railroads, bridges, cemeteries, churches, telephone and power lines, etc., in order to acquire quiet possession;

(ix) Retaining walls unless identified with structures;

(x) Special assessments levied by public authorities for public improvements on the basis of benefits for new roads, new bridges, new sewers, new curbing, new pavements, and other public improvements, but not taxes levied to provide for the maintenance of such improvements;

(xi) Surveys in connection with the acquisition, but not amounts paid for

topographical surveys and maps where such costs are attributable to structures or plant equipment erected or to be erected or installed on such land;

(xii) Taxes assumed, accrued to date of transfer of title;

(xiii) Title, examining, clearing, insuring, and registering in connection with the acquisition and defending against claims relating to the period prior to the acquisition;

(xiv) Appraisals prior to closing title;

(xv) Cost of dealing with distributees or legatees residing outside of the state or county, such as recording power of attorney, recording will or exemplification of will, recording satisfaction of state tax;

(xvi) Filing satisfaction of mortgage;

(xvii) Documentary stamps;

(xviii) Photographs of property at acquisition;

(xix) Fees and expenses incurred in the acquisition of water rights and grants;

(xx) Cost of fill to extend bulkhead line over land under water, where riparian rights are held, which is not occasioned by the erection of a structure;

(xxi) Sidewalks and curbs constructed by the utility on public property; and

(xxii) Labor and expenses in connection with securing rights of way, where performed by company employees and company agents.

(h) *Structures and improvements.* (1) The accounts for structures and improvements shall include the cost of all buildings and facilities to house, support, or safeguard property or persons, including all fixtures permanently attached to and made a part of buildings and which cannot be removed therefrom without cutting into the walls, ceilings, or floors, or without in some way impairing the buildings, and improvements of a permanent character on or to land.

(2) Also include those costs incurred in connection with the first clearing and grading of land and rights-of-way and the damage costs associated with construction and installation of plant.

(3) The cost of specially provided foundations not intended to outlast the machinery or apparatus for which provided, and the cost of angle irons, and castings installed at the base of an item of equipment, shall be charged to the same account as the cost of the machinery, apparatus, or equipment.

(4) Minor buildings and structures, such as valve towers, patrolmen's towers, telephone stations, fish and wildlife, and recreation facilities which are used directly in connection with or form a part of a reservoir, dam or waterway shall be considered a part of the facility in connection with which constructed or operated and the cost thereof accounted for accordingly.

(5) Where furnaces and boilers are used primarily for furnishing steam for some particular department and only incidentally for furnishing steam for heating a building and operating the equipment therein, the entire cost of such furnaces and boilers shall be charged to the appropriate plant account, and no part to the building account.

(6) Where the structure of a dam forms also the foundation of the power plant building, such foundation shall be considered a part of the dam.

(7) The cost of disposing of materials excavated in connection with construction of structures shall be considered as a part of the cost of such work, except when such material is used for filling, the cost of loading, hauling, and dumping shall be equitably apportioned between the work in connection with which the removal occurs and the work in connection with which the material is used; and when such material is sold, the net amount realized from such sales shall be credited to the work in connection with which the removal occurs. If the amount realized from the sale of excavated materials exceeds the removal costs and the costs in connection with the sale, the excess shall be credited to the land account in which the site is carried.

(8) Lighting or other fixtures temporarily attached to building for purposes of display or demonstration shall not be included in the cost of the building but in the appropriate equipment account.

(9) The items of cost to be included in the accounts for structures and improvements are as follows:

(i) Architects' plans and specifications including supervision;

(ii) Ash pits (when located within the building);

(iii) Athletic field structures and improvements;.

(iv) Boilers, furnaces, piping, wiring, fixtures, and machinery for heating, lighting, signaling, ventilating, and air conditioning systems, plumbing, vacuum cleaning systems, incinerator and smoke pipe, flues, etc;

(v) Bulkheads, including dredging, riprap fill, piling, decking, concrete, fenders, etc., when exposed and subject to maintenance and replacement;

(vi) Chimneys;

(vii) Coal bins and bunkers;

(viii) Commissions and fees to brokers, agents, architects and others;

(ix) Conduit (not to be removed) with its contents;

(x) Damages to abutting property during construction;

(xi) Docks;

(xii) Door checks and door stops;

(xiii) Drainage and sewerage systems;

(xiv) Elevators, cranes, hoists, etc., and the machinery for operating them;

(xv) Excavation, including shoring, bracing, bridging, refill and disposal of excess excavated material, cofferdams around foundation, pumping water from cofferdams during construction and test borings;

(xvi) Fences and fence curbs (not including protective fences isolating items of equipment, which shall be charged to the appropriate equipment accounts);

(xvii) Fire protection systems when forming a part of a structure;

(xviii) Flagpole;

(xix) Floor covering (permanently attached);

(xx) Foundations and piers for machinery, constructed as a permanent part of a building or other item listed herein;

(xxi) Grading and clearing when directly occasioned by the building of a structure;

(xxii) Intrasite communication system, poles, pole fixtures, wires, and cable;

(xxiii) Landscaping, lawns, shrubbery, etc.;

(xxiv) Leases, voiding upon purchase to secure possession of structures;

(xxv) Leased property, expenditures on;

(xxvi) Lighting fixtures and outside lighting system;

(xxvii) Mailchutes when part of a building;

(xxviii) Marquee, permanently attached to the building;

(xxix) Painting, first cost;

(xxx) Permanent paving, concrete, brick, flagstone, asphalt, etc., within the property lines;

(xxxi) Partitions, including movable;

(xxxii) Permits and privileges;

(xxxiii) Platforms, railings and gratings when constructed as a part of a structure;

(xxxiv) Power boards for services to a building;

(xxxv) Refrigerating systems for general use;

(xxxvi) Retaining walls except when identified with land;

(xxxvii) Roadways, railroads, bridges, and trestles intrasite except railroads provided for in equipment accounts;

(xxxviii) Roofs;

(xxxix) Scales, connected to and forming a part of a structure;

(xl) Screens;

(xli) Sewer systems, for general use;

(xlii) Sidewalks, culverts, curbs and streets constructed by the utility on its property;

(xliii) Sprinkling systems;
(xliv) Sump pumps and pits;
(xlv) Stacks—brick, steel, or concrete, when set on foundation forming part of general foundation and steelwork of a building;
(xlvi) Steel inspection during construction;
(xlvii) Storage facilities constituting a part of a building;
(xlviii) Storm doors and windows;
(xlix) Subways, areaways, and tunnels, directly connected to and forming part of a structure;
(l) Tanks, constructed as part of a building or as a distinct structural unit;
(li) Temporary heating during construction (net cost);
(lii) Temporary water connection during construction (net cost);
(liii) Temporary shanties and other facilities used during construction (net cost);
(liv) Topographical maps;
(lv) Tunnels, intake and discharge, when constructed as part of a structure, including sluice gates, and those constructed to house mains;
(lvi) Vaults constructed as part of a building;
(lvii) Watchmen's sheds and clock systems (net cost when used during construction only);
(lviii) Water basins or reservoirs;
(lix) Water front improvements;
(lx) Water meters and supply system for a building or for general company purposes;
(lxi) Water supply piping, hydrants, and wells;
(lxii) Wharves;
(lxiii) Window shades and ventilators;
(lxiv) Yard drainage system;
(lxv) Yard lighting system; and
(lxvi) Yard surfacing, gravel, concrete, or oil (First cost only).

Note: Structures and improvements accounts shall be credited with the cost of coal bunkers, stacks, foundations, subways, and tunnels, the use of which has terminated with the removal of the equipment with which they are associated even though they have not been physically removed.

(i) *Equipment.* (1) The cost of equipment chargeable to the electric plant accounts, unless otherwise indicated in the text of an equipment account, includes the net purchase price thereof, sales taxes, investigation and inspection expenses necessary to such purchase, expenses of transportation when borne by the utility, labor employed, materials, and supplies consumed, and expenses incurred by the utility in unloading and placing the equipment in readiness to operate.

(2) Also include those costs incurred in connection with the first clearing and grading of land and rights-of-way and the damage costs associated with construction and installation of plant.

(3) Exclude from equipment accounts hand and other portable tools, which are likely to be lost or stolen or which have relatively small value (for example, $500 or less) or short life, unless the correctness of the accounting therefor as electric plant is verified by current inventories.

(i) Special tools acquired and included in the purchase price of equipment shall be included in the appropriate plant accounts.

(ii) Portable drills and similar tool equipment when used in connection with the operation and maintenance of a particular plan or department, such as production, transmission, or distribution or in "stores", shall be charged to the plant accounts appropriate for their use.

(4) The equipment accounts shall include angle irons and similar items which are installed at the base of an item of equipment, but piers and foundations which are designed to be as permanent as the buildings which house the equipment, or which are constructed as a part of the building and which cannot be removed without cutting into the walls, ceilings, or floors or, without in some way impairing the building, shall be included in the building accounts.

(5) The equipment accounts shall include the necessary costs of testing or running a plant or parts thereof during an experimental or test period prior to such plant becoming ready for or placed in service.

(i) The utility shall furnish REA with full particulars of and justification for any test or experimental run extending beyond a period of 120 days for nuclear plant, and a period of 90 days for all other plant.

(ii) Such particulars shall include a detailed operational and downtime log showing days of production, gross kilowatts generated by hourly increments, types, and periods of outages by hours with explanation thereof, beginning with the first date the equipment was either tested or synchronized on the line to the end of the test period.

(6) The cost of efficiency or other tests made subsequent to the date equipment becomes available for service shall be charged to the appropriate expense accounts, except that tests to determine whether equipment meets the specifications and requirements as to efficiency, or performance guaranteed by manufacturers, made after operations have commenced and within the period specified in the agreement or contract of purchase, may be charged to the appropriate electric plant accounts.

(j) *Additions and retirements of electric plant.* (1) For the purpose of avoiding undue refinement in accounting for additions to and retirements and replacements of electric plant, all property shall be considered as consisting of retirement units and minor items of property.

(2) The addition and retirement of retirement units shall be accounted for as follows:

(i) When a retirement unit is added to electric plant, the cost thereof shall be added to the appropriate electric plant account, except that when units are acquired in the acquisition of any electric plant constituting an operating system, they shall be accounted for as provided in paragraph (e) of this section.

(ii) When a retirement unit is retired from electric plant, with or without replacement, the book cost thereof shall be credited to the electric plant account in which it is included, determined in the manner set forth in Item in paragraph (j)(4) of this section. If the retirement unit is of a depreciable class, the book cost of the unit retired and credited to electric plant shall be charged to the accumulated provision for depreciation applicable to such property. The cost of removal and the salvage shall be charged or credited, as appropriate, to such depreciation account.

(3) The addition and retirement of minor items of property shall be accounted for as follows:

(i) When a minor item of property which did not previously exist is added to plant, the cost thereof shall be accounted for in the same manner as for the addition of a retirement unit, as set forth in Item in paragraph (j)(2)(i) of this section, if a substantial addition results, otherwise the charge shall be to the appropriate maintenance expense account.

(ii) When a minor item of property is retired and not replaced, the book cost thereof shall be credited to the electric plant account in which it is included; and, in the event the minor item is a part of depreciable plant, the account for accumulated provision for depreciation shall be charged with the book cost and cost of removal and credited with the salvage. If, however, the book cost of the minor item retired and not replaced has been or will be accounted for by its inclusion in the retirement unit of which it is a part when such unit is retired, no separate credit to the property account is required when such minor item is retired.

(iii) When a minor item of depreciable property is replaced independently of the retirement unit of which it is a part, the cost of replacement shall be charged to the maintenance account appropriate for the item, except that if the replacement effects a substantial betterment (the primary aim of which is to make the property affected more useful, more efficient, of greater durability, or of greater capacity), the excess cost of the replacement over the estimated cost at current prices of replacing without betterment shall be charged to the appropriate electric plant accounts.

(4) The book cost of electric plant retired shall be the amount at which such property is included in the electric plant accounts, including all components of construction costs. The book cost shall be determined from the utility's records and if this cannot be done, it shall be estimated. When it is impracticable to determine the book cost of each unit, due to the relatively large number or small cost thereof, an appropriate average book cost of the units with due allowance for any differences in size and character, shall be used as the book cost of the units retired.

(5) The book cost of land retired shall be credited to the appropriate land accounts. If the land is sold, the difference between the book cost (less any accumulated provision for depreciation or amortization therefore which has been authorized and provided) and the sale price of the land (less commissions and other expenses of making the sale) shall be recorded in Account 411.6, Gains from Disposition of Utility Plant, or Account 411.7, Losses from Disposition of Utility Plant, when the property has been recorded in Account 105, Electric Plant Held for Future Use, otherwise to Accounts 421.1, Gain on Disposition of Property, or 421.2, Loss on Disposition of Property, as appropriate. If the land is not used in utility service but is retained by the utility, the book cost shall be charged to Account 105, Electric Plant Held for Future Use, or Account 121, Nonutility Property, as appropriate.

(6) The book cost less net salvage of depreciable electric plant retired shall be charged in its entirety to Account 108, Accumulated Provision for Depreciation of Electric Utility Plant in Service. Any amounts which, by approval or order of REA, are charged to Account 182.1, Extraordinary Property Losses, shall be credited to Account 108.

(7) The accounting for the retirement of amounts included in Account 302, Franchises and Consents, and Account 303, Miscellaneous Intangible Plant, and the items of limited-term interest in land included in the accounts for land and land rights, shall be as provided for in the text of Account 111, Accumulated Provision for Amortization of Electric Utility Plant in Service; Account 404, Amortization of Limited-Term Electric Plant; and Account 405, Amortization of Other Electric Plant.

(k) *Work order and property record system required.* (1) Each utility shall record all construction and retirements of electric plant by means of work orders or job orders. Separate work orders may be opened for additions to and retirements of electric plant or the retirements may be included with the construction work order, provided, however, that all items relating to the retirements shall be kept separate from those relating to construction and provided, further, that any maintenance costs involved in the work shall likewise be segregated.

(2) Each utility shall keep its work order system so as to show the nature of each addition to or retirement of electric plant, the total cost thereof, the source or sources of costs, and the electric plant account or accounts to which charged or credited. Work orders covering jobs of short duration may be cleared monthly.

(3) Each utility shall maintain records in which, for each plant account, the amounts of the annual additions and retirements are classified so as to show the number and cost of the various record units or retirement units.

(l) *Transfers of property.* When property is transferred from one electric plant account to another, from one utility department to another, such as from electric to gas, from one operating division or area to another, to or from Account 101, Electric Plant in Service; Account 104, Electric Plant Leased to Others; Account 105, Electric Plant Held for Future Use, and Account 121, Nonutility Property, the transfer shall be recorded by transferring the original cost thereof from the one account, department, or location to the other. Any related amounts carried in the accounts for accumulated provision for depreciation or amortization shall be transferred in accordance with the segregation of such accounts.

(m) *Common utility plant.* (1) If the utility is engaged in more than one utility service, such as electric, gas, and water, and any of its utility plant is used in common for several utility services or for other purposes to such an extent and in such manner that it is impracticable to segregate it by utility services currently in the accounts, such property, with the approval of REA, may be designated and classified as "common utility plant."

(2) The book amount of utility plant designated as common plant shall be included in Account 118, Other Utility Plant, and if applicable in part to the electric department, shall be segregated and accounted for in subaccounts as electric plant is accounted for in Accounts 101 to 107, inclusive, and electric plant adjustments in Account 116, Other Electric Plant Adjustments; any amounts classifiable as common plant acquisition adjustments or common plant adjustments shall be subject to disposition as provided in Paragraphs C and B of Accounts 114 and 116, respectively, for amounts classified in those accounts. The original cost of common utility plant in service shall be classified according to the detailed utility plant accounts appropriate for the property.

(3) The utility shall be prepared to show, at any time, and to report to REA annually, or more frequently, if required, and by utility plant accounts (301 to 399) the book cost of common utility plant, the allocation of such cost to the respective departments using the common utility plant, and the basis of the allocation.

(4) The accumulated provision for depreciation and amortization of the utility shall be segregated so as to show the amount applicable to the property classified as common utility plant.

(5) The expenses of operation, maintenance, rents, depreciation and amortization of common utility plant shall be recorded in the accounts prescribed herein, but designated as common expenses, and the allocation of such expenses to the departments using the common utility plant shall be supported in such manner as to reflect readily the basis of allocation used.

(n) *Transmission and distribution plant.* For the purpose of this system of accounts:

(1) *Transmission system* is all land, conversion structures, and equipment employed at a primary source of supply (i.e. generating station, or point of receipt in the case of purchased power) to change the voltage or frequency of electricity for the purpose of its more efficient or convenient transmission; all land, structures, lines, switching and conversion stations, high tension apparatus, and their control and protective equipment between a generating or receiving point and the entrance to a distribution center or wholesale point; and all lines and equipment whose primary purpose is to augment, integrate or tie together the sources of power supply.

(2) *Distribution system* is all land, structures, conversion equipment, lines, line transformers, and other facilities employed between the primary source of supply (i.e. generating station, or point of receipt in the case of purchased power) and of delivery to customers, which are not includible in transmission system, as defined in Item in paragraph (n)(1) of this section, whether or not such land, structures, and facilities are operated as part of a transmission system or as part of a distribution system.

Note: Stations which change electricity from transmission to distribution voltage shall be classified as distribution stations.

(3) Where poles or towers support both transmission and distribution conductors, the poles, towers, anchors, guys, and rights-of-way shall be classified as transmission system. The conductors, cross-arms, braces, grounds, tiewire, and insulators shall be classified as transmission or distribution facilities, according to the purpose for which used.

(4) Where underground conduit contains both transmission and distribution conductors, the underground conduit and right-of-way shall be classified as distribution system. The conductors shall be classified as transmission or distribution facilities according to the purpose for which used.

(5) Land (other than rights-of-way) and structures used jointly for transmission and distribution purposes shall be classified as transmission or distribution according to the major use thereof.

(o) *Hydraulic production plant.* For purpose of this system of accounts hydraulic production plant is all land and land rights, structures and improvements used in connection with hydraulic power generation, reservoirs, dams and waterways, water wheels, turbines, generators, accessory electric equipment, roads, railroads, and bridges and structures and improvements used in connection with fish and wildlife, and recreation.

(p) *Nuclear fuel records required.* Each utility shall keep all the necessary records to support the entries to the various nuclear fuel plant accounts classified under "Assets and Other Debits," Utility Plant Accounts 120.1 through 120.5, inclusive; Account 518, Nuclear Fuel Expense; and Account 157, Nuclear Materials Held for Sale. These records shall be so kept as to readily furnish the basis of the computation of the net nuclear fuel costs.

§ 1767.17 Operating expense instructions.

(a) *Supervision and engineering.* The supervision and engineering includible in the operating expense accounts shall consist of the pay and expenses of superintendents, engineers, clerks, other employees, and consultants engaged in supervising and directing the operation and maintenance of each utility function. Whenever allocations are necessary in order to arrive at the amount to be included in any account, the method and basis of allocation shall be reflected by underlying records.

(1) Labor items:

(i) Special tests to determine efficiency of equipment operation;

(ii) Preparing or reviewing budgets, estimates, and drawings relating to operation or maintenance for departmental approval;

(iii) Preparing instructions for operations and maintenance activities;

(iv) Reviewing and analyzing operating results;

(v) Establishing organizational setup of departments and executing changes therein;

(vi) Formulating and reviewing routines of departments and executing changes therein;

(vii) General training and instruction of employees by supervisors whose pay is chargeable hereto. Specific instructions and training in a particular type of work is chargeable to the appropriate functional account (See § 1767.16 (c) (19));

(viii) Secretarial work for supervisory personnel, but not general clerical and stenographic work chargeable to other accounts.

(2) Expense items:

(i) Consultants' fees and expenses;

(ii) Meals, traveling and incidental expenses.

(b) *Maintenance.* (1) The cost of maintenance chargeable to the various operating expense and clearing accounts includes labor, materials, overheads and other expenses incurred in maintenance work. A list of work operations applicable generally to utility plant is included hereunder. Other work operations applicable to specific classes of plant are listed in functional maintenance expense accounts.

(2) Materials recovered in connection with the maintenance of property shall be credited to the same account to which the maintenance cost was charged.

(3) If the book cost of any property is carried in Account 102, Electric Plant Purchased or Sold, the cost of maintaining such property shall be charged to the accounts for maintenance of property of the same class and use, the book cost of which is carried in other electric plant in service accounts. Maintenance of property leased from others shall be treated as provided in paragraph (c) of this section.

(4) Items:

(i) Direct field supervision of maintenance;

(ii) Inspecting, testing, and reporting on condition of plant specifically to determine the need for repairs, replacements, rearrangements and changes and inspecting and testing the adequacy of repairs which have been made;

(iii) Work performed specifically for the purpose of preventing failure, restoring serviceability or maintaining life of plant;

(iv) Rearranging and changing the location of plant not retired;

(v) Repairing for reuse materials recovered from plant;

(vi) Testing for, locating, and clearing trouble;

(vii) Net cost of installing, maintaining, and removing temporary facilities to prevent interruptions in service; and

(viii) Replacing or adding minor items of plant which do not constitute a retirement unit.

(c) *Rents.* (1) The rent expense accounts provided under the several functional groups of expense accounts shall include all rents, including taxes paid by the lessee on leased property, for property used in utility operations, except minor amounts paid for occasional or infrequent use of any property or equipment and all amounts paid for use of equipment that, if owned, would be includible in plant Accounts 391 to 398 inclusive, which shall be treated as an expense item and included in the appropriate function account and rents which are chargeable to clearing accounts, and distributed therefrom to the appropriate account.

(2) If rents cover property used for more than one function such as production and transmission, or by more than one department, the rents shall be apportioned to the appropriate rent expense or clearing accounts of each department on an actual, or if necessary, an estimated basis.

(3) When a portion of property or equipment rented from others for use in connection with utility operations is subleased, the revenue derived from such subleasing shall be credited to the rent revenue account in operating revenues; provided, however, that in case the rent was charged to a clearing account, amounts received from subleasing the property shall be credited to such clearing account.

(4) The cost, when incurred by the lessee, of operating and maintaining

leased property, shall be charged to the accounts appropriate for the expense if the property were owned.

(5) The cost incurred by the lessee of additions and replacements to electric plant leased from others shall be account for as provided in § 1767.16 (f).

(d) *Training costs.* (1) When it is necessary that employees be trained to specifically operate or maintain plant facilities that are being constructed, the related costs shall be accounted for as a current operating and maintenance expense.

(2) These expenses shall be charged to the appropriate functional accounts currently as they are incurred.

(3) When the training costs involved relate to facilities which are not conventional in nature, or are new to the company's operations, see § 1767.16 (c) (19), for the accounting.

§ 1767.18 Assets and other debits.

The asset and other debits accounts identified in this section shall be used by all REA borrowers.

Assets and Other Debits

Utility Plant

101 Electric Plant in Service
101.1 Property Under Capital Leases
102 Electric Plant Purchased or Sold
103 Experimental Electric Plant Unclassified
104 Electric Plant Leased to Others
105 Electric Plant Held for Future Use
106 Completed Construction not Classified—Electric
107 Construction Work in Progress—Electric
107.1 Construction Work in Progress—Contract
107.2 Construction Work in Progress—Force Account
107.3 Construction Work in Progress—Special Equipment
108 Accumulated Provision for Depreciation of Electric Utility Plant
108.1 Accumulated Provision for Depreciation of Steam Production Plant
108.2 Accumulated Provision for Depreciation of Nuclear Production Plant
108.3 Accumulated Provision for Depreciation of Hydraulic Production Plant
108.4 Accumulated Provision for Depreciation of Other Production Plant
108.5 Accumulated Provision for Depreciation of Transmission Plant
108.6 Accumulated Provision for Depreciation of Distribution Plant
108.7 Accumulated Provision for Depreciation of General Plant
108.8 Retirement Work in Progress
109 [Reserved]
110 [Reserved]
111 Accumulated Provision for Amortization of Electric Utility Plant
112 [Reserved]
113 [Reserved]
114 Electric Plant Acquisition Adjustments
115 Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments
116 Other Electric Plant Adjustments
118 Other Utility Plant
119 Accumulated Provision for Depreciation and Amortization of Other Utility Plant
120.1 Nuclear Fuel in Process of Refinement, Conversion, Enrichment, and Fabrication
120.2 Nuclear Fuel Materials and Assemblies—Stock Account
120.3 Nuclear Fuel Assemblies in Reactor
120.4 Spent Nuclear Fuel
120.5 Accumulated Provision for Amortization of Nuclear Fuel Assemblies
120.6 Nuclear Fuel Under Capital Leases

Other Property and Investments

121 Nonutility Property
122 Accumulated Provision for Depreciation and Amortization of Nonutility Property
123 Investment in Associated Companies
123.1 Patronage Capital from Associated Cooperatives
123.11 Investment in Subsidiary Companies
123.21 Subscriptions to Capital Term Certificates—Supplemental Financing
123.22 Investments in Capital Term Certificates—Supplemental Financing
123.23 Other Investments in Associated Organizations
124 Other Investments
125 Sinking Funds
126 Depreciation Fund
128 Other Special Funds

Current and Accrued Assets

131 Cash
131.1 Cash—General
131.12 Cash—General—Economic Development Funds
131.2 Cash—Construction Fund—Trustee
131.3 Cash—Installation Loan and Collection Fund
131.4 Transfer of Cash
132 Interest Special Deposits
133 Dividend Special Deposits
134 Other Special Deposits
135 Working Funds
136 Temporary Cash Investments
141 Notes Receivable
141.1 Accumulated Provision for Uncollectible Notes—Credit
142 Customer Accounts Receivable
142.1 Customer Accounts Receivable—Electric
142.2 Customer Accounts Receivable—Other
143 Other Accounts Receivable
144 Accumulated Provision for Uncollectible Accounts—Credit
144.1 Accumulated Provision for Uncollectible Customer Accounts—Credit
144.2 Accumulated Provision for Uncollectible Merchandising Accounts—Credit
144.3 Accumulated Provision for Uncollectible Accounts, Officers and Employees—Credit
144.4 Accumulated Provision for Other Uncollectible Accounts—Credit 145 Notes Receivable from Associated Companies
146 Accounts Receivable from Associated Companies
151 Fuel Stock
152 Fuel Stock Expenses Undistributed
153 Residuals
154 Plant Materials and Operating Supplies
155 Merchandise
156 Other Materials and Supplies
157 Nuclear Materials Held for Sale
158.1 Allowance Inventory
158.2 Allowances Withheld
163 Stores Expense Undistributed
165 Prepayments
165.1 Prepayments—Insurance
165.2 Other Prepayments
171 Interest and Dividends Receivable
172 Rents Receivable
173 Accrued Utility Revenues
174 Miscellaneous Current and Accrued Assets

Deferred Debits

181 Unamortized Debt Expense
182.1 Extraordinary Property Losses
182.2 Unrecovered Plant and Regulatory Study Costs
182.3 Other Regulatory Assets
183 Preliminary Survey and Investigation Charges
184 Clearing Accounts
184.1 Transportation Expense—Clearing
184.2 Clearing Accounts—Other
185 Temporary Facilities
186 Miscellaneous Deferred Debits
187 Deferred Losses from Disposition of Utility Plant
188 Research, Development, and Demonstration Expenditures
189 Unamortized Loss on Reacquired Debt
190 Accumulated Deferred Income Taxes

Assets and Other Debits

Utility Plant

101 Electric Plant in Service

A. This account shall include the original cost of electric plant, included in Accounts 301 to 399, prescribed herein, owned and used by the utility in its electric utility operations, and having an expectation of life in service of more than one year from date of installation, including such property owned by the utility but held by nominees.

B. (See also Account 106 for unclassified construction costs of completed plant actually in service.)

C. The cost of additions to and betterments of property leased from others, which are includible in this account, shall be recorded in subdivisions separate and distinct from those relating to owned property. (See § 1767.16 (f).)

101.1 Property Under Capital Leases

A. This account shall include the amount recorded under capital leases for plant leased from others and used by the utility in its utility operations.

B. The electric property included in this account shall be classified separately according to the detailed

accounts (301 to 399) prescribed for electric plant in service.

C. Records shall be maintained with respect to each capital lease reflection: (1) name of lessor, (2) basic details of lease, (3) terminal date, (4) original cost or fair market value of property leased, (5) future minimum lease payments, (6) executory costs, (7) present value of minimum lease payments, (8) the amount representing interest and the interest rate used, and (9) expenses paid.

102 Electric Plant Purchased or Sold

A. This account shall be charged with the cost of electric plant acquired as an operating unit or system by purchase, merger, consolidation liquidation, or otherwise, and shall be credited with the selling price of like property transferred to others pending the distribution to appropriate accounts in accordance with § 1767.16 (e).

B. Within 6 months from the date of acquisition or sale of property recorded herein, the borrower shall file with REA the proposed journal entries to clear from this account the amounts recorded herein.

103 Experimental Electric Plant Unclassified

A. This account shall include the cost of electric plant which was constructed as a research, development, and demonstration plant under the provisions of Paragraph C, Account 107, Construction Work in Progress—Electric, and due to the nature of the plant, it is desirous to operate it for a period of time in an experimental status.

B. Amounts in this account shall be transferred to Account 101, Electric Plant in Service, or Account 121, Nonutility Property, as appropriate when the project is no longer considered as experimental.

C. The depreciation on property in this account shall be charged to Account 403, Depreciation Expense, and credited to Account 108, Accumulated Provision for Depreciation of Electric Utility Plant. The amounts herein shall be depreciated over a period which would correspond to the estimated useful life of the relevant project considering the characteristics involved. However, when projects are transferred to Account 101, Electric Plant in Service, a new depreciation rate based upon the remaining service life and undepreciated amounts, will be established.

D. Records shall be maintained with respect to each unit of experiment so that full details may be obtained as to the cost, depreciation, and the experimental status.

E. Should it be determined that experimental plant recorded in this account will fail to satisfactorily perform its function, the costs thereof shall be accounted for as directed or authorized by REA.

104 Electric Plant Leased to Others

A. This account shall include the original cost of electric plant owned by the utility, but leased to others as operating units or systems, where the lessee has exclusive possession.

B. The property included in this account shall be classified according to the detailed accounts (301 to 399) prescribed for electric plant in service and this account shall be maintained in such detail as though the property were used by the owner in its utility operations.

105 Electric Plant Held for Future Use

A. This account shall include the original cost of electric plant (except land and land rights) owned and held for future use in electric service under a definite plan for such use, to include: (1) Property acquired (except land and land rights) but never used by the utility in electric service, but held for such service in the future under a definite plan, and (2) property (except land and land rights) previously used by the utility in service but retired from such service and held pending its reuse in the future, under a definite plan, in electric service.

B. This account shall also include the original cost of land and land rights owned and held for future use in electric service under a plan for such use, to include land and land rights: (1) Acquired but never used by the utility in electric service, but held for such service in the future under a plan, and (2) previously held by the utility in service, but retired from such service and held pending its reuse in the future under a plan, in electric service. (See § 1767.16 (g).)

C. In the event that property recorded in this account shall no longer be needed or appropriate for future utility operations, the borrower shall notify REA of such condition and request approval of journal entries to remove such property from this account.

D. Gains or losses from the sale of land and land rights or other disposition of such property previously recorded in this account and not placed in utility service shall be recorded directly in Accounts 411.6 or 411.7, as appropriate, except when determined to be significant by REA. Upon such a determination, the amounts shall be transferred to Account 256, Deferred Gains from Disposition of Utility Plant, or Account 187, Deferred Losses from Disposition of Utility Plant, and amortized to Account 411.6, Gains from Disposition of Utility Plant, or Account 411.7, Losses from Disposition of Utility Plant, as appropriate.

E. The property included in this account shall be classified according to the detail accounts (301 to 399) prescribed for electric plant in service and the account shall be maintained in such detail as though the property were in service.

Note: Materials and supplies, meters and transformers held in reserve, and normal spare capacity of plant in service shall not be included in this account.

106 Completed Construction not Classified—Electric

At the end of the year or such other date as a balance sheet may be required by REA, this account shall include the total of the balances of work orders for electric plant which has been completed and placed in service but which work orders have not been classified for transfer to the detailed electric plant accounts.

Note: For the purpose of reporting to REA, the classification of electric plant in service by accounts is required, the utility shall also report the balance in this account tentatively classified as accurately as practicable according to prescribed account classifications. The purpose of this provision is to avoid any significant omissions in reported amounts of electric plant in service.

107 Construction Work in Progress—Electric

A. This account shall include the total of the balances of work orders for electric plant in process of construction.

B. Work orders shall be cleared from this account as soon as practicable, after completion of the job. Further, if a project, such as a hydroelectric project, a steam station, or a transmission line, is designed to consist of two or more units or circuits which may be placed in service at different dates, any expenditures which are common to and which will be used in the operation of the project as a whole shall be included in electric plant in service upon the completion and the readiness for service of the first unit. Any expenditures which are identified exclusively with units of property not yet in service shall be included in this account.

C. Expenditures on research, development, and demonstration projects for construction of utility facilities are to be included in a separate subdivision in this account. Records must be maintained to show separately each project along with complete detail of the nature and purpose of the research, development, and

demonstration project together with the related costs.

D. Account 107 shall be subaccounted as follows:

107.1 Construction Work in Progress—Contract
107.2 Construction Work in Progress—Force Account
107.3 Construction Work in Progress—Special Equipment

108 Accumulated Provision for Depreciation of Electric Utility Plant

A. This account shall be credited with the following:

1. Amounts charged to Account 403, Depreciation Expense, or to clearing accounts for current depreciation expense for electric plant in service.

2. Amounts charged to Account 421, Miscellaneous Nonoperating Income, for depreciation expense on property included in Account 105, Electric Plant Held for Future Use. Include, also, the balance of accumulated provision for depreciation on property when transferred to Account 105, Electric Plant Held for Future Use, from other property accounts. Normally, Account 108 will not be used for current depreciation provision because, as provided herein, the service life during which depreciation is computed commences with the date property is includible in electric plant in service; however, if special circumstances indicate the propriety of current accruals for depreciation, such charges shall be made to Account 421, Miscellaneous Nonoperating Income.

3. Amounts charged to Account 413, Expenses of Electric Plant Leased to Others, for electric plant included in Account 104, Electric Plant Leased to Others.

4. Amounts charged to Account 416, Costs and Expenses of Merchandising, Jobbing, and Contract Work, or to clearing accounts for current depreciation expense.

5. Amounts of depreciation applicable to electric properties acquired as operating units or systems. (See § 1767.16 (e).)

6. Amounts charged to Account 182.1, Extraordinary Property Losses, when authorized by REA.

7. Amounts of depreciation applicable to electric plant donated to the utility.

The utility shall maintain separate subaccounts for depreciation applicable to electric plant in service, electric plant leased to others, and electric plant held for future use.)

B. At the time of retirement of depreciable electric utility plant, this account shall be charged with the book cost of the property retired and the cost of removal and shall be credited with the salvage value and any other amounts recovered, such as insurance. When retirement, costs of removal and salvage are entered originally in retirement work orders, the net total of such work orders may be included in a separate subaccount hereunder. Upon completion of the work order, the proper distribution to subdivisions of this account shall be made as provided in the following paragraph.

C. Account 108 shall be subaccounted as follows:

108.1 Accumulated Provision for Depreciation of Steam Production Plant
108.2 Accumulated Provision for Depreciation of Nuclear Production Plant
108.3 Accumulated Provision for Depreciation of Hydraulic Production Plant
108.4 Accumulated Provision for Depreciation of Other Production Plant
108.5 Accumulated Provision for Depreciation of Transmission Plant
108.6 Accumulated Provision for Depreciation of Distribution Plant
108.7 Accumulated Provision for Depreciation of General Plant
108.8 Retirement Work in Progress

These subsidiary records shall reflect the current credits and debits to this account in sufficient detail to show separately for each such functional classification: (1) the amount of accrual for depreciation, (2) the book cost of property retired, (3) cost of removal, (4) salvage, and (5) other items, including recoveries from insurance.

D. When transfers of plant are made from one electric plant account to another, or from or to another utility department, of from or to nonutility property accounts, the accounting for depreciation shall be as provided in § 1767.16 (l).

E. The utility is restricted in its use of the accumulated provision for depreciation to the purposes set forth above. It shall not transfer any portion of this account to retained earnings or make any other use thereof without authorization by REA.

109 [Reserved]

110 [Reserved]

111 Accumulated Provision for Amortization of Electric Utility Plant

A. This account shall be credited with the following:

1. Amounts charged to Account 404, Amortization of Limited-Term Electric Plant, for the current amortization of limited-term electric plant investments.

2. Amounts charged to Account 421, Miscellaneous Nonoperating Income, for amortization expense on property included in Account 105, Electric Plant Held for Future Use. Include also the balance of accumulated provision for amortization on property when transferred to Account 105, Electric Plant Held for Future Use, from other property accounts. See also Paragraph A(2), Account 108, Accumulated Provision for Depreciation of Electric Utility Plant.

3. Amounts charged to Account 405, Amortization of Other Electric Plant.

4. Amounts charged to Account 413, Expenses of Electric Plant Leased to Others, for the current amortization of limited-term or other investments subject to amortization included in Account 104, Electric Plant Leased to Others.

5. Amounts charged to Account 425, Miscellaneous Amortization, for the amortization of intangible or other electric plant which does not have a definite or terminable life and is not subject to charges for depreciation expense, with REA approval.

(The utility shall maintain subaccounts of this account for the amortization applicable to electric plant in service, electric plant leased to others and electric plant held for future use.)

B. When any property to which this account applies is sold, relinquished, or otherwise retired from service, this account shall be charged with the amount previously credited in respect to such property. The book cost of the property so retired less the amount chargeable to this account and less the net proceeds realized at retirement shall be included in Account 421.1, Gain on Disposition of Property, or Account 421.2, Loss on Disposition of Property, as appropriate.

C. For general ledger and balance sheet purposes, this account shall be regarded and treated as a single composite provision for amortization. For purposes of analysis, however, each utility shall maintain subsidiary records in which this account is segregated according to the following functional classification for electric plant: (1) Steam production, (2) Nuclear production, (3) Hydraulic production, (4) Other production, (5) Transmission, (6) Distribution, and (7) General. These subsidiary records shall reflect the current credits and debits to this account in sufficient detail to show separately for each such functional classification: (1) the amount of accrual for amortization, (2) the book cost of property retired, (3) cost of removal, (4) salvage, and (5) other items, including recoveries from insurance.

D. The utility is restricted in its use of the accumulated provision for amortization to the purposes set forth above. It shall not transfer any portion of this account to retained earnings or

make any other use thereof without authorization by REA.

112 [Reserved]

113 [Reserved]

114 Electric Plant Acquisition Adjustments

A. This account shall include the difference between the cost to the accounting utility of electric plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise, and the original cost, estimated, if not known, of such property, less the amount or amounts credited by the accounting utility at the time of acquisition to accumulated provisions for depreciation and amortization and contributions in aid of construction with respect to such property.

B. With respect to acquisitions after the effective date of this system of accounts, this account shall be subdivided so as to show the amounts included herein for each property acquisition and to electric plant in service, electric plant held for future use, and electric plant leased to others. (See § 1767.16 (e).)

C. Debit amounts recorded in this account related to plant and land acquisition may be amortized to Account 425, Miscellaneous Amortization, over a period not longer than the estimated remaining life of the properties to which such amounts relate. Amounts related to the acquisition of land only may be amortized to Account 425 over a period of not more than 15 years. Should a utility wish to account for debit amounts in this account in any other manner, it shall petition REA for authority to do so. Credit amounts recorded in this account shall be accounted for as directed by REA.

115 Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments

This account shall be credited or debited with amounts which are includible in Account 406, Amortization of Electric Plant Acquisition Adjustments, or Account 425, Miscellaneous Amortization, for the purpose of providing for the extinguishment of amounts in Account 114, Electric Plant Acquisition Adjustments, in instances where the amortization of Account 114 is not being made by direct write-off of the account.

116 Other Electric Plant Adjustments

A. This account shall include the difference between the original cost, estimated if not known, and the book cost of electric plant to the extent that such difference is not properly includible in Account 114, Electric Plant Acquisition Adjustments. (See § 1767.16 (a) (3))

B. Amounts included in this account shall be classified in such manner as to show the origin of each amount and shall be disposed of as REA may approve or direct.

Note: The provisions of this account shall not be construed as approving or authorizing the recording of appreciation of electric plant.

118 Other Utility Plant

This account shall include the balances in accounts for utility plant, other than electric plant, such as gas, or railway.

119 Accumulated Provision for Depreciation and Amortization of Other Utility Plant

This account shall include the accumulated provision for depreciation and amortization applicable to utility property other than electric plant.

120.1 Nuclear Fuel in Process of Refinement, Conversion, Enrichment, and Fabrication

A. This account shall include the original cost to the utility of nuclear fuel materials while in process of refinement, conversion, enrichment, and fabrication into nuclear fuel assemblies and components, including processing, fabrication, and necessary shipping costs. This account shall also include the salvage value of nuclear materials which are actually being reprocessed for use and were transferred from Account 120.5, Accumulated Provision for Amortization of Nuclear Fuel Assemblies. (See § 1767.10 (a) (27).)

B. This account shall be credited and Account 120.2, Nuclear Fuel Materials and Assemblies—Stock Account, shall be debited for the cost of completed fuel assemblies delivered for use in refueling or to be held as spares. In the case of the initial core loading, the transfer shall be made directly to Account 120.3, Nuclear Fuel Assemblies in Reactor, upon the conclusion of the experimental or test period of the plant prior to its becoming available for service.

Items

1. Cost of natural uranium, uranium ores concentrates or other nuclear fuel sources, such as thorium, plutonium, and U–233.

2. Value of recovered nuclear materials being reprocessed for use.

3. Milling process costs.

4. Sampling and weighing, and assaying costs.

5. Purification and conversion process costs.

6. Costs of enrichment by gaseous diffusion or other methods.

7. Costs of fabrication into fuel forms suitable for insertion in the reactor.

8. All shipping costs of materials and components, including shipping of fabricated fuel assemblies to the reactor site.

9. Use charges on leased nuclear materials while in process of refinement, conversion, enrichment, and fabrication.

120.2 Nuclear Fuel Materials and Assemblies—Stock Account

A. This account shall be debited and Account 120.1, Nuclear Fuel in Process of Refinement, Conversion, Enrichment and Fabrication, shall be credited with the cost of fabricated fuel assemblies delivered for use in refueling or to be carried in stock as spares. It shall also include the original cost of fabricated fuel assemblies purchased in completed form. This account shall also include the original cost of partially irradiated fuel assemblies being held in stock for reinsertion in a reactor which had been transferred from Account 120.3, Nuclear Fuel Assemblies in Reactor.

B. When fuel assemblies included in this account are inserted in a reactor, this account shall be credited and Account 120.3, Nuclear Fuel Assemblies in Reactor, debited for the cost of such assemblies.

C. This account shall also include the cost of nuclear materials and byproduct materials being held for future use and not actually in process in Account 120.1, Nuclear Fuel in Process of Refinement, Conversion, Enrichment and Fabrication.

120.3 Nuclear Fuel Assemblies in Reactor

A. This account shall include the cost of nuclear fuel assemblies when inserted in a reactor for the production of electricity. The amounts included herein shall be transferred from Account 120.2, Nuclear Fuel Materials and Assemblies—Stock Account, except for the initial core loading which will be transferred directly from Account 120.1, Nuclear Fuel in Process of Refinement, Conversion, Enrichment and Fabrication.

B. Upon removal of fuel assemblies from a reactor, the original cost of the assemblies removed shall be transferred to Account 120.4, Spent Nuclear Fuel, or Account 120.2, Nuclear Fuel Materials and Assemblies—Stock Account, as appropriate.

120.4 Spent Nuclear Fuel

A. This account shall include the original cost of nuclear fuel assemblies, in the process of cooling, transferred from Account 120.3, Nuclear Fuel Assemblies in Reactor, upon removal from a reactor pending reprocessing.

B. This account shall be credited and Account 120.5, Accumulated Provision for Amortization of Nuclear Fuel Assemblies, debited for fuel assemblies, after the cooling period is over, at the cost recorded in this account.

120.5 Accumulated Provision for Amortization of Nuclear Fuel Assemblies

A. This account shall be credited and Account 518, Nuclear Fuel Expense, shall be debited for the amortization of the net cost of nuclear fuel assemblies used in the production of energy. The net cost of nuclear fuel assemblies subject to amortization shall be the original cost of nuclear fuel assemblies, plus or less the expected net salvage value of uranium, plutonium, and other by-products.

B. This account shall be credited with the net salvage value of uranium, plutonium, and other nuclear by-products when such items are sold, transferred or otherwise disposed. Account 120.1, Nuclear Fuel in Process of Refinement, Conversion, Enrichment and Fabrication, shall be debited with the net salvage value of nuclear materials to be reprocessed. Account 157, Nuclear Materials Held for Sale, shall be debited for the net salvage value of nuclear materials not to be reprocessed but to be sold or otherwise disposed of and Account 120.2, Nuclear Fuel Materials and Assemblies—Stock Account, will be debited with the net salvage value of nuclear materials that will be held for future use and not actually in process, in Account 120.1, Nuclear Fuel in Process of Refinement, Conversion, Enrichment, and Fabrication.

C. This account shall be debited and Account 120.4, Spent Nuclear Fuel, shall be credited with the cost of fuel assemblies at the end of the cooling period.

120.6 Nuclear Fuel Under Capital Leases

A. This account shall include the amount recorded under capital leases for nuclear fuel leased from others for use by the utility in its utility operations.

B. Records shall be maintained with respect to each capital lease reflecting: (1) name of lessor, (2) basic details of lease, (3) terminal date, (4) original cost or fair market value of nuclear fuel leased, (5) future minimum lease payments, (6) the amount representing interest and the interest rate used, and (7) expenses paid.

Other Property and Investments

121 Nonutility Property

A. This account shall include the book cost of land, structures, equipment, or other tangible or intangible property owned by the utility, but not used in utility service and not properly includible in Account 105, Electric Plant Held for Future Use.

B. This account shall also include the amount recorded under capital leases for property leased from others and used by the utility in its nonutility operations. Records shall be maintained with respect to each lease reflecting: (1) name of lessor, (2) basic details of lease, (3) terminal date, (4) original cost or fair market value of property leased, (5) future minimum lease payments, (6) executory costs, (7) present value of minimum lessee payments, (8) the amount representing interest and the interest rate used, and (9) expenses paid.

C. This account shall be subdivided so as to show the amount of property used in operations which are nonutility in character but nevertheless constitute a distinct operating activity of the company (such as operation of an ice department where such activity is not classed as a utility) and the amount of miscellaneous property not used in operations. The records in support of each subaccount shall be maintained so as to show an appropriate classification of the property.

Note: The gain from the sale or other disposition of property included in this account which had been previously recorded in Account 105, Electric Plant Held for Future Use, shall be accounted for in accordance with Paragraph C of Account 105.

122 Accumulated Provision for Depreciation and Amortization of Nonutility Property

This account shall include the accumulated provision for depreciation and amortization applicable to nonutility property.

123 Investment in Associated Companies

A. This account shall include the book cost of investments in securities issued or assumed by associated companies and investment advances to such companies, including interest accrued thereon when such interest is not subject to current settlement, provided that the investment does not relate to a subsidiary company. (If the investment relates to a subsidiary company, it shall be included in Account 123.11, Investment in Subsidiary Companies.) Include herein the offsetting entry to the recording of amortization of discount or premium on interest bearing investments. (See Account 419, Interest and Dividend Income.)

B. This account shall be maintained in such manner as to show the investment in securities of, and advances to, each associated company together with full particulars regarding any of such investments that are pledged.

Note A: Securities and advances of associated companies owned and pledged shall be included in this account, but such securities, if held in special deposits or in special funds, shall be included in the appropriate deposit or fund account. A complete record of securities pledged shall be maintained.

Note B: Securities of associated companies held as temporary cash investments are includible in Account 136, Temporary Cash Investments.

Note C: Balances in open accounts with associated companies, which are subject to current settlement, are includible in Account 146, Accounts Receivable from Associated Companies.

Note D: The utility may write down the cost of any security in recognition of a decline in the value thereof. Securities shall be written off or written down to a nominal value if there is no reasonable prospect of substantial value. Fluctuations in market value shall not be recorded but a permanent impairment in the value of securities shall be recognized in the accounts. When securities are written off or written down, the amount of the adjustment shall be charged to Account 426.5, Other Deductions, or to an appropriate account for accumulated provisions for loss in value established as a separate subdivision of this account.

C. Account 123 shall be subaccounted as follows:

123.1 Patronage Capital from Associated Cooperatives
123.11 Investment in Subsidiary Companies
123.21 Subscriptions to Capital Term Certificates—Supplemental Financing
123.22 Investments in Capital Term Certificates—Supplemental Financing
123.23 Other Investments in Associated Organizations

123.1 Patronage Capital from Associated Cooperatives

This account shall include patronage capital credits allocated to the accounting borrower by G&T cooperatives. It shall also include capital credits, deferred patronage refunds, or like items from other associated cooperatives. The account shall be maintained so as to reflect separately, the allocations of patronage

capital and patronage refunds from each organization that makes such allocations to the borrower.

123.11 Investment in Subsidiary Companies

A. This account shall include the cost of investments in securities issued or assumed by subsidiary companies and investment advances to such companies, including interest accrued thereon when such interest is not subject to current settlement, plus the equity in undistributed earnings or losses of such subsidiary companies since acquisition. This account shall be credited with any dividends declared by such subsidiaries.

B. This account shall be maintained in such a manner as to show separately for each subsidiary: the cost of such investments in the securities of the subsidiary at the time of acquisition; the amount of equity in the subsidiary's undistributed net earnings or net losses since acquisition; advances or loans to such subsidiary; and full particulars regarding any such investments that are pledged.

123.21 Subscriptions to Capital Term Certificates—Supplemental Financing

This account shall include the total subscriptions to capital term certificates of CFC. When subscriptions are paid, this account shall be credited and Account 123.22, Investments in Capital Term Certificates—Supplemental Financing, debited.

123.22 Investments in Capital Term Certificates—Supplemental Financing

This account shall include paid subscriptions in capital term certificates of CFC or other supplemental lenders.

123.23 Other Investments in Associated Organizations

This account shall include investments in capital stock, securities, membership fees, and investment advances to associated organizations other than provided for elsewhere. This account shall be maintained in such a manner as to show the investment in stock and securities of and advances to each associated organization.

Items

1. Investments in capital stock of associated organizations.
2. Investments in securities issued by associated organizations.
3. Membership fees in associated organizations, including NRECA, and Statewide associations of REA-financed borrowers.
4. Investment advances to associated organizations.

124 Other Investments

A. This account shall include the book cost of investments in securities issued or assumed by nonassociated companies, investment advances to such companies, and any investments not accounted for elsewhere. Include also the offsetting entry to the recording of amortization of discount or premium on interest bearing investments. (See Account 419, Interest and Dividend Income.)

B. The records shall be maintained in such manner as to show the amount of each investment and the investment advances to each person.

Note A: Securities owned and pledged shall be included in this account, but securities held in special deposits or in special funds shall be included in appropriate deposit or fund accounts. A complete record of securities pledged shall be maintained.

Note B: Securities held as temporary cash investments shall not be included in this account.

Note C: See Note D of Account 123.

125 Sinking Funds

This account shall include the amount of cash and book cost of investments held in sinking funds. A separate account, with appropriate title, shall be kept for each sinking fund. Transfers from this account to special deposit accounts, may be made as necessary for the purpose of paying matured sinking fund obligations, or obligations called for redemption but not presented, or the interest thereon.

126 Depreciation Fund

This account shall include the amount of cash and the book cost of investments which have been segregated in a special fund for the purpose of identifying such assets with the accumulated provisions for depreciation.

128 Other Special Funds

This account shall include the amount of cash and book cost of investments which have been segregated in special funds for insurance, employee pensions, savings, relief, hospital, and other purposes not provided for elsewhere. A separate account, with appropriate title, shall be kept for each fund.

Note: Amounts deposited with a trustee under the terms of an irrevocable trust agreement for pensions or other employee benefits shall not be included in this account.

Current and Accrued Assets

Current and accrued assets are cash, those assets which are readily convertible into cash or are held for current use in operations or construction, current claims against others, payment of which is reasonably assured, and amounts accruing to the utility which are subject to current settlement, except such items for which accounts other than those designated as current and accrued assets are provided. There shall not be included in the category of accounts designated as current and accrued assets any item, the amount or collectibility of which is not reasonably assured, unless an adequate provision for possible loss has been made therefor. Items of current character but of doubtful value may be written down, and for record purposes carried in these accounts at nominal value.

131 Cash

A. This account shall include the amount of current cash funds except working funds.

B. Account 131 shall be subaccounted as follows:

131.1 Cash—General
131.12 Cash—General—Economic Development Funds
131.2 Cash—Construction Fund—Trustee
131.3 Cash—Installation Loan and Collection Fund
131.4 Transfer of Cash

131.1 Cash—General

This account shall include all cash of the organization not provided for elsewhere. Separate subaccounts may be maintained for each bank account in which general cash is maintained. Funds held by others for current obligations shall be recorded in Account 134, Other Special Deposits.

131.12 Cash—General—Economic Development Funds

This account shall include the cash received from the Rural Electrification Administration for Rural Economic Development Loans. Economic development loan advances shall be charged to this account and credited to Account 224.17, REA Notes Executed—Economic Development—Debit.

131.2 Cash—Construction Fund—Trustee

This account shall include the cash received from the Rural Electrification Administration, CFC, and any other source of supplemental financing for financing the construction, purchase, and operation of electric facilities. REA construction loan fund advances shall be charged to this account and credited to Account 224.4, REA Notes Executed—Construction—Debit. CFC and other supplemental lender construction loan fund advances shall be charged to this account and credited

to Account 224.13, Supplemental Financing Notes Executed—Debit.

131.3 Cash—Installation Loan and Collection Fund

A. This account shall include the cash advanced on installation loans made subsequent to September 13, 1957. Such advances shall be debited to this account as received and credited to Account 224.10, REA Notes Executed—Installation—Debit. This account shall also include interest and principal collections received on consumers' loans financed from REA loans made subsequent to September 13, 1957.

B. Payments shall be made from this account solely for financing consumers' loans for the purpose of wiring of consumers' premises, and the acquisition and installation of electrical and plumbing appliances and equipment by consumers. The cash in this account is also used for the payment of principal and interest on installation loans made by REA, subsequent to September 13, 1957, in accordance with the terms of the loan agreement.

131.4 Transfer of Cash

This account shall be used in transferring funds from one bank account to another. This account is charged when the check is drawn for the transfer and entered in the check register, and credited when the amount transferred is entered in the cash receipts book. This account is to be used as a clearing account and should not have a balance at the end of an accounting period.

132 Interest Special Deposits

This account shall include special deposits with fiscal agents or others for the payment of interest.

133 Dividend Special Deposits

This account shall include special deposits with fiscal agents or others for the payment of dividends.

134 Other Special Deposits

This account shall include deposits with fiscal agents or others for special purposes other than the payment of interest and dividends. Such special deposits may include cash deposited with Federal, state, or municipal authorities as a guaranty for the fulfillment of obligations; cash deposited with trustees to be held until mortgaged property sold, destroyed, or otherwise disposed of is replaced; and cash realized from the sale of the accounting utility's securities and deposited with trustees to be held until invested in property of the utility. Entries to this account shall specify the purpose for which the deposit is made.

Note: Assets available for general corporate purposes shall not be included in this account. Further, deposits for more than one year, which are not offset by current liabilities, shall not be charged to this account but to Account 128, Other Special Funds.

135 Working Funds

This account shall include cash advanced to officers, agents, employees, and others as petty cash or working funds.

136 Temporary Cash Investments

A. This account shall include the book cost of investments, such as demand and time loans, bankers' acceptances, United States Treasury certificates, marketable securities, and other similar investments, acquired for the purpose of temporarily investing cash.

B. This account shall be so maintained as to show separately temporary cash investments in securities of associated companies and of others. Records shall be kept of any pledged investments.

141 Notes Receivable

A. This account shall include the book cost, not includible elsewhere, of all collectible obligations in the form of notes receivable and similar evidences (except interest coupons) of money due on demand or within one year from the date of issue, except, however, notes receivable from associated companies. (See Account 136, Temporary Cash Investments, and Account 145, Notes Receivable from Associated Companies.)

Note: The face amount of notes receivable discounted, sold, or transferred without releasing the utility from liability as endorser thereon, shall be credited to a separate subdivision of this account and appropriate disclosure shall be made in the financial statements of any contingent liability arising from such transactions.

B. Account 141 shall be subaccounted as follows:

141.1 Accumulated Provision for Uncollectible Notes—Credit

141.1 Accumulated Provision for Uncollectible Notes—Credit

This account shall be credited with amounts provided for losses on notes receivable which may become uncollectible, and also with collections on notes previously charged hereto. Concurrent charges shall be made to Account 904, Uncollectible Accounts.

142 Customer Accounts Receivable

A. This account shall include amounts due from customers for utility service and for merchandising, jobbing, and contract work. This account shall not include amounts due from associated companies.

B. This account shall be maintained so as to permit ready segregation of the amounts due for merchandising, jobbing, and contract work.

C. Account 142 shall be subaccounted as follows:

142.1 Customer Accounts Receivable—Electric

142.2 Customer Accounts Receivable—Other

142.1 Customer Accounts Receivable—Electric

This account shall include amounts due from customers for utility service.

142.2 Customer Accounts Receivable—Other

This account shall include amounts due from customers for merchandising, jobbing, and contract work.

143 Other Accounts Receivable

A. This account shall include amounts due the utility upon open accounts, other than amounts due from associated companies and from customers for utility services and merchandising, jobbing and contract work.

B. This account shall be maintained so as to show separately amounts due on subscriptions to capital stock and from officers and employees. The account shall not include amounts advanced to officers or others as working funds. (See Account 135, Working Funds.)

144 Accumulated Provision for Uncollectible Accounts—Credit

A. This account shall include amounts provided for losses on accounts receivable which may become uncollectible, and also with collections on accounts previously charged hereto. Concurrent charges shall be made to Account 904, Uncollectible Accounts, for amounts applicable to utility operations, and to corresponding accounts for other operations. Records shall be maintained so as to show the write-offs of accounts receivable for each utility department.

B. Account 144 shall be subaccounted as follows:

144.1 Accumulated Provision for Uncollectible Customer Accounts—Credit

144.2 Accumulated Provision for Uncollectible Merchandising Accounts—Credit

144.3 Accumulated Provision for Uncollectible Accounts, Officers and Employees—Credit
144.4 Accumulated Provision for Other Uncollectible Accounts—Credit

144.1 Accumulated Provision for Uncollectible Customer Accounts—Credit

This account shall be credited with amounts provided for losses on accounts receivable which may become uncollectible, and also with collections on accounts previously charged hereto. Concurrent charges shall be made to Account 904, Uncollectible Accounts.

144.2 Accumulated Provision for Uncollectible Merchandising Accounts—Credit

This account shall be credited with amounts provided for losses on merchandising, jobbing, and contract work which may become uncollectible, and also with collections on accounts previously charged hereto. Concurrent charges shall be made to Account 904, Uncollectible Accounts, for amounts applicable to utility operations, and to corresponding accounts for other operations.

144.3 Accumulated Provision for Uncollectible Accounts, Officers and Employees—Credit

This account shall be credited with amounts provided for losses on accounts receivable from officers and employees which may become uncollectible and also with collections on accounts previously charged hereto. Concurrent charges shall be made to Account 904, Uncollectible Accounts.

144.4 Accumulated Provision for Other Uncollectible Accounts—Credit

This account shall be credited with amounts provided for losses on accounts receivable which may become uncollectible and for which the recording of this credit has not been provided for elsewhere. This account shall also be credited with collections on accounts previously charged hereto. Concurrent charges shall be made to Account 904, Uncollectible Accounts, for amounts applicable to utility operations and to corresponding accounts for other operations.

145 Notes Receivable from Associated Companies

This account shall include notes upon which associated companies are liable, and which mature and are expected to be paid in full not later than one year from the date of issue, together with any interest thereon, and debit balances subject to current settlement in open accounts with associated companies. Items which do not bear a specified due date but which have been carried for more than twelve months and items which are not paid within twelve months from due date shall be transferred to Account 123, Investment in Associated Companies.

Note: The face amount of notes receivable discounted, sold or transferred without releasing the utility from liability as endorser thereon, shall be credited to a separate subdivision of this account and appropriate disclosure shall be made in the financial statements of any contingent liability arising from such transactions.

146 Accounts Receivable from Associated Companies

This account shall include drafts upon which associated companies are liable, and which mature and are expected to be paid in full not later than one year from the date of issue, together with any interest thereon, and debit balances subject to current settlement in open accounts with associated companies. Items which do not bear a specified due date but which have been carried for more than twelve months and items which are not paid within twelve months from due date shall be transferred to Account 123, Investment in Associated Companies.

Note: On the balance sheet, accounts receivable from an associated company may be offset against accounts payable to the same company.

151 Fuel Stock

This account shall include the book cost of fuel on hand.

Items

1. Invoice price of fuel less any cash or other discounts.
2. Freight, switching, demurrage, and other transportation charges, not including, however, any charges for unloading from the shipping medium.
3. Excise taxes, purchasing agents' commissions, insurance, and other expenses directly assignable to cost of fuel.
4. Operating, maintenance and depreciation expenses, and ad valorem taxes on utility-owned transportation equipment used to transport fuel from the point of acquisition to the unloading point.
5. Lease or rental costs of transportation equipment used to transport fuel from the point of acquisition to the unloading point.

152 Fuel Stock Expenses Undistributed

A. This account may include the cost of labor and of supplies used and expenses incurred in unloading fuel from the shipping medium and in the handling thereof prior to its use, if such expenses are sufficiently significant in amount to warrant being treated as a part of the cost of fuel inventory rather than being charged direct to expense as incurred.

B. Amounts included herein shall be charged to expense as the fuel is used to the end that the balance herein shall not exceed the expenses attributable to the inventory of fuel on hand.

Items

Labor:
1. Procuring and handling of fuel.
2. All routine fuel analyses.
3. Unloading from shipping facility and placing in storage.
4. Moving of fuel in storage and transferring from one station to another.
5. Handling from storage or shipping facility to first bunker, hopper, bucket, tank, or holder of boiler house structure.
6. Operation of mechanical equipment such as locomotives, trucks, cars, boats, barges, and cranes.

Supplies and Expenses:
1. Tools, lubricants and other supplies.
2. Operating supplies for mechanical equipment.
3. Transportation and other expenses in moving fuel.
4. Stores expenses applicable to fuel.

153 Residuals

This account shall include the book cost of any residuals produced in the production or manufacturing processes.

154 Plant Materials and Operating Supplies

A. This account shall include the cost of materials purchased primarily for use in the utility business for construction, operation and maintenance purposes. It shall also include the book cost of materials recovered in connection with construction, maintenance, or the retirement of property, such materials being credited to construction, maintenance, or accumulated depreciation provision, respectively, and included herein as follows:

1. Reusable materials consisting of large individual items shall be included in this account at original cost, estimated if not known. The cost of repairing such items shall be charged to the maintenance account appropriate for the previous use.

2. Reusable materials consisting of relatively small items, the identity of which (from the date of original installation to the final abandonment or sale thereof) cannot be ascertained without undue refinement in accounting, shall be included in this account at current prices new for such

items. The cost of repairing such items shall be charged to the appropriate expense account as indicated by previous use.

3. Scrap and nonusable materials included in this account shall be carried at the estimated net amount realizable therefrom. The difference between the amounts realized for scrap and nonusable materials sold and the net amount at which the materials were carried in this account, as far as practicable, shall be adjusted to the accounts credited when the materials were charged to this account.

B. Materials and supplies issued shall be credited hereto and charged to the appropriate construction, operating expense, or other account on the basis of a unit price determined by the use of cumulative average, first-in-first-out, or such other method of inventory accounting as conforms with accepted accounting standards consistently applied.

Items

1. Invoice price of materials less cash or other discounts.

2. Freight, switching, or other transportation charges when practicable to include as part of the cost of particular materials to which they relate.

3. Customs duties and excise taxes.

4. Costs of inspection and special tests prior to acceptance.

5. Insurance and other directly assignable charges.

Note: Where expenses applicable to materials purchased cannot be directly assigned to particular purchases, they shall be charged to Account 163, Stores Expense Undistributed.

155 Merchandise

This account shall include the book cost of materials and supplies and appliances and equipment held primarily for merchandising, jobbing, and contract work. The principles prescribed in accounting for utility materials and supplies shall be observed with respect to items carried in this account.

156 Other Materials and Supplies

This account shall include the book cost of materials and supplies held primarily for nonutility purposes. The principles prescribed in accounting for utility materials and supplies shall be observed with respect to items carried in this account.

157 Nuclear Materials Held for Sale

This account shall include the net salvage value of uranium, plutonium, and other nuclear materials held by the company for sale or other disposition that are not to be reused by the company in its electric utility operations. This account shall be debited and Account 120.5, Accumulated Provision for Amortization of Nuclear Fuel Assemblies, credited for such net salvage value. Any difference between the amount recorded in this account and the actual amount realized from the sale of materials shall be debited or credited, as appropriate, to Account 518, Nuclear Fuel Expense, at the time of such sale.

158.1 Allowance Inventory

A. This account shall include the cost of allowances owned by the utility and not withheld by the Environmental Protection Agency. See § 1767.15 (u) and Account 158.2, Allowances Withheld.

B. This account shall be credited and Account 509, Allowances, shall be debited concurrent with the monthly emission of sulfur dioxide.

C. Separate subdivisions of this account shall be maintained so as to separately account for those allowances usable in the current year and in each subsequent year. The underlying records of these subdivisions shall be maintained in sufficient detail so as to identify each allowance included; the origin of each allowance; and the acquisition cost, if any, of the allowance.

158.2 Allowances Withheld

A. This account shall include the cost of allowances owned by the utility but withheld by the Environmental Protection Agency. (See § 1767.15 (u).)

B. The inventory cost of the allowances released by the Environmental Protection Agency for use by the utility shall be transferred to Account 158.1, Allowance Inventory.

C. The underlying records of this account shall be maintained in sufficient detail so as to identify each allowance included; the origin of each allowance; and the acquisition cost, if any, of the allowances.

163 Stores Expense Undistributed

A. This account shall include the cost of supervision, labor, and expenses incurred in the operation of general storerooms, including purchasing, storage, handling, and distribution of materials and supplies.

B. This account shall be cleared by adding to the cost of materials and supplies issued, a suitable loading charge which will distribute the expense equitably over stores issues. The balance in the account at the close of the year shall not exceed the amount of stores expenses reasonably attributable to the inventory of materials and supplies, exclusive of fuel, as any amount applicable to fuel costs should be included in Account 152, Fuel Stock Expenses Undistributed.

Items

Labor:

1. Inspecting and testing materials and supplies when not assignable to specific items.

2. Unloading from shipping facility and placing in storage.

3. Supervision of purchasing and stores department to extent assignable to materials handled through stores.

4. Getting materials from stock and in readiness to go out.

5. Inventorying stock received or stock on hand by stores employees but not including inventories by general department employees as part of internal or general audits.

6. Purchasing department activities in checking material needs, investigating sources of supply, analyzing prices, preparing and placing orders, and related activities to extent applicable to materials handled through stores. (Optional: Purchasing department expenses may be included in administrative and general expenses.)

7. Maintaining stores equipment.

8. Cleaning and tidying storerooms and stores offices.

9. Keeping stock records, including the recording and posting of material receipts and issues and maintaining inventory records of stock.

10. Collecting and handling scrap materials in stores.

Supplies and Expenses:

1. Adjustments of inventories of materials and supplies but not including large differences which can readily be assigned to important classes of materials and equitably distributed among the accounts to which such classes of materials have been charged since the previous inventory.

2. Cash and other discounts not practically assignable to specific materials.

3. Freight and express charges when not assignable to specific items.

4. Heat, light, and power for storerooms and store offices.

5. Brooms, brushes, sweeping compounds and other supplies used in cleaning and tidying storerooms and stores offices.

6. Injuries and damages.

7. Insurance on materials and supplies and on stores equipment.

8. Losses due to breakage, leakage, evaporation, fire or other causes, less credits for amounts received from insurance, transportation companies, or others in compensation of such losses.

9. Postage, printing, stationery, and office supplies.

10. Rent of storage space and facilities.

11. Communication service.

12. Excise and other similar taxes not assignable to specific materials.

13. Transportation expense on inward movement of stores and on transfer between storerooms but not including charges on materials recovered from retirements which shall be accounted for as part of the cost of removal.

Note: A physical inventory of each class of materials and supplies shall be made at least every two years.

165 Prepayments

A. This account shall include amounts representing prepayments of insurance, rents, taxes, interest, and miscellaneous items, and shall be kept or supported in such manner as to disclose the amount of each class of prepayment.

B. Account 165 shall be subaccounted as follows:

165.1 Prepayments—Insurance
165.2 Other Prepayments

171 Interest and Dividends Receivable

This account shall include the amount of interest on bonds, mortgages, notes, commercial paper, loans, open accounts, and deposits, the payment of which is reasonably assured, and the amount of dividends declared or guaranteed on stocks owned.

Note A: Interest which is not subject to current settlement shall not be included herein but in the account in which the associated principle is recorded.

Note B: Interest and dividends receivable from associated companies shall be included in Account 146, Accounts Receivable from Associated Companies.

172 Rents Receivable

This account shall include rents receivable or accrued on property rented or leased by the utility to others.

Note: Rents receivable from associated companies shall be included in Account 146, Accounts Receivable from Associated Companies.

173 Accrued Utility Revenues

At the option of the utility, the estimated amount accrued for service rendered, but not billed at the end of any accounting period, may be included herein. If accruals are made for unbilled revenues, accruals shall also be made for unbilled expenses, such as the purchase of energy.

174 Miscellaneous Current and Accrued Assets

This account shall include the book cost of all other current and accrued assets, appropriately designated and supported so as to show the nature of each asset included herein.

Deferred Debits

181 Unamortized Debt Expense

This account shall include expenses related to the issuance or assumption of debt securities. Amounts recorded in this account shall be amortized over the life of each respective issue under a plan which will distribute the amount equitably over the life of the security. The amortization shall be on a monthly basis, and the amounts thereof shall be charged to Account 428, Amortization of Debt Discount and Expense. Any unamortized amounts outstanding at the time that the related debt is prematurely reacquired shall be accounted for as indicated in § 1767.15 (q).

182.1 Extraordinary Property Losses

A. When authorized or directed by REA, this account shall include extraordinary losses which could not reasonably have been anticipated and which are not covered by insurance or other provisions, such as unforeseen damages to property.

B. Application to REA for permission to use this account shall be accompanied by a statement giving a complete explanation with respect to the items which it is proposed to include herein, the period over which, and the accounts to which it is proposed to write off the charges, and other pertinent information.

182.2 Unrecovered Plant and Regulatory Study Costs

A. This account shall include: (1) nonrecurring costs of studies and analyses mandated by regulatory bodies related to plants in service, transferred from Account 183, Preliminary Survey and Investigations Charges, and not resulting in construction; and (2) when authorized by REA, significant unrecovered costs of plant facilities where construction has been cancelled or which have been prematurely retired.

B. This account shall be credited and Account 407, Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs, shall be debited over the period specified by REA.

C. Any additional costs incurred, relative to the cancellation or premature retirement, may be included in this account and amortized over the remaining period of the original amortization period. Should any gains or recoveries be realized relative to the cancelled or prematurely retired plant, such amounts shall be used to reduce the unamortized amount of the costs recorded herein.

D. In the event that the recovery of costs included herein is disallowed in the rate proceedings, the disallowed costs shall be charged to Account 426.5, Other Deductions, in the year of such disallowance.

182.3 Other Regulatory Assets

A. This account shall include the amounts of regulatory-created assets, not includable in other accounts, resulting from the ratemaking actions of regulatory agencies. (See the definition of regulatory assets and liabilities.)

B. The amounts included in this account are to be established by those charges which would have been included in net income determinations in the current period under the general requirements of the Uniform System of Accounts but for it being probable that such items will be included in a different period(s) for purposes of developing the rates that the utility is authorized to charge for its utility services. When specific identification of the particular source of a regulatory asset cannot be made, such as in plant phase-ins, rate moderation plans, or rate levelization plans, Account 407.4, Regulatory Credits, shall be credited. The amounts recorded in this account are generally to be charged, concurrently with the recovery of the amounts in rates, to the same account that would have been charged if included in income when incurred, except all regulatory assets established through the use of Account 407.4 shall be charged to Account 407.3, Regulatory Debits, concurrent with the recovery of the amounts in rates.

C. If rate recovery of all or part of an amount included in this account is disallowed, the disallowed amount shall be charged to Account 426.5, Other Deductions, or Account 435, Extraordinary Deductions, in the year of the disallowance.

D. The records supporting the entries to this account shall be kept so that the utility can furnish full information as to the nature and amount of each regulatory asset included in this account, including justification for inclusion of such amounts in this account.

183 Preliminary Survey and Investigation Charges

A. This account shall be charged with all expenditures for preliminary surveys, plans, and investigations made for the purpose of determining the feasibility of utility projects under contemplation. If construction results, this account shall be credited and the appropriate utility plant account charged. If the work is abandoned, the

charge shall be made to Account 426.5, Other Deductions, or to the appropriate operating expense account.

B. This account shall also include costs of studies and analyses mandated by regulatory bodies related to plant in service. If construction results from such studies, this account shall be credited and the appropriate utility plant account charged with an equitable portion of such study costs directly attributable to new construction. The portion of such study costs not attributable to new construction or the entire cost if construction does not result shall be charged to Account 182.2, Unrecovered Plant and Regulatory Study Costs, or the appropriate operating expense account. The costs of such studies relative to plant under construction shall be included directly inAccount 107, Construction Work in Progress—Electric.

C. The records supporting the entries to this account shall be so kept that the utility can furnish complete information as to the nature and the purpose of the survey, plans, or investigations, and the nature and amounts of the several charges.

Note: The amount of preliminary survey and investigation charges transferred to utility plant shall not exceed the expenditures which may reasonably be determined to contribute directly and immediately and without duplication to utility plant.

184 Clearing Accounts

A. This caption shall include undistributed balances in clearing accounts at the date of the balance sheet. Balances in clearing account shall be substantially cleared not later than the end of the calendar year unless items held therein relate to a future period.

B. Account 184 shall be subaccounted as follows:

184.1 Transportation Expense—Clearing
184.2 Clearing Accounts—Other

185 Temporary Facilities

This account shall include amounts shown by work orders for plant installed for temporary use in utility service for periods of less than one year. Such work orders shall be charged with the cost of temporary facilities and credited with payments received from customers and net salvage realized on removal of the temporary facilities. Any net credit or debit resulting shall be cleared to Account 451, Miscellaneous Service Revenues.

186 Miscellaneous Deferred Debits

This account shall include all debits not elsewhere provided for, such as miscellaneous work in progress, and unusual or extraordinary expenses, not included in other accounts, which are in process of amortization and items the proper final disposition of which is uncertain.

187 Deferred Losses from Disposition of Utility Plant

This account shall include losses from the sale or other disposition of property previously recorded in Account 105, Electric Plant Held for Future Use, under the provisions of Paragraphs B, C, and D thereof, where such losses are significant and are to be amortized over a period of 5 years, unless otherwise authorized by REA. The amortization of the amounts in this account shall be made by debits to Account 411.7, Losses from Disposition of Utility Plant. (See Account 105, Electric Plant Held for Future Use.)

188 Research, Development, and Demonstration Expenditures

A. This account shall be charged with the cost of all expenditures coming within the meaning of Research, Development, and Demonstration (RD&D) of this USoA (See § 1767.10 (a) (34)) except those expenditures properly chargeable to Account 107, Construction Work in Progress—Electric.

B. Costs that are minor or of a general or recurring nature shall be transferred from this account to the appropriate operating expense function or if such costs are common to the overall operations or cannot be feasibly allocated to the various operating accounts, such costs shall be recorded in Account 930.2, Miscellaneous General Expenses.

C. In certain instances, a company may incur large and significant research, development, and demonstration expenditures which are nonrecurring and which would distort the annual research, development, and demonstration charges for the period. In such a case, the portion of such amounts that cause the distortion may be amortized to the appropriate operating expense account over a period not to exceed 5 years unless otherwise authorized by REA.

D. The entries in this account must be so maintained as to show separately each project along with complete detail of the nature and purpose of the research, development, and demonstration project together with the related costs.

189 Unamortized Loss on Reacquired Debt

This account shall include the losses on long-term debt reacquired or redeemed. The amounts in this account shall be amortized in accordance with § 1767.15 (q).

190 Accumulated Deferred Income Taxes

A. This account shall be debited and Account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, or Account 411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deductions, as appropriate, shall be credited with an amount equal to that by which income taxes payable for the year are higher because of the inclusion of certain items in income for tax purposes, which items for general accounting purposes will not be fully reflected in the utility's determination of annual net income until subsequent years.

B. This account shall be credited and Account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or Account 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with an amount equal to that by which income taxes payable for the year are lower because of prior payment of taxes as provided by Paragraph A above, because of difference in timing for tax purposes of particular items of income or income deductions from that recognized by the utility for general accounting purposes. Such credit to this account and debit to Account 410.1 or Account 410.2 shall, in general, represent the effect on taxes payable in the current year of the smaller amount of book income recognized for tax purposes as compared to the amount recognized in the utility's current accounts with respect to the item or class of items for which deferred tax accounting by the utility was authorized by REA.

C. Vintage year records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factor of calculation with respect to each annual amount of the item or class of items for which deferred tax accounting by the utility is utilized.

D. The utility is restricted in its use of this account to the purpose set forth above. It shall not make use of the balance in this account or any portion thereof except as provided in the text of this account, without prior approval of REA. Any remaining deferred tax account balance with respect to an amount for any prior year's tax deferral, the amortization of which or other recognition in the utility's income accounts has been completed, or other disposition made, shall be debited to Account 410.1, Provision for Deferred

Income Taxes, Utility Operating Income, or Account 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, or otherwise disposed of as REA may authorize or direct. (See § 1767.15 (t).)

§ 1767.19 Liabilities and other credits.

The liabilities and other credit accounts identified in this section below shall be used by all REA borrowers.

Liabilities and Other Credits

Margins and Equities

200 Memberships
200.1 Memberships Issued
200.2 Memberships Subscribed But Unissued
201 Patronage Capital
201.1 Patronage Capital Credits
201.2 Patronage Capital Assignable
202 [Reserved]
203 [Reserved]
204 [Reserved]
205 [Reserved]
206 [Reserved]
207 [Reserved]
208 Donated Capital
209 [Reserved]
210 [Reserved]
211 Consumers' Contributions for Debt Service
212 [Reserved]
213 [Reserved]
214 [Reserved]
215 Appropriated Margins
216 [Reserved]
216.1 Unappropriated Undistributed Subsidiary Earnings
217 Retired Capital Credits—Gain
218 Capital Gains and Losses
219 Other Margins and Equities
219.1 Operating Margins
219.2 Nonoperating Margins
219.3 Other Margins
219.4 Other Margins and Equities—Prior Periods

Long-Term Debt

221 Bonds
222 Reacquired Bonds
223 Advances from Associated Companies
224 Other Long-Term Debt
224.1 Long-Term Debt—REA Construction Loan Contract
224.2 REA Loan Contract—Construction—Debit
224.3 Long-Term Debt—REA Construction Notes Executed
224.4 REA Notes Executed—Construction—Debit
224.5 Interest Accrued—Deferred—REA Construction
224.6 Advance Payments Unapplied—REA Long-Term Debt—Debit
224.7 Long-Term Debt—Installation Loan Contract
224.8 REA Loan Contract—Installation—Debit
224.9 Long-Term Debt—Installation Notes Executed
224.10 REA Notes Executed—Installation—Debit
224.11 Other Long-Term Debt—Subscriptions
224.12 Other Long-Term Debt—Supplemental Financing
224.13 Supplemental Financing Notes Executed—Debit
224.14 Other Long-Term Debt—Miscellaneous
224.15 Notes Executed—Other—Debit
224.16 Long-Term Debt—REA Economic Development Notes Executed
224.17 REA Notes Executed—Economic Development—Debit
225 Unamortized Premium on Long-Term Debt
226 Unamortized Discount on Long-Term Debt—Debit

Other Noncurrent Liabilities

227 Obligations Under Capital Leases—Noncurrent
228.1 Accumulated Provision for Property Insurance
228.2 Accumulated Provision for Injuries and Damages
228.3 Accumulated Provision for Pensions and Benefits
228.4 Accumulated Miscellaneous Operating Provisions
229 Accumulated Provision for Rate Refunds

Current and Accrued Liabilities

231 Notes Payable
232 Accounts Payable
232.1 Accounts Payable—General
232.2 Accounts Payable—REA Construction
232.3 Accounts Payable—Other
233 Notes Payable to Associated Companies
234 Accounts Payable to Associated Companies
235 Customer Deposits
236 Taxes Accrued
236.1 Accrued Property Taxes
236.2 Accrued U.S. Social Security Tax—Unemployment
236.3 Accrued U.S. Social Security Tax—F.I.C.A.
236.4 Accrued State Social Security Tax—Unemployment
236.5 Accrued State Sales Tax—Consumers
236.6 Accrued Gross Revenue or Gross Receipts Tax
236.7 Accrued Taxes—Other
237 Interest Accrued
238 Patronage Capital and Patronage Refunds Payable
238.1 Patronage Capital Payable
238.2 Patronage Refunds Payable
239 Matured Long-Term Debt
240 Matured Interest
241 Tax Collections Payable
242 Miscellaneous Current and Accrued Liabilities
242.1 Accrued Rentals
242.2 Accrued Payroll
242.3 Accrued Employees' Vacations and Holidays
242.4 Accrued Insurance
242.5 Other Current and Accrued Liabilities
243 Obligations Under Capital Leases—Current

Deferred Credits

251 [Reserved]
252 Customer Advances for Construction
253 Other Deferred Credits
253.1 Other Deferred Credits—Consumers' Energy Prepayments
254 Other Regulatory Liabilities
255 Accumulated Deferred Investment Tax Credits
256 Deferred Gains from Disposition of Utility Plant
257 Unamortized Gain on Reacquired Debt
281 Accumulated Deferred Income Taxes—Accelerated Amortization Property
282 Accumulated Deferred Income Taxes—Other Property
283 Accumulated Deferred Income Taxes—Other

Liabilities and Other Credits

Margins and Equities

200 Memberships

A. This account shall include the total amount of memberships issued and subscribed.

B. Account 200 shall be subaccounted as follows:

200.1 Memberships Issued
200.2 Memberships Subscribed But Unissued

200.1 Memberships Issued

A. This account shall include the face value of membership certificates outstanding. A detailed record shall be maintained to show for each member, the name, address, date of payment, amount paid, and certificate number.

B. If membership fees are applied against energy bills, this account shall be debited for the full amount of the membership with the offsetting credit to the appropriate accounts receivable, and to accounts payable for any refundable amounts. Any balances that cannot be refunded, due to inability to locate the member or because of bylaw restrictions, shall be credited to Account 208, Donated Capital. If determination of the ultimate disposition of the fees cannot be made immediately, the amount involved should be transferred to Account 253, Other Deferred Credits, until the determination is made.

C. When a transfer fee is collected, the transaction shall be recorded by debiting Account 131.1, Cash—General, and crediting Account 451, Miscellaneous Service Revenues, with the fee collected.

200.2 Memberships Subscribed But Unissued

This account shall include the face value of memberships subscribed for but not issued. When certificates are issued, the amount of the memberships shall be transferred to Account 200.1, Memberships Issued.

201 Patronage Capital

A. This account shall include the total amount of patronage capital assignable and assigned.

B. Account 201 shall be subaccounted as follows:

201.1 Patronage Capital Credits
201.2 Patronage Capital Assignable

201.1 Patronage Capital Credits

A. This account shall include the amounts of patronage capital which have been assigned to individual patrons. A subsidiary record, "patronage capital ledger," shall be maintained, containing an account for each patron who has furnished capital under a capital credits plan.

B. When the return of patrons' capital to individual patrons has been authorized by the board of directors (or trustees), the amounts authorized shall be transferred to Account 238.1, Patronage Capital Payable. (See also Account 217, Retired Capital Credits-Gain.)

201.2 Patronage Capital Assignable

A. This account shall include all amounts transferred from Account 219.1, Operating Margins; Account 219.2, Nonoperating Margins; Account 219.3, Other Margins; and Account 219.4, Other Margins and Equities—Prior Periods, which are assignable to individual patrons' capital accounts.

B. Entries to this account shall be made so as to clearly disclose the nature and source of each transaction. Amounts so assigned shall be transferred to Account 201.1, Patronage Capital Credits.

202 [Reserved]

203 [Reserved]

204 [Reserved]

205 [Reserved]

206 [Reserved]

207 [Reserved]

208 Donated Capital

This account shall include credits arising from forfeiture of membership fees and from donations of capital not otherwise provided for. Entries to this account shall be made so as to clearly disclose the nature and source of each transaction.

209 [Reserved]

210 [Reserved]

211 Consumers' Contributions for Debt Service

This account shall include the amounts billed to consumers as "amortization charges" for the purpose of servicing long-term debt.

212 [Reserved]

213 [Reserved]

214 [Reserved]

215 Appropriated Margins

This account shall include all amounts appropriated as reserves from margins. The account shall be so maintained as to show the amount of each separate reserve and the nature and amounts of the debits and credits thereto.

216 [Reserved]

216.1 Unappropriated Undistributed Subsidiary Earnings

This account shall include the balances, either debit or credit, of undistributed retained earnings of subsidiary companies since their acquisition. When dividends are received from subsidiary companies relating to amounts included in this account, this account shall be debited and Account 219.2, Nonoperating Margins.

217 Retired Capital Credits—Gain

A. This account shall include credits resulting from the retirement of patronage capital through settlement of individual patrons' capital credits at less than 100 percent of the capital assigned to the patron. The portion of patronage capital not returned to the patrons, under such settlements, shall be debited to Account 201.1, Patronage Capital Credits, and credited to this account.

B. This account shall also include amounts representing patronage capital authorized to be retired to patrons who cannot be located. Returned checks issued for retirements of patronage capital, after an appropriate waiting period, shall be credited to this account, and a record maintained adequate to enable the cooperative to make payment to the patron if and when a claim has been established by the consumer.

218 Capital Gains and Losses

No entries shall be made to this account without the prior approval of REA unless it is to distribute past capital gains and losses as capital credits or to eliminate accumulated capital losses in conformance with the bylaws of the cooperative.

219 Other Margins and Equities

A. This account shall include total amount of margins and equities from all sources.

B. Account 219 shall be subaccounted as follows:

219.1 Operating Margins
219.2 Nonoperating Margins
219.3 Other Margins
219.4 Other Margins and Equities—Prior Periods

219.1 Operating Margins

This account shall be debited or credited with the balances arising from transactions, the details of which have been recorded in Accounts 400, 401, 402, 403, 404, 405, 406, 407, 408, 412, 413, 414, 423, 424, 425, 426, 427, 428, and 431. Accounts 400, 401, and 402 are control accounts and, at the option of the borrower may or may not be used. If they are not used, the detailed revenue and expense accounts shall be closed directly to this account.

219.2 Nonoperating Margins

This account shall be debited or credited with the balances arising from transactions, the details of which have been recorded in Accounts 415, 416, 417, 417.1, 418, 419, 419.1, 421, 421.1, 421.2, 422, 434, and 435.

219.3 Other Margins

No entries shall be made to this account unless it is to distribute or eliminate prior balances in conformance with the bylaws of the cooperative.

219.4 Other Margins and Equities—Prior Periods

A. This account shall include significant nonrecurring transactions relating to prior periods. To be significant, the transaction must be of sufficient magnitude to justify redistribution of patronage capital credits already allocated for such prior periods.

B. All entries to this account must receive REA prior approval.

C. These transactions are limited to items to (1) correct an error in the financial statements of a prior year, and (2) make adjustments that result from realization of income tax benefits of preacquisition operating loss carryforwards. This account shall also include the related income taxes (state and Federal) on items included herein.

D. Amounts in this account shall be transferred at the end of the year to Account 219.1, Operating Margins, or Account 219.2, Nonoperating Margins, as appropriate. Also, at the end of the year, these amounts should be transferred from Account 219.1, or Account 219.2 to Account 201.2, Patronage Capital Assignable, when appropriate.

Long-Term Debt

221 Bonds

This account shall include, in a separate subdivision for each class and series of bonds, the face value of the

actually issued and unmatured bonds which have not been retired or cancelled; also the face value of such bonds issued by others, the payment of which has been assumed by the utility.

222 Reacquired Bonds

A. This account shall include the face value of bonds actually issued or assumed by the utility and reacquired by it and not retired or cancelled. The account for reacquired debt shall not include securities which are held by trustees in sinking or other funds.

B. When bonds are reacquired, the difference between face value, adjusted for unamortized discount, expenses or premium, and the amount paid upon reacquisition, shall be included in Account 189, Unamortized Loss on Reacquired Debt, or Account 257, Unamortized Gain on Reacquired Debt, as appropriate. (See § 1767.15 (q).)

223 Advances from Associated Companies

A. This account shall include the face value of notes payable to associated companies and the amount of open book accounts representing advances from associated companies. It does not include notes and open accounts representing indebtedness subject to current settlement which are includible in Account 233, Notes Payable to Associated Companies, or Account 234, Accounts Payable to Associated Companies.

B. The records supporting the entries to this account shall be so kept that the utility can furnish complete information concerning each note and open account.

224 Other Long-Term Debt

A. This account shall include, until maturity, all long-term debt not otherwise provided for. This covers such items as receivers' certificates, real estate mortgages executed or assumed, assessments for public improvements, notes and unsecured certificates of indebtedness not owned by associated companies, receipts outstanding for long-term debt, and other obligations maturing more than one year from the date of issue or assumption.

B. Account 224 shall be subaccounted as follows:

224.1 Long-Term Debt—REA Construction Loan Contract
224.2 REA Loan Contract—Construction—Debit
224.3 Long-Term Debt—REA Construction Notes Executed
224.4 REA Notes Executed—Construction—Debit
224.5 Interest Accrued—Deferred—REA Construction
224.6 Advance Payments Unapplied—REA Long-Term Debt—Debit
224.7 Long-Term Debt—Installation Loan Contract
224.8 REA Loan Contract—Installation—Debit
224.9 Long-Term Debt—Installation Notes Executed
224.10 REA Notes Executed—Installation—Debit
224.11 Other Long-Term Debt—Subscriptions
224.12 Other Long-Term Debt—Supplemental Financing
224.13 Supplemental Lender Notes Executed—Debit
224.14 Other Long-Term Debt—Miscellaneous
224.15 Notes Executed—Other—Debit
224.16 Long-Term Debt—REA Economic Development Notes Executed
224.17 REA Notes Executed—Economic Development—Debit

224.1 Long-Term Debt—REA Construction Loan Contract

A. This account shall include the contractual obligation to REA on construction loans covered by loan contract but not by executed notes.

B. This account is to be used at the option of the borrower.

224.2 REA Loan Contract—Construction—Debit

A. This account shall include the total loans (for construction purposes) which are covered by loan contract but not by executed notes.

B. This account is to be used at the option of the borrower.

224.3 Long-Term Debt—REA Construction Notes Executed

This account shall include the contractual liability to REA on construction notes executed. Records shall be maintained to show separately for each class of obligation all details as to the date of obligation, date of maturity, interest date and rate, and securities for the obligation.

224.4 REA Notes Executed—Construction—Debit

This account shall include the total amount of the unadvanced REA loans for construction purposes, which are covered by executed notes. When advances are received from the REA for construction, this account shall be credited and Account 131.2, Cash—Construction Fund—Trustee, debited with the amount of cash advanced.

224.5 Interest Accrued—Deferred—REA Construction

This account shall include interest on REA construction obligations deferred by the terms of mortgage notes or extension agreements.

224.6 Advance Payments Unapplied—REA Long-Term Debt—Debit

A. This account shall include principal payments on mortgage notes paid in advance of the date due and not applied to a specific note. Also, include in this account interest savings which are accrued and added to the advance payment unapplied.

B. At such time as these payments are applied to a specific note or loan balances, this account shall be credited and the long-term debt account debited with the amount so applied.

224.7 Long-Term Debt—Installation Loan Contract

A. This account shall include the contractual obligation to REA on installation loans covered by loan contract but not covered by executed notes.

B. This account is to be used at the option of the borrower.

224.8 REA Loan Contract—Installation—Debit

A. This account shall include the total loans for installation purposes which are covered by loan contract but not by executed notes.

B. This account is to be used at the option of the borrower.

224.9 Long-Term Debt—Installation Notes Executed

This account shall include the contractual liability to REA on installation notes executed.

224.10 REA Notes Executed—Installation—Debit

This account shall include the total amount of unadvanced loans for installation purposes, which are covered by executed note. When advances are received from REA, this account shall be credited and Account 131.3, Cash—Installation Loan and Collection Fund, debited with the amount of cash advanced.

224.11 Other Long-Term Debt—Subscriptions

This account shall include the contractual obligation to purchase CFC Capital Term Certificates and any other similar obligation relating to supplemental financing.

224.12 Other Long-Term Debt—Supplemental Financing

This account shall include the contractual liability to CFC or other supplemental lenders for that portion of funds borrowed which mature in more than one year.

224.13 Supplemental Financing Notes Executed—Debit

This account shall include the total amount of the unadvanced loans for construction purposes, which are covered by executed notes to CFC or other supplemental lender. This account shall be debited with the face amount of notes executed. When advances are received from a supplemental lender for construction, this account shall be credited and Account 131.2, Cash—Construction Fund—Trustee, debited with the amount of cash advanced.

224.14 Other Long-Term Debt—Miscellaneous

This account shall include the amount of other long-term debt not provided for elsewhere.

224.15 Notes Executed—Other—Debit

This account shall include the total amount of the unadvanced loans for construction purposes, which are covered by executed notes to others not included in the foregoing accounts. When advances are received from such supplemental lender, this account shall be credited and Account 131.2, Cash—Construction Fund—Trustee, debited with the amount of cash so advanced.

224.16 Long-Term Debt—REA Economic Development Notes Executed

This account shall include the contractual liability to REA on rural economic development notes executed. Records shall be maintained to show separately for each class of obligation all details as to the date of obligation, date of maturity, interest date and rate, and securities for the obligation.

224.17 REA Notes Executed—Economic Development—Debit

This account shall include the total amount of the unadvanced REA loans for rural economic development purposes, which are covered by executed notes. When advances are received from the REA for rural economic development projects, this account shall be credited and Account 131.12, Cash—General—Economic Development Funds, debited with the amount of cash advanced.

225 Unamortized Premium on Long-Term Debt

A. This account shall include the excess of the cash value of consideration received over the face value upon the issuance or assumption of long-term debt securities.

B. Amounts recorded in this account shall be amortized over the life of each respective issue under a plan which will distribute the amount equitably over the life of the security. The amortization shall be on a monthly basis, with the amounts thereof to be credited to Account 429, Amortization of Premium on Debt—Credit. (See § 1767.15 (q).)

226 Unamortized Discount on Long-Term Debt—Debit

A. This account shall include the excess of the face value of long-term debt securities over the cash value of consideration received therefor, related to the issue or assumption of all types and classes of debt.

B. Amounts recorded in this account shall be amortized over the life of the respective issues under a plan which will distribute the amount equitably over the life of the securities. The amortization shall be on a monthly basis, wit the amounts thereof charged to Account 428, Amortization of Debt Discount and Expense. (See § 1767.15 (q).)

Other Noncurrent Liabilities

227 Obligations Under Capital Leases—Noncurrent

This account shall include the portion not due within one year, of the obligations recorded for the amounts applicable to leased property recorded as assets in Account 101.1, Property Under Capital Leases; Account 120.6, Nuclear Fuel Under Capital Leases; or Account 121, Nonutility Property.

Special Instructions

No amounts shall be credited to Accounts 228.1 through 228.4 unless authorized by a regulatory authority or authorities to be collected in the utility's rates.

228.1 Accumulated Provision for Property Insurance

A. This account shall include amounts reserved by the utility for losses through accident, fire, flood, or other hazards to its own property or property leased from others, not covered by insurance. The amounts charged to Account 924, Property Insurance, or other appropriate accounts to cover such risks shall be credited to this account. A schedule of risks covered shall be maintained, giving a description of the property involved, the character of the risks covered and the rates used.

B. Charges shall be made to this account for losses covered, not to exceed the account balance. Details of these charges shall be maintained according to the year the casualty occurred which gave rise to the loss.

228.2 Accumulated Provision for Injuries and Damages

A. This account shall be credited with amounts charged to Account 925, Injuries and Damages, or other appropriate accounts, to meet the probable liability, not covered by insurance, for deaths or injuries to employees and others and for damages to property neither owned nor held under lease by the utility.

B. When liability for any injury or damage is admitted by the utility either voluntarily or because of the decision of a court or other lawful authority, such as a workmen's compensation board, the admitted liability shall be charged to this account and credited to the appropriate current liability account. Details of these charges shall be maintained according to the year the casualty occurred which gave rise to the loss.

Note: Recoveries or reimbursements for losses charged to this account shall be credited hereto; the cost of repairs to property of others, if provided for herein, shall be charged to this account.

228.3 Accumulated Provision for Pensions and Benefits

A. This account shall include provisions made by the utility and amounts contributed by employees for pensions, accident and death benefits, savings, relief, hospital, and other provident purposes, where the funds are included in the assets of the utility either in general or in segregated fund accounts.

B. Amounts paid by the utility for the purpose for which this liability is established shall be charged hereto.

C. A separate account shall be kept for each kind of provision included herein.

Note: If employee pension or benefit plan funds are not included among the assets of the utility but are held by outside trustees, payments into such funds, or accruals therefor, shall not be included in this account.

228.4 Accumulated Miscellaneous Operating Provisions

A. This account shall include all operating provisions which are not provided for elsewhere.

B. This account shall be maintained in such a manner as to show the amount of each separate provision and the nature and amounts of the debits and credits thereto.

Note: This account includes only provisions as may be created for operating purposes and does not include any reservations of income, the credits for which should be recorded in Account 215, Appropriated Margins.

229 Accumulated Provision for Rate Refunds

A. This account shall be credited with amounts charged to Account 449.1, Provision for Rate Refunds, to provide for estimated refunds where the utility is collecting amounts in rates subject to refund.

B. When a refund of any amount recorded in this account is ordered by a regulatory authority, such amount shall be charged hereto and credited to Account 242, Miscellaneous Current and Accrued Liabilities.

C. Records supporting the entries to this account shall be kept so as to identify each amount recorded by the respective rate filing docket number.

Current and Accrued Liabilities

Current and accrued liabilities are those obligations which have either matured or which become due within 1 year from the date thereof; except however, bonds, receivers' certificates, and similar obligations which shall be classified as long-term debt until date of maturity; accrued taxes, such as income taxes, which shall be classified as accrued liabilities even though payable more than one year from date; compensation awards, which shall be classified as current liabilities regardless of date due; and minor amounts payable in installments which may be classified as current liabilities. If a liability is due more than 1 year from the date of issuance or assumption by the utility, it shall be credited to a long-term debt account appropriate for the transaction; except however, the current liabilities previously mentioned.

231 Notes Payable

This account shall include the face value of all notes, drafts, acceptances, or other similar evidences of indebtedness, payable on demand or within a time not exceeding 1 year from the date of issue, to other than associated companies.

232 Accounts Payable

A. This account shall include all amounts payable by the utility within 1 year, which are not provided for in other accounts.

B. Account 232 shall be subaccounted as follows:

232.1 Accounts Payable—General
232.2 Accounts Payable—REA Construction
232.3 Accounts Payable—Other

233 Notes Payable to Associated Companies

This account shall include amounts owing to associated companies on notes, drafts, acceptances, or other similar evidences of indebtedness payable on demand or not more than 1 year from the date of issue or creation.

Note: Notes which are includible in Account 223, Advances from Associated Companies, shall be excluded from this account.

234 Accounts Payable to Associated Companies

This account shall include amounts owing to associated companies on open accounts payable on demand.

Note: Accounts which are includible in Account 223, Advances from Associated Companies, shall be excluded from this account.

235 Customer Deposits

This account shall include all amounts deposited with the utility by its customers as security for the payment of bills.

236 Taxes Accrued

A. This account shall be credited with the amount of taxes accrued during the accounting period, corresponding debits being made to the appropriate accounts for tax charges. Such credits may be based upon estimates, but from time to time during the year as the facts become known, the amount of the periodic credits shall be adjusted so as to include, as nearly as can be determined in each year, the taxes applicable thereto. Any amount representing a prepayment of taxes applicable to the period subsequent to the date of the balance sheet, shall be shown under Account 165, Prepayments.

B. If accruals for taxes are found to be insufficient or excessive, correction therefor shall be made through current tax accruals.

C. Accruals for taxes shall be based upon the net amounts payable after credit for any discounts, and shall not include any amounts for interest on tax deficiencies or refunds. Interest received on refunds shall be credited to Account 419, Interest and Dividend Income, and interest paid on deficiencies shall be charged to Account 431, Other Interest Expense.

D. Account 236 shall be subaccounted as follows:

236.1 Accrued Property Taxes
236.2 Accrued U.S. Social Security Tax—Unemployment
236.3 Accrued U.S. Social Security Tax—F.I.C.A.
236.4 Accrued State Social Security Tax—Unemployment
236.5 Accrued State Sales Tax—Consumers
236.6 Accrued Gross Revenue or Gross Receipts Tax
236.7 Accrued Taxes—Other

237 Interest Accrued

This account shall include the amount of interest accrued but not matured on all liabilities of the utility not including, however, interest which is added to the principal of the debt on which incurred. Supporting records shall be maintained so as to show the amount of interest accrued on each obligation.

238 Patronage Capital and Patronage Refunds Payable

A. This account shall include the total amount of patronage capital authorized to be returned and paid to patrons.

B. Account 238 shall be subaccounted as follows:

238.1 Patronage Capital Payable
238.2 Patronage Refunds Payable

238.1 Patronage Capital Payable

This account shall include the amount of patronage capital which has been authorized to be returned to the patron.

238.2 Patronage Refunds Payable

This account shall include the amount of patronage refunds which have been authorized to be paid to patrons.

239 Matured Long-Term Debt

This account shall include the amount of long-term debt (including any obligation for premiums) matured and unpaid, without specific agreement for extension of the time of payment and bonds called for redemption but not presented.

240 Matured Interest

This account shall include the amount of matured interest on long-term debt or other obligations of the utility at the date of the balance sheet unless such interest is added to the principal of the debt on which incurred.

241 Tax Collections Payable

This account shall include the amount of taxes collected by the utility through payroll deductions or otherwise, pending transmittal of such taxes to the proper taxing authority.

Note: Do not include liabilities for taxes assessed directly against the utility which are accounted for as part of the utility's own tax expense.

242 Miscellaneous Current and Accrued Liabilities

A. This account shall include the amount of all other current and accrued liabilities not provided for elsewhere appropriately designated and supported so as to show the nature of each liability.

B. Account 242 shall be subaccounted as follows:

242.1 Accrued Rentals
242.2 Accrued Payroll

242.3 Accrued Employees' Vacations and Holidays
242.4 Accrued Insurance
242.5 Other Current and Accrued Liabilities

242.1 Accrued Rentals

This account shall include unpaid joint use pole rentals and other rentals. The records supporting the entries to this account shall be maintained so as to show for each class of rental, the amount accrued, the basis for the accrual, the accounts to which charged, and the amount of rentals paid.

242.2 Accrued Payroll

This account shall include the accrued liability for salaries and wages at the end of an accounting period for which the appropriate expense or other accounts have been charged. This account is to be used whether salaries and wages are paid on a weekly, semimonthly, or monthly basis.

242.3 Accrued Employees' Vacations and Holidays

This account shall include the liability for accrued wages for employees' vacation, holidays, and sick leave.

242.4 Accrued Insurance

A. This account shall most commonly be used in case of workmen's compensation and public-liability insurance for recording the excess amounts of earned premium over the advance premiums. Earned premiums are computed each month by applying the insurance rates to the actual payrolls.

B. Until the amount of the advance premiums is exhausted, the earned premium is credited to Account 165, Prepayments. Earned premiums in excess of the advance premiums are credited to this account.

242.5 Other Current and Accrued Liabilities

This account shall include current and accrued liabilities not provided for elsewhere.

243 Obligations Under Capital Leases—Current

This account shall include the portion, due within 1 year, of the obligations recorded for the amounts applicable to leased property recorded as assets in Account 101.1, Property Under Capital Leases; Account 120.6, Nuclear Fuel Under Capital Leases; or Account 121, Nonutility Property.

Deferred Credits

251 [Reserved]

252 Customer Advances for Construction

This account shall include consumer advances for construction which are to be refunded either wholly or in part. When a customer is refunded the entire amount to which he is entitled, according to the agreement or rule under which the advance was made, the balance, if any, remaining in this account shall be credited to the respective plant accounts.

253 Other Deferred Credits

This account shall include advance billings and receipts and other deferred credit items, not provided for elsewhere, including amounts which cannot be entirely cleared or disposed of until additional information has been received.

253.1 Other Deferred Credits—Consumers' Energy Prepayments

This account shall include the amount of advance payments made by consumers in connection with electric service.

254 Other Regulatory Liabilities

A. This account shall include the amounts of regulatory liabilities, not includible in other accounts, imposed on the utility by the ratemaking actions of regulatory agencies.

B. The amounts included in this account are to be established by those credits which would have been included in net income determinations in the current period under the general requirements of the Uniform System of Accounts but for it being probable that: (1) such items will be included in a different period(s) for purposes of developing the rates that the utility is authorized to charge for its utility services; or (2) refunds to customers, not provided for in other accounts, will be required. When specific identification of the particular source of the regulatory liability cannot be made or when the liability arises from revenues collected pursuant to tariffs on file at a regulatory agency, Account 407.3, Regulatory Debits, shall be debited. The amounts recorded in this account generally are to be credited to the same account that would have been credited if included in income when earned except: (1) all regulatory liabilities established through the use of Account 407.3 shall be credited to Account 407.4, Regulatory Credits; and (2) in the case of refunds, a cash account or other appropriate account should be credited when the obligation is satisfied.

C. If it is later determined that the amounts recorded in this account will not be returned to customers through rates or refunds, such amounts shall be credited to Account 421, Miscellaneous Nonoperating Income, or Account 434, Extraordinary Income, as appropriate, in the year such determination is made.

D. The records supporting the entries to this account shall be kept in such a manner that the utility can furnish full information as to the nature and amount of each regulatory liability included in this account, including justification for inclusion of such amounts in this account.

255 Accumulated Deferred Investment Tax Credits

A. This account shall be credited with all investment tax credits deferred by companies which have elected to follow deferral accounting, partial or full, rather than recognizing, in the income statement, the total benefits of the tax credit as realized. After such election, a company may not transfer amounts from this account, except as authorized herein and in Account 411.4, Investment Tax Credit Adjustments, Utility Operations; Account 411.5, Investment Tax Credit Adjustments, Nonutility Operations; and Account 420, Investment Tax Credits, or with approval of REA.

B. Where the company's accounting provides that investment tax credits are to be passed on to customers, this account shall be debited and Account 411.4 credited with a proportionate amount determined in relation to the average useful life of electric utility property to which the tax credits relate or such lesser period of time as allowed by a regulatory agency having rate jurisdiction. If, however, the deferral procedure provides that investment tax credits are not to be passed on to customers, the proportionate restorations to income shall be credited to Account 420.

C. Subdivisions of this account, by department, shall be maintained for deferred investment tax credits that are related to nonelectric utility or other operations. Contra entries affecting such account subdivisions shall be appropriately recorded in Account 413, Expenses of Electric Plant Leased to Others; or Account 414, Other Utility Operating Income. Use of deferral or nondeferral accounting procedures adopted for nonelectric utility or other operations are to be followed on a consistent basis.

D. Separate records for electric and nonelectric utility or other operations shall be maintained identifying the properties giving rise to the investment

tax credits for each year with the weighted-average service life of such properties and any unused balances of such credits. Such records are not necessary unless the tax credits are deferred.

256 Deferred Gains from Disposition of Utility Plant

This account shall include gains from the sale or other disposition of property previously recorded in Account 105, Electric Plant Held for Future Use, under the provisions of Paragraphs B, C, and D thereof, where such gains are significant and are to be amortized over a period of 5 years, unless otherwise authorized by REA. The amortization of the amounts in this account shall be made by credits to Account 411.6, Gains from Disposition of Utility Plant. (See Account 105, Electric Plant Held for Future Use.)

257 Unamortized Gain on Reacquired Debt

This account shall include the amounts of discount realized upon reacquisition or redemption of long-term debt. The amounts in this account shall be amortized in accordance with § 1767.15 (q).

Special Instructions

Accumulated Deferred Income Taxes

Before using the deferred tax accounts provided below, refer to § 1767.15 (r), Comprehensive Interperiod Income Tax Allocation. The text of these accounts are designed primarily to cover deferrals of Federal income taxes. However, they are also to be used when making deferrals of state and local income taxes. Utilities and licensees which, in addition to an electric utility department, have another utility department, gas or water and nonutility property, and which have deferred taxes on income with respect thereto shall separately classify such deferrals in the accounts provided below so as to allow ready identification of items relating to each utility deductions.

281 Accumulated Deferred Income Taxes—Accelerated Amortization Property

A. This account shall include tax deferrals resulting from adoption of the principles of comprehensive interperiod tax allocation described in § 1767.15 (s) that relate to property for which the utility has availed itself of the use of accelerated (5-year) amortization of (1) certified defense facilities as permitted by Section 168 of the Internal Revenue Code, and (2) certified pollution control facilities as permitted by Section 169 of the Internal Revenue Code.

B. This account shall be credited and Account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or Account 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with tax effects related to property described in Paragraph A above where taxable income is lower than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income.

C. This account shall be debited and Account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, or Account 411.2, Provision for Deferred Income Taxes-Credit, Other Income and Deductions, as appropriate, shall be credited with taxes related to property described in Paragraph A above where taxable income is higher than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income.

D. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of REA. Upon the disposition by sale, exchange, transfer, abandonment, or premature retirement of plant on which there is a related balance therein, this account shall be charged with an amount equal to the related income tax expense, if any, arising from such disposition and Account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, or Account 411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deductions, as appropriate, shall be credited. When the remaining balance, after consideration of any related income tax expense, is less than $25,000, this account shall be charged and Account 411.1 or Account 411.2, as appropriate, credited with such balance. If after consideration of any related income tax expense, there is a remaining amount of $25,000 or more, REA shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant is disposed of by transfer to a wholly owned subsidiary, the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balances would be necessary to be retained to offset future group item tax deficiencies.

282 Accumulated Deferred Income Taxes—Other Property

A. This account shall include the tax deferrals resulting from adoption of the principle of comprehensive interperiod income tax allocation described in § 1767.15 (r) which are related to all property other than accelerated amortization property.

B. This account shall be credited and Account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or Account 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with tax effects related to property described in Paragraph A above where taxable income is lower than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income.

C. This account shall be debited and Account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, or Account 411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deductions, as appropriate, shall be credited with tax effects related to property described in Paragraph A above where taxable income is higher than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income.

D. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of REA. Upon the disposition by sale, exchange, transfer, abandonment, or premature retirement of plant on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax expense, if any, arising from such disposition and Account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, or Account 411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deductions, shall be credited. When the remaining balance after consideration of any related tax expenses, is less than $25,000, this

account shall be charged and Account 411.1 or Account 411.2, as appropriate, credited with such balance. If after consideration any related income tax expense, there a remaining amount of $25,00 or more, REA shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted. When plant is disposed of by transfer to a wholly owned subsidiary, the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance would be necessary to be retained to offset future group item tax deficiencies.

283 Accumulated Deferred Income Taxes—Other

A. This account shall include all credit tax deferrals resulting from the adoption of the principles of comprehensive interperiod income tax allocation described in § 1767.15 (r) other than those deferrals which are includible in Account 281, Accumulated Deferred Income Taxes—Accelerated Amortization Property, and Account 282, Accumulated Deferred Income Taxes—Other Property.

B. This account shall be credited and Account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or Account 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with tax effects related to items described in Paragraph A above where taxable income is lower than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income.

C. This account shall be debited and Account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income or Account 411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deductions, as appropriate, shall be credited with tax effects related to items described in Paragraph A above where taxable income is higher than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income.

D. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation with respect to each annual amount of the item or class of items.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in the account or any portion thereof to retained earnings or to any other account or make any use thereof except as provided in the text of this account, without prior approval of REA. Upon the disposition by sale, exchange, transfer, abandonment, or premature retirement of items on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax effect, if any, arising from such disposition and Account 411.1, Provision For Deferred Income Taxes—Credit, Utility Operating Income, or Account 411.2, Provision For Deferred Income Taxes-Credit, Other Income and Deductions, as appropriate, shall be credited. When the remaining balance, after consideration of any related tax expenses, is less than $25,000, this account shall be charged and Account 411.1 or Account 411.2, as appropriate, credited with such balance. If after consideration of any related income tax expense, there is a remaining amount of $25,000 or more, REA shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted.

When plant is disposed of by transfer to a wholly owned subsidiary, the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance would be necessary to be retained to offset future group item tax deficiencies.

§ 1767.20 Plant accounts.

The plant accounts identified in this section shall be used by all REA borrowers.

Intangible Plant

301 Organization
302 Franchises and Consents
303 Miscellaneous Intangible Plant

Production Plant

Steam Production

310 Land and Land Rights
311 Structures and Improvements
312 Boiler Plant Equipment
313 Engines and Engine Driven Generators
314 Turbogenerator Units
315 Accessory Electric Equipment
316 Miscellaneous Power Plant Equipment

Nuclear Production

320 Land and Land Rights
321 Structures and Improvements
322 Reactor Plant Equipment
323 Turbogenerator Units
324 Accessory Electric Equipment
325 Miscellaneous Power Plant Equipment

Hydraulic Production

330 Land and Land Rights
331 Structures and Improvements
332 Reservoirs, Dams and Waterways
333 Water Wheels, Turbines and Generators
334 Accessory Electric Equipment
335 Miscellaneous Power Plant Equipment
336 Roads, Railroads and Bridges

Other Production

340 Land and Land Rights
341 Structures and Improvements
342 Fuel Holders, Producers and Accessories
343 Prime Movers
344 Generators
345 Accessory Electric Equipment
346 Miscellaneous Power Plant Equipment

Transmission Plant

350 Land and Land Rights
351 [Reserved]
352 Structures and Improvements
353 Station Equipment
354 Tower and Fixtures
355 Poles and Fixtures
356 Overhead Conductors and Devices
357 Underground Conduit
358 Underground Conductors and Devices
359 Roads and Trails

Distribution Plant

360 Land and Land Rights
361 Structures and Improvements
362 Station Equipment
363 Storage Battery Equipment
364 Poles, Towers and Fixtures
365 Overhead Conductors and Devices
366 Underground Conduit
367 Underground Conductors and Devices
368 Line Transformers
369 Services
370 Meters
371 Installations on Customers' Premises
372 Leased Property on Customers' Premises
373 Street Lighting and Signal Systems

General Plant

389 Land and Land Rights
390 Structures and Improvements
391 Office Furniture and Equipment
392 Transportation Equipment
393 Stores Equipment
394 Tools, Shop and Garage Equipment
395 Laboratory Equipment
396 Power Operated Equipment
397 Communication Equipment
398 Miscellaneous Equipment
399 Other Tangible Property

Intangible Plant

301 Organization

This account shall include all fees paid to Federal or state governments for the privilege of incorporation and expenditures incident to organizing the corporation, partnership, or other enterprise and putting it into readiness to do business.

Items

1. Cost of obtaining certificates authorizing an enterprise to engage in the public-utility business.
2. Fees and expenses for incorporation.
3. Fees and expenses for mergers or consolidations.
4. Office expenses incident to organizing the utility.
5. Stock and minute books and corporate seal.

Note A: This account shall not include any discounts upon securities issued or assumed; nor shall it include any costs incident to negotiating loans, selling bonds or other evidences of debt or expenses in connection with the authorization, issuance, or sale of capital stock.

Note B: Exclude from this account and include in the appropriate expense account the cost of preparing and filing papers in connection with the extension of the term of incorporation unless the first organization costs have been written off. When charges are made to this account for expenses incurred in mergers, consolidations, or reorganizations, amounts previously included herein or in similar accounts in the books of the companies concerned shall be excluded from this account.

302 Franchises and Consents

A. This account shall include amounts paid to the Federal Government, to a state or to a political subdivision thereof in consideration for franchises, consents, water power licenses, or certificates, running in perpetuity or for a specified term of more than one year, together with necessary and reasonable expenses incident to procuring such franchises, consents, water power licenses, or certificates of permission and approval, including expenses of organizing and merging separate corporations, where statutes require, solely for the purpose of acquiring franchises.

B. If a franchise, consent, water power license, or certificate is acquired by assignment, the charge to this account in respect thereof shall not exceed the amount paid therefor by the utility to the assignor, nor shall it exceed the amount paid by the original grantee, plus the expense of acquisition to such grantee. Any excess of the amount actually paid by the utility over the amount above specified shall be charged to Account 426.5, Other Deductions.

C. When any franchise has expired, the book cost thereof shall be credited hereto and charged to Account 426.5, Other Deductions, or to Account 111, Accumulated Provision for Amortization of Electric Utility Plant, as appropriate.

D. Records supporting this account shall be kept so as to show separately the book cost of each franchise or consent.

Note: Annual or other periodic payments under franchises shall not be included herein but in the appropriate operating expense account.

303 Miscellaneous Intangible Plant

A. This account shall include the cost of patent rights, licenses, privileges, and other intangible property necessary or valuable in the conduct of utility operations and not specifically chargeable to any other account.

B. When any item included in this account is retired or expires, the book cost thereof shall be credited hereto and charged to Account 426.5, Other Deductions, or Account 111, Accumulated Provision for Amortization of Electric Utility Plant, as appropriate.

C. This account shall be maintained in such a manner that the utility can furnish full information with respect to the amounts included herein.

Production Plant

Steam Production

310 Land and Land Rights

This account shall include the cost of land and land rights used in connection with steam-power generation. (See § 1767.16 (g).)

311 Structures and Improvements

This account shall include the cost, in place, of structures and improvements used in connection with steam-power generation. (See § 1767.16 (h).)

Note: Include steam production roads and railroads in this account.

312 Boiler Plant Equipment

This account shall include the cost installed of furnaces, boilers, coal and ash handling and coal preparing equipment, steam and feed water piping, boiler apparatus, and accessories used in the production of steam, mercury, or other vapor, to be used primarily for generating electricity.

Items

1. Ash handling equipment, including hoppers, gates, cars, conveyors, hoists, sluicing equipment, including pumps and motors, sluicing water pipe and fittings, sluicing trenches and accessories, except sluices which are a part of a building.
2. Boiler feed system, including feed water heaters, evaporator condensers, heater drain pumps, heater drainers, deaerators, and vent condensers, boiler feed pumps, surge tanks, feed water regulators, feed water measuring equipment, and all associated drives.
3. Boiler plant cranes and hoists and associated drives.
4. Boilers and equipment, including boilers and baffles, economizers, superheaters, soot blowers, foundations and settings, water walls, arches, grates, insulation, blowdown system, drying out of new boilers, also associated motors or other power equipment.
5. Breeching and accessories, including breeching, dampers, soot spouts, hoppers and gates, cinder eliminators, breeching insulation, soot blowers and associated motors.
6. Coal handling and storage equipment, including coal towers, coal lorries, coal cars, locomotives and tracks when devoted principally to the transportation of coal, hoppers, downtakes, unloading and hoisting equipment, skip hoists and conveyors, weighing equipment, magnetic separators, cable ways, and housings and supports for coal handling equipment.
7. Draft equipment, including air preheaters and accessories, induced and forced draft fans, air ducts, combustion control mechanisms, and associated motors or other power equipment.
8. Gas-burning equipment, including holders, burner equipment and piping, and control equipment.
9. Instruments and devices, including all measuring, indicating, and recording equipment for boiler plant service together with mountings and supports.
10. Lighting systems.
11. Oil-burning equipment, including tanks, heaters, pumps with drive, burner equipment and piping, and control equipment.
12. Pulverized fuel equipment, including pulverizers, accessory motors, primary air fans, cyclones and ducts, dryers, pulverized fuel bins, pulverized fuel conveyors and equipment, burners, burner piping, priming equipment, air compressors, and motors.
13. Stacks, including foundations and supports, stack steel and ladders, stack brickwork, stack concrete, stack lining, stack painting (first), when set on separate foundations, independent of substructures or superstructures of building.
14. Station piping, including pipe, valves, fittings, separators, traps, desuperheaters, hangers, excavation, and covering for station piping system, including all steam, condensate, boiler feed and water supply piping, but not condensing water, plumbing, building heating, oil, gas, air piping or piping specifically provided for in Account 313.
15. Stoker or equivalent feeding equipment, including stokers and

accessory motors, clinker grinders, fans and motors.

16. Ventilating equipment.

17. Water purification equipment, including softeners and accessories, evaporators and accessories, heat exchanges, filters, tanks for filtered or softened water, pumps, and motors.

18. Water-supply systems, including pumps, motors, strainers, raw-water storage tanks, boiler wash pumps, intake and discharge pipes, and tunnels not a part of a building.

19. Wood fuel equipment, including hoppers, fuel hogs and accessories, elevators and conveyors, bins and gates, spouts, measuring equipment and associated drives.

Note: When the system for supplying boiler or condenser water is elaborate, and when it includes a dam, reservoir, canal, pipe line, cooling ponds, or where gas or oil is used as a fuel for producing steam and is supplied through a pipe line system owned by the utility, the cost of such special facilities shall be charged to a subdivision of Account 311, Structures and Improvements.

313. Engines and Engine Driven Generators

This account shall include the cost installed of steam engines, reciprocating or rotary, and their associated auxiliaries; and engine-driven main generators, except turbogenerator units.

Items

1. Air cleaning and cooling apparatus, including blowers, drive equipment, air ducts, not a part of building, louvers, pumps, and hoods.

2. Belting, shafting, pulleys, and reduction gearing.

3. Circulating pumps, including connections between condensers and intake and discharge tunnels.

4. Cooling system, including towers, pumps, tank, and piping.

5. Condensers, including condensate pumps, air and vacuum pumps, ejector unloading valves and vacuum breakers, expansion devices, and screens.

6. Cranes and hoists, including items wholly identified with items listed herein.

7. Engines, reciprocating or rotary.

8. Fire-extinguishing systems.

9. Foundations and settings, especially constructed for and not expected to outlast the apparatus for which provided.

10. Generators-Main, a.c. or d.c., including field rheostats and connections for self-excited units, and excitation systems when identified with the generating unit.

11. Governors.

12. Lighting systems.

13. Lubricating systems, including gauges, filters, tanks, pumps, piping, and motors.

14. Mechanical meters, including gauges, recording instruments, sampling and testing equipment.

15. Piping-main exhaust, including connections between generator and condenser and between condenser and hotwell.

16. Piping-main stream, including connections from main throttle valve to turbine inlet.

17. Platforms, railings, steps, and gratings appurtenant to apparatus listed herein.

18. Pressure oil system, including accumulators, pumps, piping, and motors.

19. Throttle and inlet valve.

20. Tunnels, intake and discharge, for condenser system, when not a part of a structure.

21. Water screens and motors.

314 Turbogenerator Units

This account shall include the cost installed of main turbine-driven units and accessory equipment used in generating electricity by steam.

Items

1. Air leaning and cooling apparatus, including blowers, drive equipment, air ducts not a part of building, louvers, pumps, and hoods.

2. Circulating pumps, including connections between condensers and intake and discharge tunnels.

3. Condensers, including condensate pumps, air and vacuum pumps, ejectors, unloading valves and vacuum breakers, expansion devices, and screens.

4. Generator hydrogen, gas piping, and detrainment equipment.

5. Cooling system, including towers, pumps, tanks, and piping.

6. Cranes and hoists, including items wholly identified with items listed herein.

7. Excitation system, when identified with main generating units.

8. Fire-extinguishing systems.

9. Foundations and settings, especially constructed for and not expected to outlast the apparatus for which provided.

10. Governors.

11. Lighting systems.

12. Lubricating systems, including gauges, filters, water separators, tanks, pumps, piping, and motors.

13. Mechanical meters, including gauges, recording instruments, sampling and testing equipment.

14. Piping-main exhaust, including connections between turbogenerator and condenser and between condenser and hotwell.

15. Piping-main steam, including connections from main throttle valve to turbine inlet.

16. Platforms, railings, steps, and gratings appurtenant to apparatus listed herein.

17. Pressure oil systems, including accumulators, pumps, and piping motors.

18. Steelwork, specially constructed for apparatus listed herein.

19. Throttle and inlet valve.

20. Tunnels, intake and discharge, for condenser system, when not a part of structure, and water screens.

21. Turbogenerators-main, including turbine and generator, field rheostats and electric connections for self-excited units.

22. Water screens and motors.

23. Moisture separator for turbine steam.

24. Turbine lubricating oil (initial charge).

315 Accessory Electric Equipment

This account shall include the cost installed of auxiliary generating apparatus, conversion equipment, and equipment used primarily in connection with the control and switching of electric energy produced by steam power, and the protection of electric circuits and equipment, except electric motors used to drive equipment included in other accounts. Such motors shall be included in the account in which the equipment with which they are associated is included.

Items

1. Auxiliary generators, including boards, compartments, switching equipment, control equipment, and connections to auxiliary power bus.

2. Excitation system, including motor, turbine and dual-drive exciter sets and rheostats, storage batteries and charging equipment, circuit breakers, panels and accessories, knife switches and accessories, surge arresters, instrument shunts, conductors and conduit, special supports for conduit, generator field and exciter switch panels, exciter bus tie panels, generator and exciter rheostats and special housing and protective screens.

3. Generator main connections, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, current transformers, potential transformers, protective relays, isolated panels and equipment, conductors and conduit, special supports for generator main leads, grounding switch, and special housings and protective screens.

4. Station buses including main, auxiliary, transfer, synchronizing and fault ground buses, including oil circuit breakers and accessories, disconnecting

switches and accessories, operating mechanisms and interlocks, reactors and accessories, voltage regulators and accessories, compensators, resistors, starting transformers, current transformers, potential transformers, protective relays, storage batteries and charging equipment, isolated panels and equipment, conductors and conduit, special supports, special housings, concrete pads, general station grounding system, special fire-extinguishing system, and test equipment.

5. Station control system, including station switchboards with panel wiring, panels with instruments and control equipment only, panels with switching equipment mounted or mechanically connected, truck-type boards complete, cubicles, station supervisory control boards, generator and exciter signal stands, temperature recording devices, frequency-control equipment, master clocks, watt-hour meters and synchronoscope in the turbine room, station totalizing wattmeter, boiler-room load indicator equipment, storage batteries, panels and charging sets, instrument transformers for supervisory metering, conductors and conduit, special supports for conduit, switchboards, batteries, special housing for batteries, protective screens, and doors.

Note A: Do not include in this account transformers and other equipment used for changing the voltage or frequency of electricity for the purposes of transmission or distribution.

Note B: When any item of equipment listed herein is used wholly to furnish power to equipment included in another account, its cost shall be included in such other account.

316 Miscellaneous Power Plant Equipment

This account shall include the cost installed of miscellaneous equipment in and about the steam generating plant devoted to general station use, and which is not properly includible in any of the foregoing steam-power production accounts.

Items

1. Compressed air and vacuum cleaning systems, including tanks, compressors, exhausters, air filters, and piping.
2. Cranes and hoisting equipment, including cranes, cars, crane rails, monorails, and hoists with electric and mechanical connections.
3. Fire-extinguishing equipment for general station use.
4. Foundations and settings specially constructed for and not expected to outlast the apparatus for which provided.
5. Locomotive cranes not includible elsewhere.
6. Locomotives not includible elsewhere.
7. Marine equipment, including boats and barges.
8. Miscellaneous belts, pulleys, and countershafts.
9. Miscellaneous equipment, including atmospheric and weather indicating devices, intrasite communication equipment, laboratory equipment, signal systems, callophones, emergency whistles and sirens, fire alarms, insect-control equipment, and other similar equipment.
10. Railway cars not includible elsewhere.
11. Refrigerating systems, including compressors, pumps, and cooling coils.
12. Station maintenance equipment, including lathes, shapers, planers, drill presses, hydraulic presses, and grinders with motors, shafting, hangers, and pulleys.
13. Ventilating equipment, including items wholly identified with apparatus listed herein.

Note: When any item of equipment listed herein is wholly used in connection with equipment included in another account, its cost shall be included in such other account.

Nuclear Production

320 Land and Land Rights

This account shall include the cost of land and land rights used in connection with nuclear power generation. (See § 1767.16(g).)

321 Structures and Improvements

This account shall include the cost, in place, of structures and improvements used and useful in connection with nuclear power generation. (See § 1767.16 (h).)

Note: Include vapor containers and nuclear production roads and railroads in this account.

322 Reactor Plant Equipment

This account shall include the installed cost of reactors, reactor fuel handling and storage equipment, pressurizing equipment, coolant charging equipment, purification and discharging equipment, radioactive waste treatment and disposal equipment, boilers, steam and feed water piping, reactor and boiler apparatus and accessories and other reactor plant equipment used in the production of steam to be used primarily for generating electricity, including auxiliary superheat boilers and associated equipment in systems which change temperatures or pressure of steam from the reactor system.

Items

1. Auxiliary superheat boilers and associated fuel storage handling preparation and burning equipment. (See Account 312, Boiler Plant Equipment, for items, but exclude water supply, water flow lines, and steam lines, as well as other equipment not strictly within the superheat function.)
2. Boiler feed system, including feed water heaters, evaporator condensers, heater drain pumps, heater drainers, deaerators, and vent condensers, boiler feed pumps, surge tanks, feed water regulators, feed water measuring equipment, and all associated drivers.
3. Boilers and heat exchangers.
4. Instruments and devices, including all measuring, indicating, and recording equipment for reactor and boiler plant service together with mountings and supports.
5. Lighting systems.
6. Moderators, such as heavy water, and graphite, initial charge.
7. Reactor coolant; primary and secondary systems, initial charge.
8. Radioactive waste treatment and disposal equipment, including tanks, ion exchangers, incinerators, condensers, chimneys, and diluting fans and pumps.
9. Foundations and settings, especially constructed for and not expected to outlast the apparatus for which provided.
10. Reactor including shielding, control rods and mechanisms.
11. Reactor fuel handling equipment, including manipulating and extraction tools, underwater viewing equipment, seal cutting and welding equipment, fuel transfer equipment, and fuel disassembly machinery.
12. Reactor fuel element failure detection system.
13. Reactor emergency poison container and injection system.
14. Reactor pressuring and pressure relief equipment, including pressurizing tanks and immersion heaters.
15. Reactor coolant or moderator circulation charging, purification, and discharging equipment, including tanks, pumps, heat exchangers, demineralizers, and storage.
16. Station piping, including pipes, valves, fittings, separators, traps, desuperheaters, hangers, excavation, and covering for station piping system, including all-reactor coolant, steam, condensate, boiler feed and water supply piping, but not condensing water, plumbing, building heating, oil, gas, or air piping.
17. Ventilating equipment.
18. Water purification equipment, including softeners, demineralizers and

accessories, evaporators and accessories, heat exchangers, filters, tanks for filtered or softened water, pumps, and motors.

19. Water supply systems, including pumps, motors, strainers, raw-water storage tanks, boiler wash pumps, intake and discharge pipes and tunnels not a part of a building.

20. Reactor plant cranes and hoists, and associated drives.

Note: When the system for supplying boiler or condenser water is elaborate, as when it includes a dam, reservoir, canal, pipe lines, or cooling ponds, the cost of such special facilities shall be charged to a subdivision of Account 321, Structures and Improvements.

323 Turbogenerator Units

This account shall include the cost installed of main turbine-driven units and accessory equipment used in generating electricity by steam.

Items

1. Air cleaning and cooling apparatus, including blowers, drive equipment, air ducts, not a part of building, louvers, pumps, and hoods.

2. Circulating pumps, including connections between condensers, and intake and discharge tunnels.

3. Condensers, including condensate pumps, air and vacuum pumps, ejectors, unloading valves and vacuum breakers, expansion devices, and screens.

4. Generator hydrogen gas piping system and hydrogen detrainment equipment, and bulk hydrogen gas storage equipment.

5. Cooling system, including towers, pumps, tanks, and piping.

6. Cranes and hoists, including items wholly identified with items listed herein.

7. Excitation system, when identified with main generating units.

8. Fire extinguishing systems.

9. Foundations and settings, especially constructed for and not expected to outlast the apparatus for which provided.

10. Governors.

11. Lighting systems.

12. Lubricating systems, including gauges, filters, water separators, tanks, pumps, piping, and motors.

13. Mechanical meters, including gauges, recording instruments, sampling and testing equipment.

14. Piping-main steam, including connections between turbogenerator and condenser and between condenser and hotwell.

15. Piping-main steam, including connections from main throttle valve to turbine inlet.

16. Platforms, railings, steps, and gratings appurtenant to apparatus listed herein.

17. Pressure oil systems, including accumulators, pumps, piping, and motors.

18. Steelwork, specially constructed for apparatus listed herein.

19. Throttle and inlet valve.

20. Tunnels, intake and discharge, for condenser system, when not a part of structure, and water screens.

21. Turbogenerators-main, including turbine and generator, field rheostats and electric connections for self-excited units.

22. Water screens and motors.

23. Moisture separators for turbine steam.

24. Turbine lubricating oil, initial charge.

324 Accessory Electric Equipment

This account shall include the cost installed of auxiliary generating apparatus, conversion equipment, and equipment used primarily in connection with the control and switching of electric energy produced by nuclear power, and the protection of electric circuits and equipment, except electric motors used to drive equipment included in other accounts. Such motors shall be included in the account in which the equipment with which they are associated is included.

Note: Do not include in this account transformers and other equipment used for changing the voltage or frequency of electric energy for the purpose of transmission or distribution.

Items

1. Auxiliary generators, including boards, compartments, switching equipment, control equipment, and connections to auxiliary power bus.

2. Excitation system, including motor, turbine and dual-drive exciter sets and rheostats, storage batteries, and charging equipment, circuit breakers, panels and accessories, knife switches and accessories, surge arresters, instrument shunts, conductors and conduit, special supports for conduit, generator field and exciter switch panels, exciter bus tie panels, generator and exciter rheostats and special housing and protective screens.

3. Generator main connections, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, current transformers, potential transformers, protective relays, isolated panels and equipment, conductors and conduit, special supports for generator main leads, grounding switch, special housings and protective screens.

4. Station buses, including main, auxiliary, transfer, synchronizing and fault ground buses, including oil circuit breakers and accessories, operating mechanisms and interlocks, reactors and accessories, voltage regulators and accessories, compensators, resistors, starting transformers, current transformers, potential transformers, protective relays, storage batteries and charging equipment, isolated panels and equipment, conductors and conduit, special supports, special housings, concrete pads, general station grounding system, fire-extinguishing system, and test equipment.

5. Station control system, including station switchboards with panel wiring, panels with instruments and control equipment only, panels with switching equipment mounted or mechanically connected, truck-type boards complete, cubicles, station supervisory control boards, generator and exciter signal stands, temperature recording devices, frequency-control equipment, master clocks, watt-hour meters and synchronoscope in the turbine room, station totalizing wattmeter, boiler-room load indicator equipment, storage batteries, panels and charging sets, instrument transformers for supervisory metering, conductors and conduit, special supports for conduit, switchboards, batteries, special housing for batteries, protective screens, and doors.

Note: When any item of equipment listed herein is used wholly to furnish power to equipment included in another account, its cost shall be included in such other account.

325 Miscellaneous Power Plant Equipment

This account shall include the cost installed of miscellaneous equipment in and about the nuclear generating plant devoted to general station use, which is not properly includible in any of the foregoing nuclear-power production accounts.

Items

1. Compressed air and vacuum cleaning systems, including tanks, compressors, exhausters, air filters, and piping.

2. Cranes and hoisting equipment, including cranes, cars, crane rails, monorails, and hoists with electric and mechanical connections.

3. Fire-extinguishing equipment for general station and site use.

4. Foundations and settings specially constructed for and not expected to outlast the apparatus for which provided.

5. Locomotive cranes not includible elsewhere.

6. Locomotives not included elsewhere.

7. Marine equipment, including boats and barges.

8. Miscellaneous belts, pulleys, and countershafts.

9. Miscellaneous equipment, including atmospheric and weather recording devices, intrasite communication equipment, laboratory equipment, signal systems, callophones, emergency whistles and sirens, fire alarms, insect-control equipment, and other similar equipment.

10. Railway cars or special shipping containers not includible elsewhere.

11. Refrigerating systems, including compressors, pumps, and cooling coils.

12. Station maintenance equipment, including lathes, shapers, planers, drill presses, hydraulic presses, and grinders with motors, shafting, hangers, and pulleys.

13. Ventilating equipment, including items wholly identified with apparatus listed herein.

14. Station and area radiation monitoring equipment.

Note: When any item of equipment listed herein is wholly used in connection with equipment included in another account, its cost shall be included in such other account.

Hydraulic Production

330 Land and Land Rights

This account shall include the cost of land and land rights used in connection with hydraulic power generation. (See § 1767.16 (g).) It shall also include the cost of land and land rights used in connection with (1) the conservation of fish and wildlife, and (2) recreation. Separate subaccounts shall be maintained for each of the above.

331 Structures and Improvements

This account shall include the cost, in place, of structures and improvements used in connection with hydraulic power generation. (See § 1767.16 (h).) It shall also include the cost, in place, of structures and improvements used in connection with (1) the conservation of fish and wildlife, and (2) recreation. Separate subaccounts shall be maintained for each of the above.

332 Reservoirs, Dams, and Waterways

This account shall include the cost in place of facilities used for impounding, collecting, storage, diversion, regulation, and delivery of water used primarily for generating electricity. It shall also include the cost in place of facilities used in connection with (1) the conservation of fish and wildlife, and (2) recreation. Separate subaccounts shall be maintained for each of the above. (See § 1767.16 (h)(3).)

Items

1. Bridges and culverts, when not a part of roads or railroads.

2. Clearing and preparing land.

3. Dams, including wasteways, spillways, flash boards, spillway gates with operating and control mechanisms, tunnels, gate houses, and fish ladders.

4. Dikes and embankments.

5. Electric system, including conductors, control system, transformers, and lighting fixtures.

6. Excavation, including shoring, bracing, bridging, refill, and disposal of excess excavated material.

7. Foundations and settings specially constructed for and not expected to outlast the apparatus for which provided.

8. Intakes, including trash racks, rack cleaners, control gates and valves with operating mechanisms, and intake house when not a part of station structure.

9. Platforms, railings, steps, and gratings appurtenant to structures listed herein.

10. Power line wholly identified with items included herein.

11. Retaining walls.

12. Water conductors and accessories, including canals, tunnels, flumes, penstocks, pipe conductors, forebays, tailraces, navigation locks and operating mechanisms, water-hammer and surge tanks, and supporting trestles and structures.

13. Water storage reservoirs, including dams, flashboards, spillway gates and operating mechanisms, inlet and outlet tunnels, regulating valves and valve towers, silt and mud sluicing tunnels with valve or gate towers, and all other structures wholly identified with any of the foregoing items.

333 Water Wheels, Turbines and Generators

This account shall include the cost installed of water wheels and hydraulic turbines (from connection with penstock or flume to tailrace) and generators driven thereby devoted to the production of electricity by water power or for the production of power for industrial or other purposes, if the equipment used for such purposes is a part of the hydraulic power plant works.

Items

1. Exciter water wheels and turbines, including runners, gates, governors, pressure regulators, oil pumps, operating mechanisms, scroll cases, draft tubes, and draft-tube supports.

2. Fire-extinguishing equipment.

3. Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided.

4. Generator cooling system, including air cooling and washing apparatus, air fans and accessories, and air ducts.

5. Generators-main, a.c. or d.c., including field rheostats and connections for self-excited units and excitation system when identified with the generating unit.

6. Lighting systems.

7. Lubricating systems, including gauges, filters, tanks, pumps, and piping.

8. Main penstock valves and appurtenances, including main valves, control equipment, bypass valves and fittings, and other accessories.

9. Main turbines and water wheels, including runners, gates, governors, pressure regulators, oil pumps, operating mechanisms, scroll cases, draft tubes, and draft-tube supports.

10. Mechanical meters and recording instruments.

11. Miscellaneous water-wheel equipment, including gauges, thermometers, meters, and other instruments.

12. Platforms, railings, steps, and gratings appurtenant to apparatus listed herein.

13. Scroll case filling and drain system, including gates, pipe, valves, and fittings.

14. Water-actuated pressure-regulator system, including tanks and housings, pipes, valves, fittings and insulators, piers and anchorage, and excavation and backfill.

334 Accessory Electric Equipment

This account shall include the cost installed of auxiliary generating apparatus, conversion equipment, and equipment used primarily in connection with the control and switching of electric energy produced by hydraulic power and the protection of electric circuits and equipment, except electric motors used to drive equipment included in other accounts, such motors being included in the account in which the equipment with which they are associated is included.

Items

1. Auxiliary generators, including boards, compartments, switching equipment, control equipment, and connections to auxiliary power bus.

2. Excitation system, including motor, turbine, and dual-drive exciter sets and rheostats, storage batteries and charging equipment, circuit breakers, panels and accessories, knife switches and accessories, surge arresters, instrument shunts, conductors and conduit, special

supports for conduit, generator field and exciter switch panels, exciter bus tie panels, generator and exciter rheostats and special housings and protective screens.

3. Generator main connections, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, current transformers, potential transformers, protective relays, isolated panels and equipment, conductors and conduit, special supports for generator main leads, grounding switch, and special housings and protective screens.

4. Station buses, including main, auxiliary, transfer, synchronizing, and fault ground buses, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, reactors and accessories, voltage regulators and accessories, compensators, resistors starting transformers, current transformers, potential transformers, protective relays, storage batteries, and charging equipment, isolated panels and equipment, conductors and conduit, special supports, special fire-extinguishing system, and test equipment.

5. Station control system, including station switchboards with panel wiring, panels with instruments and control equipment only, panels with switching equipment mounted for mechanically connected, truck-type boards complete, cubicles, station supervisory control devices, frequency control equipment, master clocks, watt-hour meter, station totalizing watt-meter, storage batteries, panels and charging sets, instrument transformers for supervisory metering, conductors and conduit, special supports for conduit, switchboards, batteries, special housings for batteries, protective screens, and doors.

Note A: Do not include in this account transformers and other equipment used for changing the voltage or frequency of electricity for the purpose of transmission or distribution.

Note B: When any item of equipment listed herein is used wholly to furnish power to equipment, it shall be included in such equipment account.

335 Miscellaneous Power Plant Equipment

This account shall include the cost installed of miscellaneous equipment in and about the hydroelectric generating plant which is devoted to general station use and is not properly includible in other hydraulic production accounts. It shall also include the cost of equipment used in connection with (1) the conservation of fish and wildlife, and (2) recreation. Separate subaccounts shall be maintained for each of the above.

Items

1. Compressed air and vacuum cleaning systems, including tanks, compressors, exhausters, air filters, and piping.

2. Cranes and hoisting equipment, including cranes, cars, crane rails, monorails, and hoists with electric and mechanical connections.

3. Fire-extinguishing equipment for general station use.

4. Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided.

5. Locomotive cranes not includible elsewhere.

6. Locomotives not includible elsewhere.

7. Marine equipment, including boats and barges.

8. Miscellaneous belts, pulleys, and countershafts.

9. Miscellaneous equipment, including atmospheric and weather indicating devices. Intrasite communication equipment, laboratory equipment, insect control equipment, signal systems, callophones, emergency whistles and sirens, fire alarms, and other similar equipment.

10. Railway cars, not includible elsewhere.

11. Refrigerating system, including compressors, pumps, and cooling coils.

12. Station maintenance equipment, including lathes, shapers, planers, drill presses, hydraulic presses, and grinders with motors, shafting, hangers, and pulleys.

13. Ventilating equipment, including items wholly identified with apparatus listed herein.

Note: When any item of equipment, listed herein, is used wholly in connection with equipment included in another account, its cost shall be included in such other account.

336 Roads, Railroads, and Bridges

This account shall include the cost of roads, railroads, trails, bridges, and trestles used primarily as production facilities. It also includes those roads necessary to connect the plant with highway transportation systems, except when such roads are dedicated to public use and maintained by public authorities.

Items

1. Bridges, including foundations, piers, girders, trusses, and flooring.

2. Clearing land.

3. Railroads, including grading, ballast, ties, rails, culverts, and hoists.

4. Roads, including grading, surfacing, and culverts.

5. Structures, constructed and maintained in connection with items listed herein.

6. Trails, including grading, surfacing, and culverts.

7. Trestles, including foundations, piers, girders, trusses, and flooring.

Note A: Roads intended primarily for connecting employees' houses with the power plant, and roads used primarily in connection with fish and wildlife, and recreation activities, shall not be included herein but in Account 331, Structures and Improvements.

Note B: The cost of temporary roads and bridges necessary during the period of construction but abandoned or dedicated to public use upon completion of the plant, shall not be included herein but shall be charged to the accounts appropriate for the construction.

Other Production

340 Land and Land Rights

This account shall include the cost of land and land rights used in connection with other power generation. (See § 1767.16 (g).)

341 Structures and Improvements

This account shall include the cost in place of structures and improvements used in connection with other power generation. (See § 1767.16 (h).)

342 Fuel Holders, Producers, and Accessories

This account shall include the cost installed of fuel handling and storage equipment used between the point of fuel delivery to the station and the intake pipe through which fuel is directly drawn to the engine, also the cost of gas producers and accessories devoted to the production of gas for use in prime movers driving main electric generators.

Items

1. Blower and fans.
2. Boilers and pumps.
3. Economizers.
4. Exhauster outfits.
5. Flues and piping.
6. Pipe system.
7. Producers.
8. Regenerators.
9. Scrubbers.
10. Steam injectors.
11. Tanks for storage of oil and gasoline.
12. Vaporizers.

343 Prime Movers

This account shall include the cost installed of Diesel or other prime movers devoted to the generation of electric energy, together with their auxiliaries.

Items

1. Air-filtering system.
2. Belting, shafting, pulleys, and reduction gearing.
3. Cooling system, including towers, pumps, tanks, and piping.
4. Cranes and hoists, including items wholly identified with apparatus listed herein.
5. Engines, Diesel, gasoline, gas, or other internal combustion.
6. Foundations and settings specially constructed for and not expected to outlast the apparatus for which provided.
7. Governors.
8. Ignition system.
9. Inlet valve.
10. Lighting systems.
11. Lubricating systems, including filters, tanks, pumps, and piping.
12. Mechanical meters, including gauges, recording instruments, sampling, and testing equipment.
13. Mufflers.
14. Piping.
15. Starting systems, compressed air, or other, including compressors and drives, tanks, piping, motors, boards and connections, and storage tanks.
16. Steelwork, specially constructed for apparatus listed herein.
17. Waste heat boilers and antifluctuators.

344 Generators

This account shall include the cost installed of Diesel or other power driven main generators.

Items

1. Cranes and hoists, including items wholly identified with such apparatus.
2. Fire-extinguishing equipment.
3. Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided.
4. Generator cooling system, including air cooling and washing apparatus, air fans and accessories, and air ducts.
5. Generators-main, a.c. or d.c., including field rheostats and connections for self-excited units and excitation system when identified with the generating unit.
6. Lighting systems.
7. Lubricating system, including tanks, filters, strainers, pumps, piping, and coolers.
8. Mechanical meters and recording instruments.
9. Platforms, railings, steps, and gratings appurtenant to apparatus listed herein.

Note: If prime movers and generators are so integrated that it is not practical to classify them separately, the entire unit may be included in Account 344, Generators.

345 Accessory Electric Equipment

This account shall include the cost installed of auxiliary generating apparatus, conversion equipment, and equipment used primarily in connection with the control and switching of electric energy produced in other power generating stations, and the protection of electric circuits and equipment, except electric motors used to drive equipment included in other accounts. Such motors shall be included in the account in which the equipment with which it is associated is included.

Items

1. Auxiliary generators, including boards, compartments, switching equipment, control equipment, and connections to auxiliary power bus.
2. Excitation system, including motor, turbine and dual-drive exciter sets and rheostats, storage batteries and charging equipment, circuit breakers, panels and accessories, knife switches and accessories, surge arresters, instrument shunts, conductors and conduit, special supports for conduit, generator field and exciter switch panels, exciter bus tie panels, generator and exciter rheostats and special housings and protective screens.
3. Generator main connections, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, current transformers, potential transformers, protective relays, isolated panels and equipment, conductors and conduit, special supports for generator main leads, grounding switch, and special housing and protective screens.
4. Station control system, including station switchboards with panel wiring, panels with instruments and control equipment only, panels with switching equipment mounted or mechanically connected, trunk-type boards complete, cubicles, station supervisory control boards, generator and exciter signal stands, temperature-recording devices, frequency control equipment, master clocks, watt-hour meter, station totalizing wattmeter, storage batteries, panels and charging sets, instrument transformers for supervisory metering, conductors and conduit, special supports for conduit, switchboards, batteries, special housing for batteries, protective screens, and doors.
5. Station buses, including main, auxiliary, transfer, synchronizing and fault ground buses, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, reactors and accessories, voltage regulators and accessories, compensators, resistors, starting transformers, current transformers, potential transformers, protective relays, storage batteries and charging equipment, isolated panels and equipment, conductors and conduit, special supports, special housings, concrete pads, general station ground system, special fire-extinguishing system, and test equipment.

Note A: Do not include in this account transformers and other equipment used for changing the voltage or frequency of electric energy for the purpose of transmission or distribution.

Note B: When any item of equipment listed herein is used wholly to furnish power to equipment included in another account, its cost shall be included in such other account.

346 Miscellaneous Power Plant Equipment

This account shall include the cost installed of miscellaneous equipment in and about the other power generating plant, devoted to general station use, and not properly includible in any of the foregoing other power production accounts.

Items

1. Compressed air and vacuum cleaning systems, including tanks, compressors, exhausters, air filters, and piping.
2. Cranes and hoisting equipment, including cranes, cars, crane rails, monorails, and hoists with electric and mechanical connections.
3. Fire-extinguishing equipment for general station use.
4. Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided.
5. Miscellaneous equipment, including atmospheric and weather indicating devices, intrasite communication equipment, laboratory equipment, signal systems, callophones, emergency whistles and sirens, fire alarms, and other similar equipment.
6. Miscellaneous belts, pulleys, and countershafts.
7. Refrigerating systems including compressors, pumps, and cooling coils.
8. Station maintenance equipment, including lathes, shapers, planters, drill presses, hydraulic presses, and grinders with motors, shafting, hangers, or pulleys.
9. Ventilating equipment, including items wholly identified with apparatus listed herein.

Note: When any item of equipment, listed herein is used wholly in connection with equipment included in another account, its cost shall be included in such other account.

Transmission Plant

350 Land and Land Rights

This account shall include the cost of land and land rights used in connection with transmission operations. (See § 1767.16 (g).)

351 [Reserved]

352 Structures and Improvements

This account shall include the cost, in place, of structures and improvements used in connection with transmission operations. (See § 1767.16 (h).)

353 Station Equipment

This account shall include the cost installed of transforming, conversion, and switching equipment used for the purpose of changing the characteristics of electricity in connection with its transmission or for controlling transmission circuits.

Items

1. Bus compartments, concrete, brick, and sectional steel, including items permanently attached thereto.
2. Conduit, including concrete and iron duct runs not a part of a building.
3. Control equipment, including batteries, battery charging equipment, transformers, remote relay boards, and connections.
4. Conversion equipment, including transformers, indoor and outdoor, frequency changers, motor generator sets, rectifiers, synchronous converters, motors, cooling equipment, and associated connections.
5. Fences.
6. Fixed and synchronous condensers, including transformers, switching equipment, blowers, motors and connections.
7. Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided.
8. General station equipment, including air compressors, motors, hoists, cranes, test equipment, and ventilating equipment.
9. Platforms, railings, steps, and gratings appurtenant to apparatus listed herein.
10. Primary and secondary voltage connections, including bus runs and supports, insulators, potheads, lightning arresters, cable and wire runs from and to outdoor connections or to manholes and the associated regulators, reactors, resistors, surge arresters, and accessory equipment.
11. Switchboards, including meters, relays, and control wiring.
12. Switching equipment, indoor and outdoor, including oil circuit breakers and operating mechanisms, truck switches, and disconnect switches.
13. Tools and appliances.

354 Towers and Fixtures

This account shall include the cost installed of towers and appurtenant fixtures used for supporting overhead transmission conductors.

Items

1. Anchors, guys, and braces.
2. Brackets.
3. Crossarms, including braces.
4. Excavation, backfill, and disposal of excess excavated material.
5. Foundations.
6. Guards.
7. Insulator pins and suspension bolts.
8. Ladder and steps.
9. Railings.
10. Towers.

355 Poles and Fixtures

This account shall include the cost installed of transmission line poles, wood, steel, concrete, or other material, together with appurtenant fixtures used for supporting overhead transmission conductors.

Items

1. Anchors, head arm and other guys, including guy guards, guy clamps, strain insulators, and pole plates.
2. Brackets.
3. Crossarms and braces.
4. Excavation and backfill, including disposal of excess excavated material.
5. Extension arms.
6. Gaining, roofing, stenciling, and tagging.
7. Insulator pins and suspension belts.
8. Paving.
9. Pole steps.
10. Poles, wood, steel, concrete, or other material.
11. Racks complete with insulators.
12. Reinforcing and stubbing.
13. Settings.
14. Shaving and painting.

356 Overhead Conductors and Devices

This account shall include the cost installed of overhead conductors and devices used for transmission purposes.

Items

1. Circuit breakers.
2. Conductors, including insulated and bare wires and cables.
3. Ground wires and ground clamps.
4. Insulators, including pin, suspension, and other types.
5. Lightning arresters.
6. Switches.
7. Other line devices.

357 Underground Conduit

This account shall include the cost installed of underground conduit and tunnels used for housing transmission cables or wires. (See § 1767.16 (n).)

Items

1. Conduit, concrete, brick or tile, including iron pipe, fiber pipe, Murray duct, and standpipe on pole or tower.
2. Excavation, including shoring, bracing, bridging, backfill, and disposal of excess excavated material.
3. Foundations and settings specially constructed for and not expected to outlast the apparatus for which provided.
4. Lighting systems.
5. Manholes, concrete or brick, including iron or steel, frames and covers, hatchways, gratings, ladders, cable racks and hangers, permanently attached to manholes.
6. Municipal inspection.
7. Pavement disturbed, including cutting and replacing pavement, pavement base and sidewalks.
8. Permits.
9. Protection of street openings.
10. Removal and relocation of subsurface obstructions.
11. Sewer connections, including drains, traps, tide valves, and check valves.
12. Sumps, including pumps.
13. Ventilating equipment.

358 Underground Conductors and Devices

This account shall include the cost installed of underground conductors and devices used for transmission purposes.

Items

1. Armored conductors, buried, including insulators, insulating materials, splices, potheads, and trenching.
2. Armored conductors, submarine, including insulators, insulating materials, splices in terminal chambers, and potheads.
3. Cables in standpipe, including pothead and connection from terminal chamber of manhole to insulators on pole.
4. Circuit breakers.
5. Fireproofing, in connection with any items listed herein.
6. Hollow-core oil-filled cable, including straight or stop joints, pressure tanks, auxiliary air tanks, feeding tanks, terminals, potheads and connections, and ventilating equipment.
7. Lead and fabric covered conductors, including insulators, compound filled, oil filled, or vacuum splices, and potheads.
8. Lightning arresters.
9. Municipal inspection.
10. Permits.

11. Protection of street openings.
12. Racking of cables.
13. Switches.
14. Other line devices.

359 Roads and Trails

This account shall include the cost of roads, trails, and bridges used primarily as transmission facilities.

Items

1. Bridges, including foundation piers, girders, trusses, and flooring.
2. Clearing land.
3. Roads, including grading, surfacing, and culverts.
4. Structures, constructed and maintained in connection with items included herein.
5. Trails, including grading, surfacing, and culverts.

Note: The cost of temporary roads, and bridges necessary during the period of construction but abandoned or dedicated to public use upon completion of the plant, shall be charged to the accounts appropriate for the construction.

Distribution Plant

360 Land and Land Rights

This account shall include the cost of land and land rights used in connection with distribution operations. (See § 1767.16 (g).)

Note: Do not include the cost of permits to erect poles, or towers or to trim trees in this account. (See Account 364, Poles, Towers and Fixtures, and Account 365, Overhead Conductors and Devices.)

361 Structures and Improvements

This account shall include the cost, in place, of structures and improvements used in connection with distribution operations. (See § 1767.16 (h).)

362 Station Equipment

This account shall include the cost installed of station equipment, including transformer banks, which are used for the purpose of changing the characteristics of electricity in connection with its distribution.

Items

1. Bus compartments, concrete, brick and sectional steel, including items permanently attached thereto.
2. Conduit, including concrete and iron duct runs not part of building.
3. Control equipment, including batteries, battery charging equipment, transformers, remote relay boards, and connections.
4. Conversion equipment, indoor and outdoor, frequency changers, motor generator sets, rectifiers, synchronous converters, motors, cooling equipment, and associated connections.
5. Fences.
6. Fixed and synchronous condensers, including transformers, switching equipment, blowers, motors, and connections.
7. Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided.
8. General station equipment, including air compressors, motors, hoists, cranes, test equipment, and ventilating equipment.
9. Platforms, railings, steps, and gratings appurtenant to apparatus listed herein.
10. Primary and secondary voltage connections, including bus runs and supports, insulators, potheads, lightning arresters, cable and wire runs from and to outdoor connections or to manholes and the associated regulators, reactors, resistors, surge arresters, and accessory equipment.
11. Switchboards, including meters, relays, and control wiring.
12. Switching equipment, indoor and outdoor, including oil circuit breakers and operating mechanisms, truck switches, disconnect switches.

Note: The cost of rectifiers, series transformers, and other special station equipment devoted exclusively to street lighting service shall not be included in this account, but in Account 373, Street Lighting and Signal Systems.

363 Storage Battery Equipment

This account shall include the cost installed of storage battery equipment used for the purpose of supplying electricity to meet emergency or peak demands.

Items

1. Batteries, including elements, tanks, and tank insulators.
2. Battery room connections, including cable or bus runs and connections.
3. Battery room flooring, when specially laid for supporting batteries.
4. Charging equipment, including motor generator sets and other charging equipment and connections, and cable runs from generator or station bus to battery room connections.
5. Miscellaneous equipment, including instruments, and water stills.
6. Switching equipment, including endcell switches and connections, boards and panels, used exclusively for battery control, not part of general station switchboard.
7. Ventilating equipment, including fans and motors, louvers, and ducts not part of building.

Note: Storage batteries used for control and general station purposes shall not be included in this account but in the account appropriate for their use.

364 Poles, Towers and Fixtures

This account shall include the cost installed of poles, towers, and appurtenant fixtures used for supporting overhead distribution conductors and service wires.

Items

1. Anchors, head arm, and other guys, including guy guards, guy clamps, strain insulators, and pole plates.
2. Brackets.
3. Crossarms and braces.
4. Excavation and backfill, including disposal of excess excavated material.
5. Extension arms.
6. Foundations.
7. Guards.
8. Insulator pins and suspension bolts.
9. Paving.
10. Permits for construction.
11. Pole steps and ladders.
12. Poles, wood, steel, concrete, or other material.
13. Racks complete with insulators.
14. Railings.
15. Reinforcing and stubbing.
16. Settings.
17. Shaving, painting, gaining, roofing, stenciling, and tagging.
18. Towers.
19. Transformer racks and platforms.

365 Overhead Conductors and Devices

This account shall include the cost installed of overhead conductors and devices used for distribution purposes.

Items

1. Circuit breakers.
2. Conductors, including insulated and bare wires and cables.
3. Ground wires and clamps.
4. Insulators, including pin, suspension, and other types, and tie wire or clamps.
5. Lightning arresters.
6. Railroad and highway crossing guards.
7. Splices.
8. Switches.
9. Tree trimming, initial cost including the cost of permits therefor.
10. Other line devices.
11. Oil circuit reclosers (OCR).
12. Sectionalizers.
13. Labor costs for installation of OCRs and Sectionalizers, first only.

Note: The cost of conductors used solely for street lighting or signal systems shall not be included in this account but in Account 373, Street Lighting and Signal Systems.

366 Underground Conduit

This account shall include the cost installed of underground conduit and

tunnels used for housing distribution cables or wires.

Items

1. Conduit, concrete, brick and tile, including iron pipe, fiber pipe, Murray duct, and standpipe on pole or tower.
2. Excavation, including shoring, bracing, bridging, backfill, and disposal of excess excavated material.
3. Foundations and settings specially constructed for and not expected to outlast the apparatus for which constructed.
4. Lighting systems.
5. Manholes, concrete or brick, including iron or steel frames and covers, hatchways, gratings, ladders, cable racks, and hangers permanently attached to manholes.
6. Municipal inspection.
7. Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks.
8. Permits.
9. Protection of street openings.
10. Removal and relocation of subsurface obstructions.
11. Sewer connections, including drains, traps, tide valves, and check valves.
12. Sumps, including pumps.
13. Ventilating equipment.

Note: The cost of underground conduit used solely for street lighting or signal systems shall be included in Account 373, Street Lighting and Signal Systems.

367 Underground Conductors and Devices

This account shall include the cost installed of underground conductors and devices used for distribution purposes.

Items

1. Armored conductors, buried, including insulators, insulating materials, splices, potheads, and trenching.
2. Armored conductors, submarine, including insulators, insulating materials, splices in terminal chamber, and potheads.
3. Cables in standpipe, including pothead and connection from terminal chamber or manhole to insulators on pole.
4. Circuit breakers.
5. Fireproofing, in connection with any items listed herein.
6. Hollow-core oil-filled cable, including straight or stop joints, pressure tanks, auxiliary air tanks, feeding tanks, terminals, potheads and connections.
7. Lead and fabric covered conductors, including insulators, compound-filled, oil-filled or vacuum splices, and potheads.
8. Lightning arresters.
9. Municipal inspection.
10. Permits.
11. Protection of street openings.
12. Racking of cables.
13. Switches.
14. Other line devices.

Note: The cost of underground conductors and devices used solely for street lighting or signal systems shall be included in Account 373, Street Lighting and Signal Systems.

368 Line Transformers

A. This account shall include the cost installed of overhead and underground distribution line transformers and pole-type and underground voltage regulators owned by the utility, for use in transforming electricity to the voltage at which it is to be used by the customer, whether actually in service or held in reserve.

B. When a transformer is permanently retired from service, the original installed cost thereof shall be credited to this account.

C. The records covering line transformers shall be so kept that the utility can furnish the number of transformers of various capacities in service and those in reserve, and the location and the use of each transfer.

Items

1. Installation, labor of (first installation only).
2. Transformer cut-out boxes.
3. Transformer lightning arresters.
4. Transformers, line and network.
5. Capacitors.
6. Network protectors.
7. Voltage regulators.

Note: The cost of removing and resetting line transformers shall not be charged to this account but to Account 583, Overhead Line Expenses, or Account 584, Underground Line Expenses, as appropriate. The cost of line transformers used solely for street lighting or signal systems shall be included in Account 373, Street Lighting and Signal Systems.

369 Services

This account shall include the cost installed of overhead and underground conductors leading from a point where wires leave the last pole of the overhead system or the distribution box or manhole, or the top of the pole of the distribution line, to the point of connection with the customer's outlet or wiring. Conduit used for underground service conductors shall be included herein.

Items

1. Brackets.
2. Cables and wires.
3. Conduit.
4. Insulators.
5. Municipal inspection.
6. Overhead to underground, including conduit or standpipe and conductor from last splice on pole to connection with customer's wiring.
7. Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks.
8. Permits.
9. Protection of street openings.
10. Service switch.
11. Suspension wire.

370 Meters

A. This account shall include the cost installed of meters or devices and appurtenances thereto, for use in measuring the electricity delivered to its users, whether actually in service or held in reserve.

B. When a meter is permanently retired from service, the installed cost included herein shall be credited to this account.

C. The records covering meters shall be so kept that the utility can furnish information as to the number of meters of various capacities in service and in reserve as well as the location of each meter owned.

Items

1. Alternate current, watt-hour meters.
2. Current limiting devices.
3. Demand indicators.
4. Demand meters.
5. Direct current watt-hour meters.
6. Graphic demand meters.
7. Installation, labor of (first installation only).
8. Instrument transformers.
9. Maximum demand meters.
10. Meter badges and their attachments.
11. Meter boards and boxes.
12. Meter fittings, connections, and shelves (first set).
13. Meter switches and cut-outs.
14. Prepayment meters.
15. Protective devices.
16. Testing new meters.

Note A: This account shall not include meters for recording output of a generating station, or substation meters. It includes only those meters used to record energy delivered to customers.

Note B: The cost of removing and resetting meters shall be charged to Account 586, Meter Expenses.

371 Installations on Customers' Premises

This account shall include the cost installed of equipment on the customer's side of a meter when the utility incurs such cost and when the utility retains title to and assumes full responsibility for maintenance and replacement of such property. This account shall not include leased

equipment. (See Account 372, Leased Property on Customers' Premises.)

Items

1. Cable vaults.
2. Commercial lamp equipment.
3. Foundations and settings specially provided for equipment included herein.
4. Frequency changer sets.
5. Motor generator sets.
6. Motors.
7. Switchboard panels, high or low tension.
8. Wire and cable connections to incoming cables.

Note: Do not include in this account any costs incurred in connection with merchandising, jobbing, or contract work activities.

372 Leased Property on Customers' Premises

This account shall include the cost of electric motors, transformers, and other equipment on customers' premises (including municipal corporations), leased or loaned to customers, but not including property held for sale.

Note A: The cost of setting and connecting such appliances or equipment on the premises of customers and the cost of resetting or removal shall not be charged to this account but to operating expenses, Account 587, Customer Installations Expenses.

Note B: Do not include in this account any costs incurred in connection with merchandising, jobbing, or contract work activities.

373 Street Lighting and Signal Systems

This account shall include the cost installed of equipment used wholly for public street and highway lighting or traffic, fire alarm, police, and other signal systems.

Items

1. Armored conductors, buried or submarine, including insulators, insulating materials, splices, and trenching.
2. Automatic control equipment.
3. Conductors, overhead or underground, including lead or fabric covered, parkway cables, including splices, and insulators.
4. Lamps, arc, incandescent, or other types, including glassware, suspension fixtures, and brackets.
5. Municipal inspection.
6. Ornamental lamp posts.
7. Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks.
8. Permits.
9. Posts and standards.
10. Protection of street openings.
11. Relays or time clocks.
12. Series contactors.
13. Switches.
14. Transformers, pole or underground.

General Plant

389 Land and Land Rights

This account shall include the cost of land and land rights used for utility purposes, the cost of which is not properly includible in other land and land rights accounts. (See § 1767.16 (g).)

390 Structures and Improvements

This account shall include the cost, in place, of structures and improvements used for utility purposes, the cost of which is not properly includible in other structures and improvements accounts. (See § 1767.16 (h).)

391 Office Furniture and Equipment

This account shall include the cost of office furniture and equipment owned by the utility and devoted to utility service, and not permanently attached to buildings, except the cost of such furniture and equipment which the utility elects to assign to other plant accounts on a functional basis.

Items

1. Bookcases and shelves.
2. Desks, chairs, and desk equipment.
3. Drafting-room equipment.
4. Filing, storage, and other cabinets.
5. Floor covering.
6. Library and library equipment.
7. Mechanical office equipment, such as accounting machines, and typewriters.
8. Safes.
9. Tables.

392 Transportation Equipment

This account shall include the cost of transportation vehicles used for utility purposes.

Items

1. Airplanes.
2. Automobiles.
3. Bicycles.
4. Electrical vehicles.
5. Motor trucks.
6. Motorcycles.
7. Repair cars or trucks.
8. Tractors and trailers.
9. Other transportation vehicles.

393 Stores Equipment

This account shall include the cost of equipment used for the receiving, shipping, handling, and storage of materials and supplies.

Items

1. Chain falls.
2. Counters.
3. Cranes (portable).
4. Elevating and stacking equipment (portable).
5. Hoists.
6. Lockers.
7. Scales.
8. Shelving.
9. Storage bins.
10. Trucks, hand and power driven.
11. Wheelbarrows.

394 Tools, Shop and Garage Equipment

This account shall include the cost of tools, implements, and equipment used in construction, repair work, general shops and garages and not specifically provided for or includible in other accounts.

Items

1. Air compressors.
2. Anvils.
3. Automobile repair shop equipment.
4. Battery charging equipment.
5. Belts, shafts and countershafts.
6. Boilers.
7. Cable pulling equipment.
8. Concrete mixers.
9. Drill presses.
10. Derricks.
11. Electric equipment.
12. Engines.
13. Forges.
14. Furnaces.
15. Foundations and settings specially constructed for and not expected to outlast the equipment for which provided.
16. Gas producers.
17. Gasoline pumps, oil pumps, and storage tanks.
18. Greasing tools and equipment.
19. Hoists.
20. Ladders.
21. Lathes.
22. Machine tools.
23. Motor-driven tools.
24. Motors.
25. Pipe threading and cutting tools.
26. Pneumatic tools.
27. Pumps.
28. Riveters.
29. Smithing equipment.
30. Tool racks.
31. Vises.
32. Welding apparatus.
33. Work benches.

395 Laboratory Equipment

This account shall include the cost installed of laboratory equipment used for general laboratory purposes and not specifically provided for or includible in other departmental or functional plant accounts.

Items

1. Ammeters.

2. Current batteries.
3. Frequency changers.
4. Galvanometers.
5. Inductometers.
6. Laboratory standard millivolt meters.
7. Laboratory standard volt meters.
8. Meter-testing equipment.
9. Millivolt meters.
10. Motor generator sets.
11. Panels.
12. Phantom loads.
13. Portable graphic ammeters, voltmeters, and wattmeters.
14. Portable loading devices.
15. Potential batteries.
16. Potentiometers.
17. Rotating standards.
18. Standard cell, reactance, resistor, and shunt.
19. Switchboards.
20. Synchronous timers.
21. Testing panels.
22. Testing resistors.
23. Transformers.
24. Voltmeters.
25. Other testing, laboratory, or research equipment not provided for elsewhere.

396 Power Operated Equipment

This account shall include the cost of power operated equipment used in construction or repair work exclusive of equipment includible in other accounts. Include, also, the tools and accessories acquired for use with such equipment and the vehicle on which such equipment is mounted.

Items

1. Air compressors, including driving unit and vehicle.
2. Back filling machines.
3. Boring machines.
4. Bulldozers.
5. Cranes and hoists.
6. Diggers.
7. Engines.
8. Pile drivers.
9. Pipe cleaning machines.
10. Pipe coating or wrapping machines.
11. Tractors-Crawler type.
12. Trenchers.
13. Other power operated equipment.

Note: It is intended that this account include only such large units as are generally self-propelled or mounted on movable equipment.

397 Communication Equipment

This account shall include the cost installed of telephone, telegraph, and wireless equipment for general use in connection with utility operations.

Items

1. Antennae.
2. Booths.
3. Cables.
4. Distributing boards.
5. Extension cords.
6. Gongs.
7. Hand sets, manual and dial.
8. Insulators.
9. Intercommunicating sets.
10. Loading coils.
11. Operators' desks.
12. Poles and fixtures used wholly for telephone or telegraph wire.
13. Radio transmitting and receiving sets.
14. Remote control equipment and lines.
15. Sending keys.
16. Storage batteries.
17. Switchboards.
18. Telautograph circuit connections.
19. Telegraph receiving sets.
20. Telephone and telegraph circuits.
21. Testing instruments.
22. Towers.
23. Underground conduit used wholly for telephone or telegraph wires and cable wires.

398 Miscellaneous Equipment

This account shall include the cost of equipment, and apparatus used in the utility operations, which is not includible in other accounts.

Items

1. Hospital and infirmary equipment.
2. Kitchen equipment.
3. Employees' recreation equipment.
4. Radios.
5. Restaurant equipment.
6. Soda fountains.
7. Operators' cottage furnishings.
8. Other miscellaneous equipment.

Note: Miscellaneous equipment of the nature indicated above wherever practicable, shall be included in the utility plant accounts on a functional basis.

399 Other Tangible Property

This account shall include the cost of tangible utility plant not provided for elsewhere.

§ 1767.21 Operating income.

The operating income accounts identified in this section shall be used by all REA borrowers.

Utility Operating Income

400 Operating Revenues
401 Operation Expense
402 Maintenance Expense
403 Depreciation Expense
403.1 Depreciation Expense—Steam Production Plant
403.2 Depreciation Expense—Nuclear Production Plant
403.3 Depreciation Expense—Hydraulic Production Plant
403.4 Depreciation Expense—Other Production Plant
403.5 Depreciation Expense—Transmission Plant
403.6 Depreciation Expense—Distribution Plant
403.7 Depreciation Expense—General Plant
404 Amortization of Limited-Term Electric Plant
405 Amortization of Other Electric Plant
406 Amortization of Electric Plant Acquisition Adjustments
407 Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs
407.3 Regulatory Debits
407.4 Regulatory Credits
408 Taxes Other than Income Taxes
408.1 Taxes—Property
408.2 Taxes—U.S. Social Security—Unemployment
408.3 Taxes—U.S. Social Security—F.I.C.A.
408.4 Taxes—State Social Security—Unemployment
408.5 Taxes—State Sales—Consumers
408.6 Taxes—Gross Revenue or Gross Receipts Tax
408.7 Taxes—Other
409 [Reserved]
409.1 Income Taxes, Utility Operating Income
409.2 Income Taxes, Other Income and Deductions
409.3 Income Taxes, Extraordinary Items
410 [Reserved]
410.1 Provision for Deferred Income Taxes, Utility Operating Income
410.2 Provision for Deferred Income Taxes, Other Income and Deductions
411 [Reserved]
411.1 Provision for Deferred Income Taxes—Credit, Utility Operating Income
411.2 Provision for Deferred Income Taxes—Credit, Other Income and Deductions
411.3 [Reserved]
411.4 Investment Tax Credit Adjustments, Utility Operations
411.5 Investment Tax Credit Adjustments, Nonutility Operations
411.6 Gains from Disposition of Utility Plant
411.7 Losses from Disposition of Utility Plant
411.8 Gains from Disposition of Allowances
411.9 Losses from Disposition of Allowances
412 Revenues from Electric Plant Leased to Others
413 Expenses of Electric Plant Leased to Others
414 Other Utility Operating Income

Utility Operating Income

400 Operating Revenues

There shall be shown under this caption the total amount included in the electric operating revenue accounts provided herein.

401 Operation Expense

There shall be shown under this caption the total amount included in the electric operation expense accounts provided herein. (See note to § 1767.17 (c).)

402 Maintenance Expense

There shall be shown under this caption the total amount included in the electric maintenance expense accounts provided herein.

403 Depreciation Expense

A. This account shall include the amount of depreciation expense for all classes of depreciable electric plant in service except such depreciation expense as is chargeable to clearing accounts or to Account 416, Costs and Expenses of Merchandising, Jobbing and Contract Work.

B. The utility shall keep such records of property and property retirements as will reflect the service life of property which has been retired and aid in estimating probable service life by mortality, turnover, or other appropriate methods; and also such records as will reflect the percentage of salvage and costs of removal for property retired from each account, or subdivision thereof, for depreciable electric plant.

Note A: Depreciation expense applicable to property included in Account 104, Electric Plant Leased to Others, shall be charged to Account 413, Expenses of Electric Plant Leased to Others.

Note B: Depreciation expenses applicable to transportation equipment, shop equipment, tools, work equipment, power operated equipment, and other general equipment may be charged to clearing accounts as necessary in order to obtain a proper distribution of expenses between construction and operation.

Note C: Depreciation expense applicable to transportation equipment used for transportation of fuel from the point of acquisition to the unloading point shall be charged to Account 151, Fuel Stock.

C. Account 403 shall be subaccounted as follows:

403.1 Depreciation Expense—Steam Production Plant
403.2 Depreciation Expense—Nuclear Production Plant
403.3 Depreciation Expense—Hydraulic Production Plant
403.4 Depreciation Expense—Other Production Plant
403.5 Depreciation Expense—Transmission Plant
403.6 Depreciation Expense—Distribution Plant
403.7 Depreciation Expense—General Plant

404 Amortization of Limited-Term Electric Plant

This account shall include amortization charges applicable to amounts included in the electric plant accounts for limited-term franchises, licenses, patent rights, limited-term interests in land, and expenditures on leased property where the service life of the improvements is terminable by action of the lease. The charges to this account shall be such as to distribute the book cost of each investment as evenly as may be over the period of its benefit to the utility. (See Account 111, Accumulated Provision for Amortization of Electric Utility Plant.)

405 Amortization of Other Electric Plant

A. When authorized by REA, this account shall include charges for amortization of intangible or other electric utility plant which does not have a definite or terminable life and which is not subject to charges for depreciation expense.

B. This account shall be supported in such detail as to show the amortization applicable to each investment being amortized, together with the book cost of the investment and the period over which it is being written off.

406 Amortization of Electric Plant Acquisition Adjustments

This account shall be debited or credited, as appropriate, with amounts includible in operating expenses, pursuant to approval or order of REA, for the purpose of providing for the extinguishment of the amount in Account 114, Electric Plant Acquisition Adjustments.

407 Amortization of Property Losses, Unrecovered Plant and Recovery Study Costs

This account shall be charged with amounts credited to Account 182.1, Extraordinary Property Losses, when REA has authorized the amount in the latter account to be amortized by charges to electric operations.

407.3 Regulatory Debits

This account shall be debited, when appropriate, with the amounts credited to Account 254, Other Regulatory Liabilities, to record regulatory liabilities imposed on the utility by the ratemaking actions of regulatory agencies. This account shall also be debited, when appropriate, with the amounts credited to Account 182.3, Other Regulatory Assets, concurrent with the recovery of such amounts in rates.

407.4 Regulatory Credits

This account shall be credited, when appropriate, with the amounts debited to Account 182.3, Other Regulatory Assets, to establish regulatory assets. This account shall also be credited, when appropriate, with the amounts debited to Account 254, Other Regulatory Liabilities, concurrent with the return of such amounts to customers through rates.

408 Taxes Other Than Income Taxes

A. This account shall include the amounts of ad valorem, gross revenue, or gross receipts taxes, state unemployment insurance, franchise taxes, Federal excise taxes, social security taxes, and all other taxes assessed by Federal, state, county, municipal, or other local governmental authorities, except income taxes.

B. These accounts shall be charged in each accounting period with the amounts of taxes which are applicable thereto, with concurrent credits to Account 236, Taxes Accrued, or Account 165, Prepayments, as appropriate. When it is not possible to determine the exact amounts of taxes, the amounts shall be estimated and adjustments made in current accruals as the actual tax levies become known.

C. The charges to these accounts shall be made or supported so as to show the amount of each tax and the basis upon which each charge is made. In the case of a utility rendering more than one utility service, taxes of the kind includible in these accounts shall be assigned directly to the utility department the operation of which gave rise to the tax, in so far as practicable. Where the tax is not attributable to a specific utility department, it shall be distributed among the utility departments or nonutility operations on an equitable basis after appropriate study to determine such basis.

Note A: Special assessments for street and similar improvements shall be included in the appropriate utility plant or nonutility property account.

Note B: Taxes specifically applicable to construction shall be included in the cost of construction.

Note C: Gasoline and other sales taxes shall be charged as far as practicable to the same account as the materials on which the tax is levied.

Note D: Social security and other forms of payroll taxes shall be distributed to utility departments and to nonutility functions on a basis related to payroll. Amounts applicable to construction shall be charged to the appropriate plant account.

Note E: Interest on tax refunds or deficiencies shall not be included in these accounts but in Account 419, Interest and Dividend Income, or Account 431, Other Interest Expense, as appropriate.

D. Account 408 shall be subaccounted as follows:

408.1 Taxes—Property
408.2 Taxes—U.S. Social Security—Unemployment
408.3 Taxes—U.S. Social Security—F.I.C.A.
408.4 Taxes—State Social Security—Unemployment

408.5 Taxes—State Sales—Consumers
408.6 Taxes—Gross Revenue or Gross Receipts Tax
408.7 Taxes—Other

409 [Reserved]

Special Instructions

Accounts 409.1, 409.2, and 409.3

A. These accounts shall include the amount of local, state, and Federal income taxes on income properly accruable during the period covered by the income statement to meet the actual liability for such taxes. Concurrent credits for the tax accruals shall be made to Account 236, Taxes Accrued, and as the exact amounts of taxes become known, the current tax accruals shall be adjusted by charges or credits to these accounts.

B. The accruals for income taxes shall be apportioned among utility departments and to Other Income and Deductions so that, as nearly as practicable, each tax shall be included in the expenses of the utility department or Other Income and Deductions, the income from which gave rise to the tax. The tax effects relating to interest charges shall be allocated between utility and nonutility operations. The basis for this allocation shall be the ratio of net investment in utility plant to net investment in nonutility plant.

Note A: Taxes assumed by the utility on interest shall be charged to Account 431, Other Interest Expense.

Note B: Interest on tax refunds or deficiencies shall not be included in these accounts but in Account 419, Interest and Dividend Income, or Account 431, Other Interest Expense, as appropriate.

409.1 Income Taxes, Utility Operating Income

This account shall include the amount of those local, state, and Federal income taxes which relate to utility operating income. This account shall be maintained so as to allow ready identification of tax effects (both positive and negative) relating to Utility Operating Income (by department), Utility Plant Leased to Others, and Other Utility Operating Income.

409.2 Income Taxes, Other Income and Deductions

This account shall include the amount of those local, state, and Federal income taxes (both positive and negative), which relate to Other Income and Deductions.

409.3 Income Taxes, Extraordinary Items

This account shall include the amount of those local, state, and Federal income taxes (both positive and negative), which relate to Extraordinary Items.

410 [Reserved]

Special Instructions

Accounts 410.1, 410.2, 411.1, and 411.2

A. Accounts 410.1 and 410.2 shall be debited, and Accumulated Deferred Income Taxes, shall be credited, with amounts equal to any current deferrals of taxes on income or any allocations of deferred taxes originating in prior periods, as provided by the texts of Accounts 190, 281, 282, and 283. There shall not be netted against entries required to be made to these accounts any credit amounts appropriately includible in Account 411.1 or Account 411.2.

B. Accounts 411.1 or 411.2 shall be credited, and Accumulated Deferred Income Taxes, shall be debited, with amounts equal to any allocations of deferred taxes originating in prior periods or any current deferrals of taxes on income, as provided by the texts of Accounts 190, 281, 282, and 283. There shall not be netted against entries required to be made to these accounts any debit amounts appropriately includible in Account 410.1 or Account 410.2.

410.1 Provision for Deferred Income Taxes, Utility Operating Income

This account shall include the amounts of those deferrals of taxes and allocations of deferred taxes which relate to Utility Operating Income (by department).

410.2 Provision for Deferred Income Taxes, Other Income and Deductions

This account shall include the amounts of those deferrals of taxes and allocations of deferred taxes which relate to Other Income and Deductions.

411 [Reserved]

411.1 Provision for Deferred Income Taxes—Credit, Utility Operating Income

This account shall include the amounts of those allocations of deferred taxes and deferrals of taxes, credit, which relate to Utility Operating Income (by department).

411.2 Provision for Deferred Income Taxes—Credit, Other Income and Deductions

This account shall include the amounts of those allocations of deferred taxes and deferrals of taxes, credit, which relate to Other Income and Deductions.

411.3 [Reserved]

Special Instructions

Accounts 411.4 and 411.5

A. Account 411.4 shall be debited with the amounts of investment tax credits related to electric utility property that are credited to Account 255, Accumulated Deferred Investment Tax Credits, by companies which do not apply the entire amount of the benefits of the investment credit as a reduction of the overall income tax expense in the year in which such credit is realized. (See Account 255).

B. Account 411.4 shall be credited with the amounts debited to Account 255 for proportionate amounts of tax credit deferrals allocated over the average useful life of electric utility property to which the tax credits relate or such lesser period of time as may be adopted and consistently followed by the company.

C. Account 411.5 shall be debited and credited as directed in paragraphs A and B, for investment tax credits related to nonutility property.

411.4 Investment Tax Credit Adjustments, Utility Operations

This account shall include the amount of those investment tax credit adjustments related to property used in Utility Operations (by department).

411.5 Investment Tax Credit Adjustments, Nonutility Operations

This account shall include the amount of those investment tax credit adjustments related to property used in Nonutility Operations.

411.6 Gains from Disposition of Utility Plant

This account shall include, as approved by REA, amounts relating to gains from the disposition of future use utility plant including amounts which were previously recorded in and transferred from Account 105, Electric Plant Held for Future Use, under the Provisions of Paragraphs B, C, and D thereof. Income taxes relating to gains recorded in this account shall be recorded in Account 409.1, Income Taxes, Utility Operating Income.

411.7 Losses from Disposition of Utility Plant

This account shall include, as approved by REA, amounts relating to losses from the disposition of future use utility plant including amounts which were previously recorded in and transferred from Account 105, Electric Plant Held for Future Use, under the provisions of Paragraphs B, C, and D thereof. Income taxes relating to losses

recorded in this account shall be recorded in Account 409.1, Income Taxes, Utility Operating Income.

411.8 Gains from Disposition of Allowances

This account shall be credited with the gain on the sale, exchange, or other disposition of allowances in accordance with § 1767.15 (u)(8). Income taxes relating to gains recorded in this account shall be recorded in Account 409.1, Income Taxes, Utility Operating Income.

411.9 Losses from Disposition of Allowances

This account shall be debited with the loss on the sale, exchange, or other disposition of allowances in accordance with § 1767.15 (u)(8). Income taxes relating to losses recorded in this account shall be recorded in Account 409.1, Income Taxes, Utility Operating Income.

412 Revenues from Electric Plant Leased to Others

This account shall include revenues from electric property constituting a distinct operating unit or system leased by the utility to others, and which property is properly includible in Account 104, Electric Plant Leased to Others.

Note: Related taxes shall be recorded in Account 408, Taxes Other Than Income Taxes, or Account 409.1, Income Taxes, Utility Operating Income, as appropriate.

413 Expenses of Electric Plant Leased to Others

A. This account shall include expenses from electric property constituting a distinct operating unit or system leased by the utility to others, and which property is properly includible in Account 104, Electric Plant Leased to Others.

B. The detail of expenses shall be kept or supported so as to show separately the following:

1. Operation.
2. Maintenance.
3. Depreciation.
4. Amortization.

Note: Related taxes shall be recorded in Account 408, Taxes Other Than Income Taxes, or Account 409.1, Income Taxes, Utility Operating Income, as appropriate.

414 Other Utility Operating Income

A. This account shall include the revenues received and expenses incurred in connection with the operations of utility plant, the book cost of which is included in Account 118, Other Utility Plant.

B. The expenses shall include every element of cost incurred in such operations, including depreciation, rents, and insurance.

Note: Related taxes shall be recorded in Account 408, Taxes Other Than Income Taxes, or Account 409.1, Income Taxes, Utility Operating Income, as appropriate.

§ 1767.22 Other income and deductions.

The other income and deductions accounts identified in this section shall be used by all REA borrowers.

Other Income and Deductions

415 Revenues from Merchandising, Jobbing, and Contract Work
416 Costs and Expenses of Merchandising, Jobbing, and Contract Work
417 Revenues from Nonutility Operations
417.1 Expenses of Nonutility Operations
418 Nonoperating Rental Income
418.1 Equity in Earnings of Subsidiary Companies
419 Interest and Dividend Income
419.1 Allowance for Funds Used During Construction
420 Investment Tax Credits
421 Miscellaneous Nonoperating Income
421.1 Gain on Disposition of Property
421.2 Loss on Disposition of Property
422 Nonoperating Taxes
423 Generation and Transmission Cooperative Capital Credits
424 Other Capital Credits and Patronage Capital Allocations
425 Miscellaneous Amortization
426 [Reserved]
426.1 Donations
426.2 Life Insurance
426.3 Penalties
426.4 Expenditures for Certain Civic, Political, and Related Activities
426.5 Other Deductions

Other Income and Deductions

415 Revenues from Merchandising, Jobbing and Contract Work

A. This account shall include all revenues derived from the sale of merchandise and jobbing or contract work, including any profit or commission accruing to the utility on jobbing work performed by it as agent under contracts whereby it does jobbing work for another for a stipulated profit or commission. Interest related income from installment sales shall be recorded in Account 419, Interest and Dividend Income.

B. Records in support of this account shall be so kept as to permit ready summarization of revenues by such major items as are feasible.

Note: The classification of revenues of merchandising, jobbing, and contract work as nonoperating, and thus included in this account, is for accounting purposes. It does not preclude consideration of justification to the contrary for ratemaking or other purposes.

Items

1. Revenues from sale of merchandise and from jobbing and contract work.
2. Discounts and allowances made in settlement of bills for merchandise and jobbing work.

416 Costs and Expenses of Merchandising, Jobbing and Contract Work

A. This account shall include all expenses derived from the sale of merchandise and jobbing or contract work.

B. Records in support of this account shall be so kept as to permit ready summarization of costs and expenses by such major items as are feasible.

Note: The classification of costs and expenses of merchandising, jobbing, and contract work as nonoperating, and thus included in this account, is for accounting purposes. It does not preclude consideration of justification to the contrary for ratemaking or other purposes.

Items

Labor:

1. Canvassing and demonstrating appliances in homes and other places for the purpose of selling appliances.
2. Demonstrating and selling activities in sales rooms.
3. Installing appliances on customer premises where such work is done only for purchasers of appliances from the utility.
4. Installing wire, piping, or other property work, on a jobbing or contract basis.
5. Preparing advertising materials for appliance sales purposes.
6. Receiving and handling customer orders for merchandise or for jobbing services.
7. Cleaning and tidying sales rooms.
8. Maintaining display counters and other equipment used in merchandising.
9. Arranging merchandise in sales rooms and decorating display windows.
10. Reconditioning repossessed appliances.
11. Bookkeeping and other clerical work in connection with merchandise and jobbing activities.
12. Supervising merchandise and jobbing operations.
13. Advertising in newspapers, periodicals, radio, and television.
14. Cost of merchandise sold and of materials used in jobbing work.
15. Stores expenses on merchandise and jobbing stocks.
16. Fees and expenses of advertising and commercial artists' agencies.
17. Printing booklets, dodgers, and other advertising data.
18. Premiums given as inducement to buy appliances.
19. Light, heat, and power.
20. Depreciation on equipment used primarily for merchandise and jobbing operations.

21. Rent of sales rooms or of equipment.
22. Transportation expense in delivery and pick-up of appliances by utility's facilities or by others.
23. Stationery and office supplies and expenses.
24. Losses from uncollectible merchandise and jobbing accounts.

417 Revenues from Nonutility Operations

This account shall include revenues applicable to operations which are nonutility in character but nevertheless constitute a distinct operating activity of the enterprise as a whole, such as the operation of an ice department where applicable statutes do not define such operation as a utility, or the operation of a servicing organization for furnishing supervision, management, engineering, and similar services to others.

Note: Related taxes shall be recorded in Account 408, Taxes Other Than Income Taxes, or Account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

417.1 Expenses of Nonutility Operations

A. This account shall include expenses applicable to operations which are nonutility in character but nevertheless constitute a distinct operating activity of the enterprise as a whole, such as the operation of an ice department where applicable statutes do not define such operation as a utility, or the operation of a servicing organization for furnishing supervision, management, engineering, and similar services to others.

B. The expenses shall include all elements of costs incurred in such operations, and the accounts shall be maintained so as to permit ready summarization as follows:

1. Operation.
2. Maintenance.
3. Rents.
4. Depreciation.
5. Amortization.

Note: Related taxes shall be recorded in Account 408, Taxes Other Than Income Taxes, or Account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

418 Nonoperating Rental Income

A. This account shall include all rent revenues and related expenses of land, buildings, or other property included in Account 121, Nonutility Property, which is not used in operations covered by Account 417 or Account 417.1.

B. The expenses shall include all elements of costs incurred in the ownership and rental of property and the accounts shall be maintained so as to permit ready summarization as follows:

1. Operation.
2. Maintenance.
3. Rents.
4. Depreciation.
5. Amortization.

Note: Related taxes shall be recorded in Account 408, Taxes Other Than Income Taxes, or Account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

418.1 Equity in Earnings of Subsidiary Companies

This account shall include the utility's equity in the earnings or losses of subsidiary companies for the year.

419 Interest and Dividend Income

A. This account shall include interest revenues on securities, loans, notes, advances, special deposits, tax refunds, and all other interest-bearing assets, and dividends on stocks of other companies, whether the securities on which the interest and dividends are received are carried as investments or included in sinking or other special fund accounts.

Note A: Related taxes shall be recorded in Account 408, Taxes Other Than Income Taxes, or Account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

Note B: Interest accrued, the payment of which is not reasonably assured, dividends receivable which have not been declared or guaranteed, and interest or dividends upon reacquired securities issued or assumed by the utility shall not be credited to this account.

419.1 Allowance for Funds Used During Construction

This account shall include concurrent credits for allowance for funds other than borrowed funds used for construction purposes during the period of construction, based upon a reasonable rate. (See § 1767.16 (c)(17).)

420 Investment Tax Credits

This account shall be credited as follows with investment tax credit amounts not passed on to customers:

1. By amounts equal to debits to Account 411.4, Investment Tax Credit Adjustments, Utility Operations, and Account 411.5, Investment Tax Credit Adjustments, Nonutility Operations, for investment tax credits used in calculating income taxes for the year when the company's accounting provides for non-deferral of all or a portion of such credits.

2. By amounts equal to debits to Account 255, Accumulated Deferred Investment Tax Credits, for proportionate amounts of tax credit deferrals allocated over the average useful life of the property to which the tax credits relate, or such lesser period of time as may be adopted and consistently used by the company.

421 Miscellaneous Nonoperating Income

This account shall include all revenue and expense items, except taxes properly includible in the income account, not provided for elsewhere. Related taxes shall be recorded in Account 408, Taxes Other Than Income Taxes, or Account 409.2, Income Taxes, Other Income and Deductions, as appropriate.

Items

1. Profit on sale of timber. (See § 1767.16 (g)(3).)
2. Profits from operations of others realized by the utility under contracts.
3. Gains on disposition of investments. Also, gains on reacquisition and resale or retirement of the utility's debt securities when the gain is not amortized or used by a jurisdictional regulatory agency to reduce embedded debt cost in establishing rates. (See § 1767.15 (q).)

421.1 Gain on Disposition of Property

This account shall be credited with the gain on the sale, conveyance, exchange, or transfer of utility or other property to another. Amounts relating to gains on land and land rights held for future use recorded in Account 105, Electric Plant Held for Future Use, will be accounted for as prescribed in Paragraphs B, C, and D thereof. (See § 1767.16 (e)(6), (g)(5), and (j)(5).) Income taxes on gains recorded in this account shall be recorded in Account 409.2, Income Taxes, Other Income and Deductions.

421.2 Loss on Disposition of Property

This account shall be charged with the loss on the sale, conveyance, exchange, or transfer of utility or other property to another. Amounts relating to losses on land and land rights held for future use recorded in Account 105, Electric Plant Held for Future Use, will be accounted for as prescribed in Paragraphs B, C, and D thereof. (See § 1767.16 (e)(6), (g)(5), and (j)(5).) The reduction in income taxes relating to losses recorded in this account shall be recorded in Account 409.2, Income Taxes, Other Income and Deductions.

422 Nonoperating Taxes

This account shall be charged with taxes relating to nonoperating income.

423 Generation and Transmission Cooperative Capital Credits

This account shall be credited with the annual capital furnished the power supply cooperative through payment of power bills. The amount of capital furnished the power supply cooperative should be recorded in the applicable year even though, in most cases, the power supplier's notice of the allocation will not have been received until after the close of the year to which it relates.

424 Other Capital Credits and Patronage Capital Allocations

This account shall be credited with the capital furnished in connection with patronage of cooperative or mutual-type service organization such as CFC and other financing cooperatives, and insurance, oil product, telephone, and data processing cooperatives. This account should be credited in the year in which the notice of the capital credit or patronage capital allocation is received.

425 Miscellaneous Amortization

This account shall include amortization charges not includible in other accounts which are properly deductible in determining the income of the utility before interest charges. Charges includible herein, if significant in amount, must be in accordance with an orderly and systematic amortization program.

Items

1. Amortization of utility plant acquisition adjustments, or of intangibles included in utility plant in service when not authorized to be included in utility operating expenses by REA.

2. Other miscellaneous amortization charges allowed to be included in this account by REA.

426 [Reserved]

Special Instructions

Accounts 426.1, 426.2, 426.3, 426.4, and 426.5

These accounts shall include miscellaneous expense items which are nonoperating in nature but which are properly deductible before determining total income before interest charges.

Note: The classification of expenses as nonoperating and their inclusion in these accounts is for accounting purposes. It does not preclude REA consideration of proof to the contrary for ratemaking or other purposes.

426.1 Donations

This account shall include all payments or donations for charitable, social, or community welfare purposes.

426.2 Life Insurance

This account shall include all payments for life insurance of officers and employees where the company is the beneficiary (net premiums less the increase in the cash surrender value of policies.)

426.3 Penalties

This account shall include payments by the company for penalties or fines for violation of any regulatory statutes by the company or its officials.

426.4 Expenditures for Certain Civic, Political, and Related Activities

This account shall include expenditures for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation, or ordinances (either with respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances) or approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials, but shall not include such expenditures which are directly related to appearances before regulatory or other governmental bodies in connection with the reporting utility's existing or proposed operations.

426.5 Other Deductions

This account shall include other miscellaneous expenses which are nonoperating in nature, but which are properly deductible before determining total income before interest charges.

Items

1. Loss relating to investments in securities written-off or written-down.
2. Loss on sale of investments.
3. Loss on reacquisition, resale, or retirement of the utility's debt securities, when the loss is not amortized and used by a jurisdictional regulatory agency to increase embedded debt cost in establishing rates. (See § 1767.15 (q).)
4. Preliminary survey and investigation expenses related to abandoned projects, when not written-off to the appropriate operating expense account.
5. Costs of preliminary abandonment costs recorded in Account 182.1, Extraordinary Property Losses, and Account 182.2, Unrecovered Plant and Regulatory Study Costs, not allowed to be amortized to Account 407, Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs.

§ 1767.23 Interest charges.

The interest charges accounts identified in this section shall be used by all REA borrowers.

Interest Charges

427 Interest on Long-Term Debt
427.3 Interest Charged to Construction—Credit
428 Amortization of Debt Discount and Expense
428.1 Amortization of Loss on Reacquired Debt
429 Amortization of Premium on Debt—Credit
429.1 Amortization of Gain on Reacquired Debt—Credit
430 Interest on Debt to Associated Companies
431 Other Interest Expense
432 Allowance for Borrowed Funds Used During Construction—Credit

Interest Charges

427 Interest on Long-Term Debt

A. This account shall include the amount of interest on outstanding long-term debt issued or assumed by the utility, the liability for which included in Account 221, Bonds, or Account 224, Other Long-Term Debt.

B. This account shall be so kept or supported as to show the interest accruals on each class and series of long-term debt.

Note: This account shall not include interest on nominally issued or nominally outstanding long-term debt, including securities assumed.

427.3 Interest Charged to Construction—Credit

This account shall include concurrent credits for interest charged to construction based upon the net cost for the period of construction of borrowed funds used for construction purposes.

428 Amortization of Debt Discount and Expense

A. This account shall include the amortization of unamortized debt discount and expense on outstanding long-term debt. Amounts charged to this account shall be credited concurrently to Account 181, Unamortized Debt Expense, and Account 226, Unamortized Discount on Long-Term Debt—Debit.

B. This account shall be so kept or supported as to show the debt discount and expense on each class and series of long-term debt.

428.1 Amortization of Loss on Reacquired Debt

A. This account shall include the amortization of the losses on reacquisition of debt. Amounts charged to this account shall be credited concurrently to Account 189, Unamortized Loss on Reacquired Debt.

B. This account shall be maintained so as to allow ready identification of the loss amortized applicable to each class and series of long-term debt reacquired. (See § 1767.15 (q).)

429 Amortization of Premium on Debt—Credit

A. This account shall include the amortization of unamortized net premium on outstanding long-term debt. Amounts credited to this account shall be charged concurrently to Account 225, Unamortized Premium on Long-Term Debt.

B. This account shall be so kept or supported as to show the premium on each class and series of long-term debt.

429.1 Amortization of Gain on Reacquired Debt—Credit

A. This account shall include the amortization of the gains realized from reacquisition of debt. Amounts credited to this account shall be charged concurrently to Account 257, Unamortized Gain on Reacquired Debt.

B. This account shall be maintained so as to allow ready identification of the amortized gains applicable to each class and series of long-term debt reacquired. (See § 1767.15 (q).)

430 Interest on Debt to Associated Companies

A. This account shall include the interest accrued on amounts included in Account 223, Advances from Associated Companies, and on all other obligations to associated companies.

B. The records supporting the entries to this account shall be so kept as to show to whom the interest is to be paid, the period covered by the accrual, the rate of interest, and the principal amount of the advances or other obligations on which the interest is accrued.

431 Other Interest Expense

This account shall include all interest charges not provided for elsewhere.

Items

1. Interest on notes payable on demand or maturing one year or less from date and on open accounts, except notes and accounts with associated companies.

2. Interest on customers' deposits.

3. Interest on claims and judgments, tax assessments, and assessments for public improvements past due.

4. Income and other taxes levied upon bondholders of the utility and assumed by it.

432 Allowance for Borrowed Funds Used During Construction—Credit

This account shall include concurrent credits for allowance for borrowed funds used during construction, not to exceed amounts computed in accordance with the formula prescribed in § 1767.16 (c)(17).

§ 1767.24 Extraordinary items.

The extraordinary items accounts identified in this section shall be used by all REA borrowers.

Extraordinary Items

434 Extraordinary Income
435 Extraordinary Deductions
435.1 Cumulative Effect on Prior Years of a Change in Accounting Principle

Extraordinary Items

434 Extraordinary Income

This account shall be credited with nontypical, noncustomary, infrequently recurring gains which would significantly distort the current year's income computed before extraordinary items, if reported other than as extraordinary items. Income tax relating to the amounts recorded in this account shall be recorded in Account 409.3, Income Taxes, Extraordinary Items. (See § 1767.15 (g).)

435 Extraordinary Deductions

This account shall be debited with nontypical, noncustomary, infrequently recurring losses which would significantly distort the current year's income computed before extraordinary items, if reported other than as extraordinary items. Income tax relating to the amounts recorded in this account shall be recorded in Account 409.3, Income Taxes, Extraordinary Items. (See § 1767.15 (f).)

435.1 Cumulative Effect on Prior Years of a Change in Accounting Principle

This account shall include the cumulative effect on margins of prior periods as a result of a change in accounting principle from one that is no longer generally accepted to one that is generally accepted.

§ 1767.25 Retained earnings.

The retained earnings accounts identified in this section shall be used by all REA borrowers.

Retained Earnings

433 [Reserved]
436 [Reserved]
437 [Reserved]
438 [Reserved]
439 [Reserved]

Retained Earnings

433 [Reserved]

436 [Reserved]

437 [Reserved]

438 [Reserved]

439 [Reserved]

§ 1767.26 Operating revenue.

The operating revenue accounts identified in this section shall be used by all REA borrowers.

Operating Revenue

Sales of Electricity

440 Residential Sales
440.1 Residential Sales—Excluding Seasonal
440.2 Residential Sales—Seasonal
441 Irrigation Sales
442 Commercial and Industrial Sales
442.1 Commercial and Industrial Sales—1000 kVA or Less
442.2 Commercial and Industrial Sales—Over 1000 kVA
444 Public Street and Highway Lighting
445 Other Sales to Public Authorities
446 Sales to Railroads and Railways
447 Sales for Resale
447.1 Sales for Resale—REA Borrowers
447.2 Sales for Resale—Other
448 Interdepartmental Sales
449.1 Provision for Rate Refunds

Other Operating Revenues

450 Forfeited Discounts
451 Miscellaneous Service Revenues
453 Sales of Water and Water Power
454 Rent from Electric Property
455 Interdepartmental Rents
456 Other Electric Revenues

Operating Revenue

Sales of Electricity

440 Residential Sales

A. This account shall include the net billing for electricity supplied for residential or domestic purposes.

Note: When electricity supplied through a single meter is used for both residential and commercial purposes, the total revenue shall be included in this account, or Account 442, Commercial and Industrial Sales, according to the rate schedule that is applied. If the same rate schedules apply to residential and commercial and industrial service, classification shall be made according to principal use.

B. Account 440 shall be subaccounted as follows:

440.1 Residential Sales—Excluding Seasonal
440.2 Residential Sales—Seasonal

440.1 Residential Sales—Excluding Seasonal

A. This account shall include the net billing for electricity supplied for residential and domestic purposes.

B. This account shall also include net billings for single phase service to schools, churches, lodges, and other public buildings.

C. Records shall be maintained so that the quantity of electricity sold and the revenue received under each rate schedule shall be readily available.

Note: Net billings for multiphase service to schools, churches, lodges, and other public buildings shall be included in the appropriate subaccount of Account 442, Commercial and Industrial Sales.

440.2 Residential Sales—Seasonal

This account shall include the net billings for electricity supplied for residential and domestic purposes to seasonal consumers.

441 Irrigation Sales

This account shall include the net billings for electricity supplied for irrigation pumping. It need not be used unless such service is provided under a special irrigation rate.

442 Commercial and Industrial Sales

A. This account shall include the net billing for electricity supplied to customers for commercial and industrial purposes.

Note A: If the utility classifies large commercial and industrial customers and related revenues on a lesser basis than 1000 kilowatts of demand, or segregates industrial customers and related revenues according to a recognized definition of an industrial customer, such classifications are acceptable in lieu of those otherwise required by the text of this account on the basis of 1000 kilowatts of demand.

Note B: When electricity supplied through a single meter is used for both commercial and residential purposes, the total revenue shall be included in this account, or Account 440, Residential Sales, according to the rate schedule that is applied. If the same rate schedules apply to residential and commercial and industrial service, classification shall be made according to principal use.

B. Account 442 shall be subaccounted as follows:

442.1 Commercial and Industrial Sales—1000 kVA or Less
442.2 Commercial and Industrial Sales—Over 1000 kVA

442.1 Commercial and Industrial Sales—1000 kVA or Less

A. This account shall include the net billing for electricity supplied to consumers for commercial and industrial purposes requiring transformer capacity of 1000 kVA or less.

B. Records shall be maintained so that the quantity of electricity sold and the revenue received under each rate schedule shall be readily available.

Note: When electricity supplied through a single meter is used for both commercial and residential purposes, the total revenue shall be included in this account or in Account 440, Residential Sales, based upon primary use.

442.2 Commercial and Industrial Sales—Over 1000 kVA

A. This account shall include the net billing for electricity supplied to consumers for commercial and industrial purposes requiring transformer capacity in excess of 1000 kVA.

B. Records shall be maintained so that the quantity of electricity sold and the revenue received under each rate schedule shall be readily available.

444 Public Street and Highway Lighting

A. This account shall include the net billing for electricity supplied and services rendered for the purposes of lighting streets, highways, parks, and other public places or for traffic or signal system service, for municipalities or other divisions or agencies of state of Federal Governments.

B. Records shall be maintained so that the quantity of electricity sold and the revenue received from each customer shall be readily available. In addition, the records shall be maintained so as to show the revenues from (1) contracts which include both electricity and services, and (2) contracts which include sales of electricity only.

445 Other Sales to Public Authorities

A. This account shall include the net billing for electricity supplied to municipalities or divisions or agencies of Federal or state governments, under special contracts or agreements or service classifications applicable only to public authorities, except such revenues as are includible in Account 444 and Account 447.

B. Records shall be maintained so as to show the quantity of electricity sold and the revenues received from each customer.

446 Sales to Railroads and Railways

A. This account shall include the net billing for electricity supplied to railroads and interurban and street railways, for general railroad use, including the propulsion of cars or locomotives, where such electricity is supplied under separate and distinct rate schedules.

B. Records shall be maintained so that the quantity of electricity sold and the revenue received from each customer shall be readily available.

Note: Revenues from incidental use of electricity furnished under a contract for propulsion of cars or locomotives shall be included herein.

447 Sales for Resale

A. This account shall include the net billing for electricity supplied to other electric utilities or to public authorities for resale purposes.

Note: Revenues from electricity supplied to other utilities for use by them and not for distribution, shall be included in Account 442, Commercial and Industrial Sales, unless supplied under the same contracts as and not readily separable from revenues includible in this account.

B. Account 447 shall be subaccounted as follows:

447.1 Sales for Resale—REA Borrowers
447.2 Sales for Resale—Other

447.1 Sales for Resale—REA Borrowers

A. This account shall include the net billing for electricity supplied to REA borrowers for resale.

B. Records shall be maintained so as to show the quantity of electricity sold and the revenue received from each customer.

Note: Revenues from electricity supplied to other utilities for use by them and not for distribution, shall be included in Account 442, Commercial and Industrial Sales, unless supplied under the same contract as and not readily separable from revenues includible in this account.

447.2 Sales for Resale—Other

A. This account shall include the net billing for electricity supplied for resale to utilities not financed by REA.

B. Records shall be maintained so as to show the quantity of electricity sold and the revenue received from each customer.

Note: Revenues from electricity supplied to other utilities for use by them and not for distribution, shall be included in Account 442, Commercial and Industrial Sales, unless supplied under the same contract as and not readily separable from revenues includible in this account.

448 Interdepartmental Sales

A. This account shall include amounts charged by the electric department at tariff or other specified rates for electricity supplied by it to other utility departments.

B. Records shall be maintained so that the quantity of electricity supplied each other department and the charges therefor shall be readily available.

449.1 Provision for Rate Refunds

A. This account shall be charged with provisions for the estimated pretax effects on net income of the portions of amounts being collected subject to refund which are estimated to be required to be refunded. Such provisions shall be credited to Account 229, Accumulated Provision for Rate Refunds.

B. This account shall also be charged with amounts refunded when such amounts had not been previously accrued.

C. Income tax effects relating to the amounts recorded in this account shall be recorded in Account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or Account 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income, as appropriate.

Other Operating Revenues

450 Forfeited Discounts

This account shall include the amount of discounts forfeited or additional charges imposed because of the failure of customers to pay their electric bills on or before a specified date.

451 Miscellaneous Service Revenues

This account shall include revenues for all miscellaneous services and charges billed to customers which are not specifically provided for in other accounts.

Items

1. Fees for changing, connecting, or disconnecting service.
2. Profit on maintenance of appliances, wiring, piping, or other installations on customers' premises.
3. Net credit or debit (cost less net salvage and less payment from customers) on closing of work orders for plant installed for temporary service of less than one year. (See Account 185, Temporary Facilities.)
4. Recovery of expenses in connection with current diversion cases (billing for the electricity consumed shall be included in the appropriate electric revenue account).

453 Sales of Water and Water Power

A. This account shall include revenues derived from the sale of water for irrigation, domestic, industrial, or other uses or for the development by others of water power or for headwater benefits; also, revenues derived from furnishing water power for mechanical purposes when the investment in the property used in supplying such water or water power is carried as electric plant in service.

B. The records for this account shall be kept in such manner as to permit an analysis of the rates charged and the purposes for which the water was used.

454 Rent from Electric Property

A. This account shall include rents received for the use by others of land, buildings, and other property devoted to electric operations by the utility.

B. When property owned by the utility is operated jointly with others under a definite arrangement for apportioning the actual expenses among the parties to the arrangement, any amount received by the utility for interest or return or in reimbursement of taxes or depreciation on the property shall be credited to this account.

Note: Do not include in this account rents from property constituting an operating unit or system. (See Account 412, Revenues from Electric Plant Leased to Others.)

455 Interdepartmental Rents

This account shall include rents credited to the electric department on account of rental charges made against other departments (gas, water, etc.) of the utility. In the case of property operated under a definite arrangement to allocate the costs among the departments using the property, any reimbursement to the electric department for interest or return and depreciation and taxes shall be credited to this account.

456 Other Electric Revenues

This account shall include revenues derived from electric operations not includible in any of the foregoing accounts. It shall also include, in a separate subaccount, revenues received from operation of fish and wildlife and recreation facilities whether operated by the company or by contract concessionaires, such as revenues from leases or rentals of land for cottages, homes, or campsites.

Items

1. Commission on sale or distribution of electricity of others when sold under rates filed by such others.
2. Compensation for minor or incidental services provided for others such as customer billing, and engineering.
3. Profit or loss on the sale of material and supplies not ordinarily purchased for resale and not handled through merchandising and jobbing accounts.
4. Sale of steam, but not including sales made by a steamheating department or transfers of steam under joint facility operations.
5. Revenues from transmission of electricity of others over transmission facilities of the utility.
6. Include in a separate subaccount, revenues in payment for rights and/or benefits received from others which are realized through research, development, and demonstration ventures. In the event the amounts received are so large as to distort revenues for the year in which received (5 percent of net income before application of the benefit), the amounts shall be credited to Account 253, Other Deferred Credits, and amortized by credits to this account over a period not to exceed 5 years.

§ 1767.27 Operation and maintenance expense.

The operation and maintenance expense accounts identified in this section shall be used by all REA borrowers.

Operation and Maintenance Expense Accounts

Power Production Expenses

Steam Power Generation

(Operation)

500 Operation Supervision and Engineering
501 Fuel
502 Steam Expenses
503 Steam from Other Sources
504 Steam Transferred—Credit
505 Electric Expenses
506 Miscellaneous Steam Power Expenses
507 Rents
509 Allowances

(Maintenance)

510 Maintenance Supervision and Engineering
511 Maintenance of Structures
512 Maintenance of Boiler Plant
513 Maintenance of Electric Plant
514 Maintenance of Miscellaneous Steam Plant

Nuclear Power Generation

(Operation)

517 Operation Supervision and Engineering
518 Nuclear Fuel Expense
519 Coolants and Water
520 Steam Expenses
521 Steam from Other Sources
522 Steam Transferred—Credit
523 Electric Expenses
524 Miscellaneous Nuclear Power Expenses
525 Rents

(Maintenance)

528 Maintenance Supervision and Engineering
529 Maintenance of Structures
530 Maintenance of Reactor Plant Equipment
531 Maintenance of Electric Plant
532 Maintenance of Miscellaneous Nuclear Plant

Hydraulic Power Generation

(Operation)

535 Operation Supervision and Engineering
536 Water for Power
537 Hydraulic Expenses
538 Electric Expenses

539 Miscellaneous Hydraulic Power Generation Expenses
540 Rents

(Maintenance)

541 Maintenance Supervision and Engineering
542 Maintenance of Structures
543 Maintenance of Reservoirs, Dams, and Waterways
544 Maintenance of Electric Plant
545 Maintenance of Miscellaneous Hydraulic Plant

Other Power Generation

(Operation)

546 Operation Supervision and Engineering
547 Fuel
548 Generation Expenses
549 Miscellaneous Other Power Generation Expenses
550 Rents

(Maintenance)

551 Maintenance Supervision and Engineering
552 Maintenance of Structures
553 Maintenance of Generating and Electric Equipment
554 Maintenance of Miscellaneous Other Power Generation Plant

Other Power Supply Expenses

555 Purchased Power
556 System Control and Load Dispatching
557 Other Expenses

Transmission Expenses

(Operation)

560 Operation Supervision and Engineering
561 Load Dispatching
562 Station Expenses
563 Overhead Line Expenses
564 Underground Line Expenses
565 Transmission of Electricity by Others
566 Miscellaneous Transmission Expenses
567 Rents

(Maintenance)

568 Maintenance Supervision and Engineering
569 Maintenance of Structures
570 Maintenance of Station Equipment
571 Maintenance of Overhead Lines
572 Maintenance of Underground Lines
573 Maintenance of Miscellaneous Transmission Plant

Distribution Expenses

(Operation)

580 Operation Supervision and Engineering
581 Load Dispatching
582 Station Expenses
583 Overhead Line Expenses
584 Underground Line Expenses
585 Street Lighting and Signal System Expenses
586 Meter Expenses
587 Customer Installations Expenses
588 Miscellaneous Distribution Expenses
589 Rents

(Maintenance)

590 Maintenance Supervision and Engineering
591 Maintenance of Structures
592 Maintenance of Station Equipment
593 Maintenance of Overhead Lines
594 Maintenance of Underground Lines
595 Maintenance of Line Transformers
596 Maintenance of Street Lighting and Signal Systems
597 Maintenance of Meters
598 Maintenance of Miscellaneous Distribution Plant

Operation and Maintenance Expense Accounts

Power Production Expenses

Steam Power Generation

(Operation)

500 Operation Supervision and Engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of steam power generating stations. Direct supervision of specific activities, such as fuel handling, boiler-room operations, and generator operations shall be charged to the appropriate account. (See § 1767.17 (a).)

501 Fuel

A. This account shall include the cost of fuel used in the production of steam for the generation of electricity, including expenses in unloading fuel from the shipping media and handling thereof up to the point where the fuel enters the first boiler plant bunker, hopper, bucket, tank, or holder of the boiler-house structure. Records shall be maintained to show the quantity, B.t.u. content and cost of each type of fuel used.

B. The cost of fuel shall be charged initially to Account 151, Fuel Stock, and cleared to this account on the basis of the fuel used. Fuel handling expenses may be charged to this account as incurred or charged initially to Account 152, Fuel Stock Expenses Undistributed. In the latter event, they shall be cleared to this account on the basis of the fuel used. Respective amounts of fuel stock and fuel stock expenses shall be readily available.

Items

Labor:

1. Supervising, purchasing, and handling of fuel.
2. All routine fuel analyses.
3. Unloading from shipping facility and placing in storage.
4. Moving of fuel in storage and transferring fuel from one station to another.
5. Handling from storage or shipping facility to first bunker, hopper, bucket, tank, or holder of boiler-house structure.
6. Operation of mechanical equipment, such as locomotives, trucks, cars, boats, barges, and cranes.

Materials and Expenses:

1. Operating, maintenance, and depreciation expenses and ad valorem taxes on utility-owned transportation equipment used to transport fuel from the point of acquisition to the unloading point.
2. Lease or rental costs of transportation equipment used to transport fuel from the point of acquisition to the unloading point.
3. Cost of fuel including freight, switching, demurrage, and other transportation charges.
4. Excise taxes, insurance, purchasing commissions, and similar items.
5. Stores expenses to extent applicable to fuel.
6. Transportation and other expenses in moving fuel in storage.
7. Tools, lubricants, and other supplies.
8. Operating supplies for mechanical equipment.
9. Residual disposal expenses less any proceeds from sale of residuals.

Note: Abnormal fuel handling expenses occasioned by emergency conditions shall be charged to expense as incurred.

502 Steam Expenses

This account shall include the cost of labor, materials used, and expenses incurred in production of steam for electric generation. This includes all expenses of handling and preparing fuel beginning at the point where the fuel enters the first boiler plant bunker, hopper, tank, or holder of the boiler-house structure.

Items

Labor:

1. Supervising steam production.
2. Operating fuel conveying, storage, weighing, and processing equipment within boiler plant.
3. Operating boiler and boiler auxiliary equipment.
4. Operating boiler feed water purification and treatment equipment.
5. Operating ash-collecting and disposal equipment located inside the plant.
6. Operating boiler plant electrical equipment.
7. Keeping boiler plant log and records and preparing reports on boiler plant operations.
8. Testing boiler water.
9. Testing, checking, and adjusting meters, gauges, and other instruments and equipment in boiler plant.
10. Cleaning boiler plant equipment when not incidental to maintenance work.
11. Repacking glands and replacing gauge glasses where the work involved is of a minor nature and is performed by

regular operating crews. Where the work is of a major character, such as that performed on high-pressure boilers, the item should be considered as maintenance.

Materials and Expenses:

1. Chemicals and boiler inspection fees.
2. Lubricants.
3. Boiler feed water purchased and pumping supplies.

503 Steam from Other Sources

This account shall include the cost of steam purchased or transferred from another department of the utility or from others under a joint facility operating arrangement for use in prime movers devoted to the production of electricity.

Note: The records shall be so kept as to show separately for each company from which stem is purchased, the point of delivery, the quantity, the price, and the total charge. When steam is transferred from another department or from others under a joint operating arrangement, the utility shall be prepared to show full details of the cost of producing such steam, the basis of the charge to electric generation, and the extent and manner of use by each department or party involved.

504 Steam Transferred—Credit

A. This account shall include credits for expenses of producing steam which are charged to others or to other utility departments under a joint operating arrangement. Include also credits for steam expenses chargeable to other electric accounts outside of the steam generation group. Full details of the basis of determination of the cost of steam transferred shall be maintained.

B. If the charges to others or to other departments of the utility include an amount for depreciation, taxes, and return on the joint steam facilities, such portion of the charge shall be credited, in the case of others, to Account 454, Rent from Electric Property, and in the case of other departments of the utility, to Account 455, Interdepartmental Rents.

505 Electric Expenses

This account shall include the cost of labor and materials used, and expenses incurred in operating prime movers, generators, and their auxiliary apparatus, switch gear, and other electric equipment to the points where electricity leaves for conversion for transmission or distribution.

Items

Labor:

1. Supervising electric production.
2. Operating turbines, engines, generators, and exciters.
3. Operating condensers, circulating water systems, and other auxiliary apparatus.
4. Operating generator cooling system.
5. Operating lubrication and oil control system, including oil purification.
6. Operating switchboards, switch gear and electric control, and protective equipment.
7. Keeping electric plant log and records and preparing reports on electric plant operations.
8. Testing, checking, and adjusting meters, gauges, and other instruments, relays, controls, and other equipment in the electric plant.
9. Cleaning electric plant equipment when not incidental to maintenance work.
10. Repacking glands and replacing gauge glasses.

Materials and Expenses:

1. Lubricants and control system oils.
2. Generator cooling gases.
3. Circulating water purification supplies.
4. Cooling water purchased.
5. Motor and generator brushes.

506 Miscellaneous Steam Power Expenses

This account shall include the cost of labor and materials used and expenses incurred which are not specifically provided for or not readily assignable to other steam generation operation expense accounts.

Items

Labor:

1. General clerical an stenographic work.
2. Guarding and patrolling plant and yard.
3. Building service.
4. Care of grounds including snow removal, and grass cutting.
5. Miscellaneous labor.

Materials and Expenses:

1. General operating supplies, such as tools, gaskets, packing waste, gauge glasses, hose, indicating lamps, record and report forms.
2. First-aid supplies and safety equipment.
3. Employees' service facilities expenses.
4. Building service supplies.
5. Communication service.
6. Miscellaneous office supplies and expenses, printing, and stationery.
7. Transportation expenses.
8. Meals, traveling, and incidental expenses.
9. Research, development, and demonstration expenses.

507 Rents

This account shall include all rents of property of others used, occupied or operated in connection with steam power generation. (See § 1767.17 (c).)

509 Allowances

This account shall include the cost of allowances expensed concurrent with the monthly emission of sulfur dioxide. (See § 1767.15 (u).)

(Maintenance)

510 Maintenance Supervision and Engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of steam generation facilities. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See § 1767.17 (a).)

511 Maintenance of Structures

This account shall include the cost of labor and materials used and expenses incurred in the maintenance of steam structures, the book cost of which is includible in Account 311, Structures and Improvements. (See § 1767.17 (b).)

512 Maintenance of Boiler Plant

A. This account shall include the cost of labor and materials used and expenses incurred in the maintenance of steam plant, the book cost of which is includible in Account 312, Boiler Plant Equipment. (See § 1767.17 (b).)

B. For the purpose of making charges hereto and to Account 513, Maintenance of Electric Plant, the point at which steam plant is distinguished from electric plant is defined as follows:

1. Inlet flange of throttle valve on prime mover.
2. Flange of all steam extraction lines on prime mover.
3. Hotwell pump outlet on condensate lines.
4. Inlet flange of all turbine-room auxiliaries.
5. Connection to line side of motor starter for all boiler-plant equipment.

513 Maintenance of Electric Plant

This account shall include the cost of labor and materials used and expenses incurred in the maintenance of electric plant, the book of which is includible in Account 313, Engines and Engine-Driven Generators; Account 314, Turbogenerator Units; and Account 315, Accessory Electric Equipment. (See § 1767.17 (b) and Paragraph B of Account 512.)

514 Maintenance of Miscellaneous Steam Plant

This account shall include the cost of labor and materials used and expenses incurred in maintenance of miscellaneous steam generation plant, the book cost of which is includible in Account 316, Miscellaneous Power Plant Equipment. (See § 1767.17 (b).)

Nuclear Power Generation

(Operation)

517 Operation Supervision and Engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of nuclear power generating stations. Direct supervision of specific activities, such as fuel handling, reactor operations, and generator operations shall be charged to the appropriate account. (See § 1767.17 (a).)

518 Nuclear Fuel Expense

A. This account shall be debited and Account 120.5, Accumulated Provision for Amortization of Nuclear Fuel Assemblies, credited for the amortization of the net cost of nuclear fuel assemblies used in the production of energy. The net cost of nuclear fuel assemblies subject to amortization shall be the cost of nuclear fuel assemblies plus or less the expected net salvage of uranium, plutonium, and other byproducts and unburned fuel. The utility shall adopt the necessary procedures to assure that charges to this account are distributed according to the thermal energy produced in such periods.

B. This account shall also include the costs involved when fuel is leased.

C. This account shall also include the cost of other fuels, used for ancillary steam facilities, including superheat.

D. This account shall be debited or credited as appropriate for significant changes in the amounts estimated as the net salvage value of uranium, plutonium, and other byproducts contained in Account 157, Nuclear Materials Held for Sale, and the amount realized upon the final disposition of the materials. Significant declines in the estimated realizable value of items carried in Account 157 may be recognized at the time of market price declines by charging this account and crediting Account 157. When the declining change occurs while the fuel is recorded in Account 120.3, Nuclear Fuel Assemblies in Reactor, the effect shall be amortized over the remaining life of the fuel.

519 Coolants and Water

This account shall include the cost of labor and materials used and expenses incurred for heat transfer materials and water used for steam and cooling purposes.

Items

Labor:

1. Operation of water supply facilities.
2. Handling of coolants and heat transfer materials.

Materials and Expenses:

1. Chemicals.
2. Additions to or refining of, fluids used in reactor systems.
3. Lubricants.
4. Pumping supplies and expenses.
5. Miscellaneous supplies and expenses.
6. Purchased Water.

Note: Do not include in this account water for general station use or the initial charge for coolants, heat transfer, or moderator fluids, chemicals, or other supplies capitalized.

520 Steam Expenses

This account shall include the cost of labor and materials used and expenses incurred in production of steam through nuclear processes, and similar expenses for operation of any auxiliary superheat facilities.

Items

Labor:

1. Supervising steam production.
2. Fuel handling including removal, insertion, disassembly, and preparation for cooling operations and shipment.
3. Testing instruments and gauges.
4. Health, safety, monitoring, and decontamination activities.
5. Waste disposal.
6. Operating steam boilers and auxiliary steam, superheat facilities.

Materials and Expenses:

1. Chemical supplies.
2. Charts, and logs.
3. Health, safety, monitoring, and decontamination supplies.
4. Boiler inspection fees.
5. Lubricants.

521 Steam from Other Sources

This account shall include the cost of steam purchased or transferred from another department of the utility or from others under a joint facility operating arrangement for use in prime movers devoted to the production of electricity.

Note: The records shall be so kept as to show separately for each company from which steam is purchased, the point of delivery, the quantity, the price, and the total charge. When steam is transferred from another operating department, the utility shall be prepared to show full details of the cost of producing such steam, the basis of the charges to electric generation, and the extent and manner of use by each department involved.

522 Steam Transferred—Credit

A. This account shall include credits for expenses of producing steam which are charged to others or to other utility departments under a joint operating arrangement. Include also credits for steam expenses chargeable to other electric accounts outside of the steam generation group. Full details of the basis of determination of the cost of steam transferred shall be maintained.

B. If the charges to others or to other departments of the utility include an amount for depreciation, taxes, and return on the joint steam facilities, such portion of the charge shall be credited in the case of others, to Account 454, Rent from Electric Property, and in the case of other departments of the utility, to Account 455, Interdepartmental Rents.

523 Electric Expenses

This account shall include the cost of labor, materials used, and expenses incurred in operating turbogenerators, steam turbines and their auxiliary apparatus, switch gear, and other electric equipment to the points where electricity leaves for conversion for transmission or distribution.

Items

Labor:

1. Supervising electric production.
2. Operating turbines, engines, generators, and exciters.
3. Operating condensers, circulating water systems, and other auxiliary apparatus.
4. Operating generator cooling system.
5. Operating lubrication and oil control system, including oil purification.
6. Operating switchboards, switch gear, and electric control and protective equipment.
7. Keeping plant log and records and preparing reports on electric plant operations.
8. Testing, checking and adjusting meters, gauges, and other instruments, relays, controls, and other equipment in the electric plant.
9. Cleaning electric plant equipment when not incidental to maintenance.
10. Repacking glands and replacing gauge glasses.

Materials and Expenses:

1. Lubricants and control system oils.
2. Generator cooling gases.
3. Log sheets and charts.
4. Motor and generator brushes.

524 Miscellaneous Nuclear Power Expenses

This account shall include the cost of labor, materials used, and expenses incurred which are not specifically provided for or are not readily assignable to other nuclear generation operation accounts.

Items

Labor:

1. General clerical and stenographic work.
2. Plant security.
3. Building service.
4. Care of grounds, including snow removal, and grass cutting
5. Miscellaneous labor.

Materials and Expenses:

1. General operating supplies, such as tools, gaskets, hose, indicating lamps, records and reports forms.
2. First-aid supplies and safety equipment.
3. Employees' service facilities expenses.
4. Building service supplies.
5. Communication service.
6. Miscellaneous office supplies and expenses, printing and stationery.
7. Transportation expenses.
8. Meals, traveling, and incidental expenses.
9. Research, development, and demonstration expenses.

525 Rents

This account shall include all rents of property of others used, occupied, or operated in connection with nuclear generation. (See § 1767.17 (c).)

(Maintenance)

528 Maintenance Supervision and Engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of nuclear generation facilities. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See § 1767.17 (a).)

529 Maintenance of Structures

This account shall include the cost of labor, materials used, and expenses incurred in the maintenance of structures, the book cost of which is includible in Account 321, Structures and Improvements. (See § 1767.17 (b).)

530 Maintenance of Reactor Plant Equipment

This account shall include the cost of labor, materials used, and expenses incurred in the maintenance of reactor plant, the book cost of which is includible in Account 322, Reactor Plant Equipment. (See § 1767.17 (b).)

531 Maintenance of Electric Plant

This account shall include the cost of labor, materials used, and expenses incurred in the maintenance of electric plant, the book cost of which is includible in Account 323, Turbogenerator Units, and Account 324, Accessory Electric Equipment. (See § 1767.17 (b).)

532 Maintenance of Miscellaneous Nuclear Plant

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of miscellaneous nuclear generating plant, the book cost of which is includible in Account 325, Miscellaneous Power Plant Equipment. (See § 1767.17 (b).)

Hydraulic Power Generation

(Operation)

535 Operation Supervision and Engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of hydraulic power generating stations. Direct supervision of specific activities, such as hydraulic operation, and generator operation shall be charged to the appropriate account. (See § 1767.17 (a).)

536 Water for Power

This account shall include the cost of water used for hydraulic power generation.

Items

1. Cost of water purchased from others, including water tolls paid reservoir companies.
2. Periodic payments for licenses or permits from any governmental agency for water rights, or payments based on the use of the water.
3. Periodic payments for riparian rights.
4. Periodic payments for headwater benefits or for detriments to others.
5. Cloud seeding.

537 Hydraulic Expenses

This account shall include the cost of labor, materials used, and expenses incurred in operating hydraulic works including reservoirs, dams, and waterways, and in activities directly relating to the hydroelectric development outside the generating station. It shall also include the cost of labor, materials used, and other expenses incurred in connection with the operation of (1) fish and wildlife, and (2) recreation facilities. Separate subaccounts shall be maintained for each of the above.

Items

Labor:

1. Supervising hydraulic operation.
2. Removing debris and ice from trash racks, reservoirs, and waterways.
3. Patrolling reservoirs and waterways.
4. Operating intakes, spillways, sluiceways, and outlet works.
5. Operating bubbler, heater, or other deicing systems.
6. Ice and log jam work.
7. Operating navigation facilities.
8. Operations relating to conservation of game, fish, and forests.
9. Insect control activities.

Materials and Expenses:

1. Insect control materials.
2. Lubricants, packing, and other supplies used in the operation of hydraulic equipment.
3. Transportation expense.

538 Electric Expenses

This account shall include the cost of labor, materials used, and expenses incurred in operating prime movers, generators, and their auxiliary apparatus, switchgear, and other electric equipment, to the point where electricity leaves for conversion for transmission or distribution.

Items

Labor:

1. Supervising electric production.
2. Operating prime movers, generators, and auxiliary equipment.
3. Operating generator cooling system.
4. Operating lubrication and oil control systems, including oil purification.
5. Operating switchboards, switchgear, and electric control and protection equipment.
6. Keeping plant log and records and preparing reports on plant operations.
7. Testing, checking and adjusting meters, gauges, and other instruments, relays, controls, and other equipment in the plant.
8. Cleaning plant equipment when not incidental to maintenance work.
9. Repacking glands.

Materials and Expenses:

1. Lubricants and control system oils.
2. Motor and generator brushes.

539 Miscellaneous Hydraulic Power Generation Expenses

This account shall include the cost of labor, materials used, and expenses incurred which are not specifically provided for or are not readily

assignable to other hydraulic generation operation expense accounts.

Items

Labor:

1. General clerical and stenographic work.
2. Guarding and patrolling plant and yard.
3. Building service.
4. Care of grounds including snow removal, and grass cutting.
5. Snow removal from roads and bridges.
6. Miscellaneous labor.

Materials and Expenses:

1. General operating supplies, such as tools, gaskets, packing, waste, hose, indicating lamps, record and report forms.
2. First-aid supplies and safety equipment.
3. Employees' service facilities expenses.
4. Building service supplies.
5. Communication service.
6. Office supplies, printing and stationery.
7. Transportation expenses.
8. Fuel.
9. Meals, traveling, and incidental expenses.
10. Research, development, and demonstration expenses.

540 Rents

This account shall include all rents of property of others used, occupied, or operated in connection with hydraulic power generation, including amounts payable to the United States for the occupancy of public lands and reservations for reservoirs, dams, flumes, forebays, penstocks, and power houses but not including transmission right-of-way. (See § 1767.17 (c).)

(Maintenance)

541 Maintenance Supervision and Engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the maintenance of hydraulic power generating stations. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See § 1767.17 (a).)

542 Maintenance of Structures

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of hydraulic structures, the book cost of which is includible in Account 331, Structures and Improvements. (See § 1767.17 (b).) However, the cost of labor, materials used, and expenses incurred in the maintenance of fish and wildlife and recreation facilities, the book cost of which is includible in Account 331, Structures and Improvements, shall be charged to Account 545, Maintenance of Miscellaneous Hydraulic Plant.

543 Maintenance of Reservoirs, Dams, and Waterways

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of plant includible in Account 332, Reservoirs, Dams, and Waterways. (See § 1767.17 (b).) However, the cost of labor, materials used, and expenses incurred in the maintenance of fish and wildlife and recreation facilities, the book cost of which is includible in Account 332, Reservoirs, Dams, and Waterways, shall be charged to Account 545, Maintenance of Miscellaneous Hydraulic Plant.

544 Maintenance of Electric Plant

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of plant includible in Account 333, Water Wheels, Turbines and Generators, and Account 334, Accessory Electric Equipment. (See § 1767.17 (b).)

545 Maintenance of Miscellaneous Hydraulic Plant

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of plant, the book cost of which is includible in Account 335, Miscellaneous Power Plant Equipment, and Account 336, Roads Railroads and Bridges. (See § 1767.17 (b).) It shall also include the cost of labor, materials used, and other expenses incurred in the maintenance of (1) fish and wildlife, and (2) recreation facilities. Separate subaccounts shall be maintained for each of the above.

Other Power Generation

(Operation)

546 Operation Supervision and Engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of other power generating stations. Direct supervision of specific activities, such as fuel handling and engine and generator operation shall be charged to the appropriate account. (See § 1767.17 (a).)

547 Fuel

This account shall include the cost delivered at the station (See Account 151, Fuel Stock) of all fuel, such as gas, oil, kerosene, and gasoline used in other power generation.

548 Generation Expenses

This account shall include the cost of labor, materials used, and expenses incurred in operating prime movers, generators, and electric equipment in other power generating stations, to the point where electricity leaves for conversion for transmission or distribution.

Items

Labor:

1. Supervising other power generation operation.
2. Operating prime movers, generators, and auxiliary apparatus and switching and other electric equipment.
3. Keeping plant log and records and preparing reports on plant operations.
4. Testing, checking, cleaning, oiling, and adjusting equipment.

Materials and Expenses:

1. Dynamo, motor, and generator brushes.
2. Lubricants and control system oils.
3. Water for cooling engines and generators.

549 Miscellaneous Other Power Generation Expenses

This account shall include the cost of labor, materials used, and expenses incurred in the operation of other power generating stations which are not specifically provided for or are not readily assignable to other generation expense accounts.

Items

Labor:

1. General clerical and stenographic work.
2. Guarding and patrolling plant and yard.
3. Building service.
4. Care of grounds, including snow removal, and grass cutting.
5. Miscellaneous labor.

Materials and Expenses:

1. Building service supplies.
2. First-aid supplies and safety equipment.
3. Communication service.
4. Employees' service facilities expenses.
5. Office supplies, printing and stationery.
6. Transportation expense.
7. Meals, traveling, and incidental expenses.
8. Fuel for heating.
9. Water for fire protection or general use.
10. Miscellaneous supplies, such as hand tools, drills, saw blades, and files.

11. Research, development, and demonstration expenses.

550 Rents

This account shall include all rents of property of others used, occupied, or operated in connection with other power generation. (See § 1767.17 (c).)

(Maintenance)

551 Maintenance Supervision and Engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the maintenance of other power generating stations. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See § 1767.17 (a).)

552 Maintenance of Structures

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of facilities used and expenses incurred in maintenance of facilities used in other power generation, the book cost of which is includible in Account 341, Structures and Improvements, and Account 342, Fuel Holders, Producers and Accessories. (See § 1767.17 (b).)

553 Maintenance of Generating and Electric Equipment

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of plant, the book cost of which is includible in Account 343, Prime Movers; Account 344, Generators; and Account 345, Accessory Electric Equipment. (See § 1767.17 (b).)

554 Maintenance of Miscellaneous Other Power Generation Plant

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of other power generation plant, the book cost of which is includible in Account 346, Miscellaneous Power Plant Equipment. (See § 1767.17 (b).)

Other Power Supply Expenses

555 Purchased Power

A. This account shall include the cost at point of receipt by the utility of electricity purchased for resale. It shall also include, net settlements for exchange of electricity or power, such as economy energy, off-peak energy for on-peak energy, and spinning reserve capacity. In addition, the account shall include the net settlements for transactions under pooling or interconnection agreements wherein there is a balancing of debits and credits for energy, or capacity. Distinct purchases and sales shall not be recorded as exchanges and net amounts only recorded merely because debit and credit amounts are combined in the voucher settlement.

B. The records supporting this account shall show, by months, the demands and demand charges, kilowatt-hours and prices thereof under each purchase contract and the charges and credits under each exchange or power pooling contract.

556 System Control and Load Dispatching

This account shall include the cost of labor and expenses incurred in load dispatching activities for system control. Utilities having an interconnected electric system or operating under a central authority which controls the production and dispatching of electricity may apportion these costs to this account and Account 561, Load Dispatching, and Account 581, Load Dispatching.

Items

Labor:

1. Allocating loads to plants and interconnections with others.
2. Directing switching.
3. Arranging and controlling clearances for construction, maintenance, test, and emergency purposes.
4. Controlling system voltages.
5. Recording loadings, and water conditions.
6. Preparing operating reports and data for billing and budget purposes.
7. Obtaining reports on the weather and special events.

Expenses:

1. Communication service provided for system control purposes.
2. System record and report forms.
3. Meals, traveling, and incidental expenses.
4. Obtaining weather and special events reports.

557 Other Expenses

A. This account shall be charged with any production expenses including expenses incurred directly in connection with the purchase of electricity, which are not specifically provided for in other production expense accounts. Charges to this account shall be supported so that a description of each type of charge will be readily available.

B. Recoveries from insurance companies, under use and occupancy provisions of policies, of amounts in reimbursement of excessive or added productions costs for which the insurance company is liable under the terms of the policy shall be credited to this account.

Transmission Expenses

(Operation)

560 Operation Supervision and Engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of the transmission system as a whole. Direct supervision of specific activities, such as station operation and line operation shall be charged to the appropriate account. (See § 1767.17 (a).)

561 Load Dispatching

This account shall include the cost of labor, materials used, and expenses incurred in load dispatching operations pertaining to the transmission of electricity.

Items

Labor:

1. Direct switching.
2. Arranging and controlling clearances for construction, maintenance, test, and emergency purposes.
3. Controlling system voltages.
4. Obtaining reports on the weather and special events.
5. Preparing operating reports and data for billing and budget purposes.

Expenses:

1. Communication service provided for system control purposes.
2. System record and report forms.
3. Meals, traveling, and incidental expenses.
4. Obtaining weather and special events reports.

562 Station Expenses

This account shall include the cost of labor, materials used, and expenses incurred in operating transmission substations and switching stations. If transmission station equipment is located in or adjacent to a generating station, the expenses applicable to transmission station operations shall nevertheless be charged to this account.

Items

Labor:

1. Supervising station operation.
2. Adjusting station equipment where such adjustment primarily affects performance, such as regulating the flow of cooling water, adjusting current in fields of a machine or changing voltage of regulators, changing station transformer taps.

3. Inspecting, testing, and calibrating station equipment for the purpose of checking its performance.
4. Keeping station log and records and preparing records on station operation.
5. Operating switching and other station equipment.
6. Standing watch, guarding, and patrolling station and station yard.
7. Sweeping, mopping, and tidying station.
8. Care of grounds, including snow removal, and grass cutting.

Materials and Expenses:

1. Building service expenses.
2. Operating supplies, such as lubricants, commutator brushes, water, and rubber goods.
3. Station meter and instrument supplies, such as ink and charts.
4. Station record and report forms.
5. Tool expense.
6. Transportation expenses.
7. Meals, traveling, and incidental expenses.

563 Overhead Line Expenses

564 Underground Line Expenses

A. These accounts shall include the cost of labor, materials used, and expenses incurred in the operation of transmission lines.

B. If the expenses are not substantial for both overhead and underground lines, these accounts may be combined.

Items

Labor:

1. Supervising line operation.
2. Inspecting and testing lightning arresters, circuit breakers, switches, and grounds.
3. Load tests of circuits.
4. Routine line patrolling.
5. Routine voltage surveys made to determine the condition or efficiency of transmission system.
6. Transferring loads, switching and reconnecting circuits and equipment for operating purposes. (Switching for construction or maintenance purposes is not includible in this account.)
7. Routine inspection and cleaning of manholes, conduit, network, and transformer vaults.
8. Electrolysis surveys.
9. Inspecting and adjusting line-testing equipment, such as voltmeters, ammeters, and wattmeters.
10. Regulation and addition of oil or gas in high-voltage cable systems.

Materials and Expenses:

1. Transportation expenses.
2. Meals, traveling, and incidental expenses.
3. Tool expenses.
4. Operating supplies, such as instrument charts, and rubber goods.

565 Transmission of Electricity by Others

This account shall include amounts payable to others for the transmission of the utility's electricity over transmission facilities owned by others.

566 Miscellaneous Transmission Expenses

This account shall include the cost of labor, materials used, and expenses incurred in transmission map and record work, transmission office expenses, and other transmission expenses not provided for elsewhere.

Items

Labor:

1. General records of physical characteristics of lines and stations, such as capacities.
2. Ground resistance records.
3. Janitor work at transmission office buildings, including care of grounds, snow removal, and grass cutting.
4. Joint pole maps and records.
5. Line load and voltage records.
6. Preparing maps and prints.
7. General clerical and stenographic work.
8. Miscellaneous labor.

Materials and Expenses:

1. Communication service.
2. Building service supplies.
3. Map and record supplies.
4. Transmission office supplies and expenses, printing and stationery.
5. First-aid supplies.
6. Research, development, and demonstration expenses.

567 Rents

This account shall include rents of property of others used, occupied, or operated in connection with the transmission system, including payments to the United States and others for use of public or private lands and reservations for transmission line rights-of-way. (See § 1767.17 (c).)

(Maintenance)

568 Maintenance Supervision and Engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of the transmission system. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See § 1767.17 (a).)

569 Maintenance of Structures

This account shall include the cost of labor, materials used, and expenses incurred in the maintenance of structures, the book cost of which is includible in Account 352, Structures and Improvements. (See § 1767.17 (b).)

570 Maintenance of Station Equipment

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of station equipment, the book cost of which is includible in Account 353, Station Equipment. (See § 1767.17 (b).)

571 Maintenance of Overhead Lines

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of transmission plant, the book cost of which is includible in Accounts 354, Towers and Fixtures; 355, Poles and Fixtures; 356, Overhead Conductors and Devices; and 359, Roads and Trails. (See § 1767.17 (b).)

Items

1. Work of the following character on poles, towers, and fixtures:

a. Installing or removing additional clamps or strain insulators on guys in place.
b. Moving line or guy pole in relocation of the same pole or section of line.
c. Painting poles, towers, crossarms, or pole extensions.
d. Readjusting and changing position of guys or braces.
e. Realigning and straightening poles, crossarms braces, and other pole fixtures.
f. Reconditioning reclaimed pole fixtures.
g. Relocating crossarms, racks, brackets, and other fixtures on poles.
h. Repairing or realigning pins, racks, or brackets.
i. Repairing pole supported platform.
j. Repairs by others to jointly owned poles.
k. Shaving, cutting rot, or testing poles or crossarms in use or salvaged for reuse.
l. Stubbing poles already in service.
m. Supporting fixtures and conductors and transferring them to new poles during pole replacements.
n. Maintenance of pole signs, stencils, and tags.

2. Work of the following character on overhead conductors and devices:

a. Overhauling and repairing line cutouts, line switches, and line breakers.
b. Cleaning insulators and bushings.
c. Refusing cutouts.
d. Repairing line oil circuit breakers and associated relays and control wiring.
e. Repairing grounds.
f. Resagging, retyping, or rearranging position or spacing of conductors.

g. Standing by phones, going to calls, cutting faulty lines clear, or similar activities at times of emergencies.
h. Sampling, testing, changing, purifying, and replenishing insulating oil.
i. Repairing line testing equipment.
j. Transferring loads, switching and reconnecting circuits and equipment for maintenance purposes.
k. Trimming trees and clearing brush.
l. Chemical treatment of right of way areas when occurring subsequent to construction of line.

3. Work of the following character on roads and trails:

a. Repairing roadways and bridges.
b. Trimming trees and brush to maintain previous roadway clearance.
c. Snow removal from roads and trails.
d. Maintenance work on publicly owned roads and trails when done by utility at its expense.

572 Maintenance of Underground Lines

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of transmission plant, the book cost of which is includible in Accounts 357, Underground Conduit, and Account 358, Underground Conductors and Devices. (See § 1767.17 (b).)

Items

1. Work of the following character on underground conduit:

a. Cleaning ducts, manholes, and sewer connections.
b. Minor alterations of handholes, manholes, or vaults.
c. Refastening, repairing, or moving racks, ladders, hangers in manholes, or vaults.
d. Plugging and shelving or replugging ducts.
e. Repairs to sewers and drains, walls and floors, rings and covers.

2. Work of the following character on underground conductors and devices:

a. Repairing oil circuit breakers, switches, cutouts, and control wiring.
b. Repairing grounds.
c. Retraining and reconnecting cables in manholes, including transfer of cables from one duct to another.
d. Repairing conductors and splices.
e. Repairing or moving junction boxes and potheads.
f. Refireproofing of cables and repairing supports.
g. Repairing electrolysis preventive devices for cables.
h. Repairing cable bonding systems.
i. Sampling, testing, changing, purifying, and replenishing insulating oil.
j. Transferring loads, switching and reconnecting circuits, and equipment for maintenance purposes.
k. Repairing line testing equipment.
l. Repairs to oil or gas equipment in high-voltage cable system and replacement of oil or gas.

573 Maintenance of Miscellaneous Transmission Plant

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of owned or leased plant which is assignable to transmission operations and is not provided for elsewhere. (See § 1767.17 (b).)

Distribution Expenses

(Operation)

580 Operation Supervision and Engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of the distribution system. Direct supervision of specific activities, such as station operation, line operation, and meter department operation shall be charged to the appropriate account. (See § 1767.17 (a).)

581 Load Dispatching

This account (the keeping of which is optional with the utility) shall include the cost of labor, materials used, and expenses incurred in load dispatching operations pertaining to the distribution of electricity.

Items

Labor:

1. Direct switching.
2. Arranging and controlling clearances for construction, maintenance, test, and emergency purposes.
3. Controlling system voltages.
4. Preparing operating reports.
5. Obtaining reports on the weather and special events.

Expenses:

1. Communication service provided for system control purposes.
2. System record and report forms.
3. Meals, traveling, and incidental expenses.

582 Station Expenses

This account shall include the cost of labor, materials used, and expenses incurred in the operation of distribution substations.

Items

Labor:

1. Supervising station operation.
2. Adjusting station equipment where such adjustment primarily affects performance, such as regulating the flow of cooling water, adjusting current in fields of a machine, changing voltage of regulators, or changing station transformer taps.
3. Keeping station log and records and preparing reports on station operation.
4. Inspecting, testing, and calibrating station equipment for the purpose of checking its performance.
5. Operating switching and other station equipment.
6. Standing watch, guarding, and patrolling station and station yard.
7. Sweeping, mopping, and tidying station.
8. Care of grounds, including snow removal, and grass cutting.

Materials and Expenses:

1. Building service expenses.
2. Operating, supplies, such as lubricants, commutator brushes, water, and rubber goods.
3. Station meter and instrument supplies, such as ink and charts.
4. Station record and report forms.
5. Tool expense.
6. Transportation expense.
7. Meals, traveling, and incidental expenses.

Note: If the utility owns storage battery equipment used for supplying electricity to customers in periods of emergency, the cost of operating labor and of supplies, such as acid, gloves, hydrometers, thermometers, soda, automatic cell fillers, and acid proof shoes shall be included in this account. If significant in amount, a separate subdivision shall be maintained for such expenses.

583 Overhead Line Expenses

584 Underground Line Expenses

These accounts shall include, respectively, the cost of labor materials used, and expenses incurred in the operation of overhead and underground distribution lines.

Items

Labor:

1. Supervising line operation.
2. Changing line transformer taps.
3. Inspecting and testing lightning arresters, line circuit breakers, switches, and grounds.
4. Inspecting and testing line transformers for the purpose of determining load, temperature, or operation performance.
5. Patrolling lines.
6. Load tests and voltage surveys of feeders, circuits, and line transformers.
7. Removing line transformers and voltage regulators with or without replacement.
8. Installing line transformers or voltage regulators with or without change in capacity provided that the cost of first installation of these items is

included in Account 368, Line Transformers.

9. Voltage surveys, either routine or upon request of customers, including voltage tests at customer's main switch.

10. Transferring loads, switching and reconnecting circuits and equipment for operation purposes.

11. Electrolysis surveys.

12. Inspecting and adjusting line testing equipment.

Materials and Expenses:

1. Tool expense.

2. Transportation expense.

3. Meals, traveling, and incidental expenses.

4. Operating supplies, such as instrument charts, and rubber goods.

585 Street Lighting and Signal System Expenses

This account shall include the cost of labor, materials used, and expenses incurred in: (1) The operation of street lighting and signal system plant which is owned or leased by the utility; and (2) the operation and maintenance of such plant owned by customers where such work is done regularly as a part of the street lighting and signal system service.

Items

Labor:

1. Supervising street lighting and signal systems operation.

2. Replacing lamps and incidental cleaning of glassware and fixtures in connection therewith.

3. Routine patrolling for lamp outages, extraneous nuisances, or encroachments.

4. Testing lines and equipment including voltage and current measurement.

5. Winding and inspection of time switch and other controls.

Materials and Expenses:

1. Street lamp renewals.

2. Transportation and tool expense.

3. Meals, traveling, and incidental expenses.

586 Meter Expenses

This account shall include the cost of labor, materials used, and expenses incurred in the operation of customer meters and associated equipment.

Items

Labor:

1. Supervising meter operation.

2. Clerical work on meter history and associated equipment record cards, test cards, and reports.

3. Disconnecting and reconnecting, removing and reinstalling, sealing and unsealing meters and other metering equipment in connection with initiating or terminating services including the cost of obtaining meter readings, if incidental to such operation.

4. Consolidating meter installations due to elimination of separate meters for different rates of service.

5. Changing or relocating meters, instrument transformers, time switches, and other metering equipment.

6. Resetting time controls, checking operation of demand meters and other metering equipment, when done as an independent operation.

7. Inspecting and adjusting meter testing equipment.

8. Inspecting and testing meters, instrument transformers, time switches, and other metering equipment on premises or in shops excluding inspecting and testing incidental to maintenance.

Materials and Expenses:

1. Meter seals and miscellaneous meter supplies.

2. Transportation expenses.

3. Meals, traveling, and incidental expenses.

4. Tool expenses.

Note: The cost of the first setting and testing of a meter is chargeable to utility plant, Account 370, Meters.

587 Customer Installations Expenses

This account shall include the cost of labor, materials used, and expenses incurred in work on customer installations in inspecting premises and in rendering services to customers of the nature of those indicated by the list of items hereunder.

Items

Labor:

1. Supervising customer installations work.

2. Inspecting premises, including the check of wiring for code compliance.

3. Investigating, locating, and clearing grounds on customers' wiring.

4. Investigating service complaints, including load tests of motors and lighting and power circuits on customers' premises; field investigations of complaints on bills or of voltage.

5. Installing, removing, renewing, and changing lamps and fuses.

6. Radio, television, and similar interference work including erection of new aerials on customers' premises and patrolling of lines, testing of lightning arresters, inspection of pole hardware, and examination on or off premises of customers' appliances, wiring, or equipment to locate cause of interference.

7. Installing, connecting, reinstalling, or removing leased property on customers' premises.

8. Testing, adjusting, and repairing customers' fixtures and appliances in the shop or on premises.

9. Cost of changing customers' equipment due to changes in service characteristics.

10. Investigation of current diversion including setting and removal of check meters and securing special readings thereon; special calls by employees in connection with discovery and settlement of current diversion; changes in customer wiring; and any other labor cost identifiable as caused by current diversion.

Materials and Expenses:

1. Lamp and fuse renewals.

2. Materials used in servicing customers' fixtures, appliances, and equipment.

3. Power, light, heat, telephone, and other expenses of the appliance repair department.

4. Tool expense.

5. Transportation expense, including pickup and delivery charges.

6. Meals, traveling, and incidental expenses.

7. Rewards paid for discovery of current diversion.

Note A: Amounts billed customers for any work, the cost of which is charged to this account, shall be credited to this account. Any excess over costs resulting therefrom, shall be transferred to Account 451, Miscellaneous Service Revenues.

Note B: Do not include in this account expenses incurred in connection with merchandising, jobbing, and contract work.

588 Miscellaneous Distribution Expenses

This account shall include the cost of labor, materials used, and expenses incurred in distribution system operation not provided for elsewhere.

Items

Labor:

1. General records of physical characteristics of lines and substations, such as capacities.

2. Ground resistance records.

3. Joint pole maps and records.

4. Distribution system voltage and load records.

5. Preparing maps and prints.

6. Service interruption and trouble records.

7. General clerical and stenographic work except that chargeable to Account 586, Meter Expenses.

Expenses:

1. Operating records covering poles, transformers, manholes, cables, and other distribution facilities. Exclude meter records chargeable to Account 586, Meter Expenses, and station

records chargeable to Account 582, Station Expenses, and stores records chargeable to Account 163, Stores Expense Undistributed.

2. Janitor work at distribution office buildings including snow removal and grass cutting.

3. Communication service.

4. Building service expenses.

5. Miscellaneous office supplies and expenses, printing and stationery, maps and records, and first-aid supplies.

6. Research, development, and demonstration expenses.

589 Rents

This account shall include rents of property of others used, occupied, or operated in connection with the distribution system, including payments to the United States and others for the use and occupancy of public lands and reservations for distribution line rights of way. (See § 1767.17 (c).)

(Maintenance)

590 Maintenance Supervision and Engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of the distribution system. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See § 1767.17 (a).)

591 Maintenance of Structures

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of structures, the book cost of which is includible in Account 361, Structures and Improvements. (See § 1767.17 (b).)

592 Maintenance of Station Equipment

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of plant, the book cost of which is includible in Account 362, Station Equipment, and Account 363, Storage Battery Equipment. (See § 1767.17 (b).)

593 Maintenance of Overhead Lines

This account shall include the cost of labor, materials used, and expenses incurred in the maintenance of overhead distribution line facilities, the book cost of which is includible in Account 364, Poles, Towers and Fixtures; Account 365, Overhead Conductors and Devices; and Account 369, Services. (See § 1767.17 (b).)

Items

1. Work of the following character on poles, towers, and fixtures:

a. Installing additional clamps or removing clamps or strain insulators on guys in place.

b. Moving line or guy pole in relocation of pole or section of line.

c. Painting poles, towers, crossarms, or pole extensions.

d. Readjusting and changing position of guys or braces.

e. Realigning and straightening poles, crossarms, braces, pins, racks, brackets, and other pole fixtures.

f. Reconditioning reclaimed pole fixtures.

g. Relocating crossarms, racks, brackets, and other fixtures on poles.

h. Repairing pole supported platform.

i. Repairs by others to jointly owned poles.

j. Shaving, cutting rot, or treating poles or crossarms in use or salvaged for reuse.

k. Stubbing poles already in service.

l. Supporting conductors, transformers, and other fixtures and transferring them to new poles during pole replacements.

m. Maintaining pole signs, stencils, and tags.

2. Work of the following character on overhead conductors and devices:

a. Overhauling and repairing line cutouts, line switches, line breakers, and capacitor installations.

b. Cleaning insulators and bushings.

c. Refusing line cutouts.

d. Repairing line oil circuit breakers and associated relays and control wiring.

e. Repairing grounds.

f. Resagging, retying, or rearranging position or spacing of conductors.

g. Standing by phones, going to calls, cutting faulty lines clear, or similar activities at times of emergency.

h. Sampling, testing, changing, purifying, and replenishing insulating oil.

i. Transferring loads, switching, and reconnecting circuits and equipment for maintenance purposes.

j. Repairing line testing equipment.

k. Trimming trees and clearing brush.

l. Chemical treatment of right-of-way area when occurring subsequent to construction of line.

3. Work of the following character on overhead services:

a. Moving position of service either on pole or on customers' premises.

b. Pulling slack in service wire.

c. Retying service wire.

d. Refastening or tightening service bracket.

594 Maintenance of Underground Lines

This account shall include the cost of labor, materials used, and expenses incurred in the maintenance of underground distribution line facilities, the book cost of which is includible in Account 366, Underground Conduit; Account 367, Underground Conductors and Devices; and Account 369, Services. (See § 1767.17 (b).)

Items

1. Work of the following character on underground conduit:

a. Cleaning ducts, manholes, and sewer connections.

b. Moving or changing position of conduit or pipe.

c. Minor alterations of handholes, manholes, or vaults.

d. Refastening, repairing, or moving racks, ladders, or hangers in manholes or vaults.

e. Plugging and shelving ducts.

f. Repairs to sewers, drains, walls, and floors, rings, and covers.

2. Work of the following character on underground conductors and devices:

a. Repairing circuit breakers, switches, cutouts, network protectors, and associated relays and control wiring.

b. Repairing grounds.

c. Retraining and reconnecting cables in manholes including transfer of cables from one duct to another.

d. Repairing conductors and splices.

e. Repairing or moving junction boxes and potheads.

f. Refireproofing cables and repairing supports.

g. Repairing electrolysis preventive devices for cables.

h. Repairing cable bonding systems.

i. Sampling, testing, changing, purifying, and replenishing insulating oil.

j. Transferring loads, switching and reconnecting circuits and equipment for maintenance purposes.

k. Repairing line testing equipment.

l. Repairing oil or gas equipment in high voltage cable systems and replacement of oil or gas.

3. Work of the following character on underground services:

a. Cleaning ducts.

b. Repairing any underground service plant.

595 Maintenance of Line Transformers

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of distribution line transformers, the book cost of which is includible in Account 368, Line Transformers. (See § 1767.17 (b).)

596 Maintenance of Street Lighting and Signal Systems

This account shall include the cost of labor, materials used, and expenses

incurred in maintenance of plant, the book cost of which is includible in Account 373, Street Lighting and Signal Systems. (See § 1767.17 (b).)

597 Maintenance of Meters

This account shall include the cost of labor, materials used, and expenses incurred in the maintenance of meters and meter testing equipment, the book cost of which is includible in Account 370, Meters, and Account 395, Laboratory Equipment, respectively. (See § 1767.17 (b).)

598 Maintenance of Miscellaneous Distribution Plant

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of plant, the book cost of which is includible in Accounts 371, Installations on Customers' Premises, and Account 372, Leased Property on Customers' Premises, and any other plant the maintenance of which is assignable to the distribution function and is not provided for elsewhere. (See § 1767.17 (b).)

Items

1. Work of similar nature to that listed in other distribution maintenance accounts.
2. Maintenance of office furniture and equipment used by distribution system department.

§ 1767.28 Customer accounts expenses.

The customer accounts expense accounts identified in this section shall be used by all REA borrowers.

Customer Accounts Expenses

(Operation)

901 Supervision
902 Meter Reading Expenses
903 Customer Records and Collection Expenses
904 Uncollectible Accounts
905 Miscellaneous Customer Accounts Expenses

Customer Accounts Expenses

(Operation)

901 Supervision

This account shall include the cost of labor and expenses incurred in the general direction and supervision of customer accounting and collecting activities. Direct supervision of a specific activity shall be charged to Account 902, Meter Reading Expenses, or Account 903, Customer Records and Collection Expenses, as appropriate. (See 1767.17 (a).)

902 Meter Reading Expenses

This account shall include the cost of labor, materials used, and expenses incurred in reading customer meters, and determining consumption when performed by employees engaged in reading meters.

Items

Labor:

1. Addressing forms for obtaining meter readings by mail.
2. Changing and collecting meter charts used for billing purposes.
3. Inspecting time clocks and checking seals when performed by meter readers and the work represents a minor activity incidental to regular meter reading routine.
4. Reading meters, including demand meters, and obtaining load information for billing purposes. Exclude and charge to Account 586, Meter Expenses, or to Account 903, Customer Records and Collection Expenses, as applicable, the cost of obtaining meter readings, first and final, if incidental to the operation of removing or resetting, sealing or locking, and disconnecting or reconnecting meters.
5. Computing consumption from meter reader's book or from reports by mail when done by employees engaged in reading meters.
6. Collecting from prepayment meters when incidental to meter reading.
7. Maintaining record of customers' keys.
8. Computing estimated or average consumption when performed by employees engaged in reading meters.

Materials and Expenses:

1. Badges, lamps, and uniforms.
2. Demand charts, meter books and binders and forms for recording readings, but not the cost of preparation.
3. Postage and supplies used in obtaining meter readings my mail.
4. Transportation, meals, and incidental expenses.

903 Customer Records and Collection Expenses

This account shall include the cost of labor, materials used, and expenses incurred in work on customer applications, contracts, orders, credit investigations, billing and accounting, collections and complaints.

Items

Labor:

1. Receiving, preparing, recording, and handling routine orders for service, disconnections, transfers or meter tests initiated by the customer, excluding the cost of carrying out such orders, which is chargeable to the account appropriate for the work called for by such orders.
2. Investigations of customers' credit and keeping of records pertaining thereto, including records of uncollectible accounts written off.
3. Receiving, refunding, or applying customer deposits and maintaining customer deposit, line extension, and other miscellaneous records.
4. Checking consumption shown by meter readers' reports where incidental to preparation of billing date.
5. Preparing address plates and addressing bills and delinquent notices.
6. Preparing billing data.
7. Operating billing and bookkeeping machines.
8. Verifying billing records with contracts or rate schedules.
9. Preparing bills for delivery and mailing or delivering bills.
10. Collecting revenues, including collection from prepayment meters, unless incidental to meter-reading operations.
11. Balancing collections, preparing collections for deposit, and preparing cash reports.
12. Posting collections and other credits or charges to customer accounts and extending unpaid balances.
13. Balancing customer accounts and controls.
14. Preparing, mailing, or delivering delinquent notices and preparing reports of delinquent accounts.
15. Final meter reading of delinquent accounts when done by collectors incidental to regular activities.
16. Disconnecting and reconnecting service because of nonpayment bills.
17. Receiving, recording, and handling of inquiries, complaints, and requests for investigations from customers, including preparation of necessary orders, but excluding the cost of carrying out such orders, which is chargeable to the account appropriate for the work called for by such orders.
18. Statistical and tabulating work on customer accounts and revenues, but not including special analyses for sales department, rate department, or other general purposes, unless incidental to regular customer accounting routines.
19. Preparing and periodically rewriting meter reading sheets.
20. Determining consumption and computing estimated or average consumption when performed by employees other than those engaged in reading meters.

Materials and Expenses:

1. Address plates and supplies.
2. Cash overages and shortages.
3. Commissions or fees to others for collecting.
4. Payments to credit organizations for investigations and reports.
5. Postage.
6. Transportation expenses, including transportation of customer bills and

meter books under centralized billing procedures.

7. Transportation, meals, and incidental expenses.

8. Bank charges, exchange, and other fees for cashing and depositing customers' checks.

9. Forms for recording orders for services, or removals.

10. Rent of mechanical equipment.

Note: The cost of work on meter history and meter location records is chargeable to Account 586, Meter Expenses.

904 Uncollectible Accounts

This amount shall be charged with amounts sufficient to provide for losses from uncollectible utility revenues. Concurrent credits shall be made to Account 144, Accumulated Provision for Uncollectible Accounts—Credit. Losses from uncollectible accounts shall be charged to Account 144.

905 Miscellaneous Customer Accounts Expenses

This account shall include the cost of labor, materials used, and expenses incurred not provided for in other accounts.

Items

Labor:

1. General clerical and stenographic work.

2. Miscellaneous labor.

Materials and Expenses:

1. Communication service.

2. Miscellaneous office supplies and expenses and stationery and printing other than those specifically provided for in Account 902 and Account 903.

§ 1767.29 Customer service and informational expenses.

The customer service and informational expense accounts identified in this section shall be used by all REA borrowers.

Customer Service and Informational Expenses

(Operation)

907 Supervision
908 Customer Assistance Expenses
909 Informational and Instructional Advertising Expenses
910 Miscellaneous Customer Service and Informational Expenses

Customer Service and Informational Expenses

(Operation)

907 Supervision

This account shall include the cost of labor and expenses incurred in the general direction and supervision of customer service activities, the object of which is to encourage safe, efficient, and economical use of the utility's service. Direct supervision of a specific activity within customer service and informational expense classification shall be charged to the account wherein the costs of such activity are included. (See § 1767.17 (a).)

908 Customer Assistance Expenses

This account shall include the cost of labor, materials used, and expenses incurred in providing instructions or assistance to customers, the object of which is to encourage safe, efficient, and economical use of the utility's service.

Items

Labor:

1. Direct supervision of department.

2. Processing customer inquiries relating to the proper use of electric equipment, the replacement of such equipment, and information related to such equipment.

3. Advice directed to customers as to how they may achieve the most efficient and safest use of electric equipment.

4. Demonstrations, exhibits, lectures, and other programs designed to instruct customers in the safe, economical, or efficient use of electric service, and/or oriented toward conservation of energy.

5. Engineering and technical advice to customers, the object of which is to promote safe, efficient, and economical use of the utility's service.

Materials and Expenses:

1. Supplies and expenses pertaining to demonstrations, exhibits, lectures, and other programs.

2. Loss in value on equipment and appliances used for customer assistance programs.

3. Office supplies and expenses.

4. Transportation, meals, and incidental expenses.

Note: Do not include in this account expenses that are provided for elsewhere, such as Accounts 416, Costs and Expenses of Merchandising, Jobbing, and Contract Work; 587, Customer Installations Expenses; and 912, Demonstrating and Selling Expenses.

909 Informational and Instructional Advertising Expenses

This account shall include the cost of labor, materials used, and expenses incurred in activities which primarily convey information as to what the utility urges or suggests customers should do in utilizing electric service to protect health and safety, to encourage environmental protection, to utilize their electric equipment safely and economically, or to conserve electric energy.

Items

Labor:

1. Direct supervision of information activities.

2. Preparing informational materials for newspapers, periodicals, and billboards and preparing and conducting informational motion pictures, radio and television programs.

3. Preparing informational booklets and bulletins used in direct mailings.

4. Preparing informational window and other displays.

5. Employing agencies, selecting media, and conducting negotiations in connection with the placement and subject matter of information programs.

Materials and Expenses:

1. Use of newspapers, periodicals, billboards, and radio for informational purposes.

2. Postage on direct mailings to customers exclusive of postage related to billings.

3. Printing of informational booklets, dodgers, and bulletins.

4. Supplies and expenses in preparing informational materials by the utility.

5. Office supplies and expenses.

Note A: Exclude from this account and charge to Account 930.2, Miscellaneous General Expenses, the cost of publication of stockholder reports, dividend notices, bond redemption notices, financial statements, and other notices of a general corporate character. Also exclude all expenses of a promotional, institutional, goodwill, or political nature, which are includible in such accounts as 913, Advertising Expenses; 930.1, General Advertising Expenses; and 426.4, Expenditures for Certain Civic, Political and Related Activities.

Note B: Entries relating to informational advertising included in this account shall contain or refer to supporting documents which identify the specific advertising message. If references are used, copies of the advertising message shall be readily available.

910 Miscellaneous Customer Service and Informational Expenses

This account shall include the cost of labor, materials used, and expenses incurred in connection with customer service and informational activities which are not includible in other customer information expense accounts.

Items

Labor:

1. General clerical and stenographic work not assigned to specific customer service and informational programs.

2. Miscellaneous labor.

Materials and Expenses:

1. Communication service.

2. Printing, postage, and office supplies expenses.

§ 1767.30 Sales expenses.

The sales expense accounts identified in this section shall be used by all REA borrowers.

Sales Expenses

(Operation)

911 Supervision
912 Demonstrating and Selling Expenses
913 Advertising Expenses
916 Miscellaneous Sales Expenses

Sales Expenses

(Operation)

911 Supervision

This account shall include the cost of labor and expenses incurred in the general direction and supervision of sales activities, except merchandising. Direct supervision of a specific activity, such as demonstrating, selling, or advertising shall be charged to the account wherein the costs of such activity are included. (See § 1767.17 (a).)

912 Demonstrating and Selling Expenses

This account shall include the cost of labor, materials used, and expenses incurred in promotional, demonstrating, and selling activities, except by merchandising, the object of which is to promote or retain the use of utility services by present and prospective customers.

Items

Labor:

1. Demonstrating uses of utility services.
2. Conducting cooking schools, preparing recipes, and related home service activities.
3. Exhibitions, displays, lectures, and other programs designed to promote use of utility services.
4. Experimental and development work in connection with new and improved appliances and equipment, prior to general public acceptance.
5. Solicitation of new customers or of additional business from old customers, including commissions paid employees.
6. Engineering and technical advice to present or prospective customers in connection with promoting or retaining the use of utility services.
7. Special customer canvasses when their primary purpose is the retention of business or the promotion of new business.

Materials and Expenses:

1. Supplies and expenses pertaining to demonstration, experimental, and development activities.
2. Booth and temporary space rental.
3. Loss in value on equipment and appliances used for demonstration purposes.
4. Transportation, meals, and incidental expenses.

913 Advertising Expenses

This account shall include the cost of labor, materials used, and expenses incurred in advertising designed to promote or retain the use of utility service, except advertising the sale of merchandise by the utility.

Items

Labor:

1. Direct supervision of department.
2. Preparing advertising material for newspapers, periodicals, and billboards, and preparing and conducting motion pictures, radio, and television programs.
3. Preparing booklets and bulletins used in direct mail advertising.
4. Preparing window and other displays.
5. Clerical and stenographic work.
6. Investigating advertising agencies and media and conducting negotiations in connection with the placement and subject matter of sales advertising.

Materials and Expenses:

1. Advertising in newspapers, periodicals, billboards, and radio for sales promotion purposes, but not including institutional or goodwill advertising includible in Account 930.1, General Advertising Expenses.
2. Materials and services given as prizes or otherwise in connection with civic lighting contests, canning, or cooking contests, and bazaars in order to publicize and promote the use of utility services.
3. Fees and expenses of advertising agencies and commercial artists.
4. Novelties for general distribution.
5. Postage on direct mail advertising.
6. Premiums distributed generally, such as recipe books when not offered as inducement to purchase appliances.
7. Printing booklets, dodgers, and bulletins.
8. Supplies and expenses in preparing advertising material.
9. Office supplies and expenses.

Note A: The cost of advertisements which set forth the value or advantages of utility service without reference to specific appliances, or, if reference is made to appliances, invites the reader to purchase appliances from his dealer or refer to appliances not carried for sale by the utility, shall be considered sales promotion advertising and charged to this account. However, advertisements which are limited to specific makes of appliances sold by the utility and price and terms, thereof, without referring to the value or advantages of utility service, shall be considered as merchandise advertising and the cost shall be charged to Costs and Expenses of Merchandising, Jobbing and Contract Work, Account 416.

Note B: Advertisements which substantially mention or refer to the value or advantages of utility service, together with specific reference to makes of appliance sold by the utility and the price, and terms, thereof, and designed for the joint purpose of increasing the use of utility service and the sales of appliances, shall be considered as a combination advertisement and the costs shall be distributed between this account and Account 416 on the basis of space, time, or other proportional factors.

Note C: Exclude from this account and charge to Account 930.2, Miscellaneous General Expenses, the cost of publication of stockholder reports, dividend notices, bond redemption notices, financial statements, and other notices of a general corporate character. Also exclude all institutional or goodwill advertising. (See Account 930.1, General Advertising Expenses.)

916 Miscellaneous Sales Expenses

This account shall include the cost of labor, materials used, and expenses incurred in connection with sales activities, except merchandising, which are not includible in other sales expense accounts.

Items

Labor:

1. General clerical and stenographic work not assigned to specific functions.
2. Special analysis of customer accounts and other statistical work for sales purposes not a part of the regular customer accounting and billing routine.
3. Miscellaneous labor.

Materials and Expenses:

1. Communication service.
2. Printing, postage, office supplies, and expenses applicable to sales activities, except those chargeable to Account 913, Advertising Expenses.

§ 1767.31 Administrative and general expenses.

The administrative and general expense accounts identified in this section shall be used by all REA borrowers.

Administrative and General

(Operation)

920 Administrative and General Salaries
921 Office Supplies and Expenses
922 Administrative Expenses Transferred—Credit
923 Outside Services Employed
924 Property Insurance
925 Injuries and Damages
926 Employee Pensions and Benefits
927 Franchise Requirements
928 Regulatory Commission Expenses
929 Duplicate Charges—Credit
930.1 General Advertising Expenses
930.2 Miscellaneous General Expenses
931 Rents

(Maintenance)

935 Maintenance of General Plant

Administrative and General

(Operation)

920 Administrative and General Salaries

A. This account shall include the compensation (salaries, bonuses, and other consideration for services, but not including directors' fees) of officers, executives, and other employees of the utility properly chargeable to utility operations and not chargeable directly to a particular operating function.

B. This account may be subdivided in accordance with a classification appropriate to the departmental or other functional organization of the utility.

921 Office Supplies and Expenses

A. This account shall include office supplies and expenses incurred in connection with the general administration of the utility's operations which are assignable to specific administrative or general departments and are not specifically provided for in other accounts. This includes the expenses of the various administrative and general departments, the salaries and wages of which are includible in Account 920.

B. This account may be subdivided in accordance with a classification appropriate to the departmental or other functional organization of the utility.

Note: Office expenses which are clearly applicable to any category of operating expenses other than the administrative and general category shall be included in the appropriate account in such category. Further, general expenses which apply to the utility as a whole rather than to a particular administrative function, shall be included in Account 930.2, Miscellaneous General Expenses.

Items

1. Automobile service, including charges through clearing account.
2. Bank messenger and service charges.
3. Books, periodicals, bulletins, and subscriptions to newspapers, newsletters, and tax services.
4. Building service expenses for customer accounts, sales, and administrative and general purposes.
5. Communication service expenses.
6. Cost of individual items of office equipment used by general departments which are of small value or short life.
7. Membership fees and dues in trade, technical, and professional associations paid by a utility for employees. (Company memberships are includible in Account 930.2.)
8. Office supplies and expenses.
9. Payment of court costs, witness fees, and other expenses of legal department.
10. Postage, printing, and stationery.
11. Meals, traveling, and incidental expenses.

922 Administrative Expenses Transferred—Credit

This account shall be credited with administrative expenses recorded in Account 920 and Account 921 which are transferred to construction costs or to nonutility accounts. (See § 1767.16 (d).)

923 Outside Services Employed

A. This account shall include the fees and expenses of professional consultants and others for general services which are not applicable to a particular operating function or other accounts. It shall include also the pay and expenses of persons engaged for a special or temporary administrative or general purpose in circumstances where the person so engaged is not considered as an employee of the utility.

B. This account shall be so maintained as to permit ready summarization according to the nature of service and the person furnishing the same.

Items

1. Fees, pay, and expenses of accountants and auditors, actuaries, appraisers, attorneys, engineering consultants, management consultants, negotiators, public relations counsel, and tax consultants.
2. Supervision fees and expenses paid under contracts for general management services.

Note: Do not include inspection and brokerage fees and commissions chargeable to other accounts or fees and expenses in connection with security issues which are includible in the expenses of issuing securities.

924 Property Insurance

A. This account shall include the cost of insurance or reserve accruals to protect the utility against losses and damages to owned or leased property used in its utility operations. It shall also include the cost of labor and related supplies and expenses incurred in property insurance activities.

B. Recoveries from insurance companies or others for property damages shall be credited to the account charged with the cost of the damage. If the damaged property has been retired, the credit shall be to the appropriate account for accumulated provision for depreciation.

C. Records shall be kept so as to show the amount of coverage for each class of insurance carried, the property covered, and the applicable premiums. Any dividends distributed by mutual insurance companies shall be credited to the accounts to which the insurance premiums were charged.

Items

1. Premiums payable to insurance companies for fire, storm, burglary, boiler explosion, lightning, fidelity, riot, and similar insurance.
2. Amounts credited to Account 228.1, Accumulated Provision for Property Insurance, for similar protection.
3. Special costs incurred in procuring insurance.
4. Insurance inspection service.
5. Insurance counsel, brokerage fees, and expenses.

Note A: The cost of insurance or reserve accruals capitalized, shall be charged to construction either directly or by transfer to construction work orders from this account.

Note B: The cost of insurance or reserve accruals for the following classes of property shall be charged as indicated.

1. Materials, supplies, and stores equipment to Account 163, Stores Expense Undistributed, or appropriate materials account.
2. Transportation and other general equipment to appropriate clearing accounts that may be maintained.
3. Electric plant leased to others to Account 413, Expenses of Electric Plant Leased to Others.
4. Nonutility property to the appropriate nonutility income account.
5. Merchandise and jobbing property to Account 416, Costs and Expenses of Merchandising, Jobbing and Contract Work.

Note C: The cost of labor and related supplies and expenses of administrative and general employees who are only incidentally engaged in property insurance work may be included in Account 920 and Account 921, as appropriate.

925 Injuries and Damages

A. This account shall include the cost of insurance or reserve accruals to protect the utility against injuries and damages claims of employees or others, losses of such character not covered by insurance, and expenses incurred in settlement of injuries and damages claims. It shall also include the cost of labor, related supplies, and expenses incurred in injuries and damages activities.

B. Reimbursements from insurance companies or others for expenses charged hereto on account of injuries, damages, and insurance dividends or refunds shall be credited to this account.

Items

1. Premiums payable to insurance companies for protection against claims from injuries and damages by

employees or others, such as public liability, property damages, casualty, employee liability, etc., and amounts credited to Account 228.2, Accumulated Provision for Injuries and Damage, for similar protection.

2. Losses not covered by insurance or reserve accruals on account of injuries or deaths to employees or others and damages to the property of others.

3. Fees and expenses of claim investigators.

4. Payment of awards to claimants for court costs and attorneys' services.

5. Medical and hospital service and expenses for employees as the result of occupational injuries or resulting from claims of others.

6. Compensation payments under workmen's compensation laws.

7. Compensation paid while incapacitated as the result of occupational injuries. (See Note A.)

8. Cost of safety, accident prevention, and similar educational activities.

Note A: Payments to or in behalf of employees for accident or death benefits, hospital expenses, medical expenses, or for salaries while incapacitated for service or on leave of absence beyond periods normally allowed, when not the result of occupational injuries, shall be charged to Account 926, Employee Pensions and Benefits. (See also Note B of Account 926.)

Note B: The cost of injuries and damages or reserve accruals capitalized shall be charged to construction directly or by transfer to construction work orders from this account.

Note C: Exclude herefrom the time and expenses of employees (except those engaged in injuries and damages activities) spent in attendance at safety and accident prevention educational meetings, if occurring during the regular work period.

Note D: The cost of labor and related supplies and expenses of administrative and general employees who are only incidentally engaged in injuries and damages activities, may be included in Account 920 and Account 921, as appropriate.

926 Employee Pensions and Benefits

A. This account shall include pensions paid to or on behalf of retired employees or accruals to provide for pensions or payments for the purchase of annuities for this purpose, when the utility has definitely, by contract, committed itself to a pension plan under which the pension funds are irrevocably devoted to pension purposes and payments for employee accident, sickness, hospital, and death benefits, or insurance therefor. Include, also, expenses incurred in medical, educational, or recreational activities for the benefit of employees and administrative expenses in connection with employee pensions and benefits.

B. The utility shall maintain a complete record of accruals or payments for pensions and be prepared to furnish full information to REA of the plan under which it has created or proposes to create a pension fund and a copy of the declaration of trust or resolution under which the pension plan is established.

C. There shall be credited to this account the portion of pensions and benefits expenses which is applicable to nonutility operations or which is charged to construction unless such amounts are distributed directly to the accounts involved and are not included herein in the first instance.

D. Records in support of this account shall be so kept that the total pensions expense, the total benefits expense, the administrative expenses included herein, and the amounts of pensions and benefits expenses transferred to construction or other accounts will be readily available.

Items

1. Payment of pensions under a nonaccrual or nonfunded basis.

2. Accruals for or payments to pension funds or to insurance companies for pension purposes.

3. Group and life insurance premiums (credit dividends received).

4. Payments for medical and hospital services and expenses of employees when not the result of occupational injuries.

5. Payments for accident, sickness, hospital, and death benefits or insurance.

6. Payments to employees incapacitated for service or on leave of absence beyond periods normally allowed when not the result of occupational injuries or in excess of statutory awards.

7. Expenses in connection with educational and recreational activities for the benefit of employees.

Note A: The cost of labor and related supplies and expenses of administrative and general employees who are only incidentally engaged in employee pension and benefit activities may be included in Account 920 and Account 921, as appropriate.

Note B: Salaries paid to employees during periods of nonoccupational sickness may be charged to the appropriate labor account rather than to employee benefits.

927 Franchise Requirements

A. This account shall include payments to municipal or other governmental authorities and the cost of materials, supplies, and services furnished such authorities without reimbursement in compliance with franchise, ordinance, or similar requirements; provided, however, that the utility may charge to this account at regular tariff rates, instead of cost, utility service furnished without charge under provisions of franchises.

B. When no direct outlay is involved, concurrent credit for such charges shall be made to Account 929, Duplicate Charges—Credit.

C. The account shall be maintained so as to readily reflect the amounts of cash outlays, utility service supplied without charge, and other items furnished without charge.

Note A: Franchise taxes shall not be charged to this account, but to Account 408.1, Taxes Other Than Income Taxes, Utility Operating Income.

Note B: Any amount paid as initial consideration for a franchise running for more than one year shall be charged to Account 302, Franchises and Consents.

928 Regulatory Commission Expenses

A. This account shall include all expense (except pay of regular employees only incidentally engaged in such work) properly includible in utility operating expenses, incurred by the utility in connection with formal cases before regulatory commissions or other regulatory bodies or cases in which such a body is a party, including payments made to a regulatory commission for fees assessed against the utility for pay and expenses of such commission, its officers, agents, and employees, and also including payments made to the United States for the administration of the Federal Power Act.

B. Amounts of regulatory commission expenses which, by approval or direction of REA, are to be spread over future periods shall be charged to Account 182.3, Other Regulatory Assets, and amortized by charges to this account.

C. The utility shall be prepared to show the cost of each formal case.

Items

1. Salaries, fees, retainers, and expenses of counsel, solicitors, attorneys, accountants, engineers, clerks, attendants, witnesses, and others engaged in the prosecution of or defence against petitions or complaints presented to regulatory bodies or in the valuation of property owned or used by the utility in connection with such cases.

2. Office supplies and expenses, payments to public service or other regulatory commissions, stationery and printing, traveling expenses, and other expenses incurred directly in connection with formal cases before regulatory commissions.

Note A: Exclude from this account and include in other appropriate operating expense accounts, expenses incurred in the improvement of service, additional inspection, or rendering reports which are made necessary by the rules and regulations, or orders, of regulatory bodies.

Note B: Do not include in this account amounts includible in Account 302, Franchises and Consents; Account 181, Unamortized Debt Expense; or Account 214, Capital Stock Expense.

929 Duplicate Charges—Credit

This account shall include concurrent credits for charges which may be made to operating expenses or to other accounts for the use of utility service from its own supply. Include, also, offsetting credits for any other charges made to operating expenses for which there is no direct money outlay.

930.1 General Advertising Expenses

This account shall include the cost of labor, materials used, and expenses incurred in advertising and related activities, the cost of which by their content and purpose are not provided for elsewhere.

Items

Labor:

1. Supervision.
2. Preparing advertising material for newspapers, periodicals, and billboards and preparing or conducting motion pictures, radio, and television programs.
3. Preparing booklets and bulletins used in direct mail advertising.
4. Preparing window and other displays.
5. Clerical and stenographic work.
6. Investigating and employing advertising agencies, selecting media, and conducting negotiations in connection with the placement and subject matter of advertising.

Materials and Expenses:

1. Advertising in newspapers, periodicals, billboards, and radios.
2. Advertising matter such as posters, bulletins, booklets, and related items.
3. Fees and expenses of advertising agencies and commercial artists.
4. Postage and direct mail advertising.
5. Printing of booklets, dodgers, and bulletins.
6. Supplies and expenses in preparing advertising materials.
7. Office supplies and expenses.

Note A: Properly includible in this account is the cost of advertising activities on a local or national basis of a goodwill or institutional nature, which is primarily designed to improve the image of the utility or the industry, including advertisements which inform the public concerning matters affecting the company's operations, such as, the cost of providing service, the company's efforts to improve the quality of service, and the company's efforts to improve and protect the environment. Entries relating to advertising included in this account shall contain or refer to supporting documents which identify the specific advertising message. If references are used, copies of the advertising message shall be readily available.

Note B: Exclude from this account and include in Account 426.4, Expenditures for Certain Civic, Political and Related Activities, expenses for advertising activities, which are designed to solicit public support or the support of public officials in matters of a political nature.

930.2 Miscellaneous General Expenses

This account shall include the cost of labor and expenses incurred in connection with the general management of the utility not provided for elsewhere.

Items

Labor:

1. Miscellaneous labor not elsewhere provided for.

Expenses:

1. Industry association dues for company memberships.
2. Contributions for conventions and meetings of the industry.
3. Research, development, and demonstration expenses not charged to other operation and maintenance expense accounts on a functional basis.
4. Communication service not chargeable to other accounts.
5. Trustee, registrar, and transfer agent fees and expenses.
6. Stockholders meeting expenses.
7. Dividend and other financial notices.
8. Printing and mailing dividend checks.
9. Directors' fees and expenses.
10. Publishing and distributing annual reports to stockholders.
11. Public notices of financial, operating, and other data required by regulatory statutes, not including, however, notices required in connection with security issues or acquisitions of property.

931 Rents

This account shall include rents properly includible in utility operating expenses for the property of others used, occupied, or operated in connection with the customer accounts, customer service and informational, sales, general, and administrative functions of the utility. (See § 1767.17 (c).)

(Maintenance)

935 Maintenance of General Plant

A. This account shall include the cost assignable to customer accounts, sales, administrative, and general functions of labor, materials used, and expenses incurred in the maintenance of property, the book cost of which is includible in Account 390, Structures and Improvements; Account 391, Office Furniture and Equipment; Account 397, Communication Equipment; and Account 398, Miscellaneous Equipment. (See § 1767.17 (b).)

B. Maintenance expenses on office furniture and equipment used elsewhere than in general, commercial, and sales offices shall be charged to the following accounts:

1. Steam Power Generation, Account 514
2. Nuclear Power Generation, Account 532
3. Hydraulic Power Generation, Account 545
4. Other Power Generation, Account 554
5. Transmission, Account 573
6. Distribution, Account 598
7. Merchandise and Jobbing, Account 416
8. Garages, Shops, etc., Appropriate clearing account, if used.

Note: Maintenance of plant included in other general equipment accounts shall be included herein unless charged to clearing accounts or to the particular functional maintenance expense account indicated by the use of the equipment.

§§ 1767.32—1767.40 [Reserved]

§ 1767.41 Accounting methods and procedures required of all REA borrowers.

All REA borrowers shall maintain and keep their books of accounts and all other books and records which support the entries in such books of accounts in accordance with the accounting principles prescribed in this section.

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101 Work Order Procedures

When a minor item of property is removed from service and not replaced, a retirement work order is not required except in the case of a conductor. The cost of the minor item shall remain in the appropriate plant account until the retirement unit, of which it is a part, is retired. However, as conductor is recorded in feet and is not part of any specific retirement unit, conductor shall be retired even though the amount taken down and not replaced is less than a retirement unit (two spans).

When minor items of plant are removed and not replaced, material salvaged shall be recorded on a material salvage ticket. Items of material recorded on this ticket shall be charged to the materials and supplies account and credited in the miscellaneous columns of the Materials Register to the Accumulated Provision for Depreciation. In this example, it is assumed that the cost of removal is nil. If, however, costs are incurred during the removal of minor items of plant, these costs shall reduce the credit to the Accumulated Provision for Depreciation.

When a staking sheet supporting a single work order reflects a combination of new construction and replacements, or system improvements, the predominant cost shall be the governing factor in determining the amount of cost REA will finance. To illustrate, assume that a service is to be run to a new home near the end of an existing line. On inspection, the pole from which the service is to be run is found to be in very poor physical condition and must be replaced. In addition, a single span of wire and a service are presently connected to this pole which serve no purpose. The home originally served has been demolished and the existing span, pole, and service were retired. In other words, what started out to be simply the installation of a new service now includes the retirement of a span of wire, a pole, and a service; the replacement of a pole; and the running of a new service. Assuming the replacement of the pole is the costliest part of this project, the construction and retirement activity shall be classified as an ordinary replacement even though the work includes new construction and retirements without replacement.

102 Line Conversion

If it is necessary to move a conductor from one location to another on a pole assembly during the conversion of a line from one phase to another phase, the cost of moving the conductor is capitalizable as a system improvement.

103 Sacrificial Anodes and the Replacement of a Neutral

Many utilities conduct studies to determine whether sacrificial anodes are needed to protect underground cable against corrosion. The following procedures shall be followed to account for sacrificial anodes and the replacement of a neutral:

1. If the study results in the installation of sacrificial anodes, the cost of the study shall be capitalized to Account 367, Underground Conductors and Devices. If the study does not result in the installation of anodes, the cost shall be charged to Account 594, Maintenance of Underground Lines.

2. Costs incurred in the first installation are capitalizable even though anodes are considered minor items of property. However, only the first costs of installation shall be capitalized. All subsequent replacements of anodes shall be expensed.

3. Sacrificial anodes do not constitute a record unit; therefore, the cost of anodes shall be added to the cost of the underground cable unit.

4. Because a neutral is part of an underground cable record unit, and is not, in and of itself, a record unit, the cost to replace a corroded neutral shall be charged to Account 594, Maintenance of Underground Lines.

104 Terminal Facilities

Borrowers are sometimes required to construct terminal facilities in the transmission line of another utility in order to receive power from their power supplier. The document executed between the borrower and the utility is normally referred to as a "License Agreement". The license agreement may stipulate that certain items of the terminal facilities are to be transferred to, and become the property of, the other utility upon completion of the construction. The accounting for this type of transaction shall be as follows:

1. All construction costs incurred shall be charged to a work order. Upon completion of the construction and accumulation of all costs, the cost of the facilities that become the property of another utility shall be transferred from construction work-in-progress to Account 186, Miscellaneous Deferred Debits. The cost of the plant for which the borrower retains title shall be charged to the appropriate plant accounts.

2. The cost of the facilities recorded in Account 186, Miscellaneous Deferred Debits, shall be amortized to Account 557, Other Expenses, over the estimated useful service life of the plant. If the

related contract or contracts for this power supply are terminated, the unamortized balance shall be expensed, in the current period, in Account 557.

105 Pole Top Disconnect Switch

The installation of pole top service disconnect switches, where title is retained by the utility, shall be capitalized in Account 371, Installations on Customers' Premises. If a switch cabinet is purchased with a current transformer included as an integral part of the cabinet, the entire cost of the switch shall be charged to Account 371. If the current transformer is installed outside of the switch cabinet, the transformer, meter, and meter base, together with the first installation costs, shall be capitalized, upon purchase, in Account 370, Meters.

Payments received from the customer toward construction costs shall be credited to Account 371, Installations on Customers' Premises. Such payments, together with any amount not financed by REA, shall be entered in column 9 of the REA Form 219, Inventory of Work Orders. The associated maintenance costs shall be charged to Account 587, Customer Installations Expenses, or to Account 597, Maintenance of Meters, as appropriate.

When pole top disconnect switches are installed and title is held by the customer, the cost of the material shall be charged to Account 456, Other Electric Revenues and the receipts from the sale of line material shall be credited to Account 456. The portion of the receipts for resale material as well as that for installation shall be credited to Account 415, Revenues from Merchandising, Jobbing, and Contract Work. The cost of resale material sold and the cost of installation shall be charged to Account 416, Costs and Expenses of Merchandising, Jobbing and Contract Work.

Future maintenance costs incurred by the cooperative that are not billed to the customer shall be charged to Account 587, Customer Installations Expenses.

106 Steel Pole Reinforcers

The cost associated with the purchase and installation of steel pole reinforcers shall be charged to Account 593, Maintenance of Overhead Lines.

107 Mobile Substations

Mobile substations shall be accounted for in a manner similar to that for a spare and are, therefore, included as part of transmission or distribution station equipment, depending upon the use of the mobile substation. The mobile substation, together with the trailer on which it is permanently mounted, shall be capitalized upon purchase. A general purpose truck or tractor used to relocate a mobile substation and trailer shall be classified as transportation equipment.

The composite depreciation rate used for transmission plant or distribution plant, as appropriate, shall be applied to the mobile substation.

108 Security Lights

Where a pole supports both a secondary wire and a security light, the cost of the pole shall be charged to Account 364, Poles, Towers, and Fixtures, even though the plant investment in security lights is recorded in Account 371, Installations on Customers' Premises.

109 Joint Use

There are many cases in which an electric utility and a communications utility enter into an agreement that provides for joint use of poles. Under the terms of these agreements, either utility may occupy the poles of the other upon payment of a stipulated annual rental. If such joint occupancy necessitates the use of a higher than standard pole, the new pole shall be provided at the expense of the utility having the need for the higher pole.

When an electric utility replaces, at its own expense, a standard pole belonging to the communications utility with a higher pole, the cost of the higher pole, less net salvage (if any) of the pole replaced, shall be charged to the account in which the pole rental is included.

Contributions made to an electric utility by a communications utility for the costs incurred in stubbing joint use electric poles shall be credited to Account 593, Maintenance of Overhead Lines. The cost of pole stubbing on electric plant distribution facilities shall be charged to Account 593.

An investment in outside plant that is held in joint ownership shall be recorded in the appropriate plant accounts at its cost to the utility. For continuing property record purposes, jointly owned property units shall be priced at their cost to the utility and shall be appropriately segregated in the CPRs to indicate joint ownership.

110 First Clearing and Grading of Land and Rights of Way

Utility accounting practice requires the costs associated with the first clearing and grading of land and rights of way and any resulting damage thereto, to be included in the accounts for structures and improvements or equipment to which such costs relate. Since the first clearing, as well as clearing which is "directly occasioned by the building of a structure," is done, not for the purpose of enhancing the value of the land or the rights of way, but for the purpose of constructing plant, these costs are more directly related to the construction of plant than to the purchase of land or rights of way. The accounts shall be charged as follows:

1. For overhead transmission pole lines, Account 356, Overhead Conductors and Devices;
2. For overhead distribution lines, Account 365, Overhead Conductors and Devices; and
3. For underground distribution lines, Account 366, Underground Conduit, for a conduit installation; or Account 367, Underground Conductors and Devices, for a direct burial installation.

111 Engineering Contracts for System Planning

Engineering costs for long-range system plans shall be charged to Account 183, Preliminary Survey and Investigation Charges, as incurred. The cost of engineering services incurred in preparing a long-range system plan represents a legitimate component of the total cost of construction of all system improvements detailed in the plan. The amount of engineering costs to be associated with any specific system improvement is the annual costs incurred up to the time of the allocation (not previously allocated), plus that portion of the initial cost which relates to the particular construction in question. If any major system improvement included in the engineering plan is not constructed, or if the study is superseded by another complete study, the cost of that portion of the original study not resulting in construction shall be charged to Account 182.2, Unrecovered Plant and Regulatory Study Costs, if the costs are to be recovered through future rates. Costs recorded in Account 182.2 shall be amortized to Account 407, Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs, as the costs are recovered through the rates. Any costs included in Account 182.2 that are disallowed for rate-making purposes shall be charged to Account 426.5, Other Deductions.

The allocation of engineering services to the various construction projects requires the exercise of judgment. In some cases, system improvements are continuous over a period of months or years, thus permitting the engineering cost to be spread monthly as overhead in relation to the direct costs incurred in construction. (If a substantial amount of retirement work is performed in

connection with system improvements, a proportionate share of the engineering cost shall be allocated on the basis of direct retirement labor.) If the system improvements detailed in the plan are not performed in a continuous manner, the engineering cost shall be allocated on the basis of the estimated costs of the various larger system improvement projects which result from the long-range plan.

If construction is performed by contract, the engineering cost applicable thereto shall be transferred from Account 183 to Account 107, Construction Work-in-Progress—Electric, and thereby spread to the appropriate plant accounts on the basis of contract costs.

In the case of system improvement construction performed on the basis of work orders, engineering costs shall be transferred to Account 107, Construction Work-in-Progress—Electric, and included in total work order costs as either overhead or special services. If engineering services are not readily identifiable with individual work orders, they shall be capitalized as overhead. If engineering costs for each work order are readily separable from the engineering costs for all other work orders, they shall be capitalized as special services.

In summarizing system improvement work orders on the REA Form 219, Inventory of Work Orders, the amount of engineering costs previously approved for advance on the long range plan, if any, shall be deducted to determine the balance of loan funds subject to advance by REA.

112 Determination of Availability of Service

Costs relating to the determination of availability of service, rates, and similar items for individual applicants shall be charged to Account 912, Demonstrating and Selling Expenses. If it is expected that construction will result, the costs incurred to provide service, including staking, shall be charged to Account 107, Construction Work-in-Progress—Electric. If construction does not result, Account 107 shall be credited and Account 426.5, Other Deductions, shall be charged.

113 Temporary Facilities (Services)

Plant installed for temporary use, a period of less than 1.ar, shall be recorded in Account 185, Temporary Facilities, net of any payments received from customers. Upon retirement, this net cost plus cost of removal, less any salvage value, shall be cleared to Account 451, Miscellaneous Service Revenues.

When a temporary service is installed at the site of a building under construction, the location of the permanent service entrance and the load and its characteristics are usually known. The temporary service is of the proper capacity and is so located or has sufficient slack, that it can be relocated to serve the new building as a permanent service. Under these conditions, the service shall be charged to Account 369, Services, when first installed. The cost of moving and attaching the service to the permanent service entrance shall be charged to Account 593, Maintenance of Overhead Lines or Account 594, Maintenance of Underground Lines, as appropriate.

114 Construction Work-in-Progress Damaged or Destroyed by Storm

When installed plant, not yet completed or completed but not yet placed in service, has been damaged or destroyed by storm, the cost of the repair and restoration shall be added to the cost of construction and capitalized if the plant was constructed under force account or work order construction, and the utility paid for the cost of the repairs. If the plant was constructed under contract, the contractor is required to deliver the plant in new condition. Therefore, any repairs required prior to the completion of construction and acceptance by the utility, are ordinarily borne by the contractor.

115 Liquidated Damages

Liquidated damages are amounts paid by or assessed against contractors for the completion of construction after an agreed upon date. Liquidated damages shall be credited to Account 107, Construction Work-in-Progress—Electric. Since these damages accrue during the construction period, they become one of the components of construction cost. Even though a portion of these damages may compensate the utility for costs which are not "identifiable," no portion of the damages shall be credited to revenue or expense.

When a contractor has been paid in full from loan funds or from funds to be reimbursed by loan funds without a deduction for liquidated damages, the amount of liquidated damages received shall be deposited in the Construction Fund. This amount shall be reflected by a decrease in column 5, "Total Expenditures to Date," of the REA Form 595, Financial Requirement and Expenditure Statement, and as an increase in column 6, "Cash Balance." If liquidated damages are obtained by withholding an equivalent amount from the contractor's payment, the net result will be the same.

116 Nonrefundable Payments for Construction

Nonrefundable payments (contributions) from customers and developers for underground construction shall first be credited to Account 107.2, Construction Work-in-Progress—Force Account. When the constructed plant is unitized and distributed to the individual plant accounts, the contributions shall be credited to those plant accounts which gave rise to the contribution.

When a customer or developer furnishes a trench or other service in connection with buried plant, the cooperative shall debit Account 107.2 with the actual or estimated cost of the service performed, and account for the credit as set forth above.

117 Refunds of Overpayments for Materials and Equipment

Refunds of overpayments for materials and equipment previously purchased are occasionally received as the result of legal action brought against electrical suppliers for price fixing in violation of antitrust laws. Such refunds shall be accounted for as follows:

1. The refund shall first be applied to any litigation costs that were incurred.

2. Refunds for special equipment items shall be accounted for, in detail, on the Summary of Special Equipment Costs and credited against the appropriate plant accounts.

3. Other material or equipment items that were installed through work orders or a materials furnished contract shall be adjusted on an amended work order. The amended work order shall include full details of the refund.

4. Continuing property records shall be adjusted to reflect the above transactions.

5. Amounts approved for advance on the REA Form 595, Financial Requirement and Expenditure Statement, and on the loan budget records, shall be adjusted. For special equipment items, the adjustment shall be requested in a letter to REA. For materials installed by work order or contract, the adjustments shall be made through credits shown on the REA Form 219, Inventory of Work Orders.

6. Refunds for material currently in stock shall be credited to Account 154, Plant Materials and Operating Supplies.

7. If the material was used in maintenance activities or operations, the refund shall be credited to the appropriate maintenance or operations expense account.

8. Refunds for materials or equipment financed from loan funds shall be deposited in the Construction Fund—Trustee Account or remitted to REA as a special payment on a note. Other refunds shall be deposited in the general funds.

118 Load Control Equipment

The primary purpose of a Load Management System is to optimize load dispatch and to reduce or minimize system peaks in order to reduce purchases of power or to delay or eliminate the need for construction of new plant. A Load Management System may be used on integrated systems, or on generation, transmission, or distribution systems separately. The telemetry equipment used for data acquisition and interpretation may be included at various points on a system, such as generation, transmission, or distribution substation, switchyards or on consumers' premises.

An effective load control program should be coordinated with the G&T and requires full participation of all member distribution systems. The G&T monitors the power load of the total member distribution system to predict the time of the system's peak load. An optimal load control strategy is developed by the G&T and is passed on from the G&T computer system to the load control computer systems of the member distribution cooperatives.

The equipment at the member distribution system level is the type actually being used by an integrated power system to operate a load control program. The equipment used may vary from one integrated power system to another. The selection of equipment used is determined by the information needs of the integrated power system, and the method selected to operate the load control system.

Some equipment performs only SCADA-type functions. This equipment is included with the equipment that performs only load control functions because SCADA-type equipment is an integral part of a load control program. An effective load control strategy requires current information on loads so that member distribution systems can determine the actual loads to be shed and the duration of the load control.

The function and location of the load control equipment are the primary factors in determining the account in which the equipment shall be recorded. The following example depicts a common load control system and the associated accounting. Equipment type may vary, thereby necessitating the use of accounts not prescribed below. In all instances, however, the function and location of the equipment shall dictate the appropriate account classification.

G&T Borrower

1. *Coordinating System Equipment*

Coordinating System Equipment is the data acquisition, processing and control hardware and software used to coordinate the load control efforts of the member distribution system. Generally, this equipment is dedicated to load control use and is not shared with other electric utility activities.

The purpose of the G&T load control computer system is to reduce or minimize the peak power requirements of the entire member distribution system. This involves load dispatching to control transmission circuits and breakers. The computer system for load control shall, therefore, be recorded in Account 353, Station Equipment, with the associated operating expenses recorded in Account 561, Load Dispatching, and maintenance expenses recorded in Account 570, Maintenance of Station Equipment.

2. *Coordinating System Communications Link*

The G&T load control computer system is usually linked to the load control computer system for each member distribution system by a radio or telephone link that is dedicated to that purpose and is not shared with other communication activities. Under such circumstances, communications equipment shall be classified in Account 353, Station Equipment. If the communications equipment is shared with general use or voice communications equipment, however, the equipment shall be classified in Account 397, Communication Equipment.

3. *Depreciation*

Load control equipment shall be recorded in separate subaccounts of the primary plant accounts detailed above and shall be depreciated based upon the owner's estimate of the equipment's useful service life.

Distribution Borrower

1. *Member System Equipment*

Member system equipment is the data acquisition, processing and control hardware and software used as a subset to the overall load control efforts by the integrated power system.

The member system computer for each distribution member system accepts the control strategy from the G&T coordinating system and develops the tables that determine the control loads that are to be shed and the duration of the load control. The member system computer for each distribution system monitors the usage at each of its delivery points. This usage data is then transmitted to the G&T coordinating system for use in developing load projects and evaluating control strategies for the integrated power system. The member system computer is generally dedicated to load control use and is not shared with other electric utility operations.

The member computer system shall be recorded in Account 362, Station Equipment. The associated operating expenses shall be recorded in Account 581, Load Dispatching, and maintenance expenses shall be recorded in Account 592, Maintenance of Station Equipment.

2. *Substation Remote Controllers*

Substation Remote Controllers are located at the distribution substation. They accept control signals from the member system computer and couple the signal to the portion of the distribution system to which it is connected. Substation Remote Controllers also serve as a receiver of inbound signals from transponders located in the distribution system. They also send data back to the member system computer.

Substation Remote Controllers shall be recorded in Account 362, Station Equipment. The associated operating expenses shall be recorded in Account 582, Station Expenses, and maintenance expenses shall be recorded in Account 592, Maintenance of Station Equipment.

3. *Substation Injection Units*

Substation Injection Units are used only in power line based systems and are located in distribution substations. A major function of the Substation Injection Unit is to receive load control signals from the member system computer and inject them into the power line based system to be transmitted to the Load Control Receivers. Substation Injection Units can also perform control and SCADA functions similar to those performed by Substation Remote Controllers.

Substation Injection Units shall be recorded in Account 362, Station Equipment. The associated operating expenses shall be recorded in Account 582, Station Expenses, and maintenance expenses shall be recorded in Account 592, Maintenance of Station Equipment.

4. *Remote Terminal Units*

Remote Terminal Units perform electric utility SCADA functions in a distribution substation or delivery point. These functions include monitoring equipment for abnormal operating conditions, monitoring analog quantities such as conductor voltage or

substation load, and controlling of certain equipment within the substation.

Remote Terminal Units shall be recorded in Account 362, Station Equipment. The associated operating expenses shall be recorded in Account 582, Station Expenses, and maintenance expenses shall be recorded in Account 592, Maintenance of Station Equipment.

5. *Line Device Transponder*

A Line Device Transponder directly controls a piece of distribution apparatus, such as a voltage regulator or a power factor correction capacitor, located on a distribution feeder and not accessible to a Remote Terminal Unit. The Line Device Transponder actuates the control functions and reports back to the member system computer upon completion of the requested action. This transponder is located at the site of the distribution apparatus being controlled.

Line Device Transponders shall be recorded in Account 368, Line Transformers. The associated operating expense shall be recorded in Account 583, Overhead Line Expenses, or Account 584, Underground Line Expenses, as appropriate, and maintenance expenses shall be recorded in Account 595, Maintenance of Line Transformers.

6. *Communications Verification Transponders*

Communication Verification Transponders are used to respond to inquiries from Substation Remote Controllers. In power line based systems, these transponders are used to verify the performance of the communications system. They are also used during adverse system operations to isolate sections of the distribution system that are experiencing an outage.

Communication Verification Transponders shall be recorded in Account 362, Station Equipment. The associated operating expenses shall be recorded in Account 582, Station Expenses, and maintenance expenses shall be recorded inAccount 592, Maintenance of Station Equipment.

7. *Load Control Receivers*

The Load Control Receiver, also known as a load control switch, is located at the site of the consumer's load. These receivers directly control the electric supply to an end-use appliance, such as an electric water heater, central air conditioning compressor, or irrigation pump. The amount of time that an appliance will be turned off by the load control receiver is preset. When the member system computer determines that load shedding is necessary, it sends a signal to the communication link which then sends signals directly to the Load Control Receivers. In a power line based system, the signal from the communications link is sent by radio or telephone line to the Substation Injection Units, which then signals the Load Control Receivers to shut down the appliances for the present time. In nonpower line based systems, the signal from the communications link is sent by radio directly to the Load Control Receivers.

Load Control Receivers are located on the consumer's side of the meter. When the member distribution system retains title to the Load Control Receivers and assumes full responsibility for maintenance and replacement of the equipment, it shall be classified in Account 371, Installations on Customer's Premises. Load Control Receivers that are donated or given to consumers shall be charged to Account 908, Customer Assistance Expenses.

Operating and maintenance expenses applicable to Load Control Receivers recorded in Account 371 shall be charged to Account 587, Customer Installations Expenses, and Account 598, Maintenance of Miscellaneous Distribution Plant, respectively. Expenses applicable to Load Control Receivers donated or given to consumers shall be recorded in Account 908, Customer Assistance Expenses.

Load Control Receivers may be moved on a continual basis from one customer location to another and are, therefore, considered to be special equipment items. When ownership is maintained by the member distribution cooperative, Load Control Receivers shall be accounted for in accordance with the special equipment procedures outlined in Accounting Interpretation No. 119 of this section.

8. Communication Links

The communication link in the member distribution systems between the Member System Computer, the Substation Remote Controllers or Substation Injection Units, Remote Terminal Units, Line Device Transponders, Communication Verification Transponders, and Load Control Receivers is usually accomplished by radio, telephone line, or power line based system. The communication links are normally dedicated to the SCADA and load control functions being served. Under such circumstances, communications equipment shall be recorded in Account 362, Station Equipment. If, however, the communication equipment used is shared with general use or voice communications equipment, the equipment shall be charged to Account 397, Communication Equipment.

9. *Depreciation*

Load control equipment shall be recorded in separate subaccounts of the primary plant accounts detailed above and shall be depreciated based upon the manufacturer's estimate of the equipment's useful service life.

119 Special Equipment

Special Equipment items are classified as such because they are continually being moved from one location to another due to load changes and maintenance practices. The USoA provides accounting that differs from that used for other types of materials. The cost, new, of special equipment items shall be capitalized at the time of purchase; it shall not be charged to Account 154 as is the case with other materials. The first installation cost, as well as all incidental costs necessary to prepare the equipment for use, shall be capitalized with the material upon purchase. All subsequent costs of removing, resetting, changing, renewing oil, and repairing constitute operations and maintenance expenses. The capitalized cost of special equipment items, including the first installation, shall be removed from the electric plant accounts only when the items are abandoned or retired from the system.

Meters, line-type transformers, oil circuit reclosers, sectionalizers, current and potential transformers, meter sockets, and other metering equipment listed in Account 370, Meters, as well as pole-type and underground voltage regulators in Account 368, Line Transformers, are considered to be special equipment items. Similarly, load control receivers (load control switches) recorded in Account 371, Installations on Customers' Premises, are considered to be items of special equipment. (See Interpretation No. 118.) Transformers, voltage regulators, metering equipment, and current and potential transformers for substations are not.

Special equipment items which are classified as nonusable shall be segregated in the warehouse and retired from service. The Summary of Special Equipment Costs shall be retitled Summary of Special Equipment Costs Retired and used for this purpose. A journal entry reflecting this information shall be prepared and posted to the books. Since loan funds for special equipment, including first installation costs, are approved for advance by REA upon receipt of the borrower's written estimate of funds required, and not on the basis of an Inventory of Work Orders, it is improper to take a credit for

any salvage involved in the retirement of special equipment on the Inventory of Work Orders.

120 Meter Sockets and Meters

When a utility furnishes meter sockets, ownership by the utility of the meter socket or base, as well as the meter itself, is established by virtue of them being furnished without cost to the consumer by the cooperative. While no agreement as to ownership between the cooperative and the property owner exists, cooperative ownership is implied by long standing practice and tradition in the electric utility industry.

121 Minimum—Maximum Voltmeters

A minimum—maximum voltmeter is used to record the minimum and maximum voltages at a specific line location over a period of time. It is normally installed on a pole in connection with a 1½ kVA transformer, a meter base and connecting wires, and other small items of materials. Meter bases are ordinarily set for these voltmeters throughout the system, and a lesser number of voltmeters are rotated among them periodically to obtain voltage readings. An average system may have one voltmeter to two installations, with a maximum of 20 or 25 voltmeters for the whole system.

Minimum—maximum voltmeters shall be recorded, through work orders, in Account 370, Meters, when installed. The cost of the transformers shall remain in Account 368, Line Transformers, with the cost of the meter bases remaining in Account 370, Meters. The miscellaneous material used in installing the transformer and the meter base shall be charged to Account 370, Meters.

Maintenance expense shall be charged to either Account 595, Maintenance of Line Transformers, or Account 597, Maintenance of Meters, as appropriate. Costs associated with reading the voltmeters shall be charged to Account 583, Overhead Line Expenses, and the cost of relocating or changing the complete installation or any part thereof, other than retirement of the meter base, shall be charged to Account 583, Overhead Line Expenses, or Account 586, Meter Expenses.

122 Retrofitting Demand Meters

A demand meter measures the amount of electricity used over a period of time in kilowatt-hours (kWh) and indicates the maximum kilowatts (kW) required at any one time by means of a pointer.

Electronic or solid state demand meters have a direct readout which reads kilowatt demand to two decimal places. The use of a direct readout demand meter may result in increased revenues as pointer readings tend to register lower than actual usages.

The process of retrofitting a demand meter replaces the pointer with a direct readout. The cost of such a replacement is usually expensed as a minor item of property; however, since the use of a direct readout results in a substantial betterment, the excess cost of the replacement over the estimated cost, at current prices, of replacing the pointer without the betterment is capitalized.

123 Transformer Conversions

The conversion of an overhead transformer to an underground transformer constitutes a betterment and shall, therefore, be capitalized.

124 Transclosures

Transclosures are enclosures or cabinets in which line transformers are mounted. The cost of transclosures that are purchased separately from the transformer shall be charged to Account 154, Plant Materials and Operating Supplies, when received, and capitalized, upon installation, to Account 368, Line Transformers, as a separate unit of property. If the case and the transformer are inseparable, the unit is considered a transformer and shall be capitalized upon purchase.

125 Retirement Units

Services

A retirement unit shall consist of a complete service rather than the individual wires comprising that service. If each separate wire of a service were treated as a retirement unit, the retirement unit would represent a comparatively small cost. Such a small unit of property would substantially increase the number of retirement work orders. The complete service shall, therefore, be considered a retirement unit.

Minor Items

When minor items of property are added separately from complete retirement units, the costs of these items shall be included in work orders, and by unitizing all costs of completed construction for a month, these minor items shall be spread to the retirement units of which they normally form a part. For example, to convert a two-phase line to a three-phase line requires the addition of a conductor, an insulator and a pole-top pin. A pole-top pin is typically capitalized as a component of the cost of the pole to which it is attached. Assuming this is the only work order for the month, the cost of this pin shall be charged to the conductor, so that its cost is included in the total cost of the project. In actual practice, however, this does not happen as it is normal to have a number of work orders for a given month, which include the setting of poles. In allocating the cost of all construction projects for the month, part of the cost of pole-top pins shall be allocated to poles even though the work orders on which they were capitalized did not include poles.

The retirement and replacement of isolated single retirement units cannot be charged to maintenance; a retirement and construction work order shall be used.

126 Establishment of Continuing Property Records

The costs of installing a system of continuing property records shall be charged to Account 930.2, Miscellaneous General Expenses, and may include:

1. Labor and expenses incurred in developing an inventory of property;
2. Labor and material costs incurred in connection with developing pole records including map preparation and pole cards; and
3. Labor and material costs (ledger sheets, etc.) incurred in connection with the installation of the record system.

127 Continuing Property Records for Buildings

When establishing continuing property records for a building where there is no detailed breakdown of contract costs, it is necessary to estimate the cost of the each component part. It should be noted that the establishment of continuing property records is not required for buildings; however, if CPRs are not maintained, all repairs including the replacement of major component parts shall be expensed in the period incurred.

128 Sale of Property

All proceeds deposited in the Construction Fund account from the sale of property, regardless of materiality, shall be reflected on the REA Form 595, Financial Requirement and Expenditure Statement. Proceeds from the sale of property shall be reported on the Form 595, by budget purpose, as a reduction in total expenditures to date, column 5; and an increase in the cash balance, column 6.

Proceeds from the sale of property shall not be used to maintain an "Employee Fund." A utility may, pursuant to board policy, use general funds for employee welfare equivalent in amount to proceeds received from the sale of scrap property. If general funds, in an amount equivalent to proceeds

received from the sale of scrap property, are used for employee welfare, Account 926, Employee Pensions and Benefits, shall be charged.

129 Gain or Loss on the Sale of an Office Building

A gain on the sale of an office building shall be recorded in Account 421.1, Gain on the Disposition of Property, with a loss recorded in Account 421.2, Loss on the Disposition of Property. If the gain or loss will materially distort current year's net margins, such gain or loss is reportable as an extraordinary item in Account 434, Extraordinary Income, or Account 435, Extraordinary Deductions.

130 Salvage and Obsolete Material

The value of material salvaged from the retirement of units of property reduces the loss on the retirement and shall be so applied. The value assigned to salvage shall be credited to Account 108.6, Retirement Work-in-Progress, which results in reducing net charges to the provision for depreciation when the work order is completed and cleared.

If salvage is sold, any difference between the realized value and the estimated value of the salvaged material shall be charged or credited to the appropriate provision for depreciation.

Salvage resulting from maintenance where no retirement units are involved shall be debited to the materials and supplies account, and credited to the appropriate maintenance account.

Occasionally a utility will have a loss due to obsolescence of materials on hand. If the loss is due to obsolescence of new material, the loss shall be charged to Account 426.5, Other Deductions. If the loss is due to obsolescence of used material, the loss shall be charged to the appropriate subaccount of Account 108, Accumulated Provision for Depreciation.

131 Plant Acquisition Adjustments

Plant acquisition adjustments shall be amortized to the operating expense accounts. These adjustments are recorded in Account 114, Electric Plant Acquisition Adjustments, and amortized to Account 406, Amortization of Electric Plant Acquisition Adjustments, or Account 425, Miscellaneous Amortization, as required by the regulatory commission having jurisdiction. Accounts 406 and 425 shall be closed to operating margins.

132 General Plant

When the unit method of depreciation is used for general plant items, gains and losses on sales, trades or disposals of equipment shall be recorded as such. If the composite method of depreciation is used, gains or losses on the disposal of general plant items shall be recorded in the appropriate depreciation reserve account.

A truck which is used only for transporting power operated equipment mounted thereon shall be charged, together with the installed equipment, to Account 396, Power Operated Equipment. If the same type of truck is used for transporting materials and supplies, tools and work equipment, personnel, or other items, the cost of the truck shall be charged to Account 392, Transportation Equipment.

Depreciation and other expenses relating to power operated equipment shall be accumulated in a subaccount of Account 184, Clearing Accounts, and distributed monthly on an equitable basis to the accounts properly chargeable.

Depreciation expense on vehicles and other work equipment, furniture and office equipment, and other such plant used in the construction of utility plant, is a proper component of construction cost. To avoid a duplicate advance of funds, however, the amount of depreciation on such items that has previously been financed from loan funds shall be deducted from Inventories of Work Orders submitted to REA. This amount shall be specifically identified, and shown either monthly or annually as a single item in column 9 on the REA Form 219, Inventory of Work Orders.

133 Plant Abandonments and Disallowances of Plant Costs

In December 1986, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 90, Regulated Enterprises—Accounting for Abandonments (Statement No. 90) and Disallowances of Plant Costs. This section provides an overview of the requirements outlined in Statement No. 90 together with the specific accounts that shall be used to record a plant abandonment or a disallowance of plant costs.

Plant Abandonments

When an abandonment becomes probable, the cost of the abandoned asset shall be removed from Construction Work-in-Progress or Plant-in-Service, as applicable. Before making this transfer, however, a determination must be made as to whether recovery of the allowed cost is likely to be provided with a full return on the investment during the period from the time the abandonment becomes probable, to the time when recovery is completed, or with a partial or no return on the investment. This determination shall be made based upon the facts and circumstances of the specific abandonment, and past practices and current policies of regulatory jurisdiction.

If a full return on the investment is likely to be provided, any disallowance of all or part of the cost of abandoned plant that is both probable and reasonably estimated shall be recognized as a loss in the current year with the carrying basis of the asset reduced by an equal amount. The remaining cost of abandoned plant shall be recorded as a separate new asset.

If partial or no return on the investment is likely to be provided, any disallowance of abandoned plant costs that is both probable and reasonably estimated shall be recognized as a loss. The present value of the future revenues expected to be provided to recover the allowable cost of the abandoned plant and return on the investment, if any, shall be reported as a separate new asset. The discount rate used to compute the present value shall be the borrower's incremental borrowing rate, which is the rate that the borrower would have to pay to borrow an equivalent amount for a period equal to the expected recovery period. In determining the value of expected future revenues, the borrower shall consider the probable time period before the recovery is expected to begin and the probable time period over which recovery is expected to be provided.

The amount of the new asset shall be adjusted from time to time, as necessary, if new information indicates that the estimates used to record the new asset have changed. The carrying value of the new asset, however, shall not be adjusted for changes in the incremental borrowing rate. The amount of any adjustments shall be recorded as a gain or loss.

During the period between the date on which a new asset is recognized and the date on which recovery begins, the carrying amount shall be increased by accruing a carrying charge. The rate used to accrue the carrying charge shall be:

1. If a full return on the investment is likely, a rate equal to the allowed overall cost of capital in the jurisdiction in which recovery is expected to be provided shall be used.

2. If partial or no return is likely, the asset shall be amortized in a manner that will produce a constant return on the unamortized investment in the new asset equal to the rate at which the expected revenues were discounted.

Due to the nonprofit environment in which electric cooperatives operate, full recovery of interest expense on plant related long-term debt equates to full recovery of the rate of return for an investor-owned utility. Therefore, if a cooperative is permitted full recovery of the interest expense incurred on the long-term debt borrowed to finance construction of an abandoned plant, no discounting of the asset is required nor is accrual of the carrying charge permitted.

If, at the time the provisions of Statement No. 90 are first applied, the borrower elects to restate the financial statements, the financial statements for all periods presented shall be restated and the financial statements shall disclose the nature of the restatement and its effect on margins before extraordinary items, net margins, and patronage capital at the beginning of the earliest period presented. If the borrower elects not to restate the financial statements, the effect of applying Statement No. 90 shall be reported as a change in accounting principle and the financial statements shall disclose the nature of the change and the effect of applying Statement No. 90 on margins before extraordinary items and net margins.

The specific accounts that shall be used to record transactions involving plant abandonments are as follows:

1. In the year of the abandonment, the unrecoverable portion of the cost of abandoned plant included in construction work-in-progress shall be recognized as a loss by a charge to Account 426.5, Other Deductions, and a credit to Account 107, Construction Work-in-Progress.

2. The balance of the cost remaining in the construction work-in-progress account shall be credited to Account 107 and charged to Account 182.2, Unrecovered Plant and Regulatory Study Costs.

3. The difference between the charge to Account 182.2 and the present value of expected future revenues for recovery of the new asset, shall be recorded as a credit to Account 182.2 and a debit to Account 426.5. The credit to Account 182.2 shall be segregated from the amount charged to Account 182.2 by the use of a separate subaccount. Statement No. 90 does not require this segregation; however, it is necessary under the USoA to provide for the appropriate segregation of operating and nonoperating income.

4. During the waiting period for recovery of the new asset to begin, carrying charges shall be accrued by a debit toAccount 182.2 with a concurrent credit to Account 421, Miscellaneous Nonoperating Income. Debits to Account 182.2 shall be treated as reductions to the credit subaccount of Account 182.2.

5. The borrower shall amortize the amount debited to Account 182.2 by charges to operating income, consistent with the way the amortized amounts are recovered through rates. These charges to income shall be recorded in Account 407, Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs.

6. As the recoverable amount recorded in Account 182.2 is recovered through rates, the borrower shall accrue income by charges to Account 182.2 and credits to Account 421, Miscellaneous Nonoperating Income. Accruals shall be computed by applying the same rate used to derive the present value of the asset established in Account 182.2, to the unamortized balance in that account. Accrued amounts charged to Account 182.2 shall be treated as reductions to the credit subaccount withinAccount 182.2.

Prior to implementing the accounting prescribed above, the borrower shall submit the details of each plant abandonment to REA for approval.

Disallowances of Costs of Recently Completed Plant

When it becomes probable that a portion of the cost of recently completed plant will be disallowed for rate making purposes and a reasonable estimate of the amount of the disallowance can be made, the estimated amount of the probable disallowance shall be deducted from the reported cost of the plant and recognized as a loss. If a portion of the costs is explicitly, but indirectly disallowed, the equivalent amount of the cost shall be deducted from the reported cost of the plant and recognized as a loss.The specific accounts that shall be used to record transactions involving the disallowance of plant costs are as follows:

1. Estimated disallowed plant costs which the borrower records as a credit to Account 101, Electric Plant-in-Service, shall be charged to Account 426.5, Other Deductions.

2. If the loss qualifies as an extraordinary item under the criteria set forth in General Instruction No. 7 of the USoA, the borrower shall record the loss in Account 435, Extraordinary Deductions. To be considered extraordinary, an item shall be more than five percent of income computed before extraordinary items. If a borrower believes that a loss of less than five percent should be treated as an extraordinary item; the borrower shall, with commission approval, record the loss in Account 435 and report the loss as an extraordinary item. If the borrower is not subject to state commission jurisdiction, REA approval is required.

134 Utility Plant Phase-in Plans

In August 1987, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 92, Regulated Enterprises—Accounting for Phase-in Plans (Statement No. 92). This section provides an overview of the requirements outlined in Statement No. 92.

The term phase-in plan is used to refer to any method of recognition of allowable costs in rates that meets all of the following criteria:

1. The method was adopted by the regulator in connection with a major, newly completed plant of the regulated enterprise or one of its suppliers or a major plant scheduled for completion in the near future.

2. The method defers the rates intended to recover allowable costs beyond the period in which those allowable costs would be charged to expense under generally accepted accounting principles applicable to enterprises in general.

3. The method defers the rates intended to recover allowable costs beyond the period in which those rates would have been ordered under the rate-making methods routinely used prior to 1982 by that regulator for similar allowable costs of that regulated enterprise.

If a phase-in plan is ordered by a regulator in connection with a plant on which no substantial physical construction had been performed before January 1, 1988, none of the allowable costs that are deferred for future recovery by the regulator under the plan for rate-making purposes, shall be capitalized for general-purpose financial reporting purposes (financial reporting).

If a phase-in plan is ordered by a regulator in connection with a plant completed before January 1, 1988, or a plant on which substantial physical construction had been performed before January 1, 1988, the criteria specified below shall be applied to that plan. If the phase-in plan meets all of those criteria, all allowable costs that are deferred for future recovery by the regulator under the plan shall be capitalized for financial reporting purposes as a separate asset (a deferred charge). If any one of those criteria is not met, none of the allowable costs that are deferred for future recovery by the regulator under the plan shall be

capitalized for financial reporting. The criteria for determining whether capitalization is appropriate are:

1. The allowable costs in question are deferred pursuant to a formal plan that has been agreed to by the regulator;

2. The plan specifies the timing of recovery of all allowable costs that will be deferred under the plan;

3. All allowable costs deferred under the plan are scheduled for recovery within 10 years of the date when the deferral began; and

4. The percentage increase in rates scheduled under the plan for each future year is no greater than the percentage increase in rates scheduled under the plan for each immediately preceding year. That is, the scheduled percentage increase in year two is no greater than the percentage increase granted in year one, the scheduled percentage increase in year three is no greater than the percentage increase in year two, etc.

By definition, a phase-in plan approved prior to 1982 that contains provisions contrary to those detailed above is not subject to the provisions of Statement No. 92. This exemption, however, only relates to a specific utility and a specific regulator. For example, a utility cannot use a phase-in plan approved by its regulator for a different utility as justification for its phase-in plan exceeding the 10-year limit imposed by Statement No. 92.

A phase-in plan is a method of rate making intended to moderate a sudden increase in rates while providing the regulated enterprise with recovery of its investment and a return on that investment during the recovery period. A disallowance is a rate-making action that prevents the regulated enterprise from recovering either some amount of its investment or some amount of return on its investment. Statement No. 90 specifies the accounting for disallowances of plant costs (see item 133 of this regulation). If a method of rate making that meets the criteria for a phase-in plan includes an indirect disallowance of plant costs, that disallowance shall be accounted for in accordance with Statement No. 90. Cumulative amounts capitalized under phase-in plans shall be reported as a separate asset in the balance sheet. The net amount capitalized in each period or the net amount of previously capitalized allowable costs recovered during each period shall be reported as a separate item of other income or expense in the income statement. Allowable costs capitalized shall not be reported as reductions of other expenses.

The terms of any phase-in plan in effect during the year or ordered for future years shall be disclosed in the financial statements. Statement No. 92 does not permit capitalization for financial reporting of allowable costs deferred for future recovery by the regulator pursuant to a phase-in plan that does not meet the criteria or a phase-in plan related to plant on which substantial physical construction was not completed before January 1, 1988. Nevertheless, the financial statements shall include disclosures of the net amount deferred at the balance sheet date for rate-making purposes, and the net change in deferrals for rate-making purposes during the year for those plans.

If the provisions of Statement No. 92 are applied retroactively, the financial statements of all periods presented shall be restated. In addition, the restated financial statements shall, in the year that Statement No. 92 is first applied, disclose the nature of any restatement and its effect on margins before extraordinary items, net margins, and on patronage capital at the beginning of the earliest period presented. If the financial statements for prior years are not restated, the effects of applying Statement No. 92 to existing phase-in plans shall be reported as a change in accounting principle and the financial statements shall disclose the effect of adopting Statement No. 92 on margins before extraordinary items and net margins.

The application of Statement No. 92 to an existing phase-in plan shall be delayed if both of the following conditions are met:

1. The enterprise has filed a rate application to have the plan amended to meet the criteria of Statement No. 92 or intends to do so as soon as practicable; and

2. It is reasonably possible that the regulator will change the terms of the phase-in plan so that it will meet the criteria of Statement No. 92.

If the above conditions are met, the provisions of Statement No. 92 shall be applied to the existing phase-in plan on the earlier of the date when one of the conditions ceases to be met or the date when the final rate order is received, amending or refusing to amend the phase-in plan. However, if the enterprise delays filing its application for the amendment or the regulator does not process the application in the normal period of time, the application of Statement No. 92 shall not be further delayed.

In applying the criteria of Statement No. 92 to a plan that was in existence prior to the first fiscal year beginning after December 15, 1987, and that was revised to meet that criteria, the 10-year criterion and the requirement concerning the percentage increase shall be measured from the date of the amendment rather than from the date of the first scheduled deferrals under the original plan. All phase-in plans must receive REA approval prior to implementation.

135 Accounting for Removal or Relocation of Electric Facilities Resulting from the Action of Others

Under arrangements with another party, a borrower agrees, or is obliged, to remove, relocate, rearrange, or otherwise make changes in utility property, other than for the purpose of rendering utility service to the other party, for which the utility is reimbursed for all or a portion of the costs incurred.

Plant Accounting

The relocation of the line shall be accounted for as follows:

1. If all of the assemblies in the line are retired or completely removed and later reinstalled or if the line is constructed in a new location before the old line is removed, construction and retirement work orders shall be prepared except for the costs relating to special equipment items (transformers, oil circuit reclosers, etc.) which shall be charged to operations expense.

2. If a line is moved in its entirety to a new location except for isolated retirement units (such as at the end of the line) or poles not suitable for resetting, the cost of moving the portion of line that is moved intact shall be charged to maintenance expense while the cost related to the change in isolated retirement units or the replacement of poles not suitable for resetting shall be accounted for through use of construction and retirement work orders.

3. If a line is moved intact without any change in assemblies, the cost shall be charged to maintenance expense.

Reimbursement

If the borrower receives reimbursement for the costs related to the relocation of the line, the reimbursement shall be accounted for by crediting operation and maintenance expenses to the extent of actual expenses occasioned by the plant changes and crediting the remainder to the accumulated provision for depreciation, unless contractual terms definitely characterize residual or specific amounts as applicable to the cost of replacement. In the latter event,

appropriate credits shall be entered in the plant accounts.

Reimbursement received from a telephone company for adding a pole or replacing a present pole with a taller pole under joint use contracts falls within this latter category. In this instance, appropriate credits are charged against the plant accounts.

Financing

The total reimbursement, less any portion for operations and maintenance costs, shall be entered in the "Contributions in Aid of Construction" section at the bottom of the Construction Work Order. When the Inventory of Work Orders (REA Form 219) is prepared, enter only enough of the contribution in column 9 to reduce to zero the amount in column 10, "Loan Funds Subject to Advance by REA." This entry is made although none of the reimbursement received is recorded in the accounting records as a contribution in aid of construction.

201 Supplemental Financing

Many borrowers secure additional financing from sources other than REA. CFC was established to provide a source of supplemental financing. Although the accounting provided in this section refers to CFC, it is applicable to other sources of supplemental financing as well.

1. *Membership Fees*

When a membership fee is paid to CFC, the payment shall be recorded as a debit to Account 123.23, Other Investments in Associated Organizations.

2. *Subscriptions*

The subscription agreement to purchase Capital Term Certificates (CTCs) is a binding obligation to pay an initial subscription in equal annual payments over the first three years and an additional annual subscription payable in the fourth through fifteenth years.

The annual subscriptions to CFC for the fourth through fifteenth years is 2.0 percent of total operating revenues after deducting the cost of power. Using the best data available, each borrower shall estimate the amount of CTCs that are required to be purchased. Estimates are not expected to be precise and adjustments shall be made when future projections indicate a change is needed. When the agreement to purchase CTCs is made, an entry shall be recorded debiting Account 123.21, Subscriptions to Capital Term Certificates—Supplemental Financing, and crediting Account 224.11, Other Long-Term Debit—Subscriptions. When the CTCs are actually purchased, the following entries shall be recorded:

Dr. 224.11, Other Long-Term Debt—Subscriptions
  Cr. 131.1, Cash—General
Dr. 123.22, Investments in Capital Term Certificates—Supplemental Financing
  Cr. 123.21, Subscriptions to Capital Term Certificates—Supplemental Financing

3. *Interest Receipts*

Interest accrues monthly to the holder of CTCs at a rate in accordance with the terms of the CFC Invitation to Subscribe. The accrual of interest and the receipt of interest proceeds shall be recorded as follows:

Dr. 171, Interest and Dividends Receivable
  Cr. 419, Interest and Dividend Income
To record the monthly accrual of interest.
Dr. 131.1, Cash—General
  Cr. 171, Interest and Dividends Receivable
To record the receipt of interest proceeds from the investment in CTCs.

Note: Any amounts received in excess of the previous accruals shall be credited to Account 419.

Interest penalties may be charged by CFC for late payments on any subscription from the date that the payment was due to the date that the payment was actually received. Such charges shall be expensed to Account 431, Other Interest Expense.

4. *Notes*

If a note is due more than one year after the date of the note, the appropriate subaccount of Account 224, Other Long-Term Debt, shall be credited. If the note is due less than one year from the date of the note, Account 231, Notes Payable, shall be credited.

When a loan from CFC has been consummated and a note is executed, Account 224.13, Supplemental Financing Notes Executed—Debit, shall be debited; and Account 224.12, Other Long-Term Debt—Supplemental Financing, credited. When a loan from another source has been consummated, Account 224.15, Notes Executed—Other—Debit, shall be debited; and Account 224.14, Other Long-Term Debt—Miscellaneous, credited.

5. *Loan Proceeds*

Cash proceeds from unsecured short-term loans shall be deposited into the General Fund Account. Cash proceeds from all secured loans shall be deposited into the Construction Fund Trustee Account.

From two to seven percent, depending upon the class of borrower and its debt-equity ratio, of each CFC loan is applied to the purchase of Capital Term Certificates. At the time of a borrower's first requisition under the CFC loan, the following entry shall be recorded:

Dr. 131.2, Cash—Construction Fund—Trustee
Dr. 123.22, Investments in Capital Term Certificates—Supplemental Financing
  Cr. 224.13, Supplemental Financing Notes Executed—Debit
To record the requisition of funds from CFC.

6. *Capital Credits*

As a result of borrowing from CFC or other lenders organized on a cooperative basis, a borrower may receive capital credit allocations. These allocations are usually based upon the borrower's participation in the lending program with participation measured by the amount of interest expense and conversion costs incurred.

To account for patronage capital allocations from cooperative lenders, the following journal entries shall be recorded:

Dr. 123.1, Patronage Capital from Associated Cooperatives
  Cr. 424, Other Capital Credits and Patronage Capital Allocations
To record the allocation of capital credits from a cooperative lender.

Note: If any portion of the interest expense was capitalized as a component of construction cost, a similar portion of the capital credit allocation shall be credited to construction rather than to Account 424. The portion credited to construction shall be determined by applying the percentage of interest expense charged to construction for that particular lender to the interest expense incurred for that lender.

Dr. 131.1, Cash—General
  Cr. 123.1, Patronage Capital from Associated Cooperatives
To record the cash receipt of patronage capital credits from cooperative lenders.

301 Forfeited Customers' Deposits

Customers may be required to make deposits to guarantee payment of amounts billed for electric service. When a customer discontinues service, the customer's deposit shall first be applied to unpaid energy bills, with the balance remitted by check to the customer. If the check is returned, it shall be voided and the original entry that was made when the check was issued shall be reversed.

Unclaimed balances of customer deposits shall remain in Account 235, Customer Deposits, until the legal liability of the cooperative to make such a refund has elapsed. When there is no further legal liability to refund the deposit and if it does not escheat to the state, it shall be transferred to Account 144, Accumulated Provision for Uncollectible Customer Accounts—Credit, retaining full information of all particulars.

401 Computer Software Costs

Computer software consists of programs and routines (sets of computer instructions) which direct the operation of the computer. Software may refer to generalized routines useful in computer operations or to programs for specific applications such as payroll.

The distinction between generalized software and application software is important. Generalized software provides operating support for individual applications. This would include programs for such tasks as making printouts of machine-readable records, sorting records, organizing and maintaining files, translating programs written in a symbolic language into machine-language instructions, and scheduling jobs through the computer. These programs are generally furnished by the manufacturer.

Application software consists of a set of instructions for performing a particular data processing task. Application programs are generally written by the user installation, but are frequently obtained as prewritten packages from software vendors. Application software includes programs such as payroll, billing, general ledger, as well as engineering or managerial applications.

Costs incurred with the purchase and/or development of computer software shall be accounted for as follows:

1. Capitalize in a subaccount of Account 391, Office Furniture and Equipment, all costs for generalized software. Depreciate the cost over the service life (or remaining life) of the main hardware (i.e., containing central processor). If the purchase invoice does not break out or assign a cost to the "generalized software," it is appropriate to include the full amount in hardware costs. Defer in Account 186, Miscellaneous Deferred Debits, the cost of all applications software determined to have a service life of over one year. Amortize this cost over the estimated useful life of the program. This amortization period shall not exceed five (5) years. We realize, however, that there may be circumstances that justify a useful life longer than 5 years. When this is the case and it is management's intent to utilize these programs over an extended period, written justification shall be submitted to REA for approval.

2. Expense, in the period incurred, all costs associated with the maintenance, updating, and conversion of files or revision of all software, and all costs for software with a useful life of less than 1 year. Also, expense the unamortized cost of all software determined, during year, to be no longer used by or useful to the cooperative.

In determining the total cost of purchased or internally developed software, the following items shall be included:

a. Costs incurred for feasibility studies if they result in the purchase or development of software;

b. All costs related to the actual purchase or development of the software. These costs must be specifically identifiable with the software and properly supported by time cards, invoices, or other documents; and

c. All costs incurred in "testing and debugging" the software.

Computer software costs are properly chargeable to Account 107, Construction Work-in-Progress, provided that the following criteria are met:

1. The computer program is specifically dedicated to performing a construction related activity, and

2. The cost of the software is itemized separate and apart from other hardware and software costs.

The cost of software programs meeting the above requirements and having an estimated useful service life in excess of 1.ar shall be recorded in Account 186, Miscellaneous Deferred Debits, and amortized to Account 107, Construction Work-in-Progress, over the estimated service life of the program not to exceed 5 years.

All costs related to training personnel in the use of software shall be expensed as incurred.

The accounting in this section is not intended to apply to immaterial amounts. When it is deemed that the costs of the recordkeeping necessary to amortize these costs outweigh the benefits to the patrons, software costs shall be expensed in the year incurred.

For computer costs relating to load control equipment, refer to Item 118 of this section.

402 Legal Expenses

Utilities may incur legal expenses which pertain to construction activities, loan activities, or general services. The proper accounting treatment for legal expenses is as follows:

1. Legal fees incurred in connection with a construction project, including the court costs directly related thereto, which can be identified and supported as such, shall be capitalized in Account 107, Construction Work-in-Progress, as a cost of construction.

2. Legal fees specifically identified and properly supported as resulting from activities designed to obtain long-term debt, shall be deferred in Account 181, Unamortized Debt Expense.

3. Legal fees for all other services and fees which cannot be properly identified will require expensing to either Account 417.1, Expenses of Nonutility Operations, or Account 923, Outside Services Employed, as appropriate.

To properly support the capitalization or deferral of legal fees, the attorney shall provide an itemization of services performed and the corresponding costs. Only those costs specifically identified by the attorney as being related to construction or loan activities shall be capitalized or deferred as described above.

403 Leases

Lease transactions shall be accounted for as either a capital lease or an operating lease depending upon whether or not the lease meets the criteria for classification as a capital lease. The definitions for capital and operating leases and the criteria used to determine which method shall be used are as follows:

Definitions

1. *Capital Lease:* A lease that transfers substantially all of the benefits and risks inherent in the ownership of the property to the lessee, who accounts for the lease as an acquisition of an asset and the incurrence of a liability.

2. *Operating Lease:* An operating lease is a simple rental agreement which does not meet the criteria for a capital lease. Under the terms of an operating lease, the lessee records the rental payments due over the term of the lease as rent expense.

Criteria

A lease agreement shall be classified as a capital lease if one or more of the following criteria is met:

1. Ownership of the property is transferred to the lessee by the end of the lease term;

2. The lease contains a bargain purchase option;

3. The lease term is equal to 75 percent or more of the estimated useful life of the leased property; or

4. The present value of the lease payments at the inception of the lease equals or exceeds 90 percent of the fair market value of the leased property.

A lease agreement qualifying as a capital lease shall be recorded in either Account 101.1, Property Under Capital Leases;Account 120.6, Nuclear Fuel Under Capital Leases; or Account 121, Nonutility Property, as appropriate, at the present value (at the beginning of the lease term) of the minimum lease payments. If, however, this amount exceeds the fair value of the leased

property at the inception of the lease, the asset shall be recorded at its fair market value. An offsetting credit shall be recorded in Account 227, Obligations Under Capital Leases—Noncurrent, with the current portion recorded in Account 243, Obligations Under Capital Leases—Current. Assets recorded in Account 101.1 shall be classified separately according to the detailed accounts (301–399) provided for electric plant in service.

Monthly payments made under the lease obligation shall be charged to rent expense, fuel expense, or construction work-in-progress as they become payable. Similarly, the leased asset and the associated obligation shall be reduced by the current amount due.

The following journal entries shall be used by the lessee to record capital lease transactions:

Dr. 101.1, Property Under Capital Leases
  Cr. 243, Obligations Under Capital Leases—Current
  Cr. 227, Obligations Under Capital Leases—Noncurrent
To record the capital lease agreement.
Dr. 550, Rents
  Cr. 232, Accounts Payable
Dr. 243, Obligations Under Capital Leases—Current
  Cr. 101.1, Property Under Capital Leases
To record the monthly rental payment due.
Dr. 232, Accounts Payable
  Cr. 131.1, Cash—General
To record the monthly lease payment.

Operating leases which are simple rental agreements do not require the recording of an asset or a liability. The entries that are required to record an operating lease by the lessee are as follows:

Dr. 550, Rents
  Cr. 232, Accounts Payable
To record the monthly rental payment due.
Dr. 232, Accounts Payable
  Cr. 131.1, Cash—General
To record the monthly lease payment.

For purposes of illustration, the journal entries presented in this interpretation debit Account 550, Rents. However, Account 507, Rents (steam power generation); Account 525, Rents (nuclear power generation); Account 540, Rents (hydraulic power generation); Account 550, Rents (other power production); Account 567, Rents (transmission expense); Account 589, Rents (distribution expense); and Account 931, Rents (general and administrative), should be charged, as appropriate, depending upon the function of the equipment being leased.

404 Consolidated Financial Statements

In October 1987, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 94, Consolidation of All Majority-Owned Subsidiaries (Statement No. 94). For purposes of reporting to REA, Statement No. 94 shall be applied as follows:

1. An REA borrower that is a subsidiary of another entity shall prepare and submit to REA separate financial statements even though this financial information is presented in the parent's consolidated statements.

2. In those cases in which an REA borrower has a majority-ownership in a subsidiary, the borrower must prepare consolidated financial statements in accordance with the requirements of Statement No. 94. These consolidated statements must also include supplementary schedules presenting a Balance Sheet and Income Statement for each majority-owned subsidiary included in the consolidated statements.

Although Statement No. 94 requires the consolidation of majority-owned subsidiaries, REA Forms 7 and 12 must be prepared on an unconsolidated basis.

501 Patronage Capital Assignments

Accounting for patronage capital and margins may vary depending upon the individual cooperative's bylaws. The comments contained in this section relate to the application of the standard bylaw provisions.

The entries required, at year's end, to record patronage capital transactions where there is no major merchandising program are as follows:

Dr. 219.1, Operating Margins
Dr. 219.2, Nonoperating margins
  Cr. 201.2, Patronage Capital Assignable
To record the amount of patronage capital assignable.
Dr. 201.2, Patronage Capital Assignable
  Cr. 201.1, Patronage Capital Credits
To record the allocation of patronage capital to the patrons' accounts.

The procedure for determining the amount of patronage capital assignable to the individual patron on a total dollar basis is as follows:

1. Determine the total amount to be assigned for the year (Account 201.2).

2. Determine patronage from electric service, the total of consumers' billings (Accounts 440–447).

3. Determine the percentage factor to be used in calculating patronage capital to be credited to each consumer account. Divide "1" by "2".

4. Determine the amount of capital to be credited to each consumer. Multiply the individual consumer's billings for the year by the percentage factor obtained in "3" above.

The procedure for determining the amount of patronage capital assignable to the individual patron on a dollar basis, less the cost of power, is as follows:

1. Determine the total amount to be assigned for the year.

2. Determine the total amount of revenue received from each classification of customers.

3. Determine the total cost of power for each classification of customers. (For example, use cost per kWh sold).

4. For each classification of customers subtract the amount obtained in "3" from the amount obtained in "2," to obtain the total amount received, less cost of power, by classification of customers.

5. Add the amounts obtained in "4" to obtain the total amount of revenue, less cost of power.

6. Divide the total amount received, less cost of power for each classification of customers (amounts obtained in "4"), by the total amount received, less cost of power for all customers (amount obtained in "5") to obtain the prorata percentage for each classification of customers.

7. Multiply the total amount to be allocated (amount obtained in "1") by the prorata percentage for each classification of customers (obtained in "6") to obtain the amount to be assigned each classification of customers.

8. Divide the amount to be assigned each classification of customers (amount obtained in "7") by the total amount received from the classification of customers (amount obtain in "2") to obtain the percentage factor for each classification of customers.

9. Determine the total amount received from each individual customer.

10. Multiply the total amount received from each individual customer (amount obtained in "9") by the percentage factor for his classification (amount obtained in "8") to obtain the amount of capital to be assigned each individual customer.

After calculating the patronage capital to be credited to each customer, there is usually a small balance remaining. This small balance shall remain in Account 201.2, Patronage Capital Assignable, and shall be added to the amount to be assigned in the following year.

Proper records shall be maintained to support all capital credit transactions. As a minimum, these records shall show, for each patron, the amount of capital credited for each year as well as the amount and date retired for each year.

The process of transferring capital credits from the Patronage Capital Assignable accounts to the Patrons' Capital Credits Assigned accounts or to the Patrons' Capital Credits accounts and the making of entries to individual patron's records constitutes an

assignment of capital credits. This holds true for recordkeeping purposes as well as from a legal point of view. This assignment shall be followed by formal notification to patrons within a reasonable period of time.

In the event that a distribution cooperative incurs a net loss, that loss shall not be allocated to its members (patrons). The loss shall be accumulated and offset by future nonoperating margins.

502 Patronage Capital Retirements

As the board of directors has the responsibility for determining whether the financial condition of the cooperative will permit retirement of capital credits and whether the proposed retirement complies with mortgage and bylaw provisions, the authorization for the retirement shall be set forth in the board minutes. The entries to record the general retirement of capital credits shall be as follows:

Dr. 201.1, Patronage Capital Credits
Cr. 238.1, Patronage Capital Payable
To record the board of directors' authorization to make payments of capital credits.

Dr. 238.1, Patronage Capital Payable
Cr. 131.1, Cash—General.
To record actual cash payments of capital credits.

Note: To provide better control over the payment of patronage capital credits, a special checking account should be established in an amount equal to the authorized general retirement. Special prenumbered checks shall be used for each general retirement of patronage capital.

To strengthen internal control and to facilitate the settlement of estates, the board should adopt a policy specifying exactly how payments of capital credits shall be made to the estates of deceased patrons. Payments made to estates shall be recorded as follows:

Dr. 201.1, Patronage Capital Credits
Cr. 131.1, Cash—General
To record the payment of capital credits when an estate is settled by refunding 100 cents on the dollar.

Dr. 201.1, Patronage Capital Credits
Cr. 131.1, Cash—General
Cr. 217, Retired Capital Credits—Gain
To record the payment of capital credits when an estate is settled for less than the full amount of capital credited to the deceased customer's account.

Dr. 217, Retired Capital Credits—Gain
Cr. 201.2, Patronage Capital Assignable
To record the reallocation to current patrons of the amount of the discount, if provided for in the bylaws.

If a capital credit check is returned due to an inability to locate the patron, it shall be held pending a recheck of available records to ascertain the correct address of the patron. If it is determined that the patron cannot be located, the check shall be cancelled and the amount of the check debited to Account 131.1, Cash—General, and credited to Account 217, Retired Capital Credits—Gain. If the state, however, has unclaimed property laws to which the amount is subject, the amount shall be credited to Account 253, Other Deferred Credits, until final disposition has been made. A notation shall be made in the records of the former patron to facilitate payment if his or her whereabouts is subsequently determined.

If the records show that a number of former patrons have moved and left no forwarding address, it is not necessary to prepare a capital credit retirement check for these patrons when a general retirement of capital credits is made. When setting funds aside to make a general retirement, however, appropriate amounts shall be included to cover payments due these patrons. The cooperative shall then make a reasonable effort to locate these patrons through publication of their names in the newsletter or local newspaper. If the patrons are not located, the amounts set aside and the credits to their accounts shall be handled in a manner similar to those for whom payment checks are returned.

Under the standard bylaw provisions recommended by REA, it is not proper to use capital credits that were assigned to former patrons to liquidate their delinquent bills. When the standard bylaws are in effect and collection efforts have failed, the balance of an uncollectible bill, after application of customers deposits and membership fees, shall be charged against the accumulated provision for uncollectible accounts. If the patron has capital credits assigned to him or her, these remain untouched except for a notation to indicate the amount of the unpaid bill. When a general retirement of capital credits is made at some future date, amounts which would otherwise be due the patron may be applied to satisfy the unpaid bill with the balance refunded to him or her.

503 Operating and Nonoperating Margins

Occasionally questions arise concerning the accounting for the balances in Accounts 218, Capital Gains and Losses; 219.3, Other Margins; 219.4, Other Margins and Equities-Prior Periods; 434, Extraordinary Income; and 435, Extraordinary Deductions. The balance in these accounts shall be accounted for as follows:

1. The balance in Account 219.4, Other Margins and Equities—Prior Periods, shall be transferred, at year's end, to Account 219.1 or 219.2, as appropriate. Accounts 219.1 and 219.2 are then closed to Account 201.2, Patronage Capital Assignable, unless otherwise provided for in the bylaws.

2. The balances in Account 434, Extraordinary Income, and Account 435, Extraordinary Deductions, shall be cleared to Account 219.2 at year's end.

3. The balances in Account 219.3, Other Margins, and Account 218, Capital Gains and Losses, shall remain in these accounts unless they are allocated to patrons or used to absorb future losses as provided for in the bylaws of the cooperative.

When a cooperative is engaged in a major merchandising activity, all costs properly chargeable to the merchandising activity shall be allocated as such to offset the associated revenue. Nonoperating margins generated from this source shall be prorated annually on a patronage basis and credited to those patrons accounts from whom such amounts were obtained. Merchandising activities of this nature may require a bylaw provision allowing for the allocation of margins generated by a major merchandising activity separate from other operating or nonoperating margins.

If, at the time of the adoption of the bylaw provisions for the allocation of nonoperating margins, there are prior years' losses resulting in debit balances in Accounts 218, Capital Gains and Losses; 219.1, Operating Margins; 219.2, Nonoperating Margins; or 219.3, Other Margins; the credit balances in Accounts 218, 219.2, or 219.3 resulting from prior years' operations shall be transferred, to the extent necessary, to offset such deficits. If the board determines that amounts shall be allocated to prior years' patrons, the credit balances remaining in these accounts shall be transferred to Account 201.2, Patronage Capital Assignable.

If there are current year's losses resulting in debit balances in either Account 219.1 or 219.2, credit balances in Accounts 219.2, 219.3, and 218 shall be transferred, to the extent necessary, to offset such deficits. Remaining credit balances allocable to patrons shall be transferred to Account 1.2.

504 Patronage Capital from G&T Cooperatives

When a cooperative receives capital credits from a G&T cooperative, the transaction shall be recorded by a debit to Account 123.1, Patronage Capital from Associated Cooperatives, and a credit to Account 423, Generation and Transmission Cooperative Capital Credits. This entry shall be made priorto the closing of the cooperative's books

even though, in most cases, the notice of the G&T allocation is not received until after the close of the year to which it relates. If precise information cannot be obtained from the G&T within a reasonable time, capital credits shall be recorded on an estimated basis. The difference between the estimated amount and the actual shall be recognized in the following year unless the difference is material.

A distribution cooperative shall not recognize its proportionate share of losses incurred by the G&T. G&T losses shall be accumulated and offset as provided for in the bylaws. Unlike distribution cooperatives, a G&T has the option to offset accumulated losses with future operating and/or nonoperating margins.

505 Patronage Capital Furnished by Other Cooperative Service Organizations

Utilities may obtain long-term and short-term loans, telephone or data processing services, or may purchase oil, gasoline, materials, insurance, and various items from cooperative or mutual enterprises. These enterprises often make patronage refunds or provide evidence that an amount equal to such a refund has been credited to the utility as an investment of capital. The refund may be in the form of cash in the year following the purchase or it may be deducted from the next invoice. The notice of patronage credited to the borrower's account may indicate that such capital may be retired at some future date upon certain conditions having been met. The following provides the accounting journal entries for these types of transactions:

1. Insurance policy refunds from mutual companies, in cash or as credits against subsequent purchases, shall be credited to the appropriate expense account. If sufficient information is not available to credit the refunds to the appropriate expense accounts, they shall be credited to Account 165, Prepayments, and reduce premiums for the current year.

2. Patronage capital allocations from cooperatives, other than mutual insurance companies, shall be credited, in the year that the allocation notice is received, to Account 424, Other Capital Credits and Patronage Allocations, or to construction work-in-progress, as appropriate. The allocation of patronage capital credits between Account 424 and construction work-in-progress shall be made on an equitable basis. For example, patronage capital allocations received from a cooperative money lender are allocated between Account 424 and construction work-in-progress based upon the ratio of interest charged to construction for that particular lender to total interest expense incurred for that lender. Patronage capital allocations received from a material supplier are allocated based upon the ratio of materials charged to construction to total materials purchased.

3. The face amount of patronage capital certificates received by the cooperative from the purchase of goods or services from cooperative money lenders (CFC), oil dealers, material suppliers, pole treating plants, communications services, and others shall be charged to either Account 123.1, Patronage Capital from Associated Cooperatives, or Account 124, Other Investments, as appropriate. Account 123.1 shall include investments in only those cooperatives, or enterprises, that are directly related to the electric utility industry and controlled by the electric cooperatives. These include statewide cooperatives, power cooperatives, and NRECA. Other investments in oil cooperatives and insurance companies shall be charged to Account 124.

506 Forfeited Membership Fees

The bylaws of each cooperative prescribe certain rules and regulations concerning membership in the cooperative. Among these are provisions for forfeiture of membership fees. Some bylaws provide for application of membership fees against any unpaid accounts at the time of termination of service. Any remaining balance may be refunded to the member. Balances that cannot be refunded to the member due to an inability to locate the member or due to bylaw restriction, shall be credited to Account 208, Donated Capital, provided they do not escheat to the state. If disposition of the fees cannot be determined immediately, the amount involved shall be transferred to Account 253, Other Deferred Credits, until the determination is made.

601 Employee Benefits

The costs of employees' fringe benefits (hospitalization, retirement, holiday, sick and vacation pay, etc.) shall be accumulated in an appropriate clearing account and allocated monthly on the basis of payroll. Vacation costs shall be accrued monthly by appropriate credits to an accrual account. These monthly accruals shall be allocated on the basis of direct payroll costs to construction and retirement with the expense portion being charged to Account 926, Employee Pensions and Benefits.

Sick leave costs are not normally accrued unless the employee is entitled to be paid for accumulated sick leave at the termination of employment. Salary payments to an employee who is actually sick shall be charged to the same account or accounts to which his or her salary is normally charged.

602 Compensated Absences

Statement of Financial Accounting Standards No. 43, Accounting for Compensated Absences (Statement No. 43), requires employers to accrue a liability as an employee earns the right to be paid for future absences. Four criteria were established for this accrual:

1. The employer's obligation for payment for future absences is attributable to employees' services already performed.

2. The obligation relates to employee rights which vest or accumulate. Vested rights are considered those for which the employer is obligated to make payment even if the employee terminates. Rights which accumulate are those earned, but unused rights to compensated absences which may be carried forward to one or more periods subsequent to the period in which they are earned.

3. Payment of the compensation is probable.

4. The amount can be reasonably estimated.

A company's liability shall be estimated based upon payments it expects to make as a result of employees' work already performed. If a reasonable estimate cannot be made, the company shall disclose that fact in the financial statements.

Statement No. 43 does not apply to severance or termination pay, postretirement benefits, deferred compensation, stock or stock options, group insurance, or other long-term fringe benefits.

The entries required to account for the accrual of compensated absences are as follows:

Dr. 435.1, Cumulative Effect on Prior Years of a Change in Accounting Principle
  Cr. 242.3, Accrued Employees' Vacation and Holidays
To record the liability for benefits earned in prior years.
Dr. 107, Construction Work in Progress
Dr. 108.8, Retirement Work in Progress
Dr. 926, Employee Pensions and Benefits
  Cr. 242.3, Accrued Employees Vacation and Holidays
To record the liability for benefits earned in the current period.

603 Employee Retirement and Group Insurance

Some borrowers have group insurance or retirement plans or both for their

employees. As a general rule the cost of these programs is borne partially by the cooperative and partially by its employees. The cooperative may pay the full cost in advance and recover the employee's share through payroll deductions. The accounting for these transactions is as follows:

1. The cooperative's advanced payment of premiums on insurance and retirement agreements shall be charged to Account 165, Prepayments, for the employers portion, and Account 143, Other Accounts Receivable, for the employee's portion.

2. The cost of the employer's portion of a retirement and group insurance program shall be charged as follows:

a. If the participating employees work entirely on operations and maintenance, the debit shall be to Account 926, Employees Pensions and Benefits.

b. If the employees' time is charged to construction or retirement activities, the charge shall be prorated between construction, retirement, and Account 926, Employee Pensions and Benefits, in the ratio in which the employees' wages have been distributed.

604 Deferred Compensation

Many utilities participate in the NRECA Deferred Compensation Program. Based upon the provisions of the program, the following accounting entries shall be made:

Dr. 186.XX, Miscellaneous Deferred Debits—Deferred Compensation
  Cr. 131.1, Cash—General
To record the annual deposit to NRECA's Deferred Compensation Fund.

Dr. 128, Other Special Funds—Deferred Compensation
  Cr. 128.XX, Special Funds Reserve—Deferred Compensation
To increase the deferred compensation reserve by the amount of the annual deposit to NRECA's Deferred Compensation Fund.

Dr. Construction Work-in-Progress, Retirement Work-in-Progress or Account 926, Employee Pensions and Benefits, as appropriate.
  Cr. 186.XX, Miscellaneous Deferred Debits—Deferred Compensation
To record monthly accrual of deferred compensation.

Note: If an employee joins the deferred compensation program during the year, use entry #1 to record the additional deposit to the NRECA Deferred Compensation Fund and increase the monthly accrual in entry #2 to reflect this deposit.

NRECA provides an annual statement showing activity in the employee's accounts, units owned and value of units at statement date. Therefore, individual employee records do not have to be maintained.

However, an entry shall be made to show the aggregate change in fund value during the year. This entry can be made by summarizing changes on the individual Statement of Accounts sent by NRECA for distribution to participating employees, as shown:

Value of Units Held in Each Fund
  – *Total Deposits through December 31, 19xx*
  = Change in Fund Value

Dr. 128, Other Special Funds—Deferred Compensation
  Cr. 128.XX, Special Funds Reserve—Deferred Compensation
To record an increase in fund value as of December 31, 19xx.

or

Dr. 128.XX, Special Funds Reserve—Deferred Compensation
  Cr. 128, Other Special Funds—Deferred Compensation
To record a decrease in fund value as of December 31, 19xx.

Payments made to participating employees because of retirement or separation for other reasons shall be recorded using the following entries:

Dr. 131.1, Cash—General
  Cr. 128, Other Special Funds—Deferred Compensation
To record the receipt of funds from NRECA.

or

Dr. 128.XX, Special Funds Reserve—Deferred Compensation
  Cr. 131.1, Cash—General
To record payment to employee for deferred compensation.

If the borrower has elected to bear the market risk of the funds which guarantee that the amount of money an employee receives will not be less than the amount of salary deferred, the following entry shall be recorded if total payment(s) from NRECA are less than the amount of salary deferred:

Dr. 926, Employee Pensions and Benefits
  Cr. 131.1, Cash—General
To record payment to employee for deferred compensation. Payment was made because amount returned did not equal salary deferred.

The amounts included in Account 128, Other Special Funds, are offset by the amounts in Account 128.XX, Special Funds Reserve. The balance sheet presentation shall not, therefore, include the amount held for the NRECA Deferred Compensation Program. Appropriate disclosure of the terms of the program shall be made in the notes to the financial statements.

605 Life Insurance Premium on Life of a Borrower Employee

Some borrowers insure the life of the manager and/or key employees with the borrower being named as the beneficiary. Such arrangements shall be accounted for as follows:

1. Charge Account 426.2, Life Insurance, for the net amount of the premium paid each year on the insurance policy.

2. At the anniversary date of the policy each year, charge Account 124, Other Investments, and credit Account 426.2, Life Insurance, with the amount of the annual increase in the cash surrender value of the policy; provided such increase is less than the net premium paid for that year. If the annual increase in the surrender value exceeds the net premium paid for the same year, only that portion of the surrender value increase equal to the net premium paid shall be credited to Account 426.2. The remainder is to be credited to Account 419, Interest and Dividend Income.

3. Upon retirement of the insured employee and surrender of the insurance policy, charge Account 131.1, Cash—General, and credit Account 124, Other Investments, for the amount received from the insurance company. If it is decided to grant to the retiring insured employee all, or any portion, of the cash received upon surrender of the policy, Account 926, Employee Pensions and Benefits, shall be charged and Account 131.1 credited for the amount paid to the retiring employee.

4. If the insured employee dies within his term of service, charge Account 131.1, Cash—General, for the face amount of the policy paid by the insurance company. Credit Account 124, Other Investments, for the cash surrender value previously charged thereto, and credit the remainder to Account 421, Miscellaneous Nonoperating Income.

606 Pension Costs

With the issuance of Statement of Financial Accounting Standards No. 87, Employers' Accounting for Pension (Statement No. 87), there have been significant changes in the accounting and reporting requirements relating to pension costs. This section will highlight the accounting and reporting requirements for the major types of pension plans. It should be noted, however, that the definitions and accounting procedures outlined in this section relate to financial accounting and they may differ from those used for tax accounting.

Defined Benefit Pension Plans

A defined benefit pension plan is a plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service, or compensation. In a defined benefit plan, the employer promises to provide, in addition to

current wages, retirement income payments in future years after the employee retires or terminates service. Generally, the amount of benefit to be paid depends upon a number of future events that are incorporated into the plan's benefit formula, after including how long the employee and any survivors live, how many years of service the employee renders, and the employee's compensation in the years immediately before retirement or termination.

Under a defined benefit plan, the determination of pension costs, assets, liabilities, and the disclosures in the financial statements require many calculations and assumptions to be made. This section provides a general overview of the accounting and reporting requirements associated with a defined benefit pension plan. Consult Statement No. 87 for guidance in making the necessary calculations and assumption.

The accounting and reporting requirements related to a defined benefit pension plan are as follows:

1. The following components shall be included in the periodic recognition of net pension cost by an employer sponsoring a defined benefit pension plan:

a. The service cost component recognized in a period shall be determined as the actuarial present value of benefits attributed by the pension plan formula to employee service during that period. The measurement of the service cost component requires use of an attribution method and assumptions.

b. The interest cost component recognized in a period shall be determined as the increase in the projected benefit obligation due to the passage of time. Measuring the projected benefit obligation as a present value requires accrual of an interest cost at rates equal to the assumed discount rates.

c. For a funded plan, the actual return on plan assets, if any, shall be determined based upon the fair value of plan assets at the beginning and the end of the period, adjusted for contributions and benefit payments.

d. Plan amendments (including initiation of a plan) often include provisions that grant increased benefits based upon services rendered in prior period. Because plan amendments are granted with the expectation that the employer will realize economic benefits in future period, Statement No. 87 does not require the cost of providing such retroactive benefits (prior service cost) to be included in net periodic pension cost entirely in the year of the amendment but provides for recognition during the future service periods of those employees active at the date of the amendment who are expected to receive benefits under the plan.

The cost of retroactive benefits (including benefits that are granted to retirees) is the increase in the projected benefit obligation at the date of the amendment. Except as noted below, prior service cost shall be amortized by assigning an equal amount to each future period of service of each employee active at the date of the amendments who is expected to receive benefits under the plan. If all or almost all of the plan's participants are inactive, the cost of retroactive plan amendments affecting benefits of inactive participants shall be amortized based upon the remaining life expectancy of those participants rather than the remaining service period.

To reduce the complexity and detail of the computations require, consistent use of an alternative amortization approach that more rapidly reduces the unrecognized cost of retroactive amendments is acceptable. For example, a straight-line amortization of the cost over the average remaining service period of employees expected to receive benefits under the plan is acceptable. The alternative method used shall be disclosed.

In some situations, a history of regular plan amendments and other evidence may indicate that the period during which the employee expects to realize economic benefits from an amendment granting retroactive benefits is shorter than the entire remaining service period of the active employees. Identification of such situations requires an assessment of the individual circumstances and the substance of the particular plan situation. In those circumstances, the amortization of prior service cost shall be accelerated to reflect the more rapid expiration of the employer's economic benefits and to recognize the cost in the periods benefited.

A plan amendment can reduce rather than increase the projected benefit obligation. Such a reduction shall be used to reduce an existing unrecognized prior service cost, and the excess, if any, shall be amortized on the same basis as the cost of benefit increases.

e. Gains and losses are changes in the amount of either the projected benefit obligation or plan assets resulting from experience different from that assumed and changes in assumptions. Gains and losses include amounts that have been realized. Because gains and losses may reflect refinements in estimates as well as real changes in economic values and because some gains in one period may be offset by losses in another or vice versa, the recognition of gains and losses as components of net pension cost of the period in which they arise, is not required.

The expected return on plan assets shall be determined based upon the expected long-term rate of return on plan assets and the market-related value of plan assets. The market-related value of plan assets shall be either fair value or a calculated value that recognizes changes in fair value in a systematic and rational manner over not more than 5 years. Different ways of calculating market-related value may be used for different classes of assets but the manner of determining market-related value shall be applied consistently from year to year for each asset class.

Asset gains and losses are the differences between the actual return on assets during a period and the expected return on assets for that period. Assets gains and losses include both changes reflected in the market-related value of assets and changes not yet reflected in the market-related value (that is, the difference between the fair value of assets and the market-related value). Asset gains and losses not yet reflected in market-related values are not required to be amortized.

As a minimum, amortization of an unrecognized gain or loss (excluding asset gains and losses not yet reflected in market-related value) shall be included as a component of net pension cost for a year if, as of the beginning of the year, that unrecognized net gain or loss exceeds 10 percent of the greater of the projected benefit obligation or the market-related value of plan assets. If amortization is required, the minimum amortization shall be that excess divided by the average remaining service period of active employees expected to receive benefits under the plan. If all or almost all of a plan's participants are inactive, the average remaining life expectancy of the inactive participants shall be used instead of average remaining service life.

Any systematic method of amortization of gains and losses may be used in lieu of the minimum specified in the previous paragraph provided that the minimum is used in any period in which the minimum is greater (reduces the net balance by more), the method is applied consistently, the method is applied similarly to both gains and losses, and the method is disclosed.

The gain or loss component of net periodic pension cost shall consist of the difference between the actual return

on plan assets and the expected return on plan assets and amortization of the unrecognized net gain or loss from previous periods.

2. A liability (unfunded accrued pension cost) shall be recognized if net periodic pension cost recognized pursuant to Statement No. 87 exceeds amounts the employer has contributed to the plan. An asset (prepaid pension cost) shall be recognized if net periodic pension cost is less than amounts the employer has contributed to the plan.

If the accumulated benefit obligation exceeds the fair value of plan assets, the employer shall recognize a liability (including unfunded accrued pension cost) that is at least equal to the unfunded accumulated benefit obligation. Recognition of an additional minimum liability is required if an unfunded accumulated benefit obligation exists and an asset has been recognized as a prepaid pension cost, the liability already recognized as unfunded accrued pension cost is less than the unfunded accumulated benefit obligation, or no accrued or prepaid pension cost has been recognized.

If an additional minimum liability is recognized, an equal amount shall be recognized as an intangible asset, provided that the asset does not exceed the amount of unrecognized prior service cost. If an additional liability required to be recognized exceeds unrecognized prior service cost, the excess (which represents a net loss not yet recognized as a net periodic pension cost) shall be reported as a separate component (reduction) of equity.

When a new determination of the amount of additional liability is made to prepare a balance sheet, the related intangible asset and separate component of equity shall be eliminated or adjusted, as necessary.

3. An employer sponsoring a defined benefit pension plan shall disclose the following information:

a. A description of the plan including employee groups covered, type of benefit formula, funding policy, types of assets held and significant nonbenefit liabilities, if any, and the nature and effect of significant matters affecting comparability of information for all period presented.

b. The amount of net periodic pension cost for the period showing separately the service cost component, the interest cost component, the actual return on assets for the period, and the net total of other components.

c. A schedule reconciling the funded status of the plan with amounts reported in the employer's balance sheet, showing separately, the fair value of plan assets, the projected benefit obligation identifying the accumulated benefit obligation and the vested benefit obligation, the amount of unrecognized prior service cost, the amount of unrecognized net gain or loss including asset gains and losses not yet reflected in market-related value), the amount of any remaining unrecognized net obligation or net asset existing at the date of initial application of Statement No. 87, the amount of any additional liability recognized, and the amount of net pension asset or liability recognized in the balance sheet (which is the net result of combining the previous six items).

d. The weighted-average assumed discount rate and rate of compensation increase (if applicable) used to measure the projected benefit obligation and the weighted-average expected long-term rate of return on plan assets.

e. If applicable, the amount and type of securities of the employer and related parties included in plan assets, and the approximate amount of annual benefits of employees and retirees covered by annuity contracts issued by the employer and related parties. Also, if applicable, the alternative amortization periods used.

f. An employer that sponsors two or more separate defined benefit pension plans shall determine net periodic pension cost, liabilities, and assets by separately applying the provisions of Statement No. 87 to each plan. In particular, unless an employer clearly has a right to use the assets of one plan to pay benefits of another, a liability required to be recognized for one plan shall not be reduced or eliminated because another plan has assets in excess of its accumulated benefit obligation or because the employer has prepaid pension cost related to another plan.

The required disclosures may be aggregated for all of an employer's single-employer defined benefit plans, or plans may be disaggregated into groups so as to provide the most useful information. Plans with assets in excess of the accumulated benefit obligation, however, shall not be aggregated with plans that have accumulated benefit obligations that exceed plan assets.

Annuity Contracts

An annuity contract is a contract in which an insurance company unconditionally undertakes a legal obligation to provide specified benefits to specific individuals in return for a fixed consideration or premium. An annuity contract is irrevocable and involves the transfer of significant risk from the employer to the insurance company. Some annuity contracts (participating annuity contracts) provide that the purchaser (either the plan or the employer) may participate in the experience of the insurance company. Under these contracts, the insurance company ordinarily pays dividends to the purchaser. If the substance of a participating contract is such that the employer remains subject to all or most of the risks and rewards associated with the benefit obligation covered and the assets transferred to the insurance company, that contract is not an annuity contract for purposes of Statement No. 87.

To the extent that benefits currently earned are covered by annuity contracts, the cost of these benefits shall be the cost of purchasing the contracts, except as noted below. That is, if all benefits attributed by the plan's benefits formula to service in the current period are covered by nonparticipating annuity contracts, the cost of the contracts determines the service cost component of net pension cost for that period.

Benefits provided by the pension benefit formula beyond benefits provided by annuity contracts (for example, benefits related to future compensation levels) shall be accounted for according to the provisions applicable to plans not involving insurance contracts.

Benefits covered by annuity contracts shall be excluded from the projected benefit obligation and the accumulated benefit obligation. Except as noted below, annuity contracts shall be excluded from plan assets.

Some annuity contracts provide that the purchaser (either the plan or the employer) may participate in the experience of the insurance company. Under these contracts, the insurance company ordinarily pays dividends to the purchaser, the effect of which is to reduce the cost of the plan. The purchase price of a participating annuity contract ordinarily is higher than the price of an equivalent contract without participation rights. The cost of the participation right shall be recognized, at the date of purchase, as an asset. In subsequent periods, the participation right shall be measured at its fair value if the contract is such that the fair value is reasonably estimable. Otherwise, the participation right shall be measured at its amortized cost (not in excess of its net realizable value), and the cost shall be amortized systematically over the expected dividend period under the contract.

Other Contracts with Insurance Companies

Insurance contracts that are, in substance, equivalent to the purchase of annuities shall be accounted for as such. Other contracts with insurance companies shall be accounted for as investments and measured at fair value. For some contracts, the best available evidence of fair value may be contract value. If a contract has a determinable cash surrender value or conversion value, that is presumed to be its fair value.

Defined Contribution Plans

A defined contribution pension plan is a plan that provides pension benefits in return for services rendered, provides an individual account for each participant, and has terms that specify how contributions to the individual's accounts are to be determined rather than the amount of pension benefits the individual is to receive. Under a defined contribution plan, the pension benefits a participant will receive depend only upon the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits that may be allocated to the participant's account.

To the extent that a plan's defined contributions to an individual's account are to be made for periods in which that individual renders services, the net pension cost for a period shall be the contribution called for in that period. If a plan calls for contributions for periods after an individual retires or terminates, the estimated cost shall be accrued during the employee's service period.

An employer that sponsors one or more defined contribution plans shall disclose the following separately from its defined benefit plan disclosures:

1. A description of the plan(s) including employee groups covered, the basis for determining contributions, and the nature and effect of significant matters affecting comparability of information for all periods presented.

2. The amount of cost recognized during the period.

A pension plan having characteristics of both a defined benefit plan and a defined contribution plan requires careful analysis. If the substance of the plan is to provide a defined benefit, as may be the case with some "target benefit" plans, the accounting and disclosure requirements shall be determined in accordance with the provisions applicable to a defined benefit plan.

Multiemployer Plans

A multiemployer plan is a pension plan to which two or more unrelated employers contribute, usually pursuant to one or more collective-bargaining agreements. A characteristic of multiemployer plans is that assets contributed by one participating employer may be used to provide benefits to employees of other participating employers since assets contributed by an employer are not segregated in a separate account or restricted to provide benefits only to employees of that employer.

An employer participating in a multiemployer plan shall recognize as net pension cost, the required contribution for the period and shall recognize as a liability, any contributions due and unpaid. The required contribution includes both current costs and prior service costs. If an employer elects to fund prior service cost in full at the inception of the plan, the total payment becomes the employer's required contribution, and accordingly, its pension cost for the period.

The following provisions are applicable to REA borrowers participating in a multiemployer pension plan:

1. An electric utility participating in a multiemployer plan may defer current period pension expenses if the provisions of Statement of Financial Accounting Standards No. 71 (Statement No. 71), Accounting for the Effects of Certain Types of Regulation, are applied.

Under the provisions of Statement No. 71, pension costs may be deferred provided such costs are recovered through future rates.

2. An electric utility instituting an amendment to the NRECA Retirement and Security plan enters into a contractual agreement to pay the costs incurred (prior service pension costs) for the amendment. In such cases, the agreement is noncancelable and payable regardless of continued participation in the plan.

Since the utility is unconditionally committed to making these payments and such payments are not contingent upon the utility's continued participation in the plan, the recognition of that liability is appropriate. The costs associated with this liability shall be expensed, in their entirety, when the liability is recognized.

The accounting journal entries required to record the transactions associated with a multiemployer pension plan are as follows:

Sample 1—Current Pension Expense

The journal entry required to record the normal costs associated with the NRECA Retirement and Security Program is as follows:

Dr. 926, Employee Pensions and Benefits
Dr. 107, Construction Work-in-Progress
Dr. 108.8, Retirement Work-in-Progress
  Cr. 131.1, Cash—General
To record the payment of pension costs to NRECA.

Note: This entry shall not be recorded during the moratorium.

Sample 2—Prior Service Pension Expense

The journal entries required to record the prior service costs associated with the NRECA Retirement and Security Program are as follows:

1. If the REA borrower elects to pay the prior service pension costs in full, and there is no deferral of costs under the provision of Statement No. 71, the following entry shall be recorded:

Dr. 926, Employee Pensions and Benefits
Dr. 107, Construction Work-in-Progress
Dr. 108.8, Retirement Work-in-Progress
  Cr. 131.1, Cash—General
To record the payment of prior service pension costs to NRECA.

2. If the REA borrower elects to finance prior service pension costs over a period of years and there is no deferral of costs under the provisions of Statement No. 71, the following entries shall be recorded:

Dr. 926, Employee Pensions and Benefits
Dr. 107, Construction Work-in-Progress
Dr. 108.8, Retirement Work-in-Progress
  Cr. 224, Other Long-Term Debt
To record the liability to NRECA for prior service pension costs.
Dr. 224, Other Long-Term Debt
Dr. 427, Interest on Long-Term Debt
  Cr. 131.1, Cash—General
To record the annual payment to NRECA for prior service pension costs.

3. If the REA borrower elects to finance prior service pension costs over a period of years and such costs are being deferred and amortized in accordance with the provisions of Statement No. 71, the following entries shall be recorded:

Dr. 182.3, Other Regulatory Assets
  Cr. 224, Other Long-Term Debt
To record the liability to NRECA for prior service pension costs.
Dr. 926, Employee Pension and Benefits
Dr. 107, Construction Work-in-Progress
Dr. 108.8, Retirement Work-in-Progress
  Cr. 182.3, Other Regulatory Assets
To record the amortization of deferred prior service pension costs.
Dr. 224, Other Long-Term Debt
Dr. 427, Interest on Long-Term Debt
  Cr. 131.1, Cash—General
To record the annual payment to NRECA for prior service pension costs.

4. If the REA borrower elects to pay the prior service pension costs in full and such costs are being deferred and amortized in accordance with the provisions of Statement No. 71, the following entries shall be recorded:

Dr. 182.3, Other Regulatory Assets

Cr. 131.1, Cash—General
To record the payment to NRECA for prior service pension costs.
Dr. 926, Employee Pensions and Benefits
Dr. 107, Construction Work-in-Progress
Dr. 108.8, Retirement Work-in-Progress
Cr. 182.3, Other Regulatory Assets
To record the amortization of deferred prior service pension costs.

It should be noted that although the above entries relate specifically to the NRECA Retirement and Security Program, they are applicable to all multiemployer pension plans.

An employer that participates in one or more multiemployer plans shall disclose the following separately from disclosures for a single-employer plan:

1. A description of the multiemployer plan(s) including the employee groups covered, the type of benefits provided (defined benefit or defined contribution), and the nature and effect of significant matters affecting comparability of information for all periods presented.

2. The amount of cost recognized during the period.

Multiple-Employer Plans

A multiple-employer plan is, in substance, aggregations of single-employer plans combined to pool their assets for investment purposes to reduce the cost of plan administration. Under a multiple-employer plan, assets are segregated and specifically identified to an employer. In addition, such plans may have features that allow participating employers to have different benefit formulas. Such plans shall be considered single-employer plans for financial accounting purposes and each employer's accounting shall be based upon its respective interest in the plan.

607 Unproductive Time

Lost time relating to construction, operations and maintenance shall be allocated on the basis of direct payroll costs to the appropriate construction, operations or maintenance accounts in the month incurred. Lost time is defined as time on duty during which productive work is not performed due to inclement weather conditions, material shortages, machine repairs, or other reasons.

If lost time attributable to construction has a material effect on the construction accounts in any one month, these costs shall be deferred and distributed over a reasonable period of time by means of a predetermined percentage based upon direct labor.

608 Training Costs, Attendance at Meetings, etc.

Utilities engage in many types of training programs. Seminars are conducted for directors, managers, office managers, attorneys, engineers, and others. Bookkeepers and office managers attend accountants' meetings. Safety engineers attend safety schools and subsequently conduct regular safety meetings at the cooperative. Costs incurred for the various types of training activities shall be accounted for as follows:

1. Managers' and directors' expenses to attend the NRECA national and state conventions shall be charged to Account 930.2, Miscellaneous General Expenses.

2. Management or engineering seminar fees, salary time attending such seminars, and the related per diem and expenses shall be charged to Account 926, Employee Pensions and Benefits, if the meeting is primarily for the benefit of the employee. If the meeting is primarily for the benefit of the employer, the functional expense accounts shall be charged for fees and expenses. Salaries paid to employees shall be charged to the appropriate labor expense accounts rather than to Account 926. Fees and expenses for directors' attendance shall be charged to Account 930.2, Miscellaneous General Expenses.

3. When the office manager, bookkeeper, or work order clerk attends a state or regional accounting meeting, their salary time shall be charged to the account to which the employees' time is ordinarily charged.

4. Employees' salary time spent attending regular safety meetings conducted by the cooperative shall be charged to the account to which the employees' time is ordinarily charged.

5. A safety engineer's salary time spent attending a statewide safety school shall be charged to Account 925, Injuries and Damages.

6. The salary time spent by a manager or line foreman conducting weekly safety meetings shall be charged to the appropriate functional expense accounts including Account 590, Maintenance, Supervision and Engineering, and Account 920, Administrative and General Services.

609 Maintenance and Operations

"Operations" is the general term used to describe activities involved in the delivery of electric service, by means of a distribution system, to the end user. It pertains to the use of the utility's electric plant facilities and does not include activities intended to prevent or remedy an impending or actual breakdown of those facilities. These activities are classified as maintenance.

"Maintenance" is the general term used to describe the activities involved in the upkeep and repair, but not the enlargement or improvement, of property owned or leased and operated by the company. It does not include the replacement of retirement units.

610 Financial Forecast

Costs incurred and salaries paid to perform a 10-year financial forecast shall be charged to Account 920, Administrative and General Salaries. Related office supplies and expenses shall be charged to Account 921, Office Supplies and Expenses. When a forecast is performed by an outside consultant, the cost shall be charged to Account 923, Outside Services Employed.

611 Advertising Expense

The cost of advertising and the cost of informing the public about the electric cooperative's activities shall be charged to Account 930.2, Miscellaneous General Expenses.

Most of a cooperative's advertising is instructional in nature and relates the cooperative's history and current activities. This type of advertising activity should not be confused with that directed towards the enactment of a specific law or laws directed toward obtaining a specific decision from a regulatory body. Political advertising of the type defined above shall be charged to Account 426.4, Expenditures for Certain Civic, Political, and Related Activities.

612 Special Power Cost Study

A special power cost study is defined as a study to determine whether sufficient power will be available in the future. If additional power or power sources are needed, the study determines whether generation or purchase will supply the lesser cost. The study also indicates when additional power will be needed. As costs are incurred, they shall be charged to a subaccount of Account 186, Miscellaneous Deferred Debits. Upon completion of the study, the costs shall be charged to Account 557, Other Expenses, or amortized to Account 557 over a period of time not to exceed 5 years.

613 Mapping Costs

The purpose of posting completed work orders to system maps is to improve the operation of the system. These costs shall, therefore, be charged to Account 588, Miscellaneous Distribution Expenses. However, the cost of system mapping in the planning

stage of construction is an acceptable overhead cost of the resulting construction.

614 Member Relations Costs

Many electric cooperatives hire employees whose duties concern a mixture of power use and member relations activities. The salaries for these employees shall be charged to Account 930.2, Miscellaneous General Expenses, except as provided below:

1. Account 912, Demonstrating and Selling Expenses, shall be charged with all labor, material, advertising, and other expenses incurred in promotional, demonstrating, and selling activities; the objective of which is to promote or retain the use of utility services by present or prospective customers.

2. Account 930.1, General Advertising Expenses, shall be charged with labor, material, and other expenses incurred in advertising and related activities, the cost of which by their content and purpose, are not provided for elsewhere.

3. Account 416, Costs and Expenses of Merchandising, Jobbing, and Contract Work, shall be charged with all costs specifically related to merchandising activities when the utility is engaged in a major merchandising program.

4. Account 426.4, Expenditures for Certain Civic, Political, and Related Activities, shall be charged with expenditures for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation, or ordinances (either with respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances); or approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials. Account 426.4 shall not include expenditures which are directly related to appearances before regulatory or other governmental bodies in connection with the borrower's existing or proposed operations.

615 Statewide Fees

Additional fees collected by a statewide association from its members for construction of a statewide building shall be charged to Account 930.2, Miscellaneous General Expenses. Any amounts that are to be repaid by the state association shall be charged to Account 143, Other Accounts Receivable, or Account 123.23, Other Investments in Associated Organizations, depending upon the terms of the repayment.

616 Power Supply/Distribution Cooperative Borrowings

When a power supply cooperative borrows money from a distribution cooperative as the result of a long-term loan agreement, the money shall be recorded on the books of the power supply cooperative as general funds unless restricted to a specific purpose. If restricted, the funds shall be recorded in Account 128, Other Special Funds. The resulting liability shall be recorded in Account 224, Other Long-Term Debt.

The transaction shall be charged to Account 123.23, Other Investments in Associated Organizations, on the books of the distribution cooperative.

617 Rate Discount Allowed by the Power Cooperative to Distribution Cooperatives Owning Connecting Transmission Lines

A distribution cooperative purchases power from a power cooperative. The distribution cooperative owns and operates the transmission line between the power cooperative's facilities and the distribution facilities. Because of this, power is sold at the standard rate at which the power cooperative sells to other distribution cooperatives who do not own their transmission lines, less a discount. The discount or reduction in rate is based upon the distribution cooperative's expense in operating and maintaining its transmission facilities. The contract between the power cooperative and the distribution cooperative must specifically state that the member shall receive a reduced rate or discount from the seller's rate to other member cooperatives.

Under this type of arrangement, the distribution cooperative shall record the cost of purchased power by charging the net amount to Account 555, Purchased Power.

618 Theft Losses not Covered by Insurance

Utilities may suffer losses as a result of thefts of cash, materials and supplies, equipment, or electric plant-in-service that is not covered by insurance. The charges for nominal uninsured losses shall be recorded in the following accounts:

1. Cash—Account 924, Property Insurance, shall be charged.

2. Plant materials and operating supplies—Account 163, Stores Expense Undistributed, shall be charged.

3. Equipment—Account 163, Stores Expense Undistributed, shall be charged for stores equipment; Account 184, Transportation Expense—Clearing, for transportation and garage equipment; and Account 924, Property Insurance, for all other equipment.

4. Electric Plant-in-Service—A retirement work order shall be prepared for electric plant constituting a unit of property. The loss due to retirement shall be charged to Account 108.6, Accumulated Provision for Depreciation of Distribution Plant. If the plant does not constitute a retirement unit, the loss shall be charged to the appropriate maintenance expense account.

619 Self Billing

To maintain the books of accounts on an accrual basis, bills for customers who self bill and have not sent in a reading or remittance, shall be estimated. A journal entry shall be made to record the estimated revenue and kWh sold by debiting accounts receivable and crediting the appropriate revenue accounts. The estimated bill shall be posted to the customer's account and identified by an appropriate symbol indicating that it is an estimate. Reconciliation with the general ledger control is made in the usual manner.

620 Purchase Rebates

Some vendors from which electric cooperatives purchase plant materials and supplies and merchandise for resale are making purchase rebates based upon the quantity or dollar volume of purchases. These "quantity discounts" may be in the form of cash or credit memoranda, in the form of prepaid package travel arrangements, or a combination of such methods. The rebate shall be accounted for as a reduction in the cost of the material or appliances upon which it was based.

In some instances, the rebate may be for material or appliances that are no longer in stock or cannot be identified. If the rebate is based upon the purchase of plant materials and operating supplies that are normally charged to Account 154, Plant Materials and Operating Supplies, a credit shall be made to Account 163, Stores Expense Undistributed. If the rebate is based upon appliances and equipment held for merchandising or contract work, the credit shall be spread over the items in Account 155, Merchandise. To avoid materially distorting the cost of the remaining appliances, if a portion of the items upon which the rebate was based are no longer in stock, a portion of the credit shall be prorated to Account 416, Cost and Expenses of Merchandising, Jobbing, and Contract Work, on the basis of the number of items sold to the quantity remaining in stock.

If the rebate is in the form of a travel package or travel arrangements, the value of the rebate shall be estimated and recorded as a reduction of the cost of the material or appliances upon

which it was based in a manner similar to that of the cash rebates discussed above. The beneficiary of the travel or travel allowance shall be designated by or in accordance with policy established by the board of directors. The contra charge to the reduction in cost shall be to an appropriate account depending upon the relationship of the recipient to the cooperative. For employees, this shall be Account 926, Employee Pensions and Benefits; for directors or patrons, Account 930.2, Miscellaneous General Expenses.

621 Integrity Fund

The CFC Integrity Fund was established to assist borrowers in their attempts to stop takeover bids by investor-owned utilities. A borrower makes a contribution to the Integrity Fund in the form of cash or patronage capital refunds. CFC retains the contribution for a 5-year period during which time the borrower earns interest on the balance in its account. Each year, the borrower receives a statement indicating (both for the total fund and the individual borrower's share) the amount contributed, interest earned, disbursements made, and the ending balance. The disbursements from the fund are allocated to each contributing borrower's account based upon their individual account balances. At the end of the 5-year period, the balance in the account, if any, is refunded to the contributing borrower.

Since the contributing borrower will receive a refund only if its funds are not totally disbursed, the contribution shall be charged to expense in Account 426.1, Donations. If any part of the contribution is returned at the end of the 5-year period, the refund shall be credited to Account 421, Miscellaneous Nonoperating Income.

622 In-Substance Defeasance

An in-substance defeasance has been defined as the process whereby a debtor irrevocably places cash or other assets in a trust to be used solely for the purpose of satisfying scheduled payments of both principal and interest related to a specific debt obligation. Under the structural arrangements of an in-substance defeasance, the probability that the debtor will be required to make additional future debt payments is remote. In these specific circumstances, debt has been determined to be extinguished even though the debtor has not been legally released from his obligations under the debt instrument.

The trust established in a defeasance transaction is restricted as to the nature of the assets held. The trust must be funded with monetary assets that are essentially risk free as to the amount, timing, and collection of interest and principal. For debt denominated in United States dollars, "risk free" assets are limited to:

1. Direct obligations of the United States government;

2. Obligations guaranteed by the United States government; and

3. Securities that are backed by United States government obligations as collateral under an arrangement by which the interest and principal payments on the collateral, flow immediately through to the holder of the security.

The monetary assets of the trust must provide cash flows sufficient to coincide with the scheduled interest and principal payments on the defeased debt. If the trust is expected to pay the costs associated with the defeasance, such as trustee fees, these costs must be considered in determining the amount of funds required by the trust.

The principles of in-substance defeasance apply only to debt with specific maturities and fixed payment schedules and, as such, do not apply to debt with variable terms in which advance determination of debt service requirements is not possible.

Generally accepted accounting principles (GAAP) address the extinguishment of debt in Accounting Principles Board Opinion No. 26, and Statement of Financial Accounting Standard No. 76, Extinguishment of Debt. In accordance with these two statements, debt which has been defeased remains recorded in the regulated books of account as do the assets placed in the irrevocable trust. They are not, however, recognized as an asset and liability for financial reporting purposes. The transaction, including the total amount of debt outstanding and the total amount of debt that is considered extinguished at the end of the period, must be disclosed in the footnotes to the financial statements as long as the debt remains outstanding.

Debt is frequently extinguished before its scheduled maturity. Debt may be extinguished by the use of the borrower's general funds, or by the reacquisition of another debt issue at a different interest rate or varying terms. As these assets are expected to be revenue producing during those years, both the assets and the revenue they generate may be utilized to meet maturing debt payments. Therefore, in most instances, the dollar value of the assets initially placed in the trust do not equal the dollar value of the outstanding principal balance. The difference represents an "economic" gain or loss to the borrower.

To provide consistency in reporting among all REA borrowers, any gain or loss that is recognized for financial statement purposes should be reported in accordance with the provisions of General Instruction No. 17 of this part. Therefore, the gain or loss should be amortized (for reporting purposes) in equal monthly amounts over the remaining life of the original debt issue or the remaining life of the new issue. The gain or loss may be reported in the current period only in those instances in which it is immaterial to the financial statements.

The REA Form 7, Financial and Statistical Report, and the REA Form 12, Operating Report—Financial, must, however, reflect the actual amounts recorded in the books and records of the borrower.

623 Satellite or Cable Television Services

Many electric borrowers have become involved in either providing satellite or cable television services or obtaining satellite or cable television services for their own use. This section outlines the accounting to be followed when recording transactions involving satellite or cable television services.

1. *Separate Subsidiary*

If a borrower provides satellite or cable television services through a separate subsidiary, the investment in the subsidiary shall be recorded in Account 123.11, Investment in Subsidiary Companies. The net income or loss of the subsidiary shall be debited or credited to Account 123.11, as appropriate, with an offsetting entry to Account 418.1, Equity in Earnings of Subsidiary Companies.

2. *Segment of Current Operations*

If a borrower provides satellite or cable television services as part of its normal operations, the investment in satellite or cable television equipment shall be recorded in Account 121, Nonutility Property. All income associated with these services shall be recorded in Account 417, Revenues from Nonutility Operations, and the associated expenses shall be charged to Account 417.1, Expenses of Nonutility Operations.

3. *Sale and Installation of Satellite or Cable Television Equipment*

If a borrower sells or installs satellite or cable television equipment, the equipment purchased for resale shall be recorded in Account 156, Other Materials and Supplies, until sold. The revenues generated from such sales or installations shall be recorded in

Account 415, Revenues from Merchandising, Jobbing, and Contract Work, and the associated expenses shall be charged to Account 416, Costs and Expenses of Merchandising, Jobbing, and Contract Work.

4. *Equipment Purchased for Own Use*

If a borrower purchases satellite or cable television equipment for its own use, the investment in the equipment shall be recorded in Account 397, Communication Equipment.

624 Pollution Control Bonds

The construction and installation of pollution control facilities are often financed by issuing tax exempt municipal securities. The funds generated from the sale of these securities are deposited into an account that is controlled by a designated trustee. The funds under the control of the trustee are usually invested, earning interest, until they are needed.

Interest expense accrued on the pollution control bonds during the construction period shall be capitalized in Account 107, Construction Work-in-Progress. After construction is complete, all subsequent accruals of interest expense shall be charged to Account 427, Interest on Long-Term Debt.

Interest income earned during the construction period shall be recorded as a debit to Account 171, Interest and Dividends Receivable, and a credit to Account 107, Construction Work-in-Progress. Upon notification of receipt of the interest in the trustee account, Account 221.XX, Long-Term Debt—Pollution Control Bonds, shall be debited and Account 171, Interest and Dividends Receivable shall be credited. Upon completion of construction, Account 419, Interest and Dividend Income, shall be credited for the amount of interest income earned during the period.

The entries required to account for the transactions associated with the issuance of pollution control bonds are as follows:

Dr. 221.XX, Long-Term Debt—Pollution Control Bonds—Trustee
  Cr. Account 221.X1, Long-Term Debt—Pollution Control Bonds
To record the sale of pollution control bonds.
Dr. 107, Construction Work-in-Progress
  Cr. 232, Accounts Payable
To record costs incurred in construction of pollution control facilities.
Dr. 131.1, Cash—General Funds
  Cr. 221.XX, Long-Term Debt—Pollution Control Bonds—Trustee
To record the transfer of funds from the trustee.
Dr. 107, Construction Work-in-Progress
  Cr. 221.XX, Long-Term Debt—Pollution Control Bonds—Trustee
To record interest expense on pollution control bonds.
Dr. 171, Interest and Dividends Receivable
  Cr. 107, Construction Work-in-Progress
To record earnings from investments made by the trustee.
Dr. 221.XX, Long-Term Debt—Pollution Control Bonds—Trustee
  Cr. 171, Interest and Dividends Receivable
To record receipt of interest income by the trustee account.
Dr. XXX, Various Plant Accounts
  Cr. 107, Construction Work-in-Progress
To close completed construction to the primary plant accounts.

625 Prepayment of Debt

Many REA borrowers have decided to redeem (prepay) their issues of long-term debt. As a result of this redemption, the borrower may incur a gain (discount) or a loss (penalty) on the early extinguishment of debt. The accounting for this gain or loss is highlighted in this section.

If debt is redeemed without refunding (paid with general funds), the gain or loss incurred shall be recorded in Account 189, Unamortized Loss on Reacquired Debt, or Account 257, Unamortized Gain on Reacquired Debt, as appropriate. The borrower shall amortize the recorded deferral on a monthly basis over the remaining life of the old debt issue. Amounts so amortized shall be charged to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debt—Credit, as appropriate.

If the debt is redeemed with refunding (refinanced), the gain or loss incurred shall be recorded in Account 189 or Account 257, as appropriate. The borrower may elect to account for the deferrals as follows:

1. Write them off immediately when the amounts are insignificant;

2. Amortize them by equal monthly amounts over the remaining life of the old debt issue; or

3. Amortize them by equal monthly amounts over the life of the new debt issue.

Once an election has been made, it shall be applied on a consistent basis. Regardless of the option selected, the amortization shall be charged to either Account 428.1 or 429.1, as appropriate.

Where a regulatory authority having jurisdiction over the borrower specifically disallows the rate principle of amortizing gains or losses on the redemption of long-term debt without refunding, and does not apply the gain or loss to interest charges in computing the borrower's rates, the alternative method may be used to account for gains or losses relating to the redemption of long-term debt with or without refunding. The alternative method requires that gains or losses be recorded in Account 421, Miscellaneous Nonoperating Income, or Account 426.5, Other Deductions, as incurred. When the alternative method is used, the borrower shall include a footnote to the financial statements stating the reason for using this method and its treatment for rate making purposes.

626 Rural Economic Development Loan and Grant Program

On December 21, 1987, Section 313, Cushion of Credits Payments Program, was added to the Rural Electrification Act. Section 313 establishes a Rural Economic Development Subaccount and authorizes the Administrator of the Rural Electrification Administration to provide zero interest loans or grants to RE Act borrowers for the purpose of promoting rural economic development and job creation projects.

On February 15, 1989, REA published its final rule, 7 CFR Part 1703, Subpart B, Rural Economic Development Loan and Grant Program. This rule outlines the policies and procedures relating to the zero interest loan and grant program.

The accounting journal entries required to record the transactions associated with a Rural Economic Development Loan are as follows:

Dr. 224.17, REA Notes Executed—Economic Development—Debit
  Cr. 224.16, Long-Term Debt—REA Economic Development Notes Executed
To record the contractual obligation to REA for the Economic Development Notes.
Dr. 131.12, Cash—General—Economic Development Funds
  Cr. 224.17, REA Notes Executed—Economic Development—Debit
To record the receipt of the economic development loan funds.
Dr. 123, Investment in Associated Organizations
  or
Dr. 124, Other Investments
  Cr. 131.12, Cash—General—Economic Development Funds
To record the disbursement of economic development loan funds to the project.
Dr. 131.1, Cash—General Funds
  Cr. 421, Miscellaneous Nonoperating Income
To record payment received from the project for loan servicing charges.
Dr. 171, Interest and Dividends Receivable
  Cr. 419, Interest and Dividend Income
To record the interest earned on the investment of rural economic development loan funds.]
Dr. 426.1, Donations
  or
Dr. 426.5, Other Deductions

Cr. 131.1, Cash—General Funds
To record the payment of interest earned in excess of $500.00 on the investment of rural economic development loan funds.

Note: Interest earned in excess of $500.00 must be used for the rural economic development project for which the loan funds were received or returned to REA.

Dr. 131.12, Cash—General—Economic Development Funds
Cr. 123, Investment in Associated Organizations
or
Cr. 124, Other Investments
To record receipt of the repayment, by the project, of economic development loan funds.

Dr. 224.16, Long-Term Debt—REA Economic Development Notes Executed
Cr. 131.12, Cash—General—Economic Development Funds
To record the repayment, to REA, of the economic development loan funds.

627 Postretirement Benefits

Statement of Financial Accounting Standards No. 106, Employers' Accounting for Postretirement Benefits Other than Pensions (Statement No. 106), requires entities to accrue the expected cost of postretirement benefits during the years the employee provides service to the entity. Prior to the issuance of Statement No. 106, most entities accounted for postretirement benefit costs on a "pay-as-you-go" basis; that is, costs were recognized when paid, not when the employee provided service to the entity in exchange for the benefits.

As defined in Statement No. 106, a postretirement benefit plan is a deferred compensation arrangement in which an employer promises to exchange future benefits for an employee's current services. Postretirement benefits include, but are not limited to, health care, life insurance, tuition assistance, day care, legal services, and housing subsidies provided outside of a pension plan.

This statement applies to both written plans and to plans whose existence is implied from a practice of paying postretirement benefits. An employer's practice of providing postretirement benefits to selected employees under individual contracts with specific terms determined on an employee-by-employee basis does not constitute a postretirement benefit plan under the provisions of this statement.

Postretirement benefit plans generally fall into three categories: single-employer defined benefit plans, multi-employer plans, and multiple-employer plans. A postretirement benefit plan may be either funded or unfunded.

The accounting requirements set forth in this interpretation focus on single- and multiple-employer plans. The accounting requirements set forth in Statement No. 106 for multiemployer plans or defined contribution plans shall be adopted for borrowers electing those types of plans.

Under the provisions of Statement No. 106, there are two components of the postretirement benefit cost: the current period cost and the transition obligation. The transition obligation is a one-time accrual of the costs resulting from services already provided. Statement No. 106 allows the transition obligation to be deferred and amortized on a straight-line basis over the average remaining service period of the active employees. If the average remaining service life of the employees is less than 20 years, a 20-year amortization period may be used.

Accounting Requirements

All REA borrowers must adopt the accrual accounting provisions and reporting requirements set forth in Statement No. 106. The transition obligation and accrual of the current period cost must be based upon an actuarial study. This study must be updated to allow the borrower to comply with the measurement date requirements of Statement No. 106; however, the study must, at a minimum, be updated every five years. The difference between the amount accrued during the year and the amount paid on a "pay-as-you-go" basis must be placed in an external, irrevocable trust to be used solely for postretirement benefits. REA will not allow electric borrowers to account for postretirement benefits on a "pay-as-you-go" basis.

The deferral and amortization of the transition obligation does not require REA approval provided that it complies with the provisions of Statement No. 106. If, however, a borrower elects to expense the transition obligation in the current period and subsequently defer this expense in accordance with Statement of Financial Accounting Standards No. 71, Accounting for the Effects of Certain Types of Regulation, the deferral must be approved by REA. In those states in which the commission will not allow the recovery of the transition obligation through future rates, the transition obligation must be expensed, in its entirety, in the year in which Statement No. 106 is adopted. A portion of the transition obligation may be charged to construction and retirement activities provided such charges are properly supported.

Effective Date and Implementation

For plans outside the United States and for defined benefit plans of employers that (a) are nonpublic enterprises and (b) sponsor defined benefit postretirement plans with no more than 500 plan participants in the aggregate, Statement No. 106 is effective for fiscal years beginning after December 15, 1994. For all other plans, Statement No. 106 is effective for fiscal years beginning after December 15, 1992.

REA borrowers must comply with the implementation dates set forth in Statement No. 106. At the time of the adoption of Statement No. 106, rates must be in place sufficient to recover the current period expense and any amortization of the transition obligation. A copy of a board resolution or commission order, as appropriate, indicating that the transition obligation and current period expense have been included in the borrower's rates must be submitted to REA.

Accounting Journal Entries—Transition Obligation

The journal entries required to record the transition obligation are as follows:

1. If the borrower elects to expense the transition obligation in the current period and there is no deferral of costs, the following entry shall be recorded:

Dr. 926, Employee Pensions and Benefits
Dr. 107, Construction Work-in-Progress
Dr. 108.8, Retirement Work-in-Progress
Cr. 228.3, Accumulated Provision for Pensions and Benefits
To record the current period recognition of the transition obligation for postretirement benefits.

Note: A portion of the transition obligation may be charged to construction and retirement activities provided such charges are properly supported.

If the borrower elects to fund the transaction obligation, the following entry shall be recorded:

Dr. 228.3X, Accumulated Provision for Pensions and Benefits—Funded
Cr. 131.1, Cash—General
To record the funding of the transition obligation in an irrevocable external trust.

Note: If the transition obligation is expensed, in its entirety, at the time of the adoption of Statement No. 106, it is assumed that no portion of the transition obligation was recovered through rates; therefore, no portion is required to be funded.

This entry should be made only if the borrower elects to voluntarily fund this obligation.

2. If the borrower elects to defer and amortize the transition obligation in accordance with the provisions of Statement No. 71, the following entry shall be recorded:

Dr. 182.3, Other Regulatory Assets

Cr. 228.3, Accumulated Provision for Pensions and Benefits
To record the deferral of the transition obligation under the provisions of Statement No. 71.
Dr. 926, Employee Pensions and Benefits
Dr. 107, Construction Work-in-Progress
Dr. 108.8, Retirement Work-in-Progress
Cr. 182.3, Other Regulatory Assets
Cr. 186, Miscellaneous Deferred Debits
To record the amortization of postretirement benefits expenses as they are recovered through rates in accordance with Statement No. 71.

3. The deferral and amortization of the transition obligation under the provisions of Statement No. 106 is considered to be an off balance sheet item. If, therefore, the borrower elects to defer and amortize the transition obligation on a straight-line basis over the average remaining service period of the active employees or 20 years in accordance with Statement No. 106, no entry is required. Instead, the transition obligation is recognized as a component of postretirement benefit cost as it is amortized. It should be noted, however, that the amount of the unamortized transition obligation must be disclosed in the notes to the financial statements.

Accounting Journal Entries—Current Period Expense

1. The current period postretirement expense should be recorded by the following entry:
Dr. 926, Employee Pensions and Benefits
Dr. 107, Construction Work-in-Progress
Dr. 108.8, Retirement Work-in-Progress
Cr. 228.3, Accumulated Provision for Pensions and Benefits
To record current period postretirement benefit expense.
Dr. 228.3X, Accumulated Provision for Pensions and Benefits—Funded
Cr. 131.1, Cash—General
To record cash payments on a "pay-as-you-go" basis for postretirement benefits.
Dr. 228.3X, Accumulated Provision for Pensions and Benefits—Funded
Cr. 131.1, Cash—General
To record the funding of the difference between the amount accrued for current period postretirement benefit expense and the amount paid on a "pay-as-you-go" basis.

§§ 1767.42—1767.45 [Reserved]

Subpart C—Depreciation Rates and Procedures [Reserved]

§§ 1767.46—1767.65 [Reserved]

Subpart D—Preseration of Records [Reserved]

§§ 1767.66—1767.85 [Reserved]

Dated: October 1, 1993.

Bob J. Nash,

Under Secretary, Small Community and Rural Development.

[FR Doc 93–26827 Filed 11–9–93; 8:45 am]
BILLING CODE 3410–15–F

federal register

Wednesday
November 10, 1993

Part IV

Department of the Interior

Bureau of Indian Affairs

Indian Gaming; Fort Mojave Indian Tribe and State of Arizona Gaming Compact; Notice

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Gaming; Fort Mojave Indian Tribe and State of Arizona

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of approved Tribal-State Compact.

SUMMARY: Pursuant to 25 U.S.C. § 2710, of the Indian Gaming Regulatory Act of 1988 (Pub. L. 100–497), the Secretary of the Interior shall publish, in the **Federal Register**, notice of approved Tribal-State Compacts for the purpose of engaging in Class III (casino) gambling on Indian reservations. The Assistant Secretary—Indian Affairs, Department of the Interior, through her delegated authority, has approved Fort Mojave Indian Tribe and State of Arizona Gaming Compact of 1993, which was enacted on August 26, 1993.

DATES: This action is effective upon date of publication.

FOR FURTHER INFORMATION CONTACT: Hilda Manuel, Director, Indian Gaming Management Staff, Bureau of Indian Affairs, Washington, DC 20240; (202) 219–4066.

Dated: October 22, 1993.

Ada E. Deer,

Assistant Secretary-Indian Affairs.

[FR Doc. 93–27782 Filed 11–9–93; 8:45 am]

BILLING CODE 4310–02–P

federal register

Wednesday
November 10, 1993

Part V

Department of the Interior

Bureau of Indian Affairs

Indian Gaming; San Carlos Apache Tribe and State of Arizona Gaming Compact; Notice

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Gaming; San Carlos Apache Tribe and State of Arizona Gaming Compact

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of approved Tribal-State Compact.

SUMMARY: Pursuant to 25 U.S.C. 2710, of the Indian Gaming Regulatory Act of 1988 (Pub. L. 100–497), the Secretary of the Interior shall publish, in the Federal Register, notice of approved Tribal-State Compacts for the purpose of engaging in Class III (casino) gambling on Indian reservations. The Assistant Secretary—Indian Affairs, Department of the Interior, through her delegated authority, has approved the San Carlos Apache Tribe and the State of Arizona Gaming Compact of 1993, which was enacted on August 11, 1993.

DATES: This action is effective November 10, 1993.

FOR FURTHER INFORMATION CONTACT: Hilda Manuel, Director, Indian Gaming Management Staff, Bureau of Indian Affairs, Washington, DC 20240, (202) 219–4066.

Dated: October 25, 1993.

W.W. Babby,

Acting Assistant Secretary-Indian Affairs.

[FR Doc. 93–27781 Filed 11–9–93; 8:45 am]

BILLING CODE 4310–02–P

federal register

Wednesday
November 10, 1993

Part VI

Department of the Interior

Bureau of Indian Affairs

Indian Gaming; Kootenai Tribe of Idaho and State of Idaho Gaming Compact; Notice

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Gaming; Kootenai Tribe of Idaho and State of Idaho Gaming Compact

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of approved Tribal-State Compact.

SUMMARY: Pursuant to 25 U.S.C. 2710, of the Indian Gaming Regulatory Act of 1988 (Pub. L. 100–497), the Secretary of the Interior shall publish, in the **Federal Register**, notice of approved Tribal-State Compacts for the purpose of engaging in Class III (casino) gambling on Indian reservations. The Assistant Secretary—Indian Affairs, Department of the Interior, through her delegated authority, has approved the Kootenai Tribe of Idaho and the State of Idaho Gaming Compact of 1993, which was executed on September 8, 1993.

DATES: This action is effective November 10, 1993.

FOR FURTHER INFORMATION CONTACT: Hilda Manuel, Director, Indian Gaming Management Staff, Bureau of Indian Affairs, Washington, DC 20240, (202) 219–4066.

Dated: October 29, 1993.

W.W. Babby,

Acting Assistant Secretary—Indian Affairs.

[FR Doc. 93–27675 Filed 11–9–93; 8:45 am]

BILLING CODE 4310–02–P

federal register

Wednesday
November 10, 1993

Part VII

The President

Executive Order 12879—Order of Succession of Officers To Act as Secretary of the Navy

Federal Register
Vol. 58, No. 216
Wednesday, November 10, 1993

Presidential Documents

Title 3—

The President

Executive Order 12879 of November 8, 1993

Order of Succession of Officers To Act as Secretary of the Navy

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 3347 of title 5, United States Code, it is hereby ordered as follows:

Section 1. *Succession to the Authority of the Secretary of the Navy.* (a) In the event of the death, permanent disability, or resignation of the Secretary of the Navy, the incumbents holding the positions designated below, in the order indicated, shall act for and exercise the powers of the Secretary of the Navy:

(1) The Under Secretary of the Navy.

(2) The Assistant Secretaries and General Counsel of the Navy, in the order fixed by their length of services as permanent appointees in such positions.

(3) The Chief of Naval Operations.

(4) The Commandant of the Marine Corps.

(b) In the event of the temporary absence or temporary disability of the Secretary of the Navy, the incumbents holding the Department of the Navy positions designated in paragraph (a) of this section, in the order indicated, shall act for and exercise the powers of the Secretary of the Navy.

(1) In these instances, the designation of an Acting Secretary of the Navy applies only for the duration of the Secretary's absence or disability, and does not affect the authority of the Secretary to resume the powers of his office upon his return.

(2) In the event that the Secretary of the Navy is merely absent from this position, the Secretary of the Navy may continue to exercise the powers and fulfill the duties of his office during his absence, notwithstanding the provisions of this order.

(c) Precedence among those officers designated in paragraph (a) of this section who have the same date of appointment shall be determined by the Secretary of the Navy at the time that such appointments are made.

(d) Notwithstanding paragraph (a) and (b) of this section, an officer shall not act for or exercise the powers of the Secretary of the Navy under this order if that officer serves only in an acting capacity in the position that would otherwise entitle him to do so.

Sec. 2. *Temporary Nature of Succession.* Succession to act for and exercise the powers of the Secretary of the Navy pursuant to this order shall be on a temporary or interim basis and shall not have the effect of vacating the statutory appointment held by the successor.

THE WHITE HOUSE,
November 8, 1993.

[FR Doc. 93-27935
Filed 11-8-93; 4:59 pm]
Billing code 3195-01-P

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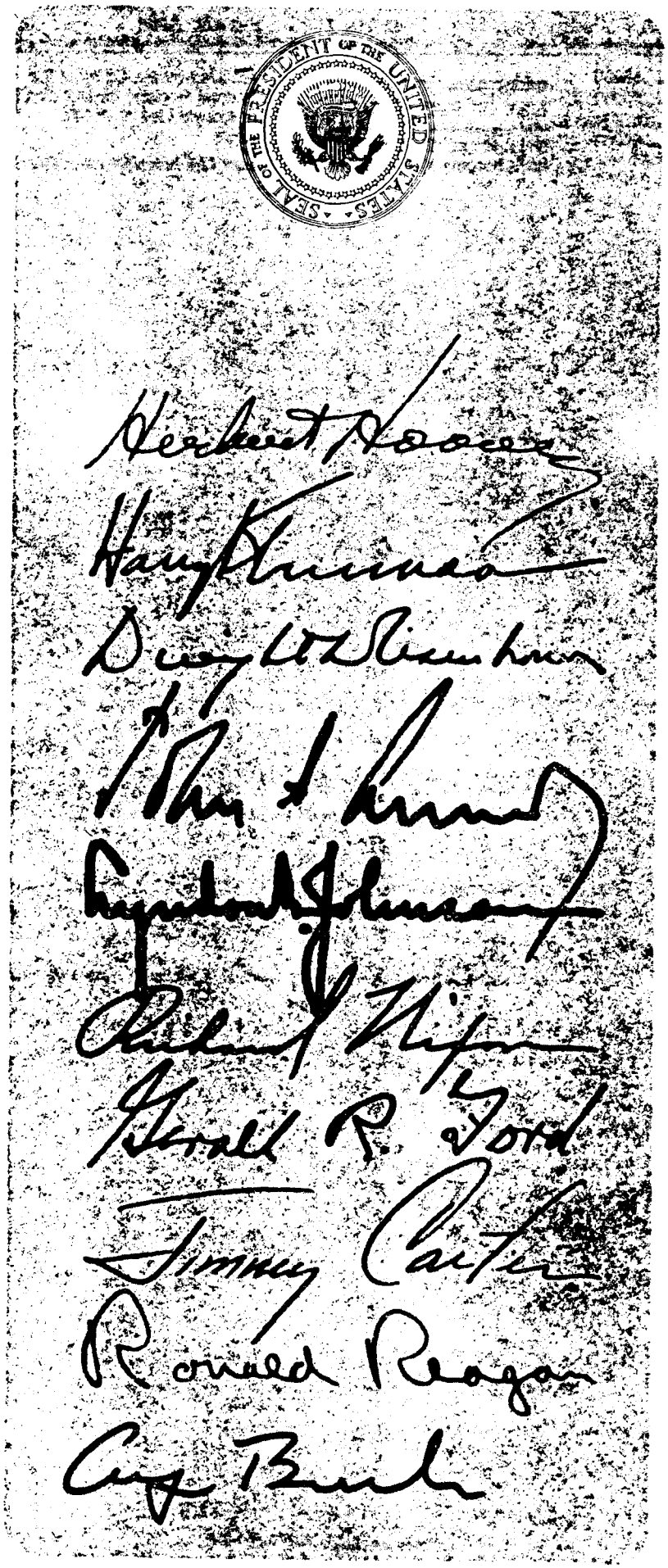

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