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Agencies in this issue—

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Conservation Service  
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Consumer and Marketing Service  
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## Title 7—AGRICULTURE

### Chapter VIII—Agricultural Stabilization and Conservation Service (Sugar), Department of Agriculture

#### SUBCHAPTER B—SUGAR REQUIREMENTS AND QUOTAS

[Sugar Reg. 811, Amdt. 4]

#### PART 811—CONTINENTAL SUGAR REQUIREMENTS AND AREA QUOTAS

##### Requirements, Quotas, and Quota Deficits for 1966

*Basis and purpose and statement of bases and considerations.* The purpose of this amendment to Sugar Regulation 811 (30 F.R. 15313, 31 F.R. 2776, 2895, 3283) is to revise the determination of sugar requirements for the calendar year 1966 and to establish quotas, prorations, and direct-consumption limits thereof consistent with such requirements pursuant to the Sugar Act of 1948, as amended (61 Stat. 922 as amended, and as further amended by Public Law 89-331 approved November 8, 1965), herein-after referred to as the "Act."

Section 201 of the Act directs the Secretary to revise the determination of sugar requirements at such times during the calendar year as he deems necessary. On the eighth of December 1965, sugar requirements of consumers for the year 1966 were established at 9,800,000 short tons, raw value. It was then estimated that actual consumption during the year would approximate 10,100,000 short tons, raw value, but total quotas were established at a level 300,000 tons lower. This was done in recognition of the possibility of inventory variations of quota sugar during the year and as a means of maintaining sugar prices in line with the objectives of the Act at a level which would protect the domestic sugar industry. At this point in the year, it is no longer necessary to keep total quotas so far below estimated consumption. It is also desirable that producers in foreign countries have as much lead time as possible in planning their shipments for arrival in this country during the latter part of the year. Accordingly, it now appears necessary and desirable to increase the estimate of sugar requirements of consumers for the calendar year 1966 by 200,000 short tons, raw value, to a total of 10,000,000 short tons, raw value.

The quota for Hawaii is increased 63,474 tons pursuant to section 202(a) (2) (B) of the Act based upon its 1965 crop production.

Pursuant to section 202(d) (4) it is hereby determined that the 1965 quota for each foreign country was filled within a reasonable tolerance considering cir-

cumstances which existed during 1965 including the late-in-the-year (November 8, 1965) amendment of the Sugar Act. Pursuant to section 202(d) (6) the government of Honduras has informed the Secretary that Honduras will not fill any part of the quota established for that country for the calendar year 1966. Accordingly, the quantity which would otherwise be established as a quota for Honduras is herein withdrawn and prorated to other member countries of the Central American Common Market in the same manner as deficits are prorated under section 204 of the Act.

*Effective date.* This action increases the quotas for foreign countries by 136,526 short tons, raw value, increases the quota for Hawaii by 63,474 short tons, raw value, and prorates the quota for Honduras of 4,439 short tons, raw value, to specified foreign countries. In order to promote orderly marketing, it is essential that all persons selling and purchasing sugar for consumption in the United States be able as soon as possible to make plans based on changes in marketing opportunities. Therefore, it is hereby determined and found that compliance with the notice, procedure, and effective date requirements of the Administrative Procedure Act is unnecessary, impracticable and contrary to the public interest and the amendment herein shall become effective when filed for public inspection in the Office of the Federal Register.

By virtue of the authority vested in the Secretary of Agriculture by the Act, Part 811 of this chapter is hereby amended, by amending §§ 811.40, 811.41, and 811.43 as follows:

1. Section 811.40 is amended to read as follows:

##### § 811.40 Sugar requirements, 1966.

The amount of sugar needed to meet the requirements of consumers in the continental United States for the calendar year 1966 is hereby determined to be 10,000,000 short tons, raw value.

2. Section 811.41 is amended by amending subparagraph (1) paragraph (a) to read as follows:

##### § 811.41 Quotas for domestic areas.

(a) (1) For the calendar year 1966 domestic area quotas limiting the quantities of sugar which may be brought into or marketed for consumption in the continental United States are established, pursuant to sec. 202(a) of the Act, in column (1) and the amounts of such quotas for offshore areas that may be filled by direct-consumption sugar are established, pursuant to sec. 207 of the Act, in column (2), as follows:

Area	Quotas (short tons, raw value)	Direct-consumption limits (short tons, raw value)
	(1)	(2)
Domestic beet sugar.....	3,025,000	(1)
Mainland cane sugar.....	1,100,000	(1)
Hawaii.....	1,173,474	34,200
Puerto Rico.....	1,140,000	150,000
Virgin Islands.....	15,000	0

<sup>1</sup> No limit.

3. Section 811.43 is amended by amending paragraphs (b) and (c) thereof to read as follows:

##### § 811.43 Quotas for foreign countries.

(b) For the calendar year 1966 the quota for the Republic of the Philippines is 1,082,580 short tons, raw value, and the quantity of such quota that may be filled by direct-consumption sugar is 59,920 short tons, raw value.

(c) For the calendar year 1966, the proration or allocations to individual foreign countries other than the Republic of the Philippines pursuant to section 202(c) and section 202(d) of the Act are as follows:

[Short tons, raw value]

	Basic quotas	Temporary quotas pursuant to sec. 202(d) (1) <sup>1</sup>	Quota proration pursuant to sec. 202(d) (6) <sup>2</sup>	Total quotas and prorations
	(1)	(2)	(3)	(4)
Mexico.....	190,049	191,269	-----	381,318
Dominican Republic.....	185,870	187,063	-----	372,933
Brazil.....	185,870	187,063	-----	372,933
Peru.....	148,263	149,205	-----	297,468
British West Indies.....	74,250	74,726	-----	148,976
Ecuador.....	27,045	27,218	-----	54,263
French West Indies.....	23,357	23,506	-----	46,863
Argentina.....	22,865	23,012	-----	45,877
Costa Rica.....	21,881	22,022	1,283	45,186
Nicaragua.....	21,881	22,022	1,283	45,186
Colombia.....	19,669	19,794	-----	39,463
Guatemala.....	18,439	18,558	1,081	38,078
Panama.....	13,768	13,886	-----	27,654
El Salvador.....	13,522	13,610	792	27,924
Haiti.....	10,326	10,392	-----	20,718
Venezuela.....	9,343	9,402	-----	18,745
British Honduras.....	5,409	5,444	-----	10,853
Bolivia.....	2,213	2,226	-----	4,439
Australia.....	88,509	88,510	-----	177,019
Republic of China.....	36,879	36,879	-----	73,758
India.....	35,404	35,404	-----	70,808
South Africa.....	26,061	26,061	-----	52,122
Fiji Islands.....	19,423	19,423	-----	38,846
Thailand.....	8,113	8,114	-----	16,227
Mauritius.....	8,113	8,114	-----	16,227
Malagasy Republic.....	4,180	4,179	-----	8,359
Swaziland.....	3,196	3,196	-----	6,392
Ireland.....	5,351	0	-----	5,351
Total.....	1,229,239	1,230,268	4,439	2,463,946

<sup>1</sup> Proration of quotas withheld from Cuba and Southern Rhodesia.

<sup>2</sup> Proration of quota withheld from Honduras.



(Sec. 403, 61 Stat. 932, 7 U.S.C. 1153, as amended and as further amended by Public Law 89-331 approved November 8, 1965)

**Effective date.** When filed for public inspection in the Office of the Federal Register.

Signed at Washington, D.C., this 8th day of April 1966.

JOHN A. SCHNITTKER,  
Acting Secretary.

[F.R. Doc. 66-3950; Filed, Apr. 8, 1966;  
12:31 p.m.]

[Sugar Reg. 814.4, Amdt. 1]

## PART 814—ALLOTMENT OF SUGAR QUOTAS, MAINLAND CANE SUGAR AREA 1966

**Basis and purpose.** This allotment order is issued under section 205(a) of the Sugar Act of 1948, as amended (61 Stat. 926 as amended), hereinafter called the "Act", for the purpose of allotting the 1966 sugar quota for the Mainland Cane Sugar Area among persons who process sugar from sugarcane and market such sugar for consumption in the continental United States.

Section 205(a) of the Act requires the Secretary to allot a quota whenever he finds that the allotment is necessary, among other things (1) to prevent disorderly marketing of sugar or liquid sugar and (2) to afford all interested persons an equitable opportunity to market sugar or liquid sugar. Section 205(a) also requires that such allotment be made after such hearing and upon such notice as the Secretary may prescribe.

Pursuant to the applicable rules of practice and procedure a preliminary finding was made that allotment of the quota is necessary and a notice was published on January 28, 1966 (31 F.R. 1151), of a public hearing to be held in New Orleans, La., at the Monteleone Hotel on February 9, 1966, beginning at 9:30 a.m., c.s.t., for the purpose of receiving evidence to enable the Secretary (1) to affirm or revoke the preliminary finding of necessity for allotments, (2) to establish a fair, efficient and equitable allotment of the 1966 quota for the Mainland Cane Sugar Area, (3) to revise or amend the allotment of the quota for the purposes of (a) allotting any increase or decrease in the quota, (b) prorating any deficit in the allotment for any allottee when written notification of release by an allottee of any part of an allotment becomes a part of the official records of the Department, and (c) substituting revised or corrected data where such data becomes a part of the official records of the Department, and (4) to make provision for transfer and exchange of allotments.

The hearing was held at the place and time specified in the notice and testimony was given with respect to all of the issues referred to in the hearing notice. In arriving at the findings, conclusions and regulatory provisions of this order, all proposed findings and conclusions were carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that findings and conclusions proposed by the

interested persons are inconsistent with the findings and conclusions herein, the specific or implied request to make such findings and reach such conclusions are denied on the basis of the facts found and stated and the conclusions reached as set forth herein.

**Omission of a recommended decision and effective date.** The record of the hearing shows that the supply of sugar available for marketing is substantially in excess of the quota of 1,100,000 tons and that 1966 marketings of mainland cane sugar, unless restricted, would substantially exceed the 1966 quota for the Mainland Cane Sugar Area. The proceeding to which this order relates was instituted for the purpose of allotting the quota for the Mainland Cane Sugar Area to prevent disorderly marketing and to afford each interested person an equitable opportunity to market sugar within the quota for the area. In view of the need for allotments and the fact that several allottees have or will soon have ample sugar to market their entire 1966 allotment, it is imperative that these processors know as soon as possible the approximate quantity of sugar each may market within the quota during the balance of the year in order to plan marketings and prevent disorderly marketing that could occur if the effective date of the allotment order is unduly delayed. Accordingly, in order to fully effectuate the purposes of section 205(a) of the Act it is hereby found that due and timely execution of the functions imposed upon the Secretary under the Act imperatively and unavoidably requires the omission of a recommended decision in this proceeding. It is also hereby further found and determined for the reasons given above for the omission of a recommended decision that compliance with the 30-day effective date requirement of the Administrative Procedure Act (60 Stat. 237) is impractical and contrary to the public interest, and consequently, this order shall become effective when filed for public inspection in the Office of the Federal Register.

**Basis for findings and conclusions.** Section 205(a) of the Act reads in pertinent parts as follows:

\* \* \* Allotments shall be made in such manner and in such amounts as to provide a fair, efficient, and equitable distribution of such quota or proration thereof, by taking into consideration the processings of sugar or liquid sugar from sugarbeets or sugarcane, limited in any year when proportionate shares were in effect to processings to which proportionate shares, determined pursuant to the provisions of subsection (b) of section 302, pertained; the past marketings or importations of each such person; and the ability of such person to market or import that portion of such quota or proration thereof allotted to him. \* \* \* The Secretary is also authorized in making such allotments of a quota for any calendar year to take into consideration in lieu of or in addition to the foregoing factors of processing, past marketings, and ability to market, the need for establishing an allotment which will permit such marketing of sugar as is necessary for the reasonably efficient operation of any non-affiliated single plant processor of sugarbeets or any processor of sugarcane and as may be necessary to avoid unreasonable carryover of sugar in relation to other processors in the area: *Provided*, That \* \* \* the marketing

allotment of a processor of sugarcane shall not be increased under this provision above an allotment equal to the effective inventory of sugar of such processor on January 1 of the calendar year for which such allotment is made: \* \* \* *Provided further*, That the total increases in marketing allotments made pursuant to this sentence \* \* \* to processors in the mainland cane sugar area shall be limited to 16,000 short tons of sugar, raw value, for each calendar year. In making such allotments, the Secretary may also take into consideration and make due allowance for the adverse effect of drought, storm, flood, freeze, disease, insects, or other similar abnormal and uncontrollable conditions seriously and broadly affecting any general area served by the factory or factories of such person. \* \* \*

The record of the hearing indicated that the prospective supply of mainland cane sugar available for marketing in 1966 exceeds the quota for that area to an extent that allotment of the quota is necessary (R. 11, 12).

The government witness introduced for the record annual data on processings, marketings and inventories for the most recent 5-year period (R. 12; Ex. 5).

The three factors of "processings," "past marketings," and "ability to market," the adverse effect of storm, freeze, and other similar abnormal conditions and the provision of section 205(a) of the Act added by the Sugar Act Amendments of 1965 which provides for establishing an allotment for any processor as may be necessary to avoid unreasonable carryover of sugar in relation to other processors in the area have been considered by the allotment method herein adopted as set forth in Finding 5. The allotment method adopted is essentially the same as that proposed by the government witness at the hearing with but two minor modifications. The method adopted was also supported in its entirety by the witness representing the eight Florida processors.

One additional allotment proposal was made at the hearing by an industry representative on behalf of 39 of the 41 Louisiana processors (R. 50-53). The substantive features of this proposal differed from the government proposal in the following respects: (1) The alternative measure of processings would be measured by using 85 percent of average processings from the 1962 and 1963 crops instead of 75 percent of such average as proposed by the government witness; (2) The measure of past marketings would be measured by each processor's average annual quota marketings for the years 1963 through 1965 instead of average annual quota marketings for the year(s) each processor had marketings during the period 1963 through 1965 as proposed by the government witness; and (3) In order to give consideration to the provision in section 205(a) for avoiding unreasonable carryover of sugar by individual processors, the Louisiana proposal would give consideration only to physical inventory carryover, while the governments' proposal gives consideration to effective inventory carryover as well as physical inventory carryover.

The proposal adopted herein establishes an allotment of 100 short tons, raw value, for Louisiana State University as proposed by the witness for the



principal Louisiana processors instead of 150 tons as assumed by the government for purposes of demonstrating allotments. The University recently notified the American Sugar Cane League that a 100 ton allotment would be adequate for 1966. In line with a proposal made by the witness representing 39 of the Louisiana processors and concurred in by the witness for all Florida processors, the allotment method adopted herein also includes a provision for increasing the 1966 allotment of an allottee, who late in 1965, underestimated his production of sugar for the balance of 1965, which resulted in the release of 81 short tons of his 1965 allotment in excess of his actual deficiency. The 1966 allotment of such allottee is increased to the extent that the declared release of the 1965 allotment by such allottee was in excess of his actual deficiency. This provision is based on the evidence in the record of this proceeding that the allottee, LaFourche Sugar Co., released 81 tons of its allotment of the 1965 quota in excess of its actual deficiency, that the excess amount released appears to be a reasonable, bona fide miscalculation, and that the increase in the allotment of LaFourche Sugar Co., of 81 tons, raw value, of sugar is congruous with a fair, efficient and equitable distribution of the 1966 quota in the light of the record of this proceeding. Eighty-one tons of sugar, raw value, for purposes of this provision, and 100 tons of sugar, raw value, for establishing an allotment for Louisiana State University are set aside and deducted from the area quota for the purpose of determining individual allotments.

The primary purpose for using an alternate measure of "processings" is to give some protection against a crop failure or some other unavoidable occurrence which reduced processings of the crop used for the measure of processings. Giving a processor an alternative processing factor of 75 percent of his 1963-64 average crop processings as proposed by the government recognizes the fact that the 1965 crop of some processors was more seriously affected by adverse crop conditions than others and that the 1965 crop acreage in Louisiana was significantly less than the average 1963-64 crop acreage. By using an alternative measure of processings of 85 percent of the average 1963-64 crop processings as proposed by the witness of 39 Louisiana processors and by giving this factor 60 percent weight in an allotment formula would increase allotments unduly for those processors whose supply of sugar available for marketing has been curtailed by reduced processings and would decrease allotments of those processors who have the greatest potential to market sugar during the calendar year 1966.

Using the average marketings for each processor for the years he had marketings during the 3-year period 1963 through 1965 as the measure of "past marketings" as proposed by the government witness does not penalize some processors for having less than 3 years marketing history as would the use of a simple 3-year average as proposed by the representative of the principle Louisiana processors.

The allotment method proposed by the government and adopted herein gives consideration to the provision in section 205(a) of the Act which provides for increasing allotments for any processor to avoid unreasonable carryover of sugar in relation to other processors in the area. The adopted method gives consideration to both physical and effective inventory carryovers. The witness for the 39 Louisiana processors proposed that only consideration be given under this provision to processors with excessive physical inventories. The method adopted also reduces the quantity of sugar carried in inventory from April 1966 to January 1, 1967 and results in fair and equitable allotments.

A brief filed on behalf of the 39 Louisiana processors stated that the governments' proposed formula with respect to sugar inventories gave too much consideration to the length of carryover and not enough consideration to the quantity of sugar carried over for a short period of time. Under the terms of the new provision of the 1965 Act, no inventory relief could be given a processor whose allotment exceeded his effective inventory. The formula adopted provides for increasing the basic allotment of each processor with a January 1, 1966, effective inventory larger than his 1966 basic allotment.

Under circumstances relating to the allotment of the 1966 quota the measures and weightings of factors and special consideration given to carryover in excess of allotments give consideration to any carryover of sugar whether such carryover was for a short or long duration and whether it was due to an unusually favorable 1965-crop, past marketing patterns or a combination of these and other factors and results in fair and equitable allotments.

*Findings and conclusions.* On the basis of the record of the hearing, I hereby find and conclude that:

(1) The quantity of sugar available for marketing in 1966 consisting of January 1, 1966, effective inventories of mainland cane sugar of approximately 665,000 tons plus 1966 crop sugar of between 700,000 and 800,000 tons would substantially exceed the 1,100,000 ton quota established for the area.

(2) The supply situation makes necessary the allotment of the 1966 sugar quota for the Mainland Cane Sugar Area to assure an orderly marketing of sugar, and to afford all interested persons equitable opportunities to market sugar within the quota.

(3) It is desirable to postpone the allotment of the entire 1966 calendar year sugar quota for the Mainland Cane Sugar Area until processings from 1965-crop sugarcane are known for all allottees. Therefore, to prevent some allottees from marketing a quantity of sugar larger than eventually may be allotted to them, when the entire 1966 quota is allotted on the basis of final 1965 crop data, allotments herein shall be limited to 95 percent of the 1966 quota for the Mainland Cane Sugar Area.

(4) One hundred short tons, raw value, shall be set aside from the quota and an allotment of 100 short tons, raw

value, shall be established for the Louisiana State University.

(5) Eighty-one short tons, raw value, shall be set aside from the quota and added to the allotment otherwise determined for the LaFourche Sugar Co. and such 81 tons represents a reasonable, bona fide miscalculation of such company's 1965 sugar production.

(6) The remainder of the 1966 Mainland Cane Sugar Area quota for consumption within the continental United States, after setting aside 181 tons as provided in (4) and (5) above, shall be allotted to processors other than Louisiana State University by measuring and weighting each of the three factors of "processings," "past marketings," and "ability to market" specified in section 205(a) of the Act; and by giving consideration to the need for establishing an allotment for any processor as may be necessary to avoid unreasonable carryover of sugar in relation to other processors in the area (within specified limits) as provided in section 205(a) of the Act; and by determining allotments as follows based on data in the hearing record and any revised or corrected final data of which official notice will be taken:

(a) The factor "processings" shall be measured for each processor by either his production of sugar from 1965-crop sugarcane in short tons, raw value, or 75 percent of his average crop-year production from the 1963 and 1964 crops of sugarcane in short tons, raw value, whichever is higher, expressed as a percentage of the total of the measure for all processors and weighted by 60 percent.

(b) The factor "past marketings" shall be measured by each processor's annual marketings within the quotas for the year if he had marketings in only 1 year, or the average annual marketings within the quotas for the years he had marketings during the period 1963 through 1965 determined in short tons, raw value, expressed as a percentage of the total of the measure for all processors and weighted 20 percent.

(c) The factor "ability to market" shall be measured by the sum of (a) each processor's January 1, 1966, effective inventory, and (b) his share of the difference between the 1966 quota of 1,100,000 short tons, raw value, for the Mainland Cane Sugar Area after deducting 181 tons set aside under findings (4) and (5) and the total of the effective inventories of all processors. Each processor's share of such difference shall be determined by applying to the area total difference the percentage that his average 1963 through 1965 new-crop marketings were of the total average new-crop marketings of all processors for such years. The sum of (a) and (b) in short tons, raw value, expressed for each processor as a percentage of the total of the measure for all processors shall be weighted 20 percent.

(d) To determine each processor's basic allotment in short tons, raw value, the total percentage for each processor derived by measuring and weighting the three factors as heretofore proposed shall be multiplied by the quota of 1,100,000 tons less 181 tons set aside under findings (4) and (5).



RULES AND REGULATIONS

(e) Basic allotments established pursuant to paragraph (d) of this finding which are less than the respective processors' January 1, 1966, effective inventory shall be increased by a total of not to exceed 16,000 short tons, raw value, and the basic allotments of other processors (those having January 1, 1966, effective inventories not in excess of their basic allotment) shall be reduced proportionately as necessary to make total adjusted allotments equal to 1,099,819 short tons, raw value (quota less 181 tons set aside under findings (4) and (5)). Upward adjustments in allotments (not to exceed a total of 16,000 tons) shall be made, first by increasing

the allotment of any processor having a January 1, 1966, physical inventory in excess of his basic allotment to the extent of such excess; and second, the remainder of the 16,000 tons shall be prorated to increase the allotment of other processors having January 1, 1966, effective inventories in excess of their basic allotment in a manner that will permit each affected processor to market the same percentage, but not more than 100 percent, of his January 1, 1966, effective inventory.

(f) Any revision in allotments made to give effect to a release of all or a part of an allotment by any allottee, or to any increase or decrease in the Mainland Cane Sugar Area quota shall be deter-

mined proportionately on the basis of adjusted allotments computed pursuant to paragraph (e) of this finding.

(7) Final adjustments in the data for the 1965 crop including January 1, 1966, effective inventories, will be made on the basis of sugar production and marketing reports covering the period ending April 30, 1966.

(8) The quantity of sugar and the percentages referred to in paragraph (6) above, based on data involving some estimates for 1965 crop processings and January 1, 1966, inventories which shall be used in determining allotments pending the availability and substitution of revised data are set forth in the following table:

Processor	Processings of sugar <sup>1</sup>		Average quota marketings <sup>2</sup>		Effective inventory Jan. 1, 1966	Ability to market				Processor's basic allotment <sup>4</sup>		Processor's adjusted allotment, <sup>4</sup> short tons, raw value
	Short tons, raw value	Percent of total	Short tons, raw value	Percent of total		Average 1963-65	"Shares" of difference <sup>3</sup>	Measures used		Percent of total	Short tons, raw value	
								Col. (5) plus col. (7)	Percent of total			
	(1)	(2)	(3)	(4)		(5)	(6)	(7)	(8)	(9)	(10)	
Albania Sugar Co.	10,780	0.978	11,385	1.075	1,107	10,447	8,235	9,342	0.849	0.972	10,690	10,485
Alma Plantation, Ltd.	10,349	.939	11,599	1.095	718	11,567	9,118	9,836	.894	.961	10,569	10,366
J. Aron & Co., Inc.	14,629	1.328	17,654	1.667		17,475	13,775	13,775	1.252	1.381	15,189	14,897
Billeaud Sugar Factory	10,661	.968	10,838	1.023	3,288	9,568	7,542	10,810	.983	.982	10,800	10,592
Breaux Bridge Sugar Co-op.	8,638	.784	9,386	.886	1,906	8,404	6,625	8,531	.776	.803	8,832	8,662
Wm. T. Burton Ind., Inc.	6,866	.623	8,331	.787		4,391	3,461	3,461	.315	.594	6,533	6,407
Caire & Graunard	5,512	.500	6,539	.617	388	5,724	4,512	4,550	.441	.512	5,631	5,523
Cajun Sugar Co-op, Inc.	20,820	1.890	17,779	1.679	20,706	38	30	20,736	1.885	1.847	20,314	20,706
Caldwell Sugars Co-op, Inc.	12,860	1.167	15,382	1.452		15,071	11,880	11,880	1.080	1.207	13,275	13,020
Columbia Sugar Co.	8,745	.794	8,936	.844	1,600	8,619	6,794	8,394	.763	.798	8,777	8,608
Cora-Texas Manufacturing Co., Inc.	7,447	.676	6,717	.634	4,128	4,007	3,159	7,287	.663	.665	7,314	7,173
Dugas & LeBlanc, Ltd.	15,363	1.394	16,305	1.540	1,801	16,305	12,853	14,654	1.332	1.411	15,518	15,220
Duhe & Bourgeois Sugar Co.	9,764	.886	11,893	1.123		11,582	9,130	9,130	.830	.922	10,140	9,945
Erath Sugar Co., Ltd.	7,367	.669	8,425	.796	1,626	7,478	5,895	7,521	.684	.697	7,660	7,519
Evan Hall Sugar Co-op, Inc.	22,779	2.067	25,642	2.421	1,121	25,642	20,213	21,334	1.940	2.112	23,228	22,782
Frisco Cane Co., Inc.	2,654	.241	3,097	.292	139	2,749	2,167	2,306	.210	.245	2,695	2,643
Glenwood Co-op, Inc.	15,844	1.438	18,112	1.710	670	18,112	14,277	14,947	1.359	1.477	16,244	15,932
Helvetia Sugar Co-op, Inc.	11,391	1.034	13,160	1.242	654	12,779	10,073	10,727	.979	1.064	11,702	11,477
Iberia Sugar Co-op, Inc.	18,576	1.777	19,941	1.883	6,470	17,936	15,013	16,544	1.291	1.789	19,676	19,298
LaFourche Sugar Co.	17,726	1.609	20,098	1.954	1,617	4,585	14,626	11,529	1.492	1.515	16,662	16,342
Harry L. Laws & Co., Inc.	16,411	1.489	17,129	1.617	1,212	16,026	12,633	13,845	1.259	1.339	14,727	14,444
Levert-St. John, Inc.	14,137	1.283	16,820	1.588	2,266	11,414	8,997	11,263	1.024	1.076	11,834	11,607
Louisiana Sugar Co-op, Inc.	11,668	1.059	12,506	1.181	3,017	2,540	2,002	5,019	.456	.479	4,608	4,519
Louisiana State Penitentiary	5,114	.464	2,640	.249	10,067	4,706	3,710	13,777	1.253	1.129	12,417	12,178
Meeker Sugar Co-op, Inc.	13,067	1.186	8,840	.835	1,471	2,601	15,557	12,283	14,864	1.351	1,403	15,430
Milliken & Farwell, Inc.	15,397	1.397	15,578	1.452	1,729	17,155	13,523	15,252	1.387	1.487	16,345	16,040
M. A. Patout & Son, Ltd.	16,150	1.466	17,492	1.652	1,619	7,987	6,296	7,915	.720	.786	8,645	8,479
Poplar Grove Planting & Refining Co.	8,424	.765	9,693	.915	1,642	16,419	12,943	14,585	1.326	1.402	15,419	15,123
Savoie Industries	15,184	1.445	16,296	1.539	8,955	11,309	8,915	17,870	1.625	1.620	17,817	17,475
St. James Sugar Co-op, Inc.	18,126	1.646	16,272	1.536	1,788	16,271	12,826	14,614	1.329	1.417	15,584	15,284
St. Mary Sugar Co-op, Inc.	15,402	1.406	16,272	1.536	44,886	14,214	11,204	56,070	5.098	5.417	62,877	61,669
South Coast Corp.	61,130	5.548	72,442	6.840	9,578	26,112	20,583	30,161	2.742	3.379	37,163	36,449
Southdown, Inc.	27,506	2.496	29,631	2.798	3,741	28,987	22,850	26,591	2.418	2.841	27,946	27,409
Sterling Sugars, Inc.	2,698	.245	4,138	.391	2,672	9	7	2,679	.244	.274	3,014	2,955
Sunshine Processing Co., Inc.	5,761	.523	6,561	.619	1,578	4,750	3,744	5,322	.484	.534	5,873	5,760
J. Supple's Sons Planting Co., Inc.	11,333	1.029	14,851	1.402	1,609	9,301	7,332	8,941	.813	1.060	11,658	11,434
Valentine Sugars, Inc.	5,348	.485	6,331	.598		6,051	4,770	4,770	.434	.497	5,466	5,361
Vida Sugars, Inc.	11,095	1.007	11,307	1.068	1,963	11,151	8,790	10,753	.978	1.013	11,141	10,927
A. Wilbert's Sons Lumber & Shipping Co.	7,961	.722	8,064	.761	3,140	6,808	5,366	8,506	.773	.743	8,139	7,983
Young's Industries, Inc.												
Louisiana, subtotal	558,246	50.665	609,562	57.555	156,906	467,798	368,782	525,658	47.795	51.469	566,066	555,970
Atlantic Sugar Association	35,500	3.222	27,254	2.573	35,326	58	46	35,372	3.216	3.091	33,995	34,748
Florida Sugar Corp.	14,600	1.325	13,190	1.245	10,634	5,633	4,440	14,974	1.361	1.316	14,474	14,196
Glades Co., Sugar Growers Coop, Association	44,500	4.039	24,824	2.344	47,451	2,023	1,595	49,046	4.459	3.784	41,617	46,675
Okeelanta Sugar Refinery, Inc. (Inc. Fellsmere)	73,000	6.625	61,794	5.835	63,989	16,386	12,917	76,906	6.993	6.541	71,939	70,557
Oseola Farms Co.	44,000	3.993	28,974	2.736	44,536	5,194	4,094	48,630	4.422	3.827	42,090	43,808
Sugarcane Growers Co-op of Florida	94,000	8.581	81,105	7.658	100,425	6,148	4,846	105,271	9.572	8.565	94,200	98,782
Talman Sugar Co.	39,500	3.585	15,954	1.501	39,133	1,335	1,052	40,185	3.654	3.182	34,996	38,493
United States Sugar Corp.	198,500	18.015	196,493	18.553	160,511	54,887	43,266	203,777	18.528	18.225	200,442	199,590
Florida, subtotal	543,600	49.335	449,528	42.445	501,905	91,664	72,256	574,161	52.205	48.531	533,753	543,849
Total, all mainland cane	1,101,846	100.000	1,059,090	100.000	658,811	559,462	441,008	1,009,819	100.000	1,009,819	1,009,819	

<sup>1</sup> The higher of either the production of sugar from 1965 crop sugarcane or 75 percent of the average production from the 1963 and 1964 crops of sugarcane.

<sup>2</sup> Average annual quota marketings for each processor for year(s) he had such marketings during the period 1963 through 1965.

<sup>3</sup> The difference between 1,099,819 tons (quota for 1966 established by S.R. 811, effective Jan. 1, 1966, less 100 tons for Louisiana State University and 81 tons reserve for Lafourche Sugar Co.) and total Jan. 1, 1966, effective inventories for all processors amounting to 658,811 tons. This difference of 441,008 tons prorated on the basis of each processor's average 1963-65 new-crop marketings.

<sup>4</sup> Determined by weighting "processings," col. (2) by 60 percent; "marketings," col. (4) by 20 percent; and "ability," col. (9) by 20 percent.

<sup>5</sup> Basic processor allotments (col. 11) which were less than the respective processor's Jan. 1, 1966, effective inventory were increased by a total of 16,000 tons and the basic allotments of other processors were reduced proportionately as necessary to make total adjusted allotments equal to 1,099,819 tons (quota less 100 tons reserve for Louisiana State University and 81 tons reserve for Lafourche Sugar Co.). Allotments were increased first to permit processors to market all Jan. 1, 1966, physical inventories and second, to provide other processors having Jan. 1, 1966, effective inventories in excess of their basic allotments, additional allotments, to the extent possible within the 16,000 ton limit, to permit each affected processor to market the same percentage of his Jan. 1, 1966, effective inventory.



(9) The order shall be revised without further notice or hearing for the purpose of (a) allotting any quantity of an allotment to other allottees when written notification of release by an allottee of any part of an allotment becomes a part of the official records of the Department, (b) revising allotments by the substitution of revised or corrected data which have become a part of the official records of the Department; and (c) revising allotments to give effect to any increase or decrease in the quota made by the Secretary pursuant to the provisions of the Sugar Act of 1948, as amended. Any revision in allotments made to give effect to (a) above shall be made by increasing proportionately the allotments as provided in finding (6) (f), except that the quantity prorated to any allottee releasing allotments in excess of a specified quantity should be limited in accordance with the written statement of release by any such allottee. In making changes under (b) of this finding (9) allotments shall be computed in the same manner as provided for in this order. Any revision of allotments, made to give effect to changes in the quota under (c) of this finding (9), should be made as provided in finding (6) (f) subject to limitations in accordance with any written statement of release by any allottee.

(10) Official notice will be taken of (a) written notification to the Agricultural Stabilization and Conservation Service by an allottee that he is unable to fill part of his allotment when the notification becomes a part of the official records of the Department, (b) substitution of revised or corrected data where such data becomes a part of the official records of the Department and (c) any regulation issued by the Secretary, after publication in the FEDERAL REGISTER, which changes the 1966 Mainland Cane Sugar Area quota.

(11) To facilitate full and effective use of allotments, provision shall be made in the order for transfer of allotments under circumstances of a succession of interest, and under circumstances involving an allottee becoming unable to process sugarcane and such sugarcane as he would normally process, if operating, is processed by other allottees.

(12) To aid in the efficient movement and storage of sugar, provision shall be made to enable a processor to market a quantity of sugar of his own production in excess of his allotment equivalent to the quantity of sugar which he holds in storage and which was acquired by him within the allotment of another allottee.

(13) Sunshine Processing Co., Inc., shall succeed to all rights of Reserve Sugar Co. incident to allotments of the Mainland Cane Sugar Area quota.

(14) Allotments established in the foregoing manner and in the amounts set forth in the order provide a fair, efficient and equitable distribution of any 1966 Mainland Cane Sugar Area quota that may be established for consumption within the continental United States and meet the requirements of section 205(a) of the Act.

**Order.** Pursuant to the authority vested in the Secretary of Agriculture by

section 205(a) of the Act, it is hereby ordered that § 814.4 be amended to read as follows:

**§ 814.4 Allotment of the 1966 sugar quota for the Mainland Cane Sugar Area.**

(a) *Allotments.* For the period January 1, 1966, until the date allotments of the entire 1966 calendar year sugar quota for the Mainland Cane Sugar Area are prescribed, 95 percent of the 1966 quota for the Mainland Cane Sugar Area is hereby allotted to the following processors in the quantities which appear opposite their respective names:

<i>Processors</i>	<i>Allotments (short tons, raw value)</i>
Albania Sugar Co.....	9,961
Alma Plantation, Ltd.....	9,848
J. Aron & Co., Inc.....	14,152
Billeaud Sugar Factory.....	10,062
Breaux Bridge Sugar Co-op.....	8,229
Wm. T. Burton Ind., Inc.....	6,087
Caire & Graugnard.....	5,247
Cajun Sugar Co-op, Inc.....	19,671
Caldwell Sugars Co-op, Inc.....	12,369
Columbia Sugar Co.....	8,178
Cora-Texas Manufacturing Co., Inc.....	6,814
Dugas & LeBlanc, Ltd.....	14,459
Duhe & Bourgeois Sugar Co.....	9,448
Erath Sugar Co., Ltd.....	7,143
Evan Hall Sugar Co-op, Inc.....	21,643
Frisco Cane Co., Inc.....	2,511
Glenwood Co-op, Inc.....	15,135
Helvetia Sugar Co-op, Inc.....	10,903
Iberia Sugar Co-op, Inc.....	18,333
Lafourche Sugar Co.....	17,313
Harry L. Laws & Co., Inc.....	15,525
Lever-St. John, Inc.....	13,722
Louisa Sugar Co-op, Inc.....	11,027
Louisiana State Penitentiary.....	4,293
Louisiana State University.....	95
Meeker Sugar Co-op, Inc.....	11,569
Milliken & Farwell, Inc.....	14,376
M. A. Patout & Son, Ltd.....	15,238
Poplar Grove Planting & Refining Co.....	8,055
Savoie Industries.....	14,367
St. James Sugar Co-op, Inc.....	16,601
St. Mary Sugar Co-op, Inc.....	14,520
South Coast Corp.....	58,586
Southdown, Inc.....	34,626
Sterling Sugars, Inc.....	26,038
Sunshine Processing Co., Inc.....	2,808
J. Supple's Sons Planting Co., Inc.....	5,472
Valentine Sugars, Inc.....	10,862
Vida Sugars, Inc.....	5,093
A. Wilbert's Sons Lumber & Shin- gle Co.....	10,381
Young's Industries, Inc.....	7,584
Louisiana subtotal.....	528,344
Atlantic Sugar Association.....	33,011
Florida Sugar Corp.....	13,486
Glades County Sugar Growers Co-op, Association.....	44,341
Okeelanta Sugar Refinery, Inc. (Inc. Fellsmere).....	67,029
Osceola Farms Co.....	41,618
Sugarcane Growers Co-op of Florida.....	93,843
Tallman Sugar Corp.....	36,568
U.S. Sugar Corp.....	186,760
Florida subtotal.....	516,656
Unallotted.....	55,000
Total, All Mainland Cane.....	1,100,000

(b) *Marketing limitations.* Marketings shall be limited to allotments as established herein subject to the prohibi-

tions and provisions of § 816.3 of this chapter (23 F.R. 1943).

(c) *Transfer of allotments.* The Administrator, Agricultural Stabilization and Conservation Service of the Department, may permit marketings to be made by one allottee, or other person, within the allotment established for another allottee upon relinquishment by such allottee of a quantity of its allotment and upon receipt of evidence satisfactory to the Administrator that (1) a merger, consolidation, transfer of sugar-processing facilities, or other action of similar effect upon the allottees or persons involved has occurred, or (2) the allottee receiving such permission will process 1966-crop sugarcane which the allottee relinquishing allotment has become unable to process.

(d) *Exchange of sugar between allottees.* When approved in writing by the Administrator, Agricultural Stabilization and Conservation Service of the Department, any allottee holding sugar or liquid sugar acquired by him within the allotment of another person established in paragraph (a) of this section, may ship, transport, or market up to an equivalent quantity of sugar processed by him in excess of his allotment established in paragraph (a) of this section. The sugar or liquid sugar held under this paragraph shall be subject to all other provisions of this section as if it has been processed by the allottee who acquired it for the purpose authorized by this paragraph.

(e) *Delegation.* The Administrator, Agricultural Stabilization and Conservation Service of the Department, is hereby authorized to revise the allotments established under this order without further notice or hearing in accordance with findings and conclusions heretofore made, to give effect to (1) the substitution of revised or corrected data, (2) the reallocation of any quantity of an allotment released by an allottee and (3) any change in the Mainland Cane Sugar Area quota.

(Sec. 403, 61 Stat. 932; 7 U.S.C. 1153. Secs. 205, 209; 61 Stat. 926, as amended, 928, as amended; 7 U.S.C. 1115, 1119)

Signed at Washington, D.C., this 6th day of April 1966.

JOHN A. SCHNITKER,  
*Acting Secretary.*

[F.R. Doc. 66-3949; Filed, Apr. 8, 1966; 12:43 p.m.]

**Chapter X—Consumer and Marketing Service (Marketing Agreements and Orders; Milk), Department of Agriculture**

**MILK IN NORTHWESTERN INDIANA AND CERTAIN OTHER MARKETING AREAS**

**Determination of Equivalent Prices for Use in Computing Prices for Class I Milk**

7 CFR Part and Marketing Area

1031 Northwestern Indiana,  
1032 Suburban St. Louis.



1038 Rock River Valley.  
1039 Milwaukee, Wis.  
1051 Madison, Wis.  
1062 St. Louis, Mo.  
1063 Quad Cities-Dubuque.  
1070 Cedar Rapids-Iowa City.  
1078 North Central Iowa.  
1079 Des Moines, Iowa.

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and to the applicable provisions of the orders, as amended, regulating the handling of milk in the aforesaid milk marketing areas (7 CFR Part 900) hereinafter referred to as the "orders" it is hereby found and determined that:

(1) Inasmuch as a price factor which is derived from the provisions of the Chicago milk order is not available for computing Class I prices under the aforesaid orders and such factor is needed to compute prices as of April 10, 1966, and for later periods, the determination of an equivalent for such Chicago price is necessary to compute Class I prices under the aforesaid orders.

(2) In each of the aforesaid orders the computation of Class I prices is based in part on a factor determined by Part 1030, the order regulating the handling of milk in the Chicago, Ill., marketing area. Because of the failure of producers to approve the proposed amendment to Part 1030 which would have maintained the pricing system under that part in its normal relationship to prices established under each of the aforesaid orders, the above factor is not available as a computation required to be made under the Chicago order. Since the prices under these other orders are established by formulas which contemplate the use of this factor, it is necessary to determine an equivalent factor to be used in calculating Class I prices. The pricing factor which is not available is a supply-demand adjuster which would have been used in computing the Class I price under the Chicago order had the proposed amendment been approved. That adjuster under the Chicago order is limited to a maximum of 24 cents. The applicable adjuster has been the maximum—minus 24 cents—in each month for more than 5 years beginning with September 1960. The adjuster in recent months would have been greatly in excess of the minus 24 cents without the limit. Thus, the appropriate equivalent price to be determined is "minus 24 cents." This is the price which, if the Chicago order had been amended as proposed, would have been used in the computation of Class I prices under the Northwestern Indiana, Suburban St. Louis, Rock River Valley, Milwaukee, Wis., Madison, Wis., St. Louis, Mo., Quad Cities-Dubuque, Cedar Rapids-Iowa City, North Central Iowa, and Des Moines, Iowa, orders.

In addition to the problem which arises from the present provision of the Chicago order under which the factor necessary for computing Class I prices under the aforesaid orders is not available, consideration is being given to the termination of the Chicago milk order effective May 1, 1966. If the Chicago order is terminated as of that date, an equivalent

factor will be needed for an indefinite period to determine Class I prices under the aforesaid orders. In such event, the equivalent factor hereby determined should be made effective until such time as the respective orders are amended to establish prices which are not dependent on this pricing factor.

(3) The prices hereby determined to be equivalent to the prices no longer available, are "minus 24 cents" in the application of §§ 1031.51, 1032.51, 1038.51, 1039.51, 1051.51, 1062.51, 1063.50(b), 1070.50(b), 1078.50(b), and 1079.50(b).

(4) Thirty days notice prior to the effective date hereof is impractical, unnecessary and contrary to the public interest in that:

(a) This determination of an equivalent price is necessary to make possible the announcement of the Class I milk price for each of the aforesaid orders for the period beginning April 10, 1966, and for each consecutive month thereafter until the orders are amended to provide otherwise for a Class I milk price.

(b) This determination order does not require of persons affected substantial or extensive preparation prior to the effective date.

(c) This action will provide the appropriate Class I prices determined by the Assistant Secretary in his decision issued on March 31, 1966, and final order issued April 6, 1966.

Therefore, good cause exists for making this determination effective April 10, 1966.

Signed at Washington, D.C., on April 8, 1966.

GEORGE L. MEHREN,  
Assistant Secretary.

[F.R. Doc. 66-3978; Filed, Apr. 12, 1966;  
8:46 a.m.]

## Title 5—ADMINISTRATIVE PERSONNEL

### Chapter I—Civil Service Commission PART 213—EXCEPTED SERVICE

#### Entire Executive Civil Service

Section 213.3102 is amended to show that certain summer trainee positions are excepted under schedule A when filled by persons appointed in furtherance of the President's Youth Opportunity Campaign. Effective on publication in the FEDERAL REGISTER, paragraph (v) is added to § 213.3102 as set out below:

§ 213.3102 Entire Executive Civil Service.

(v) Between May 1, 1966, and September 30, 1966, temporary summer trainee positions whose duties involve laboring or other work of a routine nature requiring no specific knowledges or skills, when filled by persons appointed in furtherance of the President's Youth Opportunity Campaign. A person may not be appointed under this paragraph (1) un-

less he has reached his 16th but not his 22d birthday; or (2) for more than 700 hours. This paragraph shall apply only to positions whose pay is fixed at the equivalent of the minimum wage established by the Fair Labor Standards Amendments of 1961 (currently \$1.25 an hour) or, in Alaska, at the equivalent of the minimum wage established by State law (currently \$1.75 an hour).

(R.S. 1753, sec. 2, 22 Stat. 403, as amended; 5 U.S.C. 631, 633; E.O. 10577, 19 F.R. 7521, 3 CFR, 1954-1958 Comp., p. 218)

UNITED STATES CIVIL SERVICE  
COMMISSION,

[SEAL] MARY V. WENZEL,  
Executive Assistant to  
the Commissioners.

[F.R. Doc. 66-3980; Filed, Apr. 12, 1966;  
8:47 a.m.]

## Title 14—AERONAUTICS AND SPACE

### Chapter I—Federal Aviation Agency [Airspace Docket No. 65-WE-84]

#### PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS

##### Designation of Transition Area and Federal Airways

On February 18, 1966, a notice of proposed rule making was published in the FEDERAL REGISTER (31 F.R. 2903(1966)) stating that the Federal Aviation Agency proposed to designate a transition area, realign Federal Airway V-465, and designate new airways to serve the Jackson Hole, Wyo., area.

Interested persons were afforded an opportunity to participate in the rule making action through submission of comments. The one comment received was favorable.

Subsequent to the publication of the Notice the prescribed instrument approach procedure was modified by raising the procedure turn altitude 500 feet. Therefore, the size of the transition area having a 700-foot floor can be reduced in the final rule. Since this modification of the proposed rule results in less controlled airspace than originally proposed, additional notice or public procedure is deemed unnecessary.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0001 e.s.t., May 26, 1966, as hereinafter set forth:

In § 71.181 (31 F.R. 2149(1966)) the following transition area is added:

JACKSON, WYO.

That airspace extending upward from 700 feet above the surface within a 5-mile radius circle centered on Jackson Hole Airport, Wyo. (latitude 43°36'24" N., longitude 110°44'13" W.); that airspace extending upward from 1,200 feet above the surface within 6 miles W and 9 miles E of the Jackson VOR (latitude 43°36'30" N., longitude 110°44'02" W.) 200° and 020° radials, extending from 23 miles S to 11 miles N of the VOR, and within 6 miles N and 9 miles S of the Dunoir, Wyo.,



VOR 282° and 102° radials, extending from 8 miles E to 21 miles W of the VOR.

Section 71.123 (31 F.R. 2009, 2042 (1966)) is amended as follows:

- a. V-328 is added: From Jackson, Wyo., 12 AGL, Dubois, Idaho.
- b. V-330 is added: From Jackson, Wyo., 12 AGL, Idaho Falls, Idaho.
- c. V-465 is realigned: From Malad City, Idaho, 39 miles 12 AGL, 53 miles 124 MSL, 12 AGL via Jackson, Wyo.; Dunoir, Wyo.; to Billings, Mont., Miles City, Mont., to Williston, N. Dak., including an E alternate.

(Sec. 307(a), Federal Aviation Act of 1958, as amended, 72 Stat. 749; 49 U.S.C. 1348)

Issued in Los Angeles, Calif., on April 5, 1966.

LEE E. WARREN,  
*Acting Director, Western Region.*

[F.R. Doc. 66-3928; Filed, Apr. 12, 1966; 8:45 a.m.]

[Airspace Docket No. 66-WE-21]

**PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS**

**Revocation of Control Zone**

The Federal Aviation Agency has been advised that Stead Air Force Base Control Tower will cease operations on June 15, 1966, and the Stead Air Force Base will be formally closed on June 30, 1966.

The purpose of this amendment to Part 71 of the Federal Aviation Regulations is to revoke the Reno, Nev. (Stead AFB), control zone. Since this amendment imposes no additional burden on any persons, notice and public procedure hereon are unnecessary.

In consideration of the foregoing Part 71 of the Federal Aviation Regulations is amended, effective June 23, 1966, as hereinafter set forth:

In § 71.171 (31 F.R. 2129 (1966)) the Reno, Nev. (Stead AFB), control zone is revoked.

(Sec. 307(a), Federal Aviation Act of 1958, as amended; 72 Stat. 749; 49 U.S.C. 1348)

Issued in Los Angeles, Calif., on April 6, 1966.

JOSEPH H. TIPPETS,  
*Director, Western Region.*

[F.R. Doc. 66-3929; Filed, Apr. 12, 1966; 8:45 a.m.]

**Title 16—COMMERCIAL PRACTICES**

**Chapter I—Federal Trade Commission**

**PART 15—ADMINISTRATIVE OPINIONS AND RULINGS**

**Origin Disclosure on Package for Canadian-Made Automotive Part**

**§ 15.30 Origin disclosure on package for Canadian-made automotive part.**

(a) An American concern has been advised of the Federal Trade Commis-

sion's disapproval of its proposal to use a modified version of its present cardboard containers to distribute in this country a replacement automotive part to be manufactured in Canada.

(b) The advisory opinion noted that the part will be marked "Made in Canada" but that, under normal conditions, the ultimate purchaser is not likely to observe this marking prior to purchase. On the cardboard container appear the company's American address plus a legend which it proposes to obliterate, "Made in USA."

(c) The Commission's advice was that permanent obliteration of this legend "on the outside of the cardboard containers would not be sufficient since the presence of your company's address on the container may lead many persons to believe that the \* \* \* (products) were manufactured in the United States. Thus it would also be necessary to disclose the Canadian origin on the container in a clear and conspicuous manner."

(38 Stat. 717, as amended; 15 U.S.C. 41-58)

Issued: April 12, 1966.

By direction of the Commission.

[SEAL] JOSEPH W. SHEA,  
*Secretary.*

[F.R. Doc. 66-3926; Filed, Apr. 12, 1966; 8:45 a.m.]

**PART 15—ADMINISTRATIVE OPINIONS AND RULINGS**

**Rebate Pricing Plan**

**§ 15.31 Rebate pricing plan.**

(a) The Commission informed a photoengraving company that its proposed rebate pricing plan granting a 10-percent discount to all purchasers to whom it provides photoengraved plates through advertising agencies will not violate section 2(a) of the amended Clayton Act.

(b) As it understands the plan, the Commission said, the concern will offer a direct year-end across-the-board rebate of 10 percent of the dollar value of purchases of photoengraved plates to all purchasers to whom it provides photoengraved plates through advertising agencies. The rebate is to be contingent upon the advertisers specifying the use of the engraver's facilities to their respective advertising agencies. The concern will provide photoengraved plates to the extent of its facilities to all purchasers classified as buying photoengraved plates through advertising agencies, and will affirmatively disclose and offer this rebate to all customers and prospective customers in this classification.

(38 Stat. 717, as amended; 15 U.S.C. 41-58, 49 Stat. 1526; 15 U.S.C. 13, as amended)

Issued: April 12, 1966.

By direction of the Commission.

[SEAL] JOSEPH W. SHEA,  
*Secretary.*

[F.R. Doc. 66-3981; Filed, Apr. 12, 1966; 8:47 a.m.]

**Title 17—COMMODITY AND SECURITIES EXCHANGES**

**Chapter II—Securities and Exchange Commission**

[Release 33-4827, 34-7846, etc.]

**PART 201—RULES OF PRACTICE**

**Miscellaneous Amendments**

The Securities and Exchange Commission has amended certain provisions of its rules of practice pertaining to the conduct of administrative proceedings with respect to (A) the filing of initial decisions by hearing examiners and related matters, (B) motions to quash administrative subpoenas, and (C) oral argument before the Commission.

(A) *Initial decisions and service of papers in proceedings.* The Securities and Exchange Commission has adopted Rule 16(a) and amended Rules 2(d), 16(f), 17(b), and 17(f) of the rules of practice (17 CFR 201.16(a), 201.2(d), 201.16(f), 201.17(b) and (f)). Sections 201.16(a) and 201.17(f) provide for a procedure wherein an order of a hearing officer contained in an initial decision becomes the final order of the Commission if no review is sought and the Commission on its own initiative does not order review. Sections 201.2(d), 201.16(f), and 201.17(b) of the rules of practice, as amended, provide that service of all papers required to be served in administrative proceedings, including the initial decision or notice that the order initiated therein has become the order of the Commission, may be served at an address given by the respondent or his attorney filed at the commencement of the proceeding.

Section 201.16(a) specifies the content of initial decisions and provides that, inter alia, initial decisions shall include an appropriate order. Sections 201.16(a) and 201.17(f), as amended, set forth the procedures and conditions under which orders of hearing officers become the final order of the Commission. Section 201.16(a) provides that each initial decision shall include a statement of the time within which a petition for review of the initial decision may be filed and a statement that unless a petition for review is filed or unless the Commission reviews the order on its own initiative, the order will become the final order of the Commission. Section 201.16(f) also provides that if the petition for review is timely filed or if the Commission decides to review the order then the initial decision does not become final. Section 201.17(f), as amended, applies if no petition for review is filed and the Commission has decided not to review the initial decision on its own initiative. Section 201.17(f) provides that in such case the Secretary of the Commission shall notify the parties that the time for filing a petition for review has expired and that the Commission has not decided to review the initial decision on its own initiative and, unless the Commission otherwise directs, the Secretary



shall publish notice thereof in the Commission's News Digest. The notice shall also set forth the date upon which the order of the hearing officer contained in the initial decision becomes the final as the order of the Commission.

Section 201.16(f) had provided that at the time the hearing officer filed his initial decision, the Secretary of the Commission was required to serve the initial decision upon the parties and to publish notice in the Commission's News Digest that an initial decision had been filed. Section 17(b) provided that petitions for review by the Commission of the hearing officer's decision were required to be filed within 15 days after service of the initial decision upon the party, or if not served, within 15 days after publication in the Commission's News Digest. These procedures were inconsistent with the Commission's policy of limiting the publicity to be given to private administrative proceedings.

Accordingly, the Commission has amended § 201.2(d) to insure that respondents in its administrative proceedings or their attorneys can be served in person or by mail and thus obviate the necessity for publishing notice in the Commission's News Digest that an initial decision has been filed. Section 201.2(d), as amended, will provide that each respondent or his attorney shall file at the commencement of a proceeding an address where he can subsequently be served. Section 201.16(f) has been amended to provide that in a private proceeding, unless the Commission otherwise directs, no notice shall be published in the Commission's News Digest that a hearing officer has filed an initial decision. Section 201.17(b) is amended to eliminate therefrom the provision permitting the filing of petitions to review an initial decision within 15 days after publication of notice in the Commission's News Digest, since all initial decisions will either be served in person or by mail.

The text of the Commission's action is as follows:

I. Paragraph (d) of § 201.2 has been amended.

II. Section 201.16 is amended by adding a new paragraph (a).

III. Paragraph (f) of § 201.16 is amended by the addition to the last sentence thereof the words "provided, however, in private proceeding no such notice shall be published unless the Commission otherwise directs."

IV. Paragraph (b) of § 201.17 is changed by deletion of the words in the first sentence thereof "on him or, if the person seeking review is not served, within 15 days after notice of the filing of the initial decision published in the Securities and Exchange Commission News Digest."

V. Paragraph (f) of § 201.17 has been deleted entirely and a new paragraph (f) has been added.

The foregoing sections, as amended, are as follows:

§ 201.2 Appearance and practice before the Commission.

(d) *Notice of appearance; designation for service; power of attorney.* When an individual appears in his own behalf before the Commission or a hearing officer in a particular proceeding which involves a hearing or an opportunity for hearing, he shall file with the Commission or otherwise state on the record an address at which any notice or other written communication required to be served upon him or furnished to him may be sent. When an attorney appears before the Commission or a hearing officer in a representative capacity in a particular proceeding which involves a hearing or an opportunity for hearing, he shall file with the Commission a written notice of such appearance, which shall state his name, address and telephone number and the name and address of the person or persons on whose behalf he appears. Any additional notice or other written communication required to be served or furnished to the client may be sent to the attorney at the attorney's stated address. Any person appearing or practicing before the Commission in a representative capacity may be required to file a power of attorney with the Commission showing his authority to act in such capacity.

§ 201.16 Proposed findings and conclusions; initial decision.

(a) *Content of initial decisions.* An initial decision shall include: Findings and conclusions, with the reasons or bases therefor, upon all the material issues of fact, law or discretion presented on the record; an appropriate order; a statement of the time within which a petition for review of the initial decision may be filed; a statement that pursuant to Rule 17(f) of these rules the initial decision shall become the final decision of the Commission as to each party unless he files a petition for review of the initial decision (pursuant to Rule 17(b) of these rules) or the Commission (pursuant to Rule 17(c) of these rules) determines on its own initiative to review the initial decision as to him; and a statement that if a party timely files a petition for review or the Commission takes action to review as to a party, the initial decision shall not become final with respect to that party.

(f) *Service of record; preparation and filing of initial decision.* In proceedings in which an initial decision by a hearing officer is to be made, the record in the proceeding shall, promptly after the time for the last filing of briefs in reply to proposed findings, be served by the Records Officer upon the hearing officer. The hearing officer shall file his initial decision with the Secretary within 30 days after such service. The Secretary shall promptly serve the initial decisions upon the parties and shall promptly publish notice of the filing thereof in the Securities and Exchange Commission News Digest; provided, however, in private proceedings, no such notice shall be published unless the Commission otherwise directs.

§ 201.17 Review by the Commission of initial decisions by hearing officers.

(b) *Petition for review; procedure.* Any person who seeks Commission review of an initial decision by a hearing officer shall, within 15 days after service of such initial decision, serve and file a petition for Commission review containing exceptions thereto indicating specifically the findings and conclusions as to which exceptions are taken together with supporting reasons for such exceptions. These reasons may be stated in summary form. Any objection to an initial decision not saved by written exception filed pursuant to this rule will be deemed to have been abandoned and may be disregarded.

(f) *Effect of initial decisions.* Unless a party or other person entitled to seek review of an initial decision timely files a petition for review, or unless the Commission on its own initiative orders review, such initial decision shall become the final decision of the Commission with respect to those parties who have not timely filed a petition for review of the initial decision. In the event that the initial decision becomes the final decision of the Commission with respect to a party, such party shall be duly notified thereof by the Secretary of the Commission and a notice thereof shall be published, unless the Commission otherwise directs, in the Securities and Exchange Commission News Digest. The notice to the party shall state that the time for filing of a petition for review of the initial decision by the party has expired and that the Commission has determined not to order review of the initial decision on its own initiative and shall specify the date on which the order shall become effective. If a petition for review is timely filed by a party or action to review as to a party is taken by the Commission upon its own initiative, the initial decision shall not become final as to that party.

(B) *Motions to quash subpoenas.* The Securities and Exchange Commission has amended Rule 14(b)(2) of the rules of practice (17 CFR 201.14(b)(2)) specifically to provide that hearing officers or the Commission may deny applications to quash or modify administrative subpoenas.

Section 201.14(b)(2) had expressly provided that hearing officers or the Commission could upon proper application quash or modify a subpoena or condition the denial of such applications. Although the power to deny such application is implicit in the power of the hearing officer or the Commission to regulate the use of the Commission's administrative subpoenas, the Commission has determined to amend its rules to make clear that hearing officers and the Commission have the power to deny such applications.

The text of the Commission's action is as follows:



§ 201.14 Evidence.

(b) *Subpoenas; motions to quash or modify; service.* \* \* \*

(2) *Motions to quash.* Any person to whom a subpoena is directed may, prior to the time specified therein for compliance, but in no event more than 5 days after the date of service of such subpoena, apply to the hearing officer, or if he is unavailable, to the Commission, to quash or modify such subpoena, accompanying such application with a brief statement of the reasons therefor. The hearing officer or the Commission, as the case may be, may deny the application, or upon notice to the person upon whose request the subpoena was issued, and opportunity for reply, may, (i) deny the application, (ii) quash or modify the subpoena or (iii) condition denial of the application to quash or modify the subpoena upon just and reasonable conditions, including, in the case of a subpoena duces tecum, a requirement that the person in whose behalf the subpoena was issued shall advance the reasonable cost of transporting documentary or other tangible evidence to the designated place of hearing.

(C) *Oral argument and petitions for rehearing* The Securities and Exchange Commission has amended Rule 21 of the rules of practice (17 CFR 201.21) to provide that unless the Commission otherwise determines, (1) oral arguments before the Commission are to be limited to one-half hour per side, (2) the time for filing petitions for rehearing is enlarged to 10 days, and (3) any member or members of the Commission who are not present at the oral argument may participate in the decision of the proceeding whether or not they are present at the oral argument.

Paragraph (b) of § 201.21 provided that each side in oral argument before the Commission was entitled to 1 hour. On the basis of its experience the Commission has determined that one-half hour for each participant or group of participants with the same or similar interests is sufficient time for an adequate presentation of most cases before the Commission. The rule will still, however, provide that in appropriate cases the Commission, may, in its discretion, extend, shorten or reallocate the prescribed time.

The Commission has also amended Rule 21(e) of the rules of practice (17 CFR 201.21(e)) to provide that petitions for rehearing of Commission orders shall be filed within 10 days of the entry of the order complained of, or within such time as the Commission may prescribe, if a request is timely made. Rule 21(e) had provided that petitions for rehearing were required to be filed within 5 days after the entry of the order complained of. The Commission has amended Rule 21(e) to give respondents in Commission proceeding additional time to determine whether to file and the need to seek appellate review of Commission orders in some cases might be obviated.

The Commission has also decided to amend Rule 21 of the rules of practice (17 CFR 201.21) by inserting a new paragraph (f) (17 CFR 201.21(f)) to clarify its existing procedures that any member or members of the Commission who were not present at oral argument may nevertheless participate in the decision of the proceeding. The rule would apply to any Commissioner serving at the time of decision whether or not he was serving in that office at the time of the oral argument. Any Commissioner participating in the decision who was not present at oral argument will review the transcript of such argument.

The text of the Commission action is as follows:

I. Paragraph (b) of § 201.21 has been amended so that wherever the number one (1) appears, the word one-half is inserted.

II. Paragraph (e) of § 201.21 has been amended.

III. Section 201.21 is amended by adding a new paragraph (f). Section 201.21, as amended, is as follows:

§ 201.21 Hearing before the Commission.

(b) *Time allowed.* Unless otherwise directed by the Commission, not more than one-half hour will be allowed for oral argument by any participant and, where the same or similar interests are represented by more than one participant, an aggregate of not more than one-half hour will be allowed the interests so represented irrespective of the number of participants, the time to be divided equally among such participants. In appropriate cases the Commission may, in its discretion, extend, shorten, or reallocate the time prescribed herein. Oral argument should be succinct.

(e) *Petition for rehearing.* Any petition for rehearing by the Commission shall be filed within 10 days after the entry of the order complained of, or within such time as the Commission may prescribe upon request of the party, if made within the foregoing 10-day period. The petition for rehearing shall clearly state the specific matters upon which rehearing is sought.

(f) *Participation of Commissioners.* Any member or members of the Commission who were not present at the oral argument may participate in the decision of the proceeding. Any Commissioner participating in the decision who was not present at oral argument will review the transcript of such argument.

The foregoing action is taken pursuant to the Securities Act of 1933, particularly section 19(a) thereof; the Securities Exchange Act of 1934, particularly section 23(a) thereof; the Public Utility Holding Company Act of 1935, particularly section 20 thereof; the Trust Indenture Act of 1939, particularly section 319 thereof; the Investment Company Act of 1940, particularly section 38 thereof; and the Investment Advisers Act of 1940, particularly section 211 thereof.

The Commission finds that the foregoing action involves matters of agency procedures and practice and the notice and subsequent procedure pursuant to subsections 4 (a) and (b) of the Administrative Procedure Act is unnecessary and not required. The Commission also finds that the provisions of subsection 4(a) of the Administrative Procedure Act regarding postponement of the effective date are inapplicable inasmuch as the foregoing amendment is not of a substantive nature. Accordingly, the foregoing amendment is effective forthwith.

By the Commission.

ORVAL L. DuBOIS,  
Secretary.

APRIL 1, 1966.

[F.R. Doc. 66-3946; Filed, Apr. 12, 1966; 8:47 a.m.]

Title 18—CONSERVATION OF POWER AND WATER RESOURCES

Chapter I—Federal Power Commission

SUBCHAPTER F—ACCOUNTS, NATURAL GAS ACT

[Docket No. R-292; Order 320]

PART 201—UNIFORM SYSTEM OF ACCOUNTS FOR NATURAL GAS COMPANIES

PART 204—UNIFORM SYSTEM OF ACCOUNTS FOR CLASS C NATURAL GAS COMPANIES

Accounting for Measuring and Regulating Stations

APRIL 6, 1966.

The Commission in this order is amending the Uniform System of Accounts applicable to Classes A, B, and C natural gas companies so as to eliminate the instruction permitting optional accounting for measuring and regulating stations as either a transmission or distribution plant item. Although the elimination of the option now permitted is in keeping with sound uniform accounting practices, the primary purpose of the amendments is to clarify the eligibility of the property concerned with respect to the investment tax credit percentage to be allowed. The existence of the option in the systems of accounts has posed a problem for the Internal Revenue Service because the Internal Revenue Code, as amended in 1962 and 1964 (26 U.S.C. 38, 46(a), 46(c)) provides, in effect, that transmission plant acquisitions would be allowed a 7-percent credit and distribution plant would be allowed a 3-percent credit.

On November 2, 1965, we issued a notice of proposed rule making in this proceeding, published it in the FEDERAL REGISTER on November 9, 1965 (30 F.R. 14110) and, thereby, invited the submission of comments with respect to the pro-



posal. Six responses were received.<sup>1</sup> There were no objections in principle to the proposals although several argued that mere deletions from the existing instructions, as proposed, rendered them unclear and suggested amendatory language. We recognize the merit of the points raised and, although we do not adopt the precise language changes suggested, we believe that the amendments here prescribed will make clear our original intention to require pipeline companies, including those which measure deliveries to their own distribution systems, to classify the equipment in the transmission function, but to make no change in the present classification of the equipment by distribution companies in the distribution function.

The Commission therefore finds: In view of the foregoing, it is necessary and appropriate for the administration of the Natural Gas Act that the amendments to the Uniform System of Accounts proposed in the notice of proposed rule making heretofore issued in this proceeding be revised and, as so revised, now be prescribed.

The Commission, acting pursuant to the authority of the Natural Gas Act, as amended, particularly sections 8 and 16 thereof (52 Stat. 825, 830; 15 U.S.C. 717g, 717o), orders:

(A) The Uniform System of Accounts, prescribed for Classes A, B, and C natural gas companies by Parts 201 and 204, respectively, of Subchapter F, Chapter I, Title 18 of the Code of Federal Regulations, are amended as follows:

1. Gas Plant Instruction 14.A. in Part 201 and 12.A. in Part 204 are amended by deleting the last sentence from each and inserting, in lieu thereof, the following: "Pipeline companies, including those companies which measure deliveries of gas to their own distribution systems, shall include city gate and main line industrial measuring and regulating stations in the transmission function."

2. In the second sentences of the said Gas Plant Instruction 14.A. and 12.A. delete the words "inlet side" appearing in each and insert, in lieu thereof, the words "outlet side".

3. Gas Plant Instruction 14.B. in Part 201 and 12.B. in Part 204 are amended by deleting the last two sentences from each and inserting, in lieu thereof, the following: "The distribution system owned by companies having no transmission facilities connected to such distribution system begins at the inlet side of the distribution system equipment which meters or regulates the entry of gas into the distribution system and ends with and includes property on the customer's premises. For companies which own both transmission and distribution facilities on a continuous line, the distribution system begins at the outlet side of the equipment which meters or regulates the entry of gas into the distribution system

and ends with and includes property on the customer's premises. The distribution system does not include storage land, structures, or equipment."

As so amended, paragraphs A. and B. of Gas Plant Instruction 14. in Part 201; and paragraphs A. and B. of Gas Plant Instruction 12. in Part 204 will read as follows:

#### Gas Plant Instructions

14.[12.] *Transmission and distribution plant.* For the purposes of this system of accounts:

A. "Transmission System" means the land, structures, mains, valves, meters, boosters, regulators, tanks, compressors and their driving units and appurtenances, and other equipment used primarily for transmitting gas from a production plant, delivery point of purchased gas, gathering system, storage area, or other wholesale source of gas, to one or more distribution areas. The transmission system begins at the outlet side of the valve at the connection to the last equipment in a manufactured gas plant, the connection to gathering lines or delivery point of purchased gas, and includes the equipment at such connection that is used to bring the gas to transmission pressure, and ends at the outlet side of the equipment which meters or regulates the entry of gas into the distribution system or into a storage area. It does not include storage land, structures or equipment. Pipeline companies, including those companies which measure deliveries of gas to their own distribution systems, shall include city gate and main line industrial measuring and regulating stations in the transmission function.

B. "Distribution System" means the mains which are provided primarily for distributing gas within a distribution area, together with land, structures, valves, regulators, services and measuring devices, including the mains for transportation of gas from production plants or points of receipt located within such distribution area to other points therein. The distribution system owned by companies having no transmission facilities connected to such distribution system begins at the inlet side of the distribution system equipment which meters or regulates the entry of gas into the distribution system and ends with and includes property on the customer's premises. For companies which own both transmission and distribution facilities on a continuous line, the distribution system begins at the outlet side of the equipment which meters or regulates the entry of gas into the distribution system and ends with and includes property on the customer's premises. The distribution system does not include storage land, structures, or equipment.

4. In the "Note" appended to the texts of Accounts 369 and 379 contained in both Parts 201 and 204, delete the "exception" clause in each and amend the note to read as follows:

#### Gas Plant Accounts

##### § 369(379) Measuring and regulating station equipment.

Note: Pipeline companies, including companies who measure deliveries of gas to their own distribution system, shall include in the transmission function classification city gate and main line industrial measuring and regulating stations.

(Secs. 8, 16, 52 Stat. 825, 830; 15 U.S.C. 717g, 717o)

(B) The amendments here prescribed shall be effective May 6, 1966.

(C) The Secretary shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,  
Secretary.

[F.R. Doc. 66-3931; Filed, Apr. 12, 1966; 8:45 a.m.]

## Title 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

### Chapter I—Veterans Administration

#### PART 36—LOAN GUARANTY

##### Interest Rates

1. In § 36.4311, paragraph (a) is amended to read as follows:

##### § 36.4311 Interest rates.

(a) Excepting non-real-estate loans insured under 38 U.S.C. 1815, effective April 11, 1966, the interest rate on any loan guaranteed or insured wholly or in part may not exceed 5¼ per centum per annum on the unpaid principal balance.

2. In § 36.4503, paragraph (a) is amended to read as follows:

##### § 36.4503 Amount and amortization.

(a) The original principal amount of any loan made on or after March 3, 1966, shall not exceed an amount which bears the same ratio to \$17,500 as the amount of the guaranty to which the veteran is entitled under 38 U.S.C. 1810 at the time the loan is made bears to \$7,500, nor may any veteran obtain direct loans aggregating more than \$17,500. This limitation shall not preclude the making of advances, otherwise proper, subsequent to the making of the loan pursuant to the provisions of § 36.4511. Loans made by Veterans Administration shall bear interest at the rate of 5¼ percent per annum, except where a commitment to make the loan was issued prior to April 11, 1966, in which case the rate of interest shall be 5½ percent per annum, unless the commitment to make the loan was issued prior to March 3, 1966, in which case the rate of interest shall be 5¼ percent per annum.

(72 Stat. 1114; 38 U.S.C. 210)

<sup>1</sup> Michigan Gas Storage Co.; National Fuel Gas Co. on behalf of Iroquois Gas Corp., Pennsylvania Gas Co. and United Natural Gas Co.; Northern Natural Gas Co.; Pacific Gas and Electric Co.; Pacific Gas Transmission Co.; Public Service Electric & Gas Co.



These VA Regulations are effective April 11, 1966.

Approved: April 11, 1966.

[SEAL]

W. J. DRIVER,  
Administrator.

[F.R. Doc. 66-4026; Filed, Apr. 12, 1966;  
8:48 a.m.]

## Title 42—PUBLIC HEALTH

Chapter I—Public Health Service, Department of Health, Education, and Welfare

### SUBCHAPTER D—GRANTS

**PART 57—GRANTS FOR CONSTRUCTION OF HEALTH RESEARCH FACILITIES (INCLUDING MENTAL RETARDATION RESEARCH FACILITIES), TEACHING FACILITIES AND STUDENT LOANS**

**Subpart C—Student Loans (Excluding Nursing Student Loans)**

PHARMACY AND PODIATRY, PRACTICING IN SHORTAGE AREA; MISCELLANEOUS AMENDMENTS

#### Correction

In F.R. Doc. 66-2994 appearing at page 4791 in the issue for Tuesday, March 22, 1966, the words now reading "in accessibility" in § 57.208(c) (2) (i) (a) are corrected to read "inaccessibility".

## Title 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[FCC 66-278]

### PART 87—AVIATION SERVICES

**Civil Air Patrol Mobile Stations; Fleet Licensing**

1. At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 6th day of April 1966, the Commission considered the fleet licensing of Civil Air Patrol mobile stations.

2. Fleet licensing in the Aviation Services is currently available only to aircraft stations. Under this procedure an applicant for an aircraft radio station may specify, on a single FCC Form 404, the total number of aircraft in his fleet. A single instrument of authorization (fleet license) is issued for operation of all radio stations aboard the aircraft of the fleet. An expansion of fleet licensing to cover Civil Air Patrol mobile stations, which includes stations aboard Civil Air Patrol aircraft as well as ground mobiles, would result in a saving in manpower to the Commission without diminishing the effective regulation of the use of radio by Civil Air Patrol. However, an applicant for a Civil Air Patrol fleet license could not specify both ground mobiles and mobiles aboard aircraft on

the same application. Separate applications would have to be filed for each category.

3. The fleet licensing procedure is also favored by the Civil Air Patrol. They feel it will materially aid them in their administration and will still allow proper control of Civil Air Patrol radio stations.

4. The amendments adopted herein are procedural in nature, and, therefore, the prior notice, procedure, and effective date provisions of section 4 of the Administrative Procedure Act are not applicable.

5. In view of the foregoing: *It is ordered*, Pursuant to sections 4(i), 301, and 303(r) of the Communications Act of 1934, as amended, That Part 87 of the Commission's rules is amended as set forth in the attached Appendix effective April 15, 1966.

(Secs. 4, 301, 303, 48 Stat. 1066, 1081, 1082, as amended; U.S.C. 154, 301, 303)

Released: April 8, 1966.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL]

BEN F. WAPLE,  
Secretary.

1. Section 87.29(b) is amended to read as follows:

§ 87.29 Application for aircraft radio station license.

\* \* \* \* \*

(b) Application for a new or modified Civil Air Patrol mobile radio station aboard aircraft shall be made on FCC Form 480. A single FCC Form 480 may be submitted specifying the total number of aircraft in a fleet. Under these circumstances, a single instrument of authorization (fleet license) may be issued for operation of all mobile radio stations aboard aircraft of the applicant Civil Air Patrol unit.

\* \* \* \* \*

2. Section 87.31(b) is amended to read as follows:

§ 87.31 Application for ground station authorization.

\* \* \* \* \*

(b) Application for new or modified Civil Air Patrol land station or ground mobile station authorization shall be submitted on FCC Form 480. A single FCC Form 480 may be submitted specifying the total number of ground mobile stations in a fleet. Under these circumstances, a single instrument of authorization (fleet license) may be issued for operation of all ground mobile stations of the applicant Civil Air Patrol unit.

\* \* \* \* \*

3. Section 87.95 is amended by the addition of a new paragraph (d) to read as follows:

§ 87.95 Posting station licenses and transmitter identification cards or plates.

\* \* \* \* \*

(d) In case of Civil Air Patrol mobile stations license by means of a single authorization for all the fleet, the original

<sup>1</sup> Commissioner Loevinger absent.

authorization or photocopy thereof, shall be posted prominently in the aircraft or shall be kept with the aircraft registration certificate, or in the case of ground mobile posted in accordance with paragraph (c) of this section.

[F.R. Doc. 66-3964; Filed, Apr. 12, 1966;  
8:46 a.m.]

## Title 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

SUBCHAPTER A—GENERAL RULES AND REGULATIONS

[2d Rev. S.O. No. 977]

### PART 95—CAR SERVICE

#### Distribution of Boxcars

At a session of the Interstate Commerce Commission, held in Washington, D.C., on the 11th day of April, A.D., 1966.

It appearing, that an acute shortage of boxcars exists on the Great Northern Railway Co. and on the Northern Pacific Railway Co.; that shippers located on the Great Northern Railway Co. and the Northern Pacific Railway Co. are being deprived of cars required for loading, resulting in a very severe emergency forcing mills to close thus creating a great economic loss and total unemployment to their personnel; that present regulations and practices with respect to the use, supply, control, movement, distribution, exchange, interchange, and return of boxcars owned by the Great Northern Railway Co. and the Northern Pacific Railway Co. are ineffective. It is the opinion of the Commission that an emergency exists requiring immediate action to promote car service in the interest of the public and the commerce of the people. Accordingly, the Commission finds that notice and public procedure are impracticable and contrary to the public interest, and that good cause exists for making this order effective upon less than 30 days' notice.

*It is ordered, That:*

#### § 95.977 Distribution of boxcars.

(a) Each common carrier by railroad subject to the Interstate Commerce Act shall observe, enforce, and obey the following rules, regulations, and practices with respect to its car service:

(1) Withdraw all boxcars owned by the Great Northern Railway Co. and the Northern Pacific Railway Co. from distribution and return to owners empty except as otherwise provided in subparagraphs (2) and (3) of this paragraph.

(2) Great Northern Railway Co. and Northern Pacific Railway Co. boxcars available empty at a station other than a junction with the owner may be loaded to stations on or via the owner, or to any station which is also a junction with the owner for unloading on any line serving such station.

(3) Great Northern Railway Co. and Northern Pacific Railway Co. boxcars available empty at a junction with the



## RULES AND REGULATIONS

owner must be delivered to the owner at that junction, either loaded or empty.

(4) Empty Great Northern Railway Co. and Northern Pacific Railway Co. boxcars may not be back-hauled, or held empty more than 24 hours awaiting placement for loading for the purpose of obtaining a load as authorized in subparagraphs (2) and (3) of this paragraph.

(b) No common carrier by railroad subject to the Interstate Commerce Act shall accept from shipper any Great Northern Railway Co. or Northern Pacific Railway Co. boxcar for movement contrary to the provisions of paragraph (a) of this order.

(c) The term boxcars as used in this order means freight cars having a mechanical designation prefixed by "X" in the Official Railway Equipment Register, ICC R.E.R. No. 358, issued by E. J. McFarland, or successive issues thereof.

(d) *Application.* The provisions of this order shall apply to intrastate, interstate and foreign commerce.

(e) *Effective date.* This order shall become effective at 12:01 a.m., April 12, 1966.

(f) *Expiration date.* This order shall expire at 11:59 p.m., May 28, 1966, unless otherwise modified, changed, or suspended by order of this Commission.

(Secs. 1, 12, 15, 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15, 17(2). Interprets or applies secs. 1(10-17), 15(4), 40 Stat. 101, as amended 54 Stat. 911; 49 U.S.C. 1(10-17), 15(4), 17(2))

*It is further ordered,* That a copy of this order and direction shall be served upon the Association of American Railroads, Car Service Division, as agent of all the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission.

[SEAL]

H. NEIL GARSON,  
*Secretary.*

[F.R. Doc. 66-4041; Filed, Apr. 12, 1966;  
8:48 a.m.]



# Proposed Rule Making

## DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Parts 1061, 1064]

[Docket Nos. AO 327-AB-RO1, AO 23-A28-RO1]

### MILK IN ST. JOSEPH, MO., AND GREATER KANSAS CITY MARKETING AREAS

#### Decision on Proposed Amendments to Tentative Marketing Agreements and to Orders

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Kansas City, Mo., on November 22-24, 1965, pursuant to notices thereof issued September 30, 1965 (30 F.R. 12487), and October 13, 1965 (30 F.R. 13015), and on March 15, 1966, pursuant to a notice of reopening thereof issued on March 3, 1966 (31 F.R. 4148).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Regulatory Programs, on March 23, 1966 (31 F.R. 4966; F.R. Doc. 66-3248), filed with the Hearing Clerk, U.S. Department of Agriculture, his recommended decision containing notice of the opportunity to file written exceptions thereto.

The material issues, findings and conclusions, rulings, and general findings of the recommended decision (31 F.R. 4966; F.R. Doc. 66-4966) are hereby approved and adopted and set forth in full herein, subject to a modification that adds seven paragraphs at the end of the Class II and Class III price findings and conclusions:

The material issues on the record of the hearing relate to:

1. Merger of the two orders and expansion of the marketing area.
2. Pool plant requirements.
3. Class I price and location differentials.
4. Class II and III prices.
5. Butterfat differentials.
6. Cooperative as a handler on bulk tank milk.
7. Base and excess plan.
8. Producer milk diversions.
9. Administrative and miscellaneous changes.

At the reopened session of the hearing, additional evidence was received with respect to issue No. 4. This decision deals only with issue No. 4 as it applies to Class III prices and to persons regulated under the aforesaid orders as now constituted and the need for emergency action.

*Findings and conclusions.* The following findings and conclusions on the material issue are based on evidence presented at the hearing and the record thereof:

*Class II and III prices.* The need for emergency action with respect to the Class II prices established under the respective orders was not established on the record. Hence, that issue is reserved for a recommended decision along with the other issues before the hearing.

Prompt action is necessary with respect to the Class III prices established under the aforesaid orders. Hence, this issue is being dealt with separately and the time for filing exceptions is limited to 3 days in order to permit an early decision in this matter.

The pricing formula proposed herein should be made effective as soon as possible. Prompt action to revise the Class III pricing system was requested at the hearing by the producers cooperative associations.

The Class III price in each of these orders is now based on the average of prices paid for ungraded milk by four local manufacturing plants. Because these plants have historically paid a base price plus a series of premiums for volume and cooling facilities, these orders provide that a factor of 19 cents (Kansas City) and 24 cents (St. Joseph) be added to the basic prices to adjust for the average value of premiums paid. In recent months, these plants have eliminated some premiums and incorporated their value in the basic price. As a consequence, the factors added in the Class III pricing formulas of these orders are no longer realistic.

Although the Class III prices of the orders are presently based on the higher of the average of prices paid by four local milk manufacturing plants or a butter and nonfat dry milk formula which uses an average of prices at Chicago for butter and Chicago area spray process nonfat dry milk, the local plant price has been the effective formula in recent months.

The Class III price under the St. Joseph and Greater Kansas City orders should be the average of prices paid per hundredweight for manufacturing grade milk f.o.b. plants in Minnesota and Wisconsin, as reported by the U.S. Department of Agriculture, adjusted to a 3.5 percent butterfat basis. The Class III price should not exceed a price based on the market values of butter and nonfat dry milk.

Producer associations proposed that the Class III price be the Minnesota-Wisconsin price series as reported by the Department. However, such price would be limited to not more than a price calculated by a butter-powder formula. This formula would be the price for butter per pound at Chicago times 4.2, plus 8.2

times the weighted average of carlot prices per pound for spray process nonfat dry milk in the Chicago area, less a 60-cent make allowance. Use of this formula in 1965 would have increased the Class III price level by 1 cent in Kansas City and would have decreased the price 4 cents under the St. Joseph order.

The proponent cooperatives opposed using the Minnesota-Wisconsin price series alone and contended that the Class III price should continue to be based on and not exceed the butter-powder formula.

The price for manufacturing milk should be at a level which will provide the highest possible returns to producers in these markets. At the same time the Class III prices should reflect the competitive price structure for those milk products manufactured from the milk which is in excess of the requirements of Kansas City and St. Joseph handlers for fluid products and cottage cheese.

The desirability of using a competitive pay price is based on the premise that in the highly competitive dairy industry average prices which are paid in areas where there is substantial competition for manufacturing milk provide as good a measure of its value as can be obtained. The Minnesota-Wisconsin price series is representative of prices paid to farmers for about one-half of the manufacturing grade milk sold in the United States. There are many plants in these States which are competing for such milk supplies. This price series reflects a price level determined by competitive conditions which are affected by demand in all the major uses of manufactured dairy products. Further it reflects the supply and demand for manufactured dairy products within a highly coordinated marketing system which is national in scale. Milk products that are manufactured from the excess milk in the Greater Kansas City and St. Joseph markets compete within this system. The Minnesota-Wisconsin price series is presently used under the two orders as the basic formula for establishing the price for Class I milk and is the Class II price.

Because of the substantial quantities of excess milk that are manufactured into butter and nonfat dry milk the prices of these products are of particular significance in establishing an appropriate Class III price. About half of the Class III milk in these markets is used in butter and nonfat dry milk. A Class III price based on the Minnesota-Wisconsin manufacturing grade milk price series not to exceed a limit related to butter and nonfat dry milk values should adequately meet this pricing objective. Use of a butter-powder formula with a make allowance of 48 cents will reflect the competitive prices paid for ungraded milk in the area from which these two markets draw their milk supply.



The 48-cent factor will result in a price more nearly in line with the prices paid by manufacturing plants in the area for ungraded milk than would result with the use of a 60-cent factor. One milk manufacturing firm to which excess milk from these markets is moved to two plants, paid ungraded producers an average of \$3.18 in 1965 and \$3.48 in January and \$3.50 in February. Another plant which processes excess milk from these markets paid ungraded producers \$3.30 in January and \$3.55 in February. The operator of a plant which receives excess milk from the Kansas City area reported his current price was \$3.40 plus 15 cents for milk received from bulk farm tanks.

These prices paid for ungraded milk are well above the proposed formula price using a 60-cent make allowance. Such a formula would have given an average price in 1965 of \$3.10, \$3.08 in January 1966 and \$3.20 in February 1966. Moreover, the 48-cent factor is used in butter-powder formulas which limit the level of prices applicable to reserve milk in several orders in the Midwest area.

In supporting the 60-cent factor, producers relied on the costs of processing which were made available by two milk manufacturers. However, these same manufacturers reported prices paid to their ungraded producers considerably higher than would result from the proposed formula with a 60-cent factor.

Cooperative associations in the Kansas City and St. Joseph markets assume the responsibility for disposing of milk not needed by other handlers for fluid and cottage cheese uses. The associations handle a large part of the Class III milk in these markets, most of which is manufactured into butter and powder.

Because of the nature of the manufacturing operations in the area the producer associations expressed concern about the relationship of the Minnesota-Wisconsin prices and the wholesale prices for butter and powder. The associations contended that the Minnesota-Wisconsin price series is not sufficiently sensitive to changes in the market value of such products. The primary outlets for excess milk in these two markets are plants making butter and powder, principally. These excess milk outlets are located at Springfield, Mo.; Chillicothe, Mo.; Sabetha, Kans.; and Ottawa, Kans. While there are some small cheese manufacturing plants in the areas, these plants are limited in the amount of milk they may process. Larger cheese plants are so far from the supply area for these markets that the hauling cost is too great for the economic disposition of surplus milk in such outlets. Another plant located at El Dorado Springs, Mo., is a specialized cottage cheese manufacturing plant and serves as a regular outlet for excess milk.

Recognition should be given to the possibility that a particular segment of the manufactured milk industry may be unduly influenced occasionally by certain supply-demand conditions not affecting the remainder of the industry. Such conditions may not be reflected

sufficiently in the Minnesota-Wisconsin price series. Because of the importance of butter and powder manufacturing operations in these markets, it is desirable that the Class III prices not exceed a price level based on a butter-powder formula. Using a butter-powder price for setting a ceiling on the Class III prices will insure that the Class III prices will continue to reflect the product values of butter and powder in the event of an undue diversion in the relationship between such values and the Minnesota-Wisconsin prices. If the Class III price is too high relative to the value of the residual uses for excess milk the associations cannot handle such milk except at a financial loss. In this circumstance, members of the associations would be penalized relative to non-member producers on the markets.

Under the pricing scheme proposed herein the Class III price would have averaged \$3.22 in 1965, or 8 cents higher and 13 cents higher than the actual Class III milk prices under the St. Joseph and Greater Kansas City orders, respectively, in that year. For 1965 the Minnesota-Wisconsin price would have been limited somewhat by the proposed tie to the butter-powder values. Without this limit the proposed Class III price would have averaged 5 cents higher in 1965. The proposed pricing formula would have given a Class III price for February 1966 of \$3.32 compared to the \$3.57 price effective under the Kansas City order and \$3.62 under the St. Joseph order.

The relationship of the Minnesota-Wisconsin prices to the combined market values of butter and powder has been relatively stable in the past. In light of this it is concluded that the Minnesota-Wisconsin price series would be a satisfactory basis on which to establish the Class III prices for these markets. The use of the butter-powder formula as a price ceiling will, however, provide a proper price basis during those infrequent periods when significant differences between the Minnesota-Wisconsin prices and butter-powder product values prevail.

Cooperative associations filed vigorous exception to the failure of the Deputy Administrator to adopt the proposed butter-powder formula using a 60-cent make allowance. They contended that at the current values of butter and nonfat dry milk a hundredweight of milk made into such products is worth 12 cents less than the price resulting from application of the butter-powder formula provided by this decision.

Costs of processing milk were made available for three local butter and nonfat dry milk processing plants. Other products such as condensed milk, ice cream mix, and cottage cheese are also manufactured in these plants. While the proportion of total output represented by butter and powder operations in these plants was not shown precisely, it was pointed out that they represent more than half of the total milk processing operations in each of the plants. There was no explanation of the cost allocation method used in applying the

processing costs only to the butter and powder operations in the plants, nor were costs shown for products other than butter and powder made in the plants.

Proponents did not furnish finished product prices in the area for butter and nonfat dry milk processed locally, except in one instance. One witness testified that the price per pound of nonfat dry milk delivered f.o.b. Kansas City was about three cents higher than the Chicago area price in February 1966.

Using the butter-powder formula as proposed by producers and applying these February 1966 local prices of nonfat dry milk would have yielded a product value per hundredweight of whole milk 23.8 cents higher than results from the use of the Chicago area price. Moreover, the prices paid dairy farmers for ungraded milk at these three plants, exceeded the \$3.32 per hundredweight formula price in February 1966 by from 8 to 23 cents.

Another objection by cooperatives to use of the butter-powder formula provided herein is that cooperative association handlers carrying the reserve supplies of milk would not be assured of a "break-even" pricing basis. It is questionable whether the purposes of the Act would be effectuated by establishing a butter-powder formula to yield a Class III price level that will assure handlers an operating margin regardless of market fluctuations in butter and nonfat dry milk prices in relation to other manufactured dairy product prices. No incentive would be provided for a handler to seek the higher-valued outlets unless operating margins in the other classes were more favorable. Thus, producers would not receive the highest use value for their milk.

The cooperatives excepted also to the failure to include the 10-cent premium which they collect in most instances on bulk tank milk delivered to manufacturing plants. The comparisons cited above are based on minimum order prices and prices paid for ungraded milk received in cans. There is very little ungraded milk received in bulk at these plants. One processor reported receiving some bulk ungraded milk for which he was currently paying 15 cents more than for milk in cans. When the 10-cent bulk tank premium is added to the Class III price proposed herein the price plus premium is still slightly lower than the prices paid ungraded producers.

Producers also excepted to the failure to recommend an increase in the Class II price in this partial decision. There was conflicting testimony relative to the need for a Class II price 15 cents per hundredweight higher than the average price paid at Minnesota-Wisconsin plants and more time is needed to resolve that issue. For that reason this decision is limited to the level of Class III prices.

*Rulings on proposed findings and conclusions.* Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions, and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent



that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or to reach such conclusions are denied for the reasons previously stated in this decision.

**General findings.** The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid orders and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreements the orders as hereby proposed to be amended, and all of the terms and conditions thereof will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing areas, and the minimum prices specified in the proposed marketing agreements and the orders as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreements and the orders as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

**Rulings on exceptions.** In arriving at the findings and conclusions, and the regulatory provisions of this decision, each of the exceptions received was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions, and the regulatory provisions of this decision are at variance with any of the exceptions, such exceptions are hereby overruled for the reasons previously stated in this decision.

**Marketing agreements and orders.** Annexed hereto and made a part hereof are four documents entitled, respectively, "Marketing Agreement Regulating the Handling of Milk in the St. Joseph, Mo., Marketing Area," "Marketing Agreement Regulating the Handling of Milk in the Greater Kansas City Marketing Area," "Order Amending the Order Regulating the Handling of Milk in the St. Joseph, Mo., Marketing Area," and "Order Amending the Order Regulating the Handling of Milk in the Greater Kansas City Marketing Area," which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

*It is hereby ordered.* That all of this decision except the attached marketing

agreements, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreements are identical with those contained in the orders as hereby proposed to be amended by the attached orders which will be published with this decision.

**Determination of representative period.** The month of January 1966 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the attached orders, as amended and as hereby proposed to be amended, regulating the handling of milk in the St. Joseph, Mo., and Greater Kansas City marketing areas, is approved or favored by producers, as defined under the terms of the respective orders, as amended and as hereby proposed to be amended, and who, during such representative period, were engaged in the production of milk for sale within the aforesaid marketing areas.

Signed at Washington, D.C., on April 8, 1966.

GEORGE L. MEHREN,  
Assistant Secretary.

*Order<sup>1</sup> Amending the Order Regulating the Handling of Milk in the Greater Kansas City Marketing Area*

§ 1064.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Greater Kansas City marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the mini-

<sup>1</sup> This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

mum prices specified in the order as hereby amended are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

**Order relative to handling.** It is therefore ordered, that on and after the effective date hereof the handling of milk in the Greater Kansas City marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended and as hereby amended as follows:

The provisions of the proposed marketing agreement and order amending the order contained in the recommended decision issued by the Deputy Administrator, Regulatory Programs, on March 23, 1966, and published in the FEDERAL REGISTER on March 25, 1966 (31 F.R. 4966; F.R. Doc. 66-3248), shall be and are the terms and provisions of this order, and are set forth in full herein:

Section 1064.51(c) is revised to read as follows:

§ 1064.51 Class prices.

(c) *Class III milk.* The Class III price shall be the basic formula price for the month, but not to exceed a price computed as follows:

(1) Multiply by 4.2 the simple average, as computed by the market administrator, of the daily wholesale selling prices (using the midpoint of any price range as one price) of Grade AA (93-score) bulk creamery butter per pound at Chicago as reported by the Department during the delivery period; *Provided*, That if no price is reported for Grade AA (93-score) butter, the highest of the prices reported for Grade A (92-score) butter for that day shall be used;

(2) Multiply by 8.2 the weighted average of carlot prices per pound for nonfat dry milk solids, spray process, for human consumption, f.o.b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the immediately preceding month through the 25th day of the current month by the Department; and

(3) From the sum of the results arrived at under subparagraphs (1) and (2) of this paragraph subtract 48 cents, and round to the nearest cent.

*Order<sup>1</sup> Amending the Order Regulating the Handling of Milk in the St. Joseph, Mo., Marketing Area*

§ 1061.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and

<sup>1</sup> This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.



in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the St. Joseph, Mo., marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

*Order relative to handling.* It is therefore ordered, that on and after the effective date hereof the handling of milk in the St. Joseph, Mo., marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended and as hereby amended as follows:

The provisions of the proposed marketing agreement and order amending the order contained in the recommended decision issued by the Deputy Administrator, Regulatory Programs, on March 23, 1966, and published in the FEDERAL REGISTER on March 25, 1966 (31 F.R. 4966; F.R. Doc. 66-3248), shall be and are the terms and provisions of this order, and are set forth in full herein:

Section 1061.51(c) is revised to read as follows:

§ 1061.51 Class prices.

(c) *Class III milk.* The Class III price shall be the basic formula price for the month, but not to exceed a price computed as follows:

(1) Multiply by 4.2 the simple average, as computed by the market administra-

tor, of the daily wholesale selling prices (using the midpoint of any price range as one price) of Grade AA (93-score) bulk creamery butter per pound at Chicago as reported by the Department during the delivery period: *Provided*, That if no price is reported for Grade AA (93-score) butter, the highest of the prices reported for Grade A (92-score) butter for that day shall be used;

(2) Multiply by 8.2 the weighted average of carlot prices per pound for nonfat dry milk solids, spray process, for human consumption, f.o.b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the immediately preceding month through the 25th day of the current month by the Department; and

(3) From the sum of the results arrived at under subparagraphs (1) and (2) of this paragraph subtract 48 cents, and round to the nearest cent.

[F.R. Doc. 66-3982; Filed, Apr. 12, 1966; 8:47 a.m.]

[ 7 CFR Part 1099 ]

[Docket No. AO-183-A13]

MILK IN PADUCAH, KY., MARKETING AREA

Notice of Recommended Decision and Opportunity To File Written Exceptions on Proposed Amendments to Tentative Marketing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of this recommended decision with respect to proposed amendments to the tentative marketing agreement and order regulating the handling of milk in the Paducah, Ky., marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, U.S. Department of Agriculture, Washington, D.C., 20250, by the 7th day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

*Preliminary statement.* The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreement and to the order as amended, were formulated, was conducted at Paducah, Ky., on November 17 and 18, 1965, pursuant to notice thereof which was issued October 21, 1965 (30 F.R. 13581).

The material issues on the record of the hearing relate to:

1. Marketing area.

2. Class I prices:

(a) Class I prices through June 1966, and

(b) Class I prices after June 1966.

3. Diversion of producer milk to non-pool plants.

4. Classification of shrinkage.

5. Location adjustments for handlers.

6. Butterfat differentials for handlers.

7. Seasonal adjustment of payments to producers under a "Louisville plan."

8. Classification of disposition as animal feed and miscellaneous and conforming changes.

A decision has been issued dealing with the Class I prices under the Paducah, Ky., order through June 30, 1966 (Issue No. 2(a)). The amended Class I prices for the period through June 30, 1966, were made effective February 1, 1966 (31 F.R. 1120). This decision is concerned with remaining Issue Nos. 1, 3, 4, 6, 7, and 8 leaving Issues No. 2(b), the Class I price for months after June 1966, and No. 5, location adjustments for handlers, which will be considered in a further decision on the record.

*Findings and Conclusions.* The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

1. *Marketing area.* The marketing area should be expanded to include Fulton County, Ky.

Paducah Graded Milk Association, representing the majority of the producers in the market, proposed the addition of Fulton County, Ky., to the marketing area. This proposal was supported also by the single handler located in the county.

Fulton County located in Southwestern Kentucky adjoins the present marketing area, and is surrounded by the present regulated area except for unregulated territory to the south in Tennessee. The present marketing area consists of 13 counties in Southwestern Kentucky and four Missouri counties across the Mississippi River from Fulton County.

Between 85 to 90 percent of the total Milk distribution in Fulton County is made by two regulated handlers. One of these is the handler whose plant is in the county located at Fulton. This handler's Class I sales represent about 70 percent of the total Class I sales in the county. The other regulated handler's plant is at Mayfield, Ky., in the present marketing area. The remainder of the distribution in the county is made by a Memphis order handler from his plant at Memphis, Tenn. Milk distribution in the area therefore is already preponderantly by Paducah regulated handlers.

Although a considerable portion of the Class I sales of the handler at Fulton would remain outside regulated territory, he nevertheless supported inclusion of the county. With the inclusion of Fulton County in the marketing area, about one-third of his Class I distribution would be in the regulated area. The remaining Class I sales of this handler are distributed in a nonregulated area to the south of the present marketing area.

The single objection to the addition of Fulton County to the Paducah marketing area was made by a Memphis cooperative association. This objection, however,



was based on a matter of Class I price level and did not consider the relationship of Fulton County to the rest of the marketing area.

Since Class I sales in Fulton County are predominately Paducah order regulated milk and the county is contiguous to the present marketing area, the inclusion of this county is in the interest of orderly marketing and price stability for all Paducah producers and handlers. Although without inclusion of the county, milk sold in the county has been almost exclusively by regulated handlers (with the exception when the plant at Fulton was unregulated for the two months of June and August 1965), producers should have the additional assurance of the stability of the application of the regulation to this plant. The milk supply for this plant is part of the entire supply for the market furnished by the cooperative association and is in large part interchangeable with supplies for other regulated handlers.

Health regulations for Fulton County are the same as those applicable for the other Kentucky counties in the present marketing area and are under the supervision of the same administration as for the city of Paducah. The milk produced for sale in Fulton County may therefore be considered as of the same quality as and interchangeable with milk marketed in the present marketing area.

Although all milk sold in the proposed area is presently regulated, the inclusion of such area will assure the maintenance of orderly marketing conditions which will not be disrupted by sales of unregulated milk. In view of the foregoing, it is concluded that Fulton County, Ky., should be added to the marketing area.

3. *Diversion of producer milk to non-pool plants.* The "producer milk" definition should be modified to provide that a cooperative association may divert to nonpool plants up to 25 percent of the milk of its producer members received at pool plants in each month during the months of April through August, and 15 percent in all other months. A proprietary handler should also be permitted to divert up to 25 percent of the total nonmember producer receipts at his pool plants, in each month during the months of April through August, and 15 percent in all other months. The production for 5 days for each producer, in either case, whose milk is diverted to nonpool plants must be received at a pool plant during the month.

The Paducah Graded Milk Producers Association is the principal cooperative association in the Paducah market and handles about 95 percent of all the milk received by handlers on the market. This association proposed that cooperative associations be permitted to divert to nonpool plants up to 25 percent of their producer-member's deliveries to all pool plants each month, during the months of April through August and 15 percent in all other months. These limitations, they pointed out, would be sufficient to handle diversions under present supply and demand conditions of the market. This change would permit ad-

ditional flexibility for the association in diverting producers in areas near non-pool manufacturing plants without regard to the number of days of delivery to pool plants, during the months of September through March.

A proprietary handler requested that the same percentage limitation, as proposed by the cooperative, apply to a proprietary handler on the diversion of nonmember milk. The representative of the cooperative association agreed that similar limitations as provided for cooperative associations should apply to proprietary handlers. This handler further proposed that a producer be definitely identified with the market before his milk would be eligible for diversion. He proposed that at least 10 days' production of the producer be received at a pool plant during the month.

Under the existing order provisions, the quantity of a producer's milk which may be diverted to a nonpool plant is limited to 10 days' production during each of the months of September through January and no limit applies during the months of February through August.

The cooperative association has assumed the major responsibility for moving reserve milk to nonpool manufacturing plants. Milk not needed by handlers can be most economically handled by movement directly from the farm to nearby manufacturing plants. Further economy might be achieved by diverting mostly those producers located nearest the manufacturing plants. This can be done if the diversion limitation is in terms of a percentage of the total milk delivered to pool plants by the association. The present 10-day limitation for each producer hinders the achievement of the most economic handling of reserve milk. The adoption of producer's proposal, providing similar treatment for proprietary handlers also, should permit the most economical handling of reserve milk moved to nonpool manufacturing plants.

Milk diverted to nonpool plants in excess of the percentage limitations should not be producer milk. The diverting handler (proprietary or cooperative association) should specify the dairy farmer whose milk is ineligible as producer milk. The report sections of the order have been revised to provide that the handler specify each dairy farmer whose milk is diverted and the volume diverted by the diverting handler. In case of over-diversion, however, unless the handler designates the milk which is not producer milk, it is not possible for the market administrator to know which producer's milk was over-diverted. In such circumstance it would be necessary that all diverted milk of dairy farmers of such handlers would be excluded from producer milk.

Some association with the market should be established for each producer if his milk is to be diverted as producer milk to nonpool plants. Without such requirement it would be possible to include under the diversion provisions milk of dairy farmers who have had little association with the market and who

would not constitute part of the regular supply. The requirement of the delivery of 10 days production at a pool plant, as proposed by a handler, would represent about 33 percent of the milk production of a producer during the month. While it is desirable to assure that a producer is associated with the market, the handler's proposed 10-day requirement would seriously limit flexibility in the handling of reserve milk by diversion. It is, therefore, concluded that such requirement be deliveries of at least 5 days production of each producer at a pool plant during the month.

4. *Classification of shrinkage.* The shrinkage allowance to handler should be revised to provide separate shrinkage allowances for receiving and processing operations.

Normal disappearance of a small percentage of milk in handling operations is recognized in the order by an allowance of two percent of receipts which may be classified as Class II. It was proposed by the cooperative association representing most producers on the market that milk moving through the association's receiving plant be entitled to one-fourth of this allowance or 0.5 percent. Similar division of the allowance would apply to any milk transferred between plants.

The association representative testified it has experienced loss in the handling of milk through the association's plant where the only function is assembly of milk for shipment to pool plants or plants outside the market. The association contended that its proposal would provide an equitable division of shrinkage allowance in accord with experience in this and other markets.

Shrinkage limitations apply under present order provisions not only to receipts of producer milk, but also to receipts of other order milk and certain receipts from unregulated plants. Such shrinkage allowances apply to these categories of milk to which the order allocates a share of handler's Class I utilization.

To provide equitable application of shrinkage provisions to handlers with various types of operations and receipts, adoption of the proposed division of shrinkage allowance would require that it apply also to these other types of receipts. Thus, the 1.5 percent allowance would need to apply to all receipts at a plant in bulk form from other plants, except in the case of other source receipts for which Class II utilization is requested.

The proposed revision of the shrinkage allowance to provide different allowances for receiving and processing operations is feasible and is in accord with experience in this and other markets. It is to be expected that a greater loss would occur in processing than in receiving operations. Where both operations are carried on by the same handler, it follows that the allowance on milk so handled would continue to be the full two percent. Such a revision of shrinkage allowances is adopted.

The two percent allowance would continue to apply to most all of plant re-



ceipts under current market practices. Handlers ordinarily buy their milk from the cooperative association on the basis of direct delivery from the farm and at farm weights and butterfat tests. Thus, the quantity of milk billed to the purchasing handler is the quantity which leaves the farm and is thus subject to loss from farm to plant as well as in processing operations. There is no reason why such procurement arrangements should not be recognized in the shrinkage provisions, and it is so provided.

It is possible, however, for a handler to purchase milk delivered from farms in tank trucks for which a cooperative acts as the handler pursuant to § 1099.10 (e). In such case the handler may purchase the milk on the basis of quantities delivered at his plant. There is no difference as to possible shrinkage to be incurred by the plant operator in this case as compared to that incurred on milk received in tank trucks from other plants. Equitable application of shrinkage allowance on this milk received from the cooperative association would require that the maximum allowance be 1.5 percent. An exception to this would be allowed if the plant operator agrees to purchase the milk on the basis of farm weights and butterfat tests. In such case the full two percent would apply.

The assembly of milk from farms by the cooperative association and delivery in tank trucks is a handling operation which also may involve loss. The loss, if any, is the concern of the cooperative association, and since the association must account for the total quantity of milk picked up at farms, shrinkage allowance is appropriate. This would be the same as the 0.5 percent allowed on receiving operations at plants. A similar situation exists with respect to handling of milk from farm to plant in the case of diverted milk, and the same shrinkage allowance should apply.

**6. Butterfat differentials for handlers.** No change should be made in Class I butterfat differentials for handlers.

The present Class I butterfat differential is determined for each month by multiplying the Chicago 92-score butter price by 0.12. The resulting butterfat differential applies to each one-tenth of a percent of butterfat above or below 3.5 percent.

Producers proposed that the Class I butterfat differential be reduced to 0.115 times the Chicago butter price during the months of August through March and to 0.11 in the other months. The Class I butterfat differentials thus would be the same as the present Class II butterfat differentials.

Producer butterfat differentials are based on a separate schedule related to Chicago butter prices and were not considered at the hearing.

Producers contended that lower butterfat differentials for Class I milk would encourage use of more butterfat in fluid milk disposition and would increase sales of cream. This was intended to bring about a closer balance between supplies and utilization of butterfat in Class I.

The proportion of butterfat in all Class I disposition has decreased in recent years. From 1963 to 1965 the decline was from 3.51 percent butterfat to 3.36 percent in all Class I milk.<sup>1</sup> This reflects a moderate reduction in the butterfat content of most Class I milk products. The proportion of Class I disposition represented by low butterfat products has not varied greatly in recent years.

The butterfat content of producer deliveries has also shown a very slight long-time downward trend but the reduction in the butterfat content of producer deliveries has not been as great as the reduction in the butterfat content of the Class I sales.

Producers stated that the primary purpose of their proposal was to gain a better balance between the butterfat content of producer deliveries and the butterfat content of Class I sales. It was not clear from the testimony whether they expected that the adoption of their proposal would materially increase producer returns.

Without any adjustment in the 3.5 percent butterfat price for Class I milk, the proposal would increase the value of Class I milk slightly. This is because the average butterfat test of Class I is less than 3.5 percent. This increase in returns to producers would take place even though there were no change in the butterfat content of Class I products because reduction in the butterfat differential would increase the value of the skim milk at the average test of milk in Class I. In any case, producers did not enter any testimony to justify an increase in skim milk values. On the other hand, one of the handlers in his brief stated that no justification for an increase in skim milk prices was warranted and that any such increase would place him at a disadvantage with reference to his sales of skim milk and low-fat items in competition with handlers regulated by other orders. Hence, whatever change is made would need to be made in a way that could not increase skim milk values. The issue, therefore, is whether it is desirable to reduce the butterfat differential and simultaneously make an adjustment in skim milk values so that such values will not be increased by the adjustment.

If producer returns could be increased by a reduction in the Class I butterfat differential (without increasing skim milk values) it would be desirable to decrease the butterfat differential. Whether producer incomes would be increased would depend upon whether the butterfat content of Class I items would be increased proportionately more than any proportionate decrease in the butterfat differential. For instance, if it appeared that a 5-percent decrease in the butterfat differential would result in a 10-percent increase in the butterfat content of Class I items and so long as the Class I butterfat value was higher than the Class II butterfat value, an increase in

<sup>1</sup> Official notice is taken of public announcements of market data by the market administrator since the hearing.

producer returns would result. There are a number of research studies<sup>2</sup> which reveal information about the price elasticity of demand for dairy products. None of these indicates that a price decrease of a given percentage will result in a consumption increase of a greater percentage. Accordingly, it does not appear that producers' incomes could be increased by reducing the butterfat differential except as an income increase might be the result of an increase in the skim milk values.

Moreover, the producers' proposal would reduce the Class I butterfat differential to the Class II level. At this value for Class I butterfat, no purpose is served by improving the balance of butterfat supply with its use in Class I. Sufficient outlets exist in Class II to absorb all excess butterfat on the market at returns the same as obtainable under the producers' proposal in Class I.

Since the adoption of the producers' proposal, with the price of skim milk adjusted, would not increase their returns but, on the contrary, might reduce their returns, the proposal is not adopted.

**7. Seasonal adjustment of payments to producers under a "Louisville plan."** The "Louisville plan" for seasonal adjustment of payments to producers should be adopted in this order. This plan provides for setting aside in the months of April through July part of the money paid by handlers, and subsequent distribution of such money to producers during the following months of October through January.

Twenty cents per hundredweight should be withheld on all milk delivered by producers in each of the months of April through July and should be deposited in the producer-settlement fund by the market administrator. These funds should be held as obligated funds, for the purpose of payments to producers in the months of October through January. Twenty-five percent of the fund should be included in the uniform

<sup>2</sup> Official notice is taken of the following publications:

"Demand and Price Analysis," Frederick V. Waugh, U.S.D.A. Technical Bulletin 1316, November 1964.

"The Demand and Price Structure for Dairy Products," Anthony S. Rojko, U.S.D.A. Technical Bulletin 1168, May 1957.

"Consumption of Milk and Cream in the New York City Market and Northern New Jersey," Leland Spencer and Ida A. Parker, Cornell University Experiment Station Bulletin 965, July 1961.

"Consumer Use of Dairy Products in Portland, Maine," H. Alan Luke, Maine Experiment Station Bulletin 477, November 1949.

"Effect of Changes in Income and Price on Milk Consumption," George K. Brinegar, Storrs Experiment Station Bulletin 280, July 1951.

"Dairy Marketing," Stewart Johnson, University of Connecticut monthly mimeographed report, February 1954 and 1960.

"Milk Distribution Systems in Ohio," G. H. Mitchell, D. W. Ware, and E. F. Baumer, Ohio Research Bulletin 855, June 1960.

"Changing Patterns of Milk Consumption in Memphis, Tennessee," Philip B. Dwoskin, James A. Bayton, and William S. Hoofnagle, U.S.D.A. Marketing Research Report No. 69, June 1954.



price computation of each of the four months of October through January.

The principal cooperative association's representative proposed the plan as described. It was the cooperative's position that the proposed system of reducing payments in the normal flush production months of April through July is needed to deter unneeded production in these months. The association representative contended that there was some danger producers would relax their efforts in achieving level production because of the amendment, April 1965, which reduced the seasonal spread of Class I price differentials. This reduction was from 60 cents to 40 cents between the high and low priced months. Further, it was their position that the adoption of the plan would provide an additional incentive for greater production in the normal short production months of October through January. This cooperative association represents nearly all producers delivering milk to the Paducah market.

The "Louisville plan" is used in conjunction with seasonal Class I price differentials in the nearby St. Louis and Suburban St. Louis markets. Producers serving the Suburban St. Louis market are also located in the production area of the Paducah market. The adoption of the Louisville plan in the Paducah market will thus contribute to similarity of pricing to groups of producers located in the same areas.

Production per farm during the months of April through July 1961 averaged 132 percent of production per farm during the following months of October 1961 through January 1962. For succeeding years of 1962, 1963, and 1964, April through July, daily production per farm was 129, 111, 109 percent of the daily production in the following October through January, respectively.

The preceding data indicate that producers did achieve more level production during the periods while the seasonal Class I price changes were greater than now provided. The proposed Louisville plan will restore seasonality of pricing to producers to a somewhat greater extent than it was reduced by the change in Class I differentials effective April 1, 1965.

Although in recent decisions issued by the Department on March 31, 1966, it has been found necessary to increase Class I prices in April, May, and June in Federal order markets, including Paducah, to assure adequate milk supplies, the plan proposed herein is necessary in the long-term interest of providing an adequate supply of milk for this market at the right time of year. It is appropriate, therefore, that the plan be made effective as soon as possible.

The plan does not change the total amount of money paid by handlers and received by producers, although it does change the time of the year at which producers receive the money for their milk. In these circumstances, where producers desire that their money be paid to them in this fashion, and it is well understood among producers that the total amount of money paid for their milk is un-

changed, the plan would not be expected to effect the average level of production of milk for the market during the entire year. Inasmuch as very nearly all of the producers supplying this market are members of a cooperative association which is the proponent, it may be expected that membership of the association will be completely informed as to the operation of this plan. In these circumstances, the plan will provide a definite incentive for producers to have a relatively level production throughout the year. It is concluded that this plan is an appropriate seasonal incentive plan and should be adopted.

8. Miscellaneous and conforming changes:

(a) *Class II milk classification for disposition as animal feed and dumped milk.* The classification as Class II milk should be revised to include skim milk and butterfat in fluid milk products disposed of for livestock feed or dumped.

A regulated handler proposed that fluid milk products disposed of as livestock feed or dumped should be classified as Class II milk.

Handlers at times have no outlet for route returns or small volumes of milk in excess of Class I requirements other than disposition as animal feed. Manufacturing facilities in regulated plants are limited and at least one handler has no manufacturing facilities in his plant. The sale of such products as livestock feed offer little or no return to handlers. Fluid milk products disposed of as livestock feed should be classified as Class II milk, contingent upon specific records showing (1) the amount of skim milk and butterfat in such disposition, (2) the purchaser and his address, (3) the payment for such products, and (4) the purchaser's signed receipts for such products.

Reports would also be required, at the discretion of the market administrator for fluid milk products for which the handler finds no outlet and must dump. Provision should also be made for prior notice to the market administrator so as to permit him an opportunity to physically observe the handler dumping fluid milk products. It is therefore concluded that the skim milk and butterfat in fluid milk products disposed of for animal feed, or dumped, after prior notice to the market administrator, shall be classified as Class II milk.

(b) *Plants subject to other Federal orders.* Some plants regulated under the Paducah order dispose of milk in other Federal order marketing areas. The order contains provisions for determining when such a plant should be relieved of full regulation under this order if it would then be fully regulated under another order. This is generally on the basis of the marketing area in which the plant has greater Class I disposition.

In certain cases, however, this measure of market association is affected by disposition under limited term contracts to governmental bases and institutions in another Federal order market. If such contract constitutes a large change in the handler's total disposition, it may

cause the plant to be regulated under such other order.

The potential of a handler shifting regulation because of contracts with governmental bases and institutions creates certain problems for the handler as well as producers supplying milk to the handler's plant. These problems arise because of different Class I price levels under the two orders, different location differentials, and differences in seasonal pricing plans including the effect of seasonal differentials, base-excess plans or the Louisville plan. These problems affecting both handlers and producers were described on the record by producer representatives in this and other nearby Federal order markets.

An amended provision adopted herein would allow the handler, or a cooperative serving such handler, to apply for a determination of the applicable regulation on a basis excluding such limited term contract sales to governmental bases and institutions. This would allow a determination by the Secretary depending on the particular circumstances involved. Application for such determination would need to be 15 days before the requested effective date.

(c) *Date for payment of uniform price to producers.* The proposal that payment of uniform prices to producers be made on the 17th day of the month (for milk received by handlers in the previous month) should be adopted.

The Paducah cooperative association proposed that payment of the uniform price to producers be made on or before the 17th day of the month for milk received by handlers in the previous month. This would provide an additional day for making uniform price payments to producers. The association has encountered difficulty in making such uniform price payments to its member producers on or before the 16th day of the month, in those months when the 16th day falls on Monday. No objection was raised by handlers regarding the proposed additional day. The primary effect of this proposal requested by producers is on the timeliness of receipt of money by producers. It is appropriate that the order provisions realistically reflect the time required for accounting and payment procedures. It is concluded that the proposed date for payment should be adopted.

(d) *Other miscellaneous changes.* Certain parts of the order need revision to make them more compatible with modern methods of handling milk. These revisions do not change the essential effect of the provisions, and have proved useful in the formulation of milk orders.

Milk received at pool plants from a cooperative association which acts as the handler pursuant to § 1099.10(e) is presently classified by the order the same as producer milk pursuant to § 1099.41. This is a convenient method of arriving at the classification since it is milk entirely from producers. It would simplify order language to specify such milk in the "Producer milk" definition as a receipt of producer milk at the plant. It will also simplify order accounting if



## PROPOSED RULE MAKING

such milk is paid for by the plant operator at the uniform price the same as other producer milk. This method of payment will facilitate any adjustments required when audit by the market administrator discloses an error such as an error in classification. The adjustment of money due can then be handled through payments into and out of the producer-settlement fund. Otherwise, if payment by the plant operator to the association were on class use basis, subsequent audit adjustments would involve billings and payments between the association and handler, besides related payments into or out of the producer-settlement fund.

The pool plant definition should be clarified. Presently, the pool plant definition depends on receipts of milk from producers and "pool milk" from other pool plants. Without changing the effect of such provision, more direct language will specify receipts of fluid milk products from other pool plants, and the definition of pool milk may be eliminated. Another modification of the wording of the pool plant definition would include the Grade A qualification of dairy farmers delivering thereto, and delete the term "producer milk." This would avoid definitions of pool plant and producer milk each depending upon the other.

Receipts from dairy farmers at pool plants include those delivered by a cooperative association as a handler pursuant to §1099.10(e). Currently the association in the market is customarily making deliveries from the farm to pool plants without assuming the handler status. For the purpose of pool status of the plant, however, it would make no difference as to whether the association assumes handler status on such milk. Without changing the effect of the pool plant definition, these changes in wording will more directly reflect current market practices and provide more flexibility in use of the definition.

A definition for a cooperative association should be added. Presently the marketing service provision specifies that a cooperative association must be qualified under the provision of the Act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act." This requirement should be included in the definition of a cooperative association along with the specification that the association have full authority in the sale of milk of its members and be engaged in making collective sales of or marketing milk or its products for its members. This definition will provide meaningful use of the term cooperative association as related to the various functions of a cooperative association under the order.

*Rulings on proposed findings and conclusions.* Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclu-

sions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

*General findings.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

*Recommended marketing agreement and order amending the order.* The following order amending the order as amended regulating the handling of milk in the Paducah, Ky., marketing area is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be the same as those contained in the order, as hereby proposed to be amended:

## DEFINITIONS

Sec.	Act.
1099.1	Secretary.
1099.2	Department of Agriculture.
1099.3	Person.
1099.4	Paducah, Kentucky, marketing area.
1099.5	Distributing plant.
1099.6	Supply plant.
1099.7	Pool plant.
1099.8	Nonpool plant.
1099.9	Handler.
1099.10	Producer.
1099.11	Producer-handler.
1099.12	Producer milk.
1099.13	Other source milk.
1099.14	Fluid milk product.
1099.15	Route disposition.
1099.16	Chicago butter price.
1099.17	Cooperative association.
1099.18	

## MARKET ADMINISTRATOR

Sec.	
1099.20	Designation.
1099.21	Powers.
1099.22	Duties.

## REPORTS, RECORDS, AND FACILITIES

1099.30	Reports of receipts and utilization.
1099.31	Payroll reports.
1099.32	Other reports.
1099.33	Records and facilities.
1099.34	Retention or records.

## CLASSIFICATION OF MILK

1099.40	Basis of classification.
1099.41	Classes of utilization.
1099.42	Responsibility of handlers and reclassification of milk.
1099.43	Transfers.
1099.44	Computation of skim milk and butterfat in each class.
1099.45	Allocation of skim milk and butterfat classified.
1099.46	Determination of producer milk in each class.

## MINIMUM PRICES

1099.50	Basic formula price.
1099.51	Class prices.
1099.52	Butterfat differentials to handlers.
1099.53	Location adjustments to handlers.

## APPLICATION OF PROVISIONS

1099.60	Producer-handlers.
1099.61	Plants subject to other Federal orders.
1099.62	Obligations of handler operating a partially regulated distributing plant.

## DETERMINATION OF UNIFORM PRICE TO PRODUCERS

1099.70	Computation of the net pool obligation of each pool handler.
1099.71	Computation of the uniform price.

## PAYMENTS

1099.80	Time and method of payment for producer milk.
1099.81	Producer-settlement fund.
1099.82	Payments to the producer-settlement fund.
1099.83	Payments out of the producer-settlement fund.
1099.84	Adjustment of errors in payments.
1099.85	Butterfat differential to producers.
1099.86	Location differentials to producers and on nonpool milk.
1099.87	Marketing services.
1099.88	Expense of administration.
1099.89	Termination of obligations.

## EFFECTIVE TIME, SUSPENSION, OR TERMINATION

1099.90	Effective time.
1099.91	Suspension or termination.
1099.92	Continuing obligations.
1099.93	Liquidation.

## MISCELLANEOUS PROVISIONS

1099.100	Agents.
1099.101	Separability of provisions.

AUTHORITY: The provisions of this Part 1099 issued under secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674.

## DEFINITIONS

## § 1099.1 Act.

"Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.).

## § 1099.2 Secretary.

"Secretary" means the Secretary of Agriculture of the United States or any



other officer or employee of the United States authorized to exercise the powers and to perform the duties of the Secretary of Agriculture.

**§ 1099.3 Department of Agriculture.**

"Department of Agriculture" means the U.S. Department of Agriculture, or such other Federal agency authorized to perform the price reporting functions specified in this part.

**§ 1099.4 Person.**

"Person" means any individual, partnership, corporation, association, or other business unit.

**§ 1099.5 Paducah, Ky., marketing area.**

The "Paducah, Ky., marketing area," hereinafter called the "marketing area," means all the territory within the counties listed below (except that portion of any of these counties contained in the Fort Campbell military reservation):

**KENTUCKY COUNTIES**

Ballard.	Hickman.
Caldwell.	Livingston.
Calloway.	Lyon.
Carlisle.	Marshall.
Christian.	McCracken.
Fulton.	Todd.
Graves.	Trigg.

**MISSOURI COUNTIES**

Mississippi.	Pemiscot.
New Madrid.	Scott.

**§ 1099.6 Distributing plant.**

"Distributing plant" means a plant in which milk is processed and packaged and from which Class I milk is disposed of during the month as route disposition in the marketing area.

**§ 1099.7 Supply plant.**

"Supply plant" means a plant (except a distributing plant) which is qualified as a pool plant pursuant to the proviso in § 1099.8(b) or a plant from which milk or skim milk which may be distributed in the marketing area under a Grade A label is supplied during the month to a plant qualified pursuant to § 1099.8(a).

**§ 1099.8 Pool plant.**

"Pool plant" means:

(a) A distributing plant from which 45 percent or more of its receipts of milk from dairy farmers producing milk under a Grade A dairy farm permit or rating issued by a duly constituted health authority (including milk of such dairy farmers diverted by the plant operator), from cooperative associations in their capacity as handlers pursuant to § 1099.10(e) and fluid milk products from other plants disposed of as Class I milk on route disposition during the month and from which a daily average of 3,000 pounds or more per day, or 10 percent or more of such receipts, whichever is less, is disposed of as fluid milk products on route disposition in the marketing area: *Provided*, That a plant which qualifies as a pool plant by complying with the fore-

going requirements during any month shall be a pool plant during the following month; or

(b) A distributing plant or supply plant from which the volume of milk, skim milk and cream shipped to pool plants qualified pursuant to paragraph (a) of this section, or disposed of as Class I milk on route disposition is equal to not less than 50 percent of the receipts of milk from dairy farmers producing milk under a Grade A dairy farm permit or rating issued by a duly constituted health authority (including milk of such dairy farmers diverted by the plant operator), from cooperative associations in their capacity as handlers pursuant to § 1099.10(e) and fluid milk products received from other plants: *Provided*, That if a supply plant ships to pool plants qualified pursuant to paragraph (a) of this section, milk, skim milk and cream equal to at least 75 percent of its receipts of milk from such dairy farmers and cooperative associations in their capacity as handlers pursuant to § 1099.10(e) in October and November and 35 percent of such milk in three additional months during the period from August through January, such plant shall, upon written application to the market administrator on or before the end of such period, be designated as a pool plant until the end of any month during the succeeding August through January period in which the milk of such plant is disposed of in such a way that it becomes impossible for the plant to reestablish its qualification under the terms of this proviso.

**§ 1099.9 Nonpool plant.**

"Nonpool plant" means any milk receiving, manufacturing, or processing plant other than a pool plant. The following categories of nonpool plants are further defined as follows:

(a) "Other order plant" means a plant that is fully subject to the pricing and pooling provisions of another order issued pursuant to the Act.

(b) "Producer-handler plant" means a plant operated by a producer-handler as defined in any order (including this part) issued pursuant to the Act.

(c) "Partially regulated distributing plant" means a nonpool plant that is neither an other order plant nor a producer-handler plant, from which fluid milk products labeled Grade A in consumer-type packages or dispenser units are distributed on route disposition in the marketing area during the month.

(d) "Unregulated supply plant" means a nonpool plant (other than a producer-handler plant or an other order plant) from which milk, skim milk, or cream acceptable to an appropriate health authority for distribution in the marketing area under a Grade A label is shipped to a pool plant.

**§ 1099.10 Handler.**

"Handler" means:

(a) Any person in his capacity as the operator of a pool plant;

(b) Any person who operates a partially regulated distributing plant;

(c) A producer-handler or any person who operates an other order plant described in § 1099.61;

(d) A cooperative association qualified pursuant to § 1099.18 with respect to milk of producers diverted for the account of such association from a pool plant to a nonpool plant; or

(e) A cooperative association which chooses to report as a handler with respect to milk which is delivered to a pool plant(s) of another handler in a tank truck owned or operated by, or under contract to, such cooperative association for the account of such cooperative association. The milk so delivered shall be considered to have been received by such cooperative association at a pool plant at the location of the pool plant to which it is delivered.

**§ 1099.11 Producer.**

"Producer" means any person, other than a producer-handler as defined in any order (including this part) issued pursuant to the Act, who produces milk under a Grade A dairy permit or rating issued by a duly constituted health authority, which milk is received at a pool plant or by a cooperative association in its capacity as a handler pursuant to § 1099.10(e).

**§ 1099.12 Producer-handler.**

"Producer-handler" means any person who operates a dairy farm and a distributing plant, from which Class I milk is distributed within the marketing area but which receives no other source milk or milk from other dairy farmers.

**§ 1099.13 Producer milk.**

"Producer milk" means all skim milk and butterfat contained in milk produced by a producer which is:

(a) Received during the month at a pool plant from producers or from a cooperative association pursuant to § 1099.10(e); *Provided*: That milk received at a pool plant by diversion from a plant at which such milk would otherwise be fully subject to the pricing and pooling under the terms or provisions of another order issued pursuant to the Act shall not be producer milk;

(b) Received by a cooperative association as a handler pursuant to § 1099.10(e) but which is not delivered to a pool plant of another handler and constitutes shrinkage pursuant to § 1099.41(b) (4) or as Class I shrinkage;

(c) Diverted by the operator of a pool plant or by a cooperative association as a handler pursuant to § 1099.10(d) to a nonpool plant at which the handling of milk is not subject to pricing and pooling under the terms or provisions of another order issued pursuant to the Act, subject to the following conditions:

(1) Not less than 5 days' production of any producer whose milk is diverted is physically received at a pool plant;

(2) If diverted by a cooperative association for its account as milk of its members to nonpool plants which does not exceed 25 percent of the milk physically received from member producers of such



cooperative association at pool plants during the month in any of the months of April through August and 15 percent in other months, except that if milk of members is diverted by the cooperative association in excess of the specified percentages, no milk diverted by the cooperative association during the month shall be producer milk unless the cooperative association designates the dairy farmers whose milk is not producer milk;

(3) If diverted by a handler in his capacity as the operator of a pool plant, as milk of a producer who is not a member of a cooperative association diverting milk pursuant to subparagraph (2) of this paragraph, which does not exceed 25 percent of the aggregate quantity of milk received at such plant from such nonmember producers during the month in any of the months of April through August and 15 percent in other months, except that if milk of nonmember producers is diverted by the handler in excess of the specified percentages, no milk diverted by the handler during the month shall be producer milk unless the handler designates the dairy farmers whose milk is not producer milk; and

(4) Milk diverted for the account of a handler in his capacity as an operator of a pool plant shall be deemed to have been received at the pool plant from which diverted and milk diverted for the account of a cooperative association shall be deemed to have been received by the cooperative association at a pool plant at a location identical with that of the pool plant from which diverted.

#### § 1099.14 Other source milk.

"Other source milk" means all skim milk and butterfat contained in:

(a) Receipts during the month in the form of fluid milk products except (1) producer milk, and (2) such products which are received from other pool plants; and

(b) Products designated as Class II milk pursuant to § 1099.41(b)(1) from any source (including those from a plant's own production), which are reprocessed or converted to another product in the plant during the month.

#### § 1099.15 Fluid milk product.

"Fluid milk product" means milk, skim milk, buttermilk, flavored milk and flavored milk drinks (modified or fortified, including dietary products) and reconstituted milk or skim; concentrated milk not sterilized in hermetically sealed containers; cream, sweet and sour; and mixtures of cream and milk or skim milk but not including the following: Frozen cream, aerated cream products, cultured sour cream mixtures other than sour cream, eggnog and boiled custard, ice cream, and ice cream and ice milk mixes, and cream or mixtures of cream with milk or skim milk sterilized in hermetically sealed containers.

#### § 1099.16 Route disposition.

"Route disposition" means a delivery (including disposition from a plant store or from a distribution point and distribution by a vendor or vending machine) of any fluid milk products to a retail or

wholesale outlet other than a milk plant. A delivery through a distribution point shall be attributed to the plant from which the Class I milk is moved through a distribution point to wholesale or retail outlets.

#### § 1099.17 Chicago butter price.

"Chicago butter price" means the simple average, as computed by the market administrator, of the daily wholesale selling prices (using the midpoint of any price range as one price) per pound of 92-score bulk creamery butter at Chicago as reported during the month by the Department.

#### § 1099.18 Cooperative association.

"Cooperative association" means any cooperative marketing association which the Secretary determines, after application by the association:

(a) To be qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act"; and

(b) To have full authority in the sale of milk of its members and to be engaged in making collective sales of or marketing milk or its products for its members.

### MARKET ADMINISTRATOR

#### § 1099.20 Designation.

The agency for the administration of this order shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

#### § 1099.21 Powers.

The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

(b) To make rules and regulations to effectuate its terms and provisions;

(c) To receive, investigate, and report to the Secretary complaints of violations; and

(d) To recommend amendments to the Secretary.

#### § 1099.22 Duties.

The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including, but not limited to, the following:

(a) Within 30 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary a bond, effective as of the date on which he enters upon his duties and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;

(c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who

handles funds entrusted to the market administrator;

(d) Pay out of the funds received pursuant to § 1099.88: (1) The cost of his bond and of the bonds of his employees, (2) his own compensation, and (3) all other expenses, except those incurred under § 1099.87 necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this section, and, upon request by the Secretary, surrender the same to such other person as the Secretary may designate;

(f) Publicly disclose to handlers and producers, at his discretion, the name of any handler who, after the date on which he is required to perform such acts, has not made reports pursuant to §§ 1099.30 through 1099.33 or payments pursuant to §§ 1099.62 and 1099.80 through 1099.88;

(g) Submit his books and records to examination by the Secretary and furnish such information and reports as may be requested by the Secretary;

(h) Upon request, report, on or before the 25th day after the end of each month, to each cooperative association described in § 1099.87(b) the percentage of milk which was caused to be delivered by such association or by its members and which was used in each class by each handler receiving any such milk. For the purpose of this report the milk so received shall be prorated to each class in the proportion that the total receipts of milk from producers by such handler were used in each class;

(i) Verify all reports and payments of each handler by audit, if necessary, of such handler's records and the records of any other handler or person upon whose utilization the classification of skim milk and butterfat for such handler depends;

(j) Prepare and make available for the benefit of producers, consumers, and handlers, general statistics and information concerning the operation of this order;

(k) Publicly announce, by posting in his office and by other means he deems appropriate, on or before:

(1) The 5th day of each month, the minimum price for Class I milk, pursuant to § 1099.51(a), and the Class I butterfat differential, pursuant to § 1099.52(a), both for the current month; and the minimum price for Class II milk, pursuant to § 1099.51(b), and the Class II butterfat differentials, pursuant to § 1099.52(b), both for the preceding month; and

(2) The 10th day after the end of each month, the uniform price, pursuant to § 1099.71, and the producer butterfat differential, pursuant to § 1099.85;

(l) Whenever required for purpose of allocating receipts from other order plants pursuant to § 1099.45(a)(8) and the corresponding step of § 1099.45(b), the market administrator shall estimate and publicly announce the utilization (to the nearest whole percentage) in each class during the month of skim milk and butterfat, respectively, in producer milk



of all handlers. Such estimate shall be based upon the most current available data and shall be final for such purpose;

(m) Report to the market administrator of the other order, as soon as possible after the report of receipts and utilization for the month is received from a handler who has received fluid milk products from an other order plant, the classification to which such receipts are allocated pursuant to § 1099.45 pursuant to such report, and thereafter any change in such allocation required to correct errors disclosed in verification of such report; and

(n) Furnish to each handler operating a pool plant who has shipped fluid milk products to an other order plant, the classification to which the skim milk and butterfat in such fluid milk products were allocated by the market administrator of the other order on the basis of the report of the receiving handler; and as necessary, any changes in such classification arising in the verification of such report.

#### REPORTS, RECORDS, AND FACILITIES

##### § 1099.30 Reports of receipts and utilization.

On or before the 6th day after the end of each month, each handler shall report for such month to the market administrator in the detail and on forms prescribed by the market administrator; each handler specified in § 1099.10(b), who operates a partially regulated distributing plant shall report the same information except that receipts in Grade A milk shall be reported in lieu of those in producer milk; such report shall include a separate statement showing the respective amounts of skim milk and butterfat disposed of on route disposition in the marketing area as Class I milk;

(a) The quantities of skim milk and butterfat contained in all receipts at each of his distributing and supply plants of (1) producer milk, showing separately that from cooperative associations pursuant to § 1099.10(e), (2) in fluid milk products received from pool plants, and (3) other source milk;

(b) The quantities of skim milk and butterfat contained in producer milk diverted to nonpool plants pursuant to § 1099.13, the names of the producers so diverted, and the plant to which diverted;

(c) The utilization of all skim milk and butterfat required to be reported pursuant to paragraphs (a) and (b) of this section, including a separate statement of the disposition of Class I milk outside the marketing area;

(d) Inventories of Class I milk on hand at the beginning and end of the month;

(e) The name and address of each producer from whom milk was not received during the previous months, and the date on which milk was first received from such producer;

(f) The name and address of each producer who discontinues deliveries of milk, and the date on which milk was last received from such producer; and

(g) Each handler with respect to fluid milk products disposed of for animal feed

or dumped shall report to the market administrator such information and at such time as a market administrator may require.

##### § 1099.31 Payroll reports.

(a) On or before the 20th day of each month, each handler, operating a pool plant(s), except a producer-handler and each cooperative association which is a handler pursuant to § 1099.10 (d) or (e), shall report its producer payroll for the preceding month which shall show for each producer:

(1) His name and, if not previously reported, post office address and farm location (county) for each producer;

(2) The number of days on which milk was received from such producer;

(3) The average butterfat content of such milk;

(4) The net amount of such handler's payment, the price paid, the amount and nature of any deductions and charges involved; and

(5) The amount and nature of any payments paid pursuant to § 1099.84;

(b) Each handler who receives producer milk for which payment is to be made to a cooperative association pursuant to § 1099.80(b) shall report to such cooperative association with respect to each such producer as follows:

(1) On or before the 25th day of the month, the total pounds of milk received during the first 15 days of such month; and

(2) On or before the 7th day of the following month (i) the pounds of milk received each day and the total for the month together with the butterfat content of such milk, (ii) the amount or rate and nature of any deductions, and (iii) the amount and nature of payments due pursuant to § 1099.84; and

(c) On or before the 25th day after the end of the month each handler operating a partially regulated distributing plant except one who elects at the time of reporting pursuant to § 1099.30 to make payments pursuant to § 1099.62(b) shall report his payments to dairy farmers qualified to be producers as if such plant were a pool plant showing for each such dairy farmer:

(1) The daily and total pounds of milk received;

(2) The average butterfat content thereof; and

(3) The date and net amount of payment paid such dairy farmer with a statement of the prices, deductions and charges used in computing such payment and the nature of each.

##### § 1099.32 Other reports.

Each producer-handler shall make reports to the market administrator at such time and in such manner as the market administrator shall request and shall permit the market administrator to verify such reports.

##### § 1099.33 Records and facilities.

Each handler shall keep adequate records of receipts and utilization of milk and milk products and shall, during the usual hours of business, make available to the market administrator or his repre-

sentative such records and facilities as will enable the market administrator to verify or establish the correct data with respect to:

(a) The receipt and utilization of all skim milk and butterfat handled in any form during the month;

(b) The weights and butterfat and other content of all milk, skim milk, cream and other milk products handled during the month;

(c) The amount and nature of deductions authorized by producers, and disbursements of any money so deducted; and

(d) The pounds of skim milk and butterfat contained in or represented by all milk, skim milk, cream or other milk products on hand at the beginning and end of the month.

##### § 1099.34 Retention of records.

All books and records required under this order to be made available to the market administrator shall be retained by the handler for a period of 3 years to begin at the end of the calendar month to which such books and records pertain: *Provided*, That if, within such 3-year period, the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c(15)(A) of the Act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case, the market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

#### CLASSIFICATION OF MILK

##### § 1099.40 Basis of classification.

All skim milk and butterfat which is required to be reported pursuant to § 1099.30 shall be classified by the market administrator pursuant to the provisions of §§ 1099.41 through 1099.46.

##### § 1099.41 Classes of utilization.

The classes of utilization shall be as follows:

(a) *Class I milk.* Class I milk shall be all skim milk and butterfat:

(1) Disposed of in the form of fluid milk products, except those classified pursuant to paragraph (b) (2), (3), and (6) of this section. Fluid milk products which have been fortified by the addition of milk solids shall be Class I only to the extent of the weight of an equal volume of an unmodified fluid milk product of the same nature and butterfat content; and

(2) Not specifically accounted for as Class II milk;

(b) *Class II milk.* Class II milk shall be all skim milk and butterfat:

(1) Used to produce a product other than a fluid milk product;

(2) Contained in inventory of fluid milk products on hand at the end of the month;



(3) Skim milk contained in that portion of fortified fluid milk products not classified as Class I milk pursuant to paragraph (a)(1) of this section;

(4) Contained in actual shrinkage of skim milk and butterfat, respectively, not to exceed the amounts calculated for each pool plant and for each cooperative association in its capacity as a handler pursuant to § 1099.10 (d) and (e):

(i) Two percent of receipts of skim milk and butterfat from producers (including receipts by a cooperative association pursuant to § 1099.10(e)) and milk diverted pursuant to § 1099.13; plus

(ii) One and one-half percent of fluid milk products received in bulk from other pool plants; plus

(iii) One and one-half percent of milk received in bulk from cooperative associations in their capacity as handlers pursuant to § 1099.10(e) except that if the handler operating the pool plant files with the market administrator, prior to the first day of the month, notice that he is purchasing such milk on the basis of farm weight determined by farm bulk tank calibration and butterfat tests determined from farm bulk tank samples, the applicable percentage shall be two percent; plus

(iv) One and one-half percent of receipts of fluid milk products in bulk from another order plant, exclusive of the quantity for which Class II utilization was requested by the operator of such plant and the handler; plus

(v) One and one-half percent of receipts of fluid milk products in bulk from unregulated supply plants, exclusive of the quantity for which Class II utilization was requested by the handler; less

(vi) One and one-half percent of bulk transfers of milk to a pool plant of another handler (in the case of a cooperative association selling milk to a handler on the basis of farm weights determined by farm bulk tank calibration and butterfat test determined from farm bulk tank samples as provided in subdivision (iii) of this subparagraph, the percentage in such milk shall be two percent); less

(vii) One and one-half percent of bulk transfers of milk to nonpool plants (in the case of a cooperative association selling milk to a handler on the basis of farm weights determined by farm bulk tank calibration and butterfat test determined from farm bulk tank samples as provided in subdivision (iii) of this subparagraph, the percentage in such milk shall be two percent); less

(viii) One and one-half percent of diversion of milk to nonpool plants (in the case of a cooperative association selling milk to a handler receiving milk on the basis of farm weights determined by farm bulk tank calibration and butterfat test determined from farm bulk tank samples as provided in subdivision (iii) of this subparagraph, or a handler receiving milk on the basis of farm weights determined by farm bulk tank calibration and butterfat test determined from farm bulk tank samples, the percentage in such milk shall be two percent);

(5) In shrinkage of skim milk and butterfat, in other source milk in the form of fluid milk products in bulk except

that included in subparagraph (4) of this paragraph: *Provided*, That such shrinkage shall be assigned pro rata to the amounts used in the computations pursuant to subparagraph (4) of this paragraph and this subparagraph; and

(6) Contained in fluid milk products which are dumped, if the market administrator has been notified in advance and afforded the opportunity to verify such dumping or in fluid milk products disposed of and used for livestock feed.

#### § 1099.42 Responsibility of handlers and reclassification of milk.

(a) All skim milk and butterfat shall be classified as Class I milk unless the handler who first receives such skim milk and butterfat proves to the market administrator that such skim milk and butterfat should be classified in another class: *Provided*, That in the case of milk delivered by a cooperative association in its capacity as a handler pursuant to § 1099.10(e) such responsibility shall be that of the plant operator receiving such milk.

(b) Any skim milk or butterfat classified in one class shall be reclassified if verification by the market administrator reveals that such classification was incorrect.

#### § 1099.43 Transfers.

Skim milk or butterfat transferred or diverted in the form of a fluid milk product shall be classified:

(a) At the utilization indicated by the operators of both plants, otherwise as Class I milk, if transferred from a pool plant to the pool plant of another handler, subject in either event to the following conditions:

(1) The skim milk or butterfat so assigned to either class shall be limited to the amount thereof remaining in such class in the transferee plant after computations pursuant to § 1099.45 (a) (8) and (b);

(2) If the transferor plant received during the month other source milk to be allocated pursuant to § 1099.45 (a) (3) and the corresponding step of § 1099.45 (b), the skim milk and butterfat so transferred shall be classified so as to allocate the least possible Class I utilization to such other source milk; and

(3) If the transferor handler received during the month other source milk to be allocated pursuant to § 1099.45 (a) (7) or (8) and the corresponding steps of § 1099.45 (b), the skim milk and butterfat so transferred up to the total of such receipts shall not be classified as Class I milk to a greater extent than would be applicable to a like quantity of such other source milk received at the transferee plant;

(b) As Class I milk, if transferred to a producer-handler;

(c) As Class I milk, if transferred or diverted in bulk to a nonpool plant that is neither an other order plant nor a producer-handler plant, unless the requirements of subparagraphs (1) and (2) of this paragraph are met in which case the skim milk and butterfat so transferred or diverted shall be classified in accordance with the assignment result-

ing from subparagraph (3) of this paragraph;

(1) The transferring or diverting handler claims classification pursuant to the assignment set forth in subparagraph (3) of this paragraph in his report submitted to the market administrator pursuant to § 1099.30 for the month within which such transaction occurred;

(2) The operator of such nonpool plant maintains books and records showing the utilization of all skim milk and butterfat received at such plant which are made available if requested by the market administrator for the purpose of verification; and

(3) The skim milk and butterfat so transferred shall be classified on the basis of the following assignment of utilization at such nonpool plant in excess of receipts of packaged fluid milk products from all pool plants and other order plants;

(i) Any Class I utilization disposed of on route disposition in the marketing area shall be first assigned to the skim milk and butterfat in the fluid milk products so transferred or diverted from pool plants, next pro rata to receipts from other order plants and thereafter to receipts from dairy farmers who the market administrator determines constitute regular sources of supply of Grade A milk for such nonpool plant;

(ii) Any Class I utilization disposed of on route disposition in the marketing area of another order issued pursuant to the Act shall be first assigned to receipts from plants fully regulated by such order, next pro rata to receipts from pool plants and other order plants not regulated by such order, and thereafter to receipts from dairy farmers who the market administrator determines constitute regular sources of supply for such nonpool plant;

(iii) Class I utilization in excess of that assigned pursuant to subdivisions (i) and (ii) of this subparagraph shall be assigned first to remaining receipts from dairy farmers who the market administrator determines constitute the regular source of supply for such nonpool plant and Class I utilization in excess of such receipts shall be assigned pro rata to unassigned receipts at such nonpool plant from all pool and other order plants; and

(iv) To the extent that Class I utilization is not so assigned to it, the skim milk and butterfat so transferred shall be classified as Class II milk;

(d) As follows, if transferred to an other order plant in excess of receipts from such plant in the same category as described in subparagraph (1), (2), or (3) of this paragraph:

(1) If transferred in packaged form classification shall be in the classes to which allocated as a fluid milk product under the other order;

(2) If transferred in bulk form, classification shall be in the classes to which allocated as a fluid milk product under the other order (including allocation under the conditions set forth in subparagraph (3) of this paragraph);

(3) If the operators of both the transferor and transferee plants so request in



the reports of receipts and utilization filed with their respective market administrators, transfers in bulk form shall be classified as Class II to the extent of the Class II utilization (or comparable utilization under such other order) available for such assignment pursuant to the allocation provisions of the transferee order;

(4) If information concerning the classification to which allocated under the other order is not available to the market administrator for purposes of establishing classification pursuant to this paragraph (d), classification shall be as Class I, subject to adjustment when such information is available;

(5) For purposes of this paragraph (d), if the transferee order provides for more than two classes of utilization, milk allocated to a class consisting primarily of fluid milk products shall be classified as Class I, and milk allocated to other classes shall be classified as Class II; and

(6) If the form in which any fluid milk product is transferred to an other order plant is not defined as a fluid milk product under such other order, classification shall be in accordance with the provisions of § 1099.41.

**§ 1099.44 Computation of skim milk and butterfat in each class.**

For each month, the market administrator shall correct for mathematical and other obvious errors the reports submitted by each handler and compute the total pounds of skim milk and butterfat, respectively, in Class I milk and Class II milk for such handler: *Provided*, That if any of the water contained in the milk from which a product is made is removed, the pounds of skim milk used or disposed of in such product shall be considered to be an amount equivalent to the nonfat milk solids contained in such products, plus all the water originally associated with such solids.

**§ 1099.45 Allocation of skim milk and butterfat classified.**

After making the computations pursuant to § 1099.44, the market administrator shall determine the classification of producer milk at the pool plant(s) of each handler as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in Class II the pounds of skim milk classified as Class II pursuant to § 1099.41(b)(4);

(2) Subtract from the remaining pounds of skim milk in each class the pounds of skim milk in fluid milk products received in packaged form from other order plants as follows:

(i) From Class II milk, the lesser of the pounds remaining or two percent of such receipts; and

(ii) From Class I milk, the remainder of such receipts;

(3) Subtract in the order specified below from the pounds of skim milk remaining in each class, in series beginning with Class II, the pounds of skim milk in each of the following:

(i) Other source milk in a form other than that of a fluid milk product;

(ii) Receipts of fluid milk products for which Grade A certification is not established, or which are from unidentified sources; and

(iii) Receipts of fluid milk products from a producer-handler, as defined under this or any other Federal order;

(4) Subtract, in the order specified below, from the pounds of skim milk remaining in Class II but not in excess of such quantity:

(i) Receipts of fluid milk products from unregulated supply plants and dairy farmers who are not producers;

(a) For which the handler requests Class II utilization; or

(b) Which are in excess of the pounds of skim milk determined by multiplying the pounds of skim milk remaining in Class I milk by 1.25 and subtracting the sum of the pounds of skim milk in producer milk, receipts from other pool handlers, and receipts in bulk from other order plants;

(ii) Receipts of fluid milk products in bulk from an other order plant in excess of similar transfers to such plant, if Class II utilization was requested by the operator of such plant and the handler;

(5) Subtract from the pounds of skim milk remaining in each class, in series beginning with Class II, the pounds of skim milk in inventory of fluid milk products on hand at the beginning of the month;

(6) Add to the remaining pounds of skim milk in Class II milk the pounds subtracted pursuant to subparagraph (1) of this paragraph;

(7) Subtract from the pounds of skim milk remaining in each class, pro rata to such quantities, the pounds of skim milk in receipts of fluid milk products from unregulated supply plants and dairy farmers who are not producers which were not subtracted pursuant to subparagraph (4) (i) of this paragraph;

(8) Subtract from the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from an other order plant(s), in excess in each case of similar transfers to the same plant, which were not subtracted pursuant to subparagraph (4) (ii) of this paragraph;

(i) In series beginning with Class II, the pounds determined by multiplying the pounds of such receipts by the larger of the percentage of estimated Class II utilization of skim milk announced for the month by the market administrator pursuant to § 1099.22(1) or the percentage that Class II utilization remaining is of the total utilization of skim milk of the handler; and

(ii) From Class I, the remaining pounds of such receipts;

(9) Subtract from the pounds of skim milk remaining in each class the pounds of skim milk received:

(i) In fluid milk products from pool plants of other handlers according to the classification assigned pursuant to § 1099.43(a); and

(ii) In milk from a cooperative association which chooses to report as a handler pursuant to § 1099.10(e) pro rata from each class in the same proportion as all producer milk after the subtraction pursuant to subdivision (i) of this subparagraph; and

(10) If the pounds of skim milk remaining in both classes exceed the pounds of skim milk in producer milk, subtract such excess from the pounds of skim milk remaining in each class in series beginning with Class II. Any amount so subtracted shall be known as "overage";

(b) Butterfat shall be allocated in accordance with the procedure outlined for skim milk in paragraph (a) of this section.

**§ 1099.46 Determination of producer milk in each class.**

For each class, add the pounds of skim milk and the pounds of butterfat allocated to producer milk, pursuant to § 1099.45, and determine the percentage of butterfat in the producer milk allocated to each class. In the case of a cooperative association determine the total pounds of skim milk and butterfat pursuant to § 1099.13 (b) and (c).

**MINIMUM PRICES**

**§ 1099.50 Basic formula price.**

The basic formula price shall be the average price per hundredweight for manufacturing grade milk, f.o.b. plants in Wisconsin and Minnesota, as reported by the U.S. Department of Agriculture for the month. Such price shall be adjusted to 3.5 percent butterfat basis by a butterfat differential rounded to the nearest one-tenth cent computed at 0.12 times the Chicago butter price for the month. The basic formula price shall be rounded to the nearest full cent.

**§ 1099.51 Class prices.**

Subject to the provisions of §§ 1099.52 and 1099.53 the class prices per hundredweight shall be as follows:

(b) *Class II milk price.* The Class II price shall be the basic formula price computed pursuant to § 1099.50.

**§ 1099.52 Butterfat differentials to handlers.**

If the average butterfat test of Class I milk or Class II milk, as calculated pursuant to § 1099.44, is more or less than 3.5 percent, there shall be added to, or subtracted from, as the case may be, the price for such class of utilization, for each one-tenth of 1 percent that such average butterfat test is above or below 3.5 percent, a butterfat differential calculated for each class of utilization follows:

(a) *Class I milk.* Multiply the Chicago butter price for the previous month by 0.12 and round the resulting figure to the nearest one-tenth cent.

(b) *Class II milk.* Multiply the Chicago butter price for the month, by 0.115 for the months of August through March and 0.11 for the months of April



through July, and round the resulting figure to the nearest one-tenth cent.

**§ 1099.53 Location adjustments to handlers.**

(a) For milk received from producers at a pool plant located more than 40 miles by shortest highway distance as measured by the market administrator, from the nearest County Courthouse in any of the counties included in the marketing area and disposed of as Class I milk or assigned Class I location adjustment credit pursuant to paragraph (b) of this section, and for other source milk for which a location adjustment credit is applicable, the price computed pursuant to § 1099.51(a) shall be reduced by 7.5 cents, plus 1.5 cents for each 10 miles or fraction thereof that such distance exceeds 50 miles;

(b) For purposes of calculating such adjustment, transfers between pool plants shall be assigned Class I disposition at the transferee plant, in excess of the sum of 95 percent of the receipts at such plant from producers and cooperative associations pursuant to § 1099.10(e), and the volume assigned as Class I to receipts from other order plants (and unregulated supply plants) such assignment to be made first to transferor plants at which no location adjustment credit is applicable and then in sequence beginning with the plant at which the least location adjustment would apply.

**APPLICATION OF PROVISIONS**

**§ 1099.60 Producer-handlers.**

Sections 1099.30, 1099.40 through 1099.52, and 1099.61 through 1099.87 shall not apply to a producer-handler.

**§ 1099.61 Plants subject to other Federal orders.**

In the case of a handler in his capacity as operator of a plant specified in paragraphs (a), (b), and (c) of this section, the provisions of this part shall not apply except that such handler shall with respect to his total receipts and disposition of skim milk and butterfat, make reports to the market administrator at such time and in such manner as the market administrator may require and allow verification of such reports by the market administrator:

(a) A distributing plant qualified pursuant to § 1099.8 which meets the requirements of a fully regulated plant pursuant to the provisions of another order issued pursuant to the Act and from which a greater quantity of fluid milk products is disposed of during the month from such plant as Class I route disposition in the marketing area regulated by the other order than as Class I route disposition in the Paducah, Ky., marketing area: *Provided*, That such a distributing plant which was a pool plant under this order in the immediately preceding month shall continue to be subject to all of the provisions of this part until the third consecutive month in which a greater proportion of its Class I route disposition is made in such other marketing area, unless the other order requires regulation of the plant without

regard to its qualifying as a pool plant under this order subject to the proviso of this paragraph: *And provided further*, on the basis of a written application made either by the plant operator or by the cooperative association supplying milk to such operator's plant, at least 15 days prior to the date for which a determination of the Secretary is to be effective, the Secretary may determine that the Class I dispositions in the respective marketing areas to be used for purposes of this paragraph shall exclude (for a specified period of time) Class I disposition made under limited term contracts to governmental bases and institutions;

(b) A distributing plant qualified pursuant to § 1099.8 which meets the requirements of a fully regulated plant pursuant to the provisions of another Federal order and from which a greater quantity of Class I milk is disposed of during the month in the Paducah marketing area as Class I route disposition than as Class I route disposition in the other marketing area, and such other order which fully regulates the plant does not contain provision to exempt the plant from regulation even though such plant has greater Class I route disposition in the marketing area of the Paducah, Ky., order; and

(c) Any supply plant which would be subject to the classification and pricing provisions of another order issued pursuant to the Act unless such plant qualified as a pool plant pursuant to the proviso of § 1099.8(b) during the preceding August through January period.

**§ 1099.62 Obligations of handler operating a partially regulated distributing plant.**

Each handler who operates a partially regulated distributing plant shall pay to the market administrator for the producer-settlement fund on or before the 25th day after the end of the month either of the amounts (at the handler's election) calculated pursuant to paragraph (a) or (b) of this section. If the handler fails to report pursuant to §§ 1099.30 and 1099.31 the information necessary to compute the amount specified in paragraph (a) of this section, he shall pay the amount computed pursuant to paragraph (b) of this section:

(a) An amount computed as follows:  
(1) (i) The obligation that would have been computed pursuant to § 1099.70 at such plant shall be determined as though such plant were a pool plant. For purposes of such computation, receipts at such nonpool plant from a pool plant or an other order plant shall be assigned to the utilization at which classified at the pool plant or other order plant and transfers from such nonpool plant to a pool plant or an other order plant shall be classified as Class II milk if allocated to such class at the pool plant or other order plant and be valued at the weighted average price of the respective order if so allocated to Class I milk. There shall be included in the obligation so computed a charge in the amount specified in § 1099.70(e) and a credit in the amount specified in § 1099.82(b)(2) with respect to receipts from an unregulated supply

plant, unless an obligation with respect to such plant is computed as specified below in this subparagraph.

(ii) If the operator of the partially regulated distributing plant so requests, and provides with his reports pursuant to §§ 1099.30 and 1099.31 similar reports with respect to the operations of any other nonpool plant which serves as a supply plant for such partially regulated distributing plant by shipments to such plant during the month equivalent to the requirements of § 1099.8(b), with agreement of the operator of such plant that the market administrator may examine the books and records of such plant for purposes of verification of such reports, there will be added the amount of the obligation computed at such nonpool supply plant in the same manner and subject to the same conditions as for the partially regulated distributing plant.

(2) From this obligation there will be deducted the sum of (i) the gross payments made by such handler for Grade A milk received during the month from dairy farmers at such plant and like payments made by the operator of a supply plant(s) included in the computations pursuant to subparagraph (1) of this paragraph, and (ii) any payments to the producer-settlement fund of another order under which such plant is also a partially regulated distributing plant.

(b) An amount computed as follows:  
(1) Determine the respective amounts of skim milk and butterfat disposed of as Class I milk on route disposition in the marketing area;

(2) Deduct the respective amounts of skim milk and butterfat received as Class I milk at the partially regulated distributing plant from pool plants and other order plants, except that deducted under a similar provision of another order issued pursuant to the Act;

(3) Combine the amounts of skim milk and butterfat remaining into one total and determine the weighted average butterfat content; and

(4) From the value of such milk at the Class I price applicable at the location of the nonpool plant, subtract its value at the weighted average price applicable at such location or the Class II price, whichever is higher.

**DETERMINATION OF UNIFORM PRICE TO PRODUCERS**

**§ 1099.70 Computation of the net pool obligation of each pool handler.**

The net pool obligation of each pool handler during each month shall be a sum of money computed by the market administrator as follows:

(a) Multiply the quantity of producer milk in each class, as computed pursuant to § 1099.46, by the applicable class prices (adjusted pursuant to §§ 1099.52 and 1099.53) excluding in the case of a cooperative association acting as a handler pursuant to § 1099.10(e) milk received by it and delivered to the pool plant of another handler;

(b) Add the amount obtained from multiplying the difference between the Class II price for the preceding month and the Class I price for the current



month by the hundredweight of skim milk and butterfat subtracted from Class I pursuant to § 1099.45(a)(5) and the corresponding step of § 1099.45(b);

(c) Add the amount obtained from multiplying the pounds of overage deducted from each class pursuant to § 1099.45(a)(10) and the corresponding step of § 1099.45(b) by the applicable class prices;

(d) Add an amount equal to the difference between the value at the Class I price applicable at the pool plant and the value at the Class II price with respect to the skim milk and butterfat in other source milk subtracted from Class I pursuant to § 1099.45(a)(3) and the corresponding step of § 1099.45(b);

(e) Add an amount equal to the value at the Class I price adjusted for location of the nearest nonpool plant(s) from which an equivalent volume of skim milk and butterfat was received from an unregulated supply plant which volume of skim milk and butterfat is subtracted from Class I pursuant to § 1099.45(a)(7) and the corresponding step of § 1099.45(b). With respect to skim milk and butterfat which is received from dairy farmers who are not producers and which is subtracted from Class I pursuant to § 1099.45(a)(7) and the corresponding step of § 1099.45(b), add an amount equal to its value at the Class I price applicable at the pool plant.

#### § 1099.71 Computation of the uniform price.

For each month, the market administrator shall compute the uniform price per hundredweight of milk of 3.5 percent butterfat content, f.o.b. market, received from producers as follows:

(a) Combine into one total the values computed pursuant to § 1099.70 for all handlers who filed the reports prescribed by § 1099.30 for the month and who made the payments pursuant to §§ 1099.80 and 1099.82 for the preceding month;

(b) Add an amount equivalent to the sum of the net deductions (reductions less increases) for location differentials to be made from producer payments pursuant to § 1099.86;

(c) Subtract if the weighted average butterfat content of milk received from producers is more than 3.5 percent, or add if such average butterfat content is less than 3.5 percent, an amount computed by multiplying the producer butterfat differential by the difference between 3.5 and the average butterfat content of producer milk, and multiplying the resulting figure by the total hundredweight of such milk;

(d) Add an amount equivalent to one-half the unobligated balance in the producer-settlement fund;

(e) Divide the resulting amount by the sum of the following for all handlers included in these computations:

(1) The total hundredweight of producer milk; and

(2) The total hundredweight for which a value is computed pursuant to § 1099.70(e);

(f) Subtract not less than 4 cents nor more than 5 cents from the amount computed pursuant to paragraph (g) of this

section. The resulting figure shall be the "weighted average price," and, except for the months specified below, shall be the "uniform price" for milk received from producers;

(g) For the months specified in paragraphs (h) and (i) of this section, subtract from the amount resulting from the computations pursuant to paragraphs (a) through (d) of this section an amount computed by multiplying the hundredweight of milk specified in paragraph (e)(2) of this section by the weighted average price;

(h) For each of the months of April, May, June, and July, subtract an amount equal to 20 cents per hundredweight on the total amount of producer milk in these computations, which amount is to be retained in the producer-settlement fund and disbursed according to the provision of paragraph (i) of this section;

(i) For each of the months of October, November, December, and January add one-fourth of the total amount subtracted pursuant to paragraph (h) of this section;

(j) Divide the resulting sum by the total hundredweight of producer milk included in these computations; and

(k) Subtract not less than 4 cents nor more than 5 cents per hundredweight. The result shall be the "uniform price" for milk received from producers.

#### PAYMENTS

#### § 1099.80 Time and method of payment for producer milk.

(a) Except as provided in paragraph (b) of this section, each handler operating a pool plant shall make payment to each producer from whom milk is received during the month as follows:

(1) On or before the last day of each month to each such producer who did not discontinue shipping milk to such handler before the 25th day of the month, an amount equal to not less than the Class II price for the preceding month multiplied by the hundredweight of milk received from such producer during the first 15 days of the month, less proper deductions authorized by such producer to be made from payments due pursuant to this subparagraph;

(2) On or before the 17th day of the following month, an amount equal to not less than the uniform price adjusted by the butterfat and location differentials to producers multiplied by the hundredweight of milk received from such producer during the month, subject to the following adjustments: (i) Less payments made such producer pursuant to subparagraph (1) of this paragraph, (ii) less marketing service deductions made pursuant to § 1099.87, (iii) plus or minus adjustments for errors made in previous payments made to such producer, and (iv) less proper deductions authorized in writing by such producer; *Provided*, That if by such date such handler has not received full payment pursuant to § 1099.85 from the market administrator for such month, he may reduce pro rata his payments to producers by not more than the amount of such underpayment. Payments to producers

shall be completed thereafter not later than the date for making payments pursuant to this paragraph next following after the receipt of the balance due from the market administrator;

(b) In the case of a cooperative association qualified pursuant to § 1099.18 which has so requested any handler in writing, such handler shall on or before the third day prior to the date on which payments are due individual producers pursuant to paragraph (a) of this section pay the cooperative association for milk received during the month from the producer members of such association an amount equal to not less than the amount due such producer members pursuant to paragraph (a) of this section: *Provided*, That the proper deductions referred to in paragraphs (a)(1) and (2)(iv) of this section shall be valid in the case of cooperative members only if authorized in writing by such cooperative;

(c) Each handler shall also make payment to a cooperative association delivering milk to such handler pursuant to § 1099.10(e) for milk so delivered as follows:

(1) On or before the 28th day of the month an amount equal to not less than the Class II price for the preceding month multiplied by the hundredweight of milk so received from such cooperative association during the first 15 days of the month, less proper deductions authorized in writing by the cooperative association;

(2) On or before the 14th day of the following month not less than the uniform price adjusted by the butterfat and location differentials to producers pursuant to §§ 1099.85 and 1099.86 multiplied by the hundredweight of milk so received from the cooperative association during the month, subject to the following adjustments: (i) less payments made to such cooperative association pursuant to subparagraph (1) of this paragraph, (ii) less proper deductions authorized in writing by such cooperative association: *Provided*, That if by such date the handler has not received full payment pursuant to § 1099.83 from the market administrator for such month, he may reduce pro rata his payments on such milk as in the case of payments to producers pursuant to paragraph (a) of this section, and payments hereunder shall be completed not later than the date for making payments pursuant to this subparagraph next following the receipt of the balance due from the market administrator; and

(d) On or before the 14th day of the following month each handler shall pay to a cooperative association, with respect to such milk as was received from the association in its capacity as a handler operating a pool plant during the month not less than the value of such milk at the applicable class prices.

#### § 1099.81 Producer-settlement fund.

The market administrator shall establish and maintain a separate fund, known as the "producer-settlement fund", which shall function as follows:

(a) All payments made by handlers pursuant to §§ 1099.62, 1099.82, and



1099.84 shall be deposited in this fund, and all payments made pursuant to §§ 1099.83 and 1099.84 shall be made out of this fund: *Provided*, That payments due to any handler shall be offset by payments due from such handler; and

(b) All amounts subtracted pursuant to § 1099.71(h) shall be deposited in this fund and set aside as an obligated balance until withdrawn to effectuate § 1099.80 in accordance with the requirements of § 1099.71(i).

#### § 1099.82 Payments to the producer-settlement fund.

On or before the 12th day after the end of the month each handler shall pay to the market administrator the amount, if any, by which the total amount specified in paragraph (a) of this section exceeds the amounts specified in paragraph (b) of this section:

(a) The sum of the net pool obligation computed pursuant to § 1099.70 for such handler;

(b) The sum of:

(1) The value of producer milk received by such handler at the applicable uniform prices specified in § 1099.80 excluding in the case of a cooperative association as a pool handler pursuant to § 1099.10(e) the value of milk delivered to pool plants of other handlers; and

(2) The value at the weighted average price(s) applicable at the location of the plant(s), from which received (not to be less than the value at the Class II price) with respect to other source milk for which a value is computed pursuant to § 1099.70(e).

#### § 1099.83 Payments out of the producer-settlement fund.

On or before the 13th day after the end of each month the market administrator shall pay to each handler the amount, if any, by which the amount computed pursuant to § 1099.82(b) exceeds the amount computed pursuant to § 1099.82(a). If at such time the balance in the producer-settlement fund is insufficient to make all payments pursuant to this section, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the appropriate funds are available.

#### § 1099.84 Adjustment of errors in payments.

Whenever verification by the market administrator of payments by any handler discloses errors made in payments to the producer-settlement fund, the market administrator shall promptly bill such handler for any unpaid amount and such handler shall, within 15 days, make payment to the market administrator of the amount so billed. Whenever verification discloses that payment is due from the market administrator to any handler, the market administrator shall, within 15 days, make such payment to such handler. Whenever verification by the market administrator of the payment by a handler to any producer or cooperative association for milk received by such handler discloses payment of less

than is required by § 1099.80, the handler shall make up the difference of such payment not later than the next time for making payments as set forth in the provisions relating to payments which were in error.

#### § 1099.85 Butterfat differential to producers.

The uniform price to be used pursuant to § 1099.80 in making payments for producer milk shall be adjusted by adding or subtracting, as the case may be, for each one-tenth of 1 percent by which the average butterfat content of such milk is more or less than 3.5 percent, the appropriate amount as shown in the following schedule according to the average wholesale price per pound of 92-score butter in the Chicago market, as reported by the Department of Agriculture, for the month:

Butter price range (cents):	Rate (cents)
17.499 or less	2
17.50 to 22.499	2½
22.50 to 27.499	3
27.50 to 32.499	3½
32.50 to 37.499	4
37.50 to 42.499	4½
42.50 to 47.499	5
47.50 to 52.499	5½
52.50 to 57.499	6
57.50 to 62.499	6½
62.50 to 67.499	7
67.50 to 72.499	7½
72.50 to 77.499	8
77.50 to 82.499	8½
82.50 to 87.499	9
87.50 to 92.499	9½
92.50 and over	10

#### § 1099.86 Location differentials to producers and on nonpool milk.

(a) The uniform price for producer milk received at a pool plant shall be reduced according to the location of the pool plant, and the uniform price for producer milk diverted to a nonpool plant shall be reduced according to the location of the pool plant from which it is diverted at the rates set forth in § 1099.53;

(b) In making payments pursuant to § 1099.80, the uniform price per hundredweight for producer milk received at pool plants located in that portion of the marketing area in the state of Missouri shall be increased by an amount obtained by dividing the total hundredweight of producer milk received at such pool plants during the month into the sum obtained by multiplying the total hundredweight of Class I milk assigned a value pursuant to § 1099.70 at such plants during the month by 10 cents: *Provided*, That the resultant price, rounded to the nearest full cent, shall not be increased pursuant to this paragraph by more than 10 cents; and

(c) For purposes of computations pursuant to §§ 1099.82 and 1099.83 the uniform price shall be adjusted at the rates set forth in § 1099.53 applicable at the location of the nonpool plant from which the milk was received.

#### § 1099.87 Marketing services.

(a) *Deductions for marketing services.* Except as set forth in paragraph (b) of this section, each handler in making payments to producers pursuant to § 1099.80

with respect to milk received from producers (excluding such handler's own farm production), shall deduct 6 cents per hundredweight, or such lesser amount as the Secretary may prescribe; and, on or before the 20th day after the end of the month, shall pay such deductions to the market administrator. Such moneys shall be expended by the market administrator to verify weights, samples, and tests of the milk of such producers and to provide such producers with market information. Such services shall be performed in whole or in part by the market administrator or by an agent engaged by and responsible to him.

(b) *Cooperative associations.* In the case of producers who are members of a cooperative association, which the Secretary has determined is actually performing the services set forth in paragraph (a) of this section and which is not receiving payment for its producer members, each handler shall make, in lieu of the deductions specified in paragraph (a) of this section, such deductions from the payments to be made to such producers pursuant to § 1099.80(b) as may be authorized by the membership agreement or marketing contract between such cooperative association and such producers, and on or before the 20th day after the end of each month, pay over such deductions to the association rendering such services.

#### § 1099.88 Expense of administration.

As his pro rata share of the expense of administration of the order, each handler shall pay to the market administrator on or before the 15th day after the end of the month five cents per hundredweight or such lesser amount as the Secretary may prescribe, with respect to (a) producer milk (including such handler's own production) and milk received from a cooperative association as a handler pursuant to § 1099.10(e), (b) other source milk allocated to Class I pursuant to § 1099.45(a) (3) and (7) and the corresponding steps of § 1099.45(b), and (c) packaged Class I milk disposed of from a partially regulated distributing plant as route disposition in the marketing area that exceeds Class I milk received during the month at such plant from pool plants and other order plants.

#### § 1099.89 Termination of obligations.

The provisions of this section shall apply to any obligations under this order for the payment of moneys irrespective of when such obligation arose, except an obligation involved in an action instituted before May 1, 1950, under section 8c(15) (A) of the Act or before a court.

(a) The obligation of any handler to pay money required to be paid under the terms of this order shall, except as provided in paragraphs (b) and (c) of this section, terminate 2 years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation, unless within such 2-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete



upon mailing to the handler's last known address, and it shall contain, but need not be limited to, the following information:

- (1) The amount of the obligation;
- (2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and
- (3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this order, to make available to the market administrator or his representatives all books and records required by this order to be made available, the market administrator may, within the 2-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said 2-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representative.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section a handler's obligation under this order to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this order shall terminate two years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the calendar month during which the payment (including deduction or set-off by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files, pursuant to section 8c(15)(A) of the Act, a petition claiming such money.

**EFFECTIVE TIME, SUSPENSION, OR TERMINATION**

**§ 1099.90 Effective time.**

The provisions of this part, or any amendment thereto, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated.

**§ 1099.91 Suspension or termination.**

The Secretary shall, whenever he finds that any or all provisions of this part, or any amendment thereto, obstruct or do not tend to effectuate the declared policy of the Act, terminate or suspend the operation of any or all provisions of this part or any amendment thereto.

**§ 1099.92 Continuing obligations.**

If, upon the suspension or termination of any or all provisions of this part, or any amendment thereto, there are any obligations thereunder the final accrual or ascertainment of which requires further acts by any person (including the market administrator), such further acts shall be performed notwithstanding such suspension or termination.

**§ 1099.93 Liquidation.**

Upon the suspension or termination of the provisions of this part, except §§ 1099.34, 1099.89, and 1099.91 through 1099.93, the market administrator, or such other liquidating agent as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable, and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated, all assets, books, and records of the market administrator shall be transferred promptly to such liquidating agents. If upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidating and distribution, such excess shall be distributed to contributing handlers and producers in an equitable manner.

**MISCELLANEOUS PROVISIONS**

**§ 1099.100 Agents.**

The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent and representative in connection with any of the provisions of this part.

**§ 1099.101 Separability of provisions.**

If any provisions of this part, or its application to any person or circumstances, is held invalid, the application of such provision, and of the remaining provisions of this order, to other persons or circumstances shall not be affected thereby.

Signed at Washington, D.C., on April 8, 1966.

CLARENCE H. GIRARD,  
Deputy Administrator,  
Regulatory Programs.

[F.R. Doc. 66-3979; Filed, Apr. 12, 1966; 8:47 a.m.]

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Southwest Region, Attention: Chief, Air Traffic Division, Federal Aviation Agency, Post Office Box 1689, Fort Worth, Tex., 76101. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. The proposal contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

In the interest of reducing the airway mileage between Palacios, Tex., and Houston, Tex., via the North alternate of V-20, and to facilitate control of air traffic in the Houston terminal area, it is proposed that the North alternate of V-20 be realigned, with a resulting reduction in mileage of approximately 7 miles, and that a South alternate be established.

In consideration of the foregoing, the Federal Aviation Agency proposes amendment of § 71.123 (31 F.R. 2009) of the Federal Aviation Regulations as follows. The North alternate of VOR Federal Airway No. 20 would be realigned via the intersection of the Palacios 031° and Houston 255° radials; a South alternate for VOR Federal Airway No. 20 via the intersection of Palacios 064° and Houston 201° radials, would be established.

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C., on April 7, 1966.

T. McCORMACK,  
Acting Chief, Airspace and  
Air Traffic Rules Division.

[F.R. Doc. 66-3961; Filed, Apr. 12, 1966; 8:46 a.m.]

**[ 14 CFR Part 71 ]**

[Airspace Docket No. 66-WE-20]

**CONTROL ZONE**

**Proposed Designation**

In the early part of 1967 the Federal Aviation Agency proposes to commission an air traffic control tower for Jefferson County Airport, Broomfield, Colo. Therefore, the Agency is considering amendments to Part 71 of the Federal Aviation Regulations and proposes the following airspace action:

Designate the Broomfield, Colo., control zone as that airspace within a 5-mile radius of Jefferson County Airport (latitude 39°54'30" N., longitude 105°-07'05" W.). This control zone shall be

**FEDERAL AVIATION AGENCY**

**[ 14 CFR Part 71 ]**

[Airspace Docket No. 65-SW-40]

**FEDERAL AIRWAY**

**Proposed Alteration**

The Federal Aviation Agency is considering an amendment to Part 71 of the Federal Aviation Regulations which would alter VOR Federal airway No. 20N and establish a south alternate to V-20.



effective during the specific dates and/or times established in advance by a Notice to Airmen and continually published in the Airmen Information Manual.

The proposed control zone is required to protect aircraft conducting instrument flight rule departure procedures at altitudes below 700 feet above the surface.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Western Region, Attention: Chief, Air Traffic Division, Federal Aviation Agency, 5651 West Manchester Avenue, Post Office Box 90007, Airport Station, Los Angeles, Calif., 90009. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the office of the Regional Counsel, Federal Aviation Agency, 5651 West Manchester Avenue, Los Angeles, Calif., 90045.

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958, as amended, (72 Stat. 749; 49 U.S.C. 1348).

Issued in Los Angeles, Calif., on April 6, 1966.

JOSEPH H. TIPPETS,  
Director, Western Region.

[F.R. Doc. 66-3930; Filed, Apr. 12, 1966;  
8:45 a.m.]

#### [ 14 CFR PARTS 71, 75 ]

[Airspace Docket No. 66-WE-11]

### JET ROUTES AND REPORTING POINTS

#### Proposed Realignment and Designation

The Federal Aviation Agency is considering amendments to Part 75 which would accomplish the following:

a. Realign J-60, in part, from Hayes Center, Nebr., via Omaha, Nebr., to Des Moines, Iowa.

b. Realign J-84, in part, from Stockton, Calif., via Coaldale, Nev.; Wilson Creek, Nev.; Meeker, Colo.; Sidney, Nebr.; to Wolbach, Nebr.

c. Realign J-94, in part, from Oakland, Calif., via Stockton, Calif.; to Reno, Nev.

d. Designate as high altitude reporting points the following: Wilson Creek, Nev.; Meeker, Colo.; and Sidney, Nebr.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Western Region, Attention: Chief, Air Traffic Division, Federal Aviation Agency, 5651 West Manchester Avenue, Post Office Box 90007, Airport Station, Los Angeles, Calif., 90009. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendments. The proposals contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. An informal docket also will be available for examination at the Office of the Regional Air Traffic Division Chief.

Realignment of the jet routes as proposed herein would designate an additional east/west jet route through the Denver ARTCC area, thereby providing relief to the heavily used jet route segment between Denver and Grand Junction.

These amendments are proposed under the authority of sec. 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C., on April 7, 1966.

T. McCORMACK,  
Acting Chief, Airspace and  
Air Traffic Rules Division.

[F.R. Doc. 66-3962; Filed, Apr. 12, 1966;  
8:46 a.m.]

## FEDERAL COMMUNICATIONS COMMISSION

[ 47 CFR Part 73 ]

[Docket No. 16574; FCC 66-291]

### PERSONAL ATTACKS; POLITICAL EDITORIALS

#### Notice of Proposed Rule Making

1. Notice of proposed rule making is hereby given in the above-entitled matter.

2. The "fairness doctrine" provides that if broadcast licensees permit their facilities to be used for the discussion of a controversial issue of public importance, they must afford a reasonable opportunity for the presentation of conflicting views. The basic enunciation of this doctrine is contained in the Commission's 1949 Report on Editorializing by Broadcast Licensees, 13 FCC 1246. Subsequently, the doctrine was recognized by Congress in the 1959 amendments to section 315 of the Communications Act (Public Law 86-274). In the Editorializing Report, the Commission stated that " \* \* \* elementary con-

siderations of fairness may dictate that time be allocated to a person or group which has been specifically attacked over the station" (p. 1258). This statement embodies a part of the fairness doctrine known as the "personal attack" principle, which is applicable "where there are statements, in connection with a controversial issue of public importance, attacking an individual's or group's integrity, character or honesty or like personal qualities." Public Notice of July 1, 1964 (Fairness Primer) FCC 64-611, 29 F.R. 10415, page 17.

3. In its rulings the Commission has set forth the obligation of a station licensee when a personal attack occurs over his facilities, i.e., the licensee must send a transcript or summary of the attack to the individual or group attacked, together with an offer of time for an adequate response. See Clayton W. Mapoles, 23 Pike and Fischer, R.R. 586 (1962); Billings Broadcasting Co., 23 Pike and Fischer, R.R. 951 (1962); Times-Mirror, 24 Pike and Fischer, R.R. 404 and 407 (1962); and Springfield Television Broadcasting Corp., 4 Pike and Fischer, R.R. 2d 681, 685 (1965). We notified all licensees of their responsibility in this respect, by transmitting to them the July 25, 1963, Public Notice (FCC 63-734) and the 1964 Fairness Primer, supra. Despite such notification and the Commission's rulings, the procedures specified have not always been followed even when flagrant personal attacks have occurred in the context of a program dealing with a controversial issue. It is for this reason that we now propose to codify the procedures which licensees are required to follow in personal attack situations. Two important purposes will be served by such codifications. First, it will emphasize and make more precise licensee obligation in this important area. Second, it will assist the Commission in taking effective action in appropriate circumstances when the procedures are not followed.

4. We have used the phrase, "in appropriate circumstances," because we recognize that in some instances there may be uncertainty or legitimate dispute concerning some aspects of the personal attack principle, such as whether a personal attack has occurred in the context of a discussion of a controversial issue of public importance. The proposed rules are not designed to answer such questions. When they arise, licensees will have to continue making good faith judgments based on all of the relevant facts and the applicable Commission rulings and interpretations.<sup>2</sup> We emphasize that it is not our intent to use the proposed rule as a basis for sanctions against those licensees who in good faith seek to comply with the personal attack principle. The rules are directed to situations where the licensees did not comply with the requirement of the personal attack doc-

<sup>2</sup> In appropriate cases, licensees can and should promptly consult the Commission for interpretation of our rules and policies.



trine as to notification and offer of time to respond, even though there could be no reasonable doubt under the facts that a personal attack had taken place (e.g., a statement in a controversial issue broadcast that a public official or other person is an embezzler or a Communist).

5. As indicated, the proposed rule, with minor changes, codifies existing procedures in personal attack situations. Paragraph (a) places specific procedural responsibilities on the licensee over whose facilities a personal attack has been broadcast. A licensee would be required to send a tape, transcript, or summary of the attack to the attacked person or group within a reasonable time and in no event later than 1 week after the attack.<sup>2</sup> The 1-week outer time limit thus does not mean that such a copy should not be sent earlier or, indeed, before the attack occurs, particularly where time is of the essence. Along with the copy, the licensee would be required to send the attacked person or group a notice stating when the attack occurred and containing an offer of a reasonable opportunity to respond. This is all that would be required by the rule. Other matters would be left to the reasonable judgment of the licensee and to good faith negotiations. For example, the licensee could impose a reasonable time limit in which the person notified would be required to respond. The licensee might make inquiries concerning willingness to pay along the lines described in our recent ruling in Red Lion Broadcasting Co., Inc., 1 FCC 2d 1587, part 1 (1965). The rule again is not designed to cover any of these other facets. Guidance in these respects would be available in the Commission's interpretative rulings, and any controversies would be considered by the Commission in the context of specific factual situations.

6. We have excluded from the proposed rule personal attacks on foreign groups or foreign public figures. Excluded also are situations where personal attacks are made by political candidates, their authorized spokesmen, or those associated with them in the campaign against other candidates, spokesmen, or persons associated with them in the campaign. The exclusion of attacks on foreign leaders follows present policy. Note, page 18, Fairness Primer, supra. The exclusion of attacks by candidates against other candidates recognizes that the "equal opportunities" provision of section 315—and not the personal attack doctrine—is generally applicable to this situation. Finally, the fairness doctrine may, of course, be applicable to particular factual situations in the political broadcast field. The necessity for notice and other procedures in the event of a personal attack may be different in this

field. We shall continue our present practice of interpretative rulings given in specific cases in the political broadcast area. With further experience, we may be in a position to delineate more precisely licensee responsibility in this area.

7. We also propose a rule to implement the Times-Mirror ruling as to station editorials endorsing or opposing political candidates. Such political editorials are increasing,<sup>3</sup> with some indication of failure to comply with the corresponding obligation to observe the Times-Mirror requirement. The rule would require that the appropriate candidate or (candidates) be informed of the station's editorial opposing his (or their) candidacy or supporting the candidacy of a rival, and be offered reasonable opportunity to respond. We have used the phrase "reasonable opportunity" here and in the proposed personal attack rule because such opportunity may vary with the circumstances; in many instances, comparable opportunity in time and scheduling is clearly appropriate. But in some, where the endorsement involved may be one of many and involve just a few seconds time, reasonable opportunity may call for more than a few seconds if there is to be a meaningful response. See Final Report of the Senate Committee on Commerce, Senate Report 994, Part 6, 87th Congress, 2d session, page 7. We also propose that the notification time in this respect be within 24 hours of the editorial; time is much more of the essence in this field, and there would appear to be no reason why the licensee could not readily inform the candidate of the editorial. Indeed, the licensee might again make the notification required before the broadcast of the editorial; such prior notification and opportunity for response would be required in the case of a political editorial broadcast close to the election. As in the case of the personal attack proposal, the rule does not purport to deal with all facets of the Times-Mirror ruling. The licensee could impose reasonable limitations, such as the appearance of a spokesman for the candidate, in order to avoid any section 315 "equal opportunities" cycle; the matter of time of scheduling would also be left to reasonable judgment and negotiation. Finally, the rule is directed only to station editorials endorsing, or opposing, political candidates. The applicability of Times-Mirror to other situations would be left to rulings in particular factual settings.<sup>4</sup>

8. Pursuant to applicable procedures set out in § 1.415 of the Commission's rules, interested parties may file comments herein on or before May 16, 1966,

<sup>2</sup> In 1960, 53 standard broadcasting and 2 television stations carried political editorials during the general elections. Their number had increased to 103 standard broadcasting and 13 television stations by 1964.

<sup>4</sup> Thus, Times-Mirror itself did not involve a station editorial. The Times-Mirror situation, since it did involve personal attacks, would come within paragraph (a) of the proposed rule.

with reply comments due on or before May 31, 1966. In reaching its decision herein, the Commission may also take into account other relevant information before it, in addition to the specific comments invited by this notice.

9. Authority for adoption of the rules proposed herein is found in sections 4 (i) and (j), 303(r) and 315 of the Communications Act of 1934, as amended.

10. In accordance with the provisions of § 1.419 of the rules, an original and 14 copies of all written copies shall be furnished to the Commission.

Adopted: April 6, 1966.

Released: April 8, 1966.

FEDERAL COMMUNICATIONS  
Commission,<sup>5</sup>

[SEAL] BEN F. WAPLE,  
Secretary.

Section 73.123 is added to read as follows:

§ 73.123 Personal attacks; political editorials.

(a) When, during the presentation of views on a controversial issue of public importance, an attack is made upon the honesty, character, integrity or like personal qualities of an identified person or group, the licensee shall, within a reasonable time and in no event later than 1 week after the attack, transmit to the person or group attacked (1) a script or tape (or an accurate summary, if a script or tape is not available) of the attack; (2) notification of the date, time and identification of the broadcast; and (3) an offer of a reasonable opportunity to respond over the licensee's facilities.

(b) The provisions of paragraph (a) shall be inapplicable to attacks on foreign groups or foreign public figures or where such attacks are made by legally qualified candidates, their authorized spokesmen, or those associated with them in the campaign, on other such candidates, their authorized spokesmen, or persons associated with the candidates in the campaign.

NOTE: In a specific factual situation, the fairness doctrine may be applicable in this general area of political broadcasts. See section 315(a); Applicability of the Fairness Doctrine, 29 F.R. 10415.

(c) Where a licensee, in an editorial, endorses or opposes a legally qualified candidate or candidates, the licensee shall, within 24 hours after the editorial, transmit to the other qualified candidate or candidates for the same office (1) a script or tape of the editorial; (2) notification of the date and the time of the editorial; and (3) an offer of a reasonable opportunity for a candidate or a spokesman of the candidate to respond over the licensee's facilities.

[F.R. Doc. 86-3965; Filed, Apr. 12, 1966; 8:46 a.m.]

<sup>5</sup> Commissioner Hyde abstaining from voting; Bartley dissenting to issuance of proposal that a rule be adopted in this area; Loevinger absent.

<sup>2</sup> Where a licensee determines that a personal attack has not occurred but recognizes that there may be some dispute concerning this conclusion, he should keep available for public inspection, for a reasonable period of time, a tape, transcript, or summary of the broadcast in question.



# Notices

## SECURITIES AND EXCHANGE COMMISSION

[01-5-01-7]

**JAMESTOWN TELEPHONE CORP.,  
ET AL.**

### Order Postponing Hearing

APRIL 7, 1966.

In the matter of Jamestown Telephone Corp., 01-5; Meadville Telephone Co., 01-6; Home Telephone Co. of Ridgway, 01-7.

A hearing is now scheduled for April 13, 1966, upon applications filed by Jamestown Telephone Corp., Meadville Telephone Co. and Home Telephone Co. of Ridgway for exemption from the registration provisions of section 12(g) of the Securities Exchange Act of 1934.

Counsel for applicants has requested that the hearing be further adjourned to allow additional time for continuing discussions with counsel for the Division of Corporation Finance, which are said to be nearing conclusion and to relate to a possible settlement "which would avoid the necessity of a hearing." Division counsel does not oppose the postponement. Accordingly:

*It is ordered*, That the hearing herein is postponed to Monday, May 16, 1966.

For the Commission (pursuant to delegated authority).

[SEAL]

ORVAL L. DUBOIS,  
Secretary.

[F.R. Doc. 66-3947; Filed, Apr. 12, 1966;  
8:45 a.m.]

## FEDERAL POWER COMMISSION

[Docket No. G-7994 etc.]

**SERVICE PIPE & EQUIPMENT, INC.,  
ET AL.**

### Findings and Order

APRIL 5, 1966.

Service Pipe & Equipment, Inc. (successor to Kewanee Oil Co.) and other Applicants listed herein, Docket Nos. G-7994, et al.

Findings and order after statutory hearing issuing certificates of public convenience and necessity, canceling docket number, amending certificates, permitting and approving abandonment of service, terminating certificates, vacating certificate, terminating rate proceeding, substituting Respondent, redesignating proceeding, and accepting related rate schedules and supplements for filing.

Each of the Applicants listed herein has filed an application pursuant to section 7 of the Natural Gas Act for a cer-

tificate of public convenience and necessity authorizing the sale and delivery of natural gas in interstate commerce, for permission and approval to abandon service, or a petition to amend an existing certificate authorization, all as more fully described in the respective applications and petitions (and any supplements or amendments thereto) which are on file with the Commission.

The Applicants herein have filed related FPC Gas Rate Schedules and propose to initiate or abandon, add or delete natural gas service in interstate commerce as indicated by the tabulation herein. All sales certificated herein are either equal to or below the ceiling prices established by the Commission's Statement of General Policy 61-1, as amended, or involve sales for which permanent certificates have been previously issued.

Petroleum Corp. of Texas, Applicant in Docket No. G-13720, proposes to continue the sale of natural gas heretofore authorized in said docket and made pursuant to Harrell Drilling Co. FPC Gas Rate Schedule No. 4. Harrell's rate schedule will be redesignated as that of Applicant. Harrell has filed for an increase in rate under said rate schedule which increase is suspended in Docket No. RI64-289<sup>1</sup> and not made effective.<sup>2</sup> Accordingly, Applicant will be substituted in lieu of Harrell as respondent in the proceeding pending in Docket No. RI64-289 and the proceeding will be redesignated.

After due notice, no petitions to intervene, notices of intervention, or protests to the granting of any of the respective applications or petitions in this order have been received.

At a hearing held on April 1, 1966, the Commission on its own motion received and made a part of the record in these proceedings all evidence, including the applications, amendments, and exhibits thereto, submitted in support of the respective authorizations sought herein, and upon consideration of the record,

The Commission finds:

(1) Each Applicant herein is a "natural-gas company" within the meaning of the Natural Gas Act as heretofore found by the Commission or will be engaged in the sale of natural gas in interstate commerce for resale for ultimate public consumption, subject to the juris-

<sup>1</sup> Consolidated with Docket No. AR64-2, et al.

<sup>2</sup> By notice issued Feb. 16, 1966, and published in the FEDERAL REGISTER on Feb. 26, 1966, in Docket Nos. G-3711, et al. (31 F.R. 3206), the rate at which the sale would be continued was stated to be 15.6 cents per Mcf at 14.65 p.s.i.a. 15.6 cents per Mcf is the proposed increased rate which has not been made effective. The predecessor's presently effective rate and the rate at which the sale will be continued is 14.65 cents per Mcf.

diction of the Commission, and will, therefore, be a "natural-gas company" within the meaning of said Act upon the commencement of the service under the respective authorizations granted hereinafter.

(2) The sales of natural gas hereinbefore described, as more fully described in the respective applications, amendments and/or supplements herein, will be made in interstate commerce, subject to the jurisdiction of the Commission, and such sales by the respective Applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are subject to the requirements of subsections (c) and (e) of section 7 of the Natural Gas Act.

(3) The sales of natural gas by the respective Applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are required by the public convenience and necessity and certificates, therefore, should be issued as hereinafter ordered and conditioned.

(4) The respective Applicants are able and willing properly to do the acts and to perform the services proposed and to conform to the provisions of the Natural Gas Act and the requirements, rules and regulations of the Commission thereunder.

(5) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Docket No. CI66-483 should be canceled and that the application filed therein should be processed as a petition to amend the certificate heretofore issued in Docket No. G-9465 by permitting the successor in interest to continue the service heretofore authorized.

(6) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act and the public convenience and necessity require that the certificate authorizations heretofore issued in the following dockets should be amended as hereinafter ordered and conditioned:

G-2585	G-14392	CI60-738
G-2612	G-14393	CI61-72
G-7994	G-14941	CI61-1741
G-8339	G-14942	CI62-775
G-9271	G-14952	CI63-20
G-9465	G-15714	CI63-30
G-11412	G-16738	CI64-1373
G-13720	G-18790	CI65-701
G-14388	G-20504	CI65-817
G-14389	CI60-67	CI65-918
G-14390	CI60-68	CI65-1304
G-14391	CI60-175	

(7) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the certificate authorization heretofore granted in Docket No. G-11645 should be vacated since it duplicates the certificate authorization heretofore granted in Docket No. G-11412.



(8) The sales of natural gas proposed to be abandoned by the respective Applicants, as hereinbefore described, all as more fully described in the tabulation herein and in the respective applications, are subject to the requirements of subsection (b) of section 7 of the Natural Gas Act, and such abandonments should be permitted and approved as herein-after ordered.

(9) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the certificates of public convenience and necessity heretofore issued to the respective Applicants herein relating to the abandonments hereinafter permitted and approved should be terminated.

(10) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the rate suspension proceeding in Docket No. RI65-370 should be terminated.

(11) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Petroleum Corp. of Texas should be substituted in lieu of Harrell Drilling Co. as respondent in the proceeding pending in Docket No. RI64-289 and said proceeding should be redesignated accordingly.

(12) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the respective related rate schedules and supplements as designated or redesignated in the tabulation herein should be accepted for filing as herein-after ordered.

#### The Commission orders

(A) Certificates of public convenience and necessity are issued upon the terms and conditions of this order, authorizing the sales by the respective Applicants herein of natural gas in interstate commerce for resale, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary for such sales, all as hereinbefore described and as more fully described in the respective applications, amendments, supplements, and exhibits in this proceeding.

(B) The certificates granted in paragraph (A) above are not transferable and shall be effective only so long as Applicants continue the acts or operations hereby authorized in accordance with the provisions of the Natural Gas Act and the applicable rules, regulations, and orders of the Commission.

(C) The grant of the certificates issued in paragraph (A) above shall not be construed as a waiver of the requirements of section 4 of the Natural Gas Act or of Part 154 or Part 157 of the Commission's regulations thereunder, and is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against the respective Applicants. Further, our action in this proceeding shall not foreclose nor prejudice any future proceedings or objections relating to the operation of any price or related provisions in the gas purchase contracts herein involved. Nor shall the grant of the certificates aforesaid for service to the particular customers in-

cluded imply approval of all of the terms of the respective contracts, particularly as to the cessation of service upon termination of said contracts, as provided by section 7(b) of the Natural Gas Act. Nor shall the grant of the certificates aforesaid be construed to preclude the imposition of any sanctions pursuant to the provisions of the Natural Gas Act for the unauthorized commencement of any sales of natural gas subject to said certificates.

(D) The grant of the certificates issued herein on all applications filed after April 15, 1965, is upon the condition that no increase in rate which would exceed the ceiling prescribed for the given area by paragraph (d) of the Commission's Statement of General Policy 61-1, as amended, shall be filed prior to the applicable dates, as indicated by footnotes 9 and 19 in the attached tabulation.

(E) The certificate issued herein in Docket No. CI60-699 involving the sale of gas by Anadarko Production Co. to its parent, Panhandle Eastern Pipe Line Co., determines the rate which legally may be paid by the buyer to the seller, but is without prejudice to any action which the Commission may take in any future rate proceeding involving either company. Further, the issuance of said certificate is conditioned upon Applicant filing, within 30 days from the date of this order, an appropriate rate schedule supplement as a condition precedent to reinstatement of the upward B.t.u. price adjustment clause in the rate schedule with an effective date corresponding to the date of the order issuing certificate.

(F) A certificate is issued herein in Docket No. CI66-364 contingent upon Applicant filing a supplement to its rate schedule providing for a full proportional downward B.t.u. price adjustment from a base no lower than 1,000 B.t.u.'s per cubic foot.

(G) Applicant in Docket No. CI66-643 is required to submit a statement of estimated sales and billing for the first month of service.

(H) Certificates are issued herein to Applicant in Docket Nos. CI66-666 and CI66-690 authorizing the continuance of sales previously rendered by the predecessor, on and since June 7, 1954, without commission authorization.

(I) The certificates issued herein in Docket Nos. CI66-695 and CI66-705 are subject to the conditions set forth in paragraphs (E), (F), and (G) of the order accompanying Opinion No. 350 (27 FPC 35), except that the certificate in Docket No. CI66-705 shall not be subject to the Commission's ultimate determination in Docket No. R-200.

(J) A certificate is issued herein to Applicant in Docket No. CI66-709, authorizing the service to be rendered as proposed, at the predecessor's rate of 12.2 cents per Mcf at 15.025 p.s.i.a.

(K) The certificate issued herein in Docket No. CI66-743 involving the sale of gas by Texas Gas Exploration Corp. to its parent, Texas Gas Transmission Corp., determines the rate which legally may be paid by the buyer to the seller, but is without prejudice to any action which the Commission may take in any

future rate proceeding involving either company.

(L) The certificates heretofore issued in Docket Nos. G-8339, G-15714, CI60-175, CI62-775, CI63-30, CI65-701, CI65-817, CI65-918, and CI65-1304 are amended by adding thereto or deleting therefrom authorization to sell natural gas to the same purchasers and in the same areas as covered by the original authorizations, pursuant to the rate schedule supplements as indicated in the tabulation herein.

(M) The certificates heretofore issued in Docket Nos. G-2585, G-2612, CI60-738, and CI63-20 are amended by deleting therefrom authorization to sell natural gas from acreage assigned to Applicants in Docket Nos. CI66-700, CI66-709, CI66-695, and CI66-551.

(N) The certificate heretofore issued in Docket No. G-11645 is vacated since it duplicates the certificate authorization heretofore granted in Docket No. G-11412.

(O) Docket No. CI66-483 is canceled.

(P) The certificates heretofore issued in Docket Nos. G-7994, G-9271,<sup>3</sup> G-9465, G-11412, G-13720, G-14388, G-14389, G-14390, G-14391, G-14392, G-14393, G-14941, G-14942, G-14952, G-16738, G-18790, G-20504, CI60-67, CI60-68, CI61-72, CI61-1741, and CI64-1373 are amended by changing the certificate holders to the respective successors in interest as indicated in the tabulation herein.

(Q) Permission for and approval of the abandonment of service by the respective Applicants, as hereinbefore described and as more fully described in the respective applications herein are granted.

(R) In view of the abandonment permitted and approved herein in Docket No. CI66-708, the certificate heretofore issued in Docket No. G-13633 is terminated only insofar as it pertains to FPC Gas Rate Schedule No. 136.

(S) The certificates heretofore issued in Docket Nos. G-5443, G-5638, G-10787, G-12190, CI61-781, CI64-782, and CI65-435 are terminated.

(T) The rate suspension proceeding in Docket No. RI65-370 is terminated.

(U) Petroleum Corp. of Texas is substituted in lieu of Harrell Drilling Co. as respondent in the proceeding pending in Docket No. RI64-289 and said proceeding is redesignated accordingly.<sup>4</sup>

(V) The respective related rate schedules and supplements as indicated in the tabulation herein are accepted for filing; further, the rate schedules relating to the successions herein are redesignated and accepted, subject to the applicable Commission regulations under the Natural Gas Act to be effective on the dates as indicated in the tabulation herein.

By the Commission,

[SEAL] JOSEPH H. GUTRIDE,  
Secretary.

<sup>3</sup>The rate for the related sale shall be 15.0 cents as proposed by the predecessor and approved by the Commission by order issued Jan. 18, 1966, in Docket No. G-17074.

<sup>4</sup>Petroleum Corp. of Texas.



NOTICES

Docket No. and date filed	Applicant	Purchaser, field, and location	FPC rate schedule to be accepted		Docket No. date filed	Applicant	Purchaser, field, and location	FPC rate schedule to be accepted	
			Description and date of document	No. Supp.				Description and date of document	No. Supp.
G-7994 E 1-24-66	Services Pipe & Equipment, Inc. (successor to Kewanee Oil Co.).	Pennroyl Co., Troy District, Gilmer County, W. Va.	Kewanee Oil Co., FPC GRS No. 38. Supplement No. 1. Notice of succession 1-18-66.	1 1	G-14933 E 1-3-66	do.	Coastal States Gas Producing Co., Los Torritos North Field, Hidalgo County, Tex.	Harrell Drilling Co., et al., FPC GRS No. 10. Supplement Nos. 1-2. Notice of succession 12-29-66. Effective date: 12-1-63.	12 12
G-8339 D 12-13-65	F. J. Dangle (Operator), et al. (partial abandonment).	El Paso Natural Gas Co., Erment Formation, Lea County, N. Mex.	Assignment 12-13-65. Effective date: 1-1-66. Notice of partial cancellation 12-11-65. <sup>1,2</sup>	2 2	G-14941 E 1-3-66	do.	Coastal States Gas Producing Co., Donna North Field, Hidalgo County, Tex.	Harrell Drilling Co., et al., FPC GRS No. 11. Supplement No. 1. Notice of succession 12-29-65.	13 13
G-9271 E 1-3-66	Petroleum Corp. of Texas (successor to Harrell Drilling Co.).	Tennessee Gas Transmission Co., Magnet-Withers Field, Wharton County, Tex.	Harrell Drilling Co., FPC GRS No. 1. Supplement No. 1-3. Notice of succession 12-29-65.	4 4	G-14942 E 1-3-66	do.	do.	Harrell Drilling Co., et al., FPC GRS No. 12. Supplement No. 1. Notice of succession 12-29-65.	14 14
G-11412 (G-11645) E 1-3-66	do.	Coastal States Gas Producing Co., Hidalgo Field, Hidalgo County, Tex.	Effective date: 12-1-63. Harrell Drilling Co., FPC GRS No. 2. Supplement No. 1. Notice of succession 12-29-65.	5 5	G-14952 E 1-3-66	do.	do.	Harrell Drilling Co., et al., FPC GRS No. 13. Supplement No. 1. Notice of succession 12-29-65.	15 15
G-13720 E 1-3-66	do.	Texas Eastern Transmission Corp., Hidalgo Field, Hidalgo County, Tex.	Effective date: 12-1-63. Harrell Drilling Co., FPC GRS No. 4. Supplement Nos. 1-5. Notice of succession 12-29-65.	6 6	G-15714 D 2-4-66	Humble Oil & Refining Co. (Operator), et al. (partial abandonment).	Transwestern Pipeline Co., acreage in Beaver County, Okla.	Effective date: 12-1-63. Letter agreement 1-18-66. <sup>2,3</sup>	16 239
G-14988 E 1-3-66	Petroleum Corp. of Texas, et al. (successor to Harrell Drilling Co., et al.).	Coastal States Gas Producing Co., Donna North Field, Hidalgo County, Tex.	Effective date: 12-1-63. Harrell Drilling Co., et al., FPC GRS No. 5.	7	G-16738 E 1-3-66	Petroleum Corp. of Texas, et al. (successor to Harrell Drilling Co., et al.).	Coastal States Gas Producing Co., Hidalgo Field, Hidalgo County, Tex.	Harrell Drilling Co., et al., FPC GRS No. 14. Supplement No. 1. Notice of succession 12-29-65.	16
G-14989 E 1-3-66	do.	Coastal States Gas Producing Co., Donna North Field, Hidalgo County, Tex.	Supplement Nos. 1-2. Notice of succession 12-29-65.	1-2	G-18790 E 1-3-66	do.	Coastal States Gas Producing Co., Penitas Field, Hidalgo County, Tex.	Effective date: 12-1-63. Harrell Drilling Co., et al., FPC GRS No. 15. Notice of succession 12-29-65.	17
G-14990 E 1-3-66	do.	do.	Effective date: 12-1-63. Harrell Drilling Co., et al., FPC GRS No. 7.	7	G-20604 E 1-20-66	Morgan Minerals Corp. (successor to T. J. Ahern (Operator), et al.).	United Gas Pipe Line Co., North Law Ward Field, Jackson County, Tex.	Effective date: 12-1-63. T. J. Ahern (Operator), et al., FPC GRS No. 3. Supplement Nos. 1-2. Notice of succession 1-17-66.	8 8 1-2
G-14991 E 1-3-66	do.	Coastal States Gas Producing Co., Los Torritos North Field, Hidalgo County, Tex.	Supplement Nos. 1-2. Notice of succession 12-29-65.	1-2	CI60-67 E 1-3-66	Petroleum Corp. of Texas, et al. (successor to Harrell Drilling Co., et al.). <sup>5</sup>	South Texas Natural Gas Gathering Co., Donna Field, Hidalgo County, Tex.	Assignment 12-29-65. Effective date: 12-1-63. Harrell Drilling Co., et al., FPC GRS No. 17. Notice of succession 12-29-65.	8 8 3
G-14992 E 1-3-66	do.	Coastal States Gas Producing Co., Los Torritos North Field, Hidalgo County, Tex.	Supplement Nos. 1-2. Notice of succession 12-29-65.	1-2	CI60-68 E 1-3-66	do.	South Texas Natural Gas Gathering Co., Yeaquierre Field, Starr County, Tex.	Effective date: 12-1-63. Harrell Drilling Co., et al., FPC GRS No. 18. Notice of succession 12-29-65.	19
			Effective date: 12-1-63.	1-2	CI60-175 C 1-12-66 <sup>3</sup>	Pubco Petroleum Corp. (Operator), et al.	El Paso Natural Gas Co., Basin Dakota Pool, Rio Arriba County, N. Mex.	Effective date: 12-1-63. Supplement 12-16-65. <sup>10</sup> Letter agreement 1-21-66. <sup>11</sup>	17 13
				1-2	CI60-689 <sup>12</sup> A 6-3-60	Anadarko Production Co.	Panhandle Eastern Pipe Line Co., Moccasin Area, Beaver County, Okla.	Contract 5-4-60. <sup>13</sup> Contract 3-25-60. Letter 11-15-60. <sup>14</sup> Effective date: 1-16-61.	15 15 15 2

Filing code: A—Initial service.  
B—Abandonment.  
C—Amendment to add acreage.  
D—Amendment to delete acreage.  
E—Succession.  
F—Partial succession.  
See footnotes at end of table.



Docket No. date filed	Applicant	Purchaser, field, and location	FPC rate schedule to be accepted		Docket No. date filed	Applicant	Purchaser, field, and location	FPC rate schedule to be accepted		
			Description and date of document	No.				Supp.	Description and date of document	No.
CI61-72 E 1-20-66	Texas City Refining, Inc., et al. successor to Sutton Producing Co.; agent (Operator), et al.	Transcontinental Gas Pipe Line Corp., et al., Pipe Line Field, McMullen County, Tex.	Sutton Producing Co., agent (Operator), et al., FPC GRS No. 7. Supplement No. 1. 9-14-66	2	CI66-483 E (G-9466) A 12-6-66 #	Humble Oil & Refining Co. (Operator), et al. Mangum (Operator), et al.	Texas Eastern Transmission Corp., West George West Field, Live Oak County, Tex.	R. O. Mangum (Operator), et al., FPC Supplement Nos. 1-6. Notice of succession 11-30-66.	380	
CI61-1741 E 1-20-66	do	Transcontinental Gas Pipe Line Corp., Southeast Dilworth Field Area, McMullen County, Tex.	Assignment 11-18-65 15 Agreement 11-1-65 19 Effective date: 6-1-65 Sutton Producing Co. agent (Operator), et al., FPC GRS No. 8. Notice of succession 2-14-66.	2 2 3	CI66-512 A 12-17-65 19	Humble Oil & Refining Co.	Arkansas Louisiana Gas Co., Ames Field, Major County, Okla.	Assignment 10-11-65 24 Effective date: 10-1-65 Release of standard gas lease 8-28-64 23	380	1-6
CI62-775 C 2-8-66 #	D. A. Dorward, d.b.a. D. A. Dorward, et al.	Consolidated Gas Supply Corp., J. L. Moore Hrs. Lease, Glenville District, Gilmer County, W. Va.	Assignment 11-18-65 15 Agreement 11-1-65 19 Effective date: 6-1-65 Letter agreement 9-20-65. 11	3 3 197	CI66-619 A 1-19-66	J. E. Harris, d.b.a. Harris Drilling Co., Inc.	Arkansas Louisiana Gas Co., Arkansas Gas Co., Arkansas Area, Pittsburg County, Okla.	Contract 11-8-65 20 Contract 7-2-63 17	382	1
CI63-20 D 2-1-66	Humble Oil & Refining Co.	Arkansas Louisiana Gas Co., Arkansas Area, Pittsburg County, Okla.	Assignment 9-9-64 17	337	CI66-632 A 1-20-66 # 29	Alva McCullough, et al., d.b.a. Wolf Penn Oil & Gas Co.	United Fuel Gas Co., Right Fork of Beaver Creek Field, Floyd County, Ky.	Contract 5-24-62 28 Amendment agreement 3-22-63 Supplemental agreement 8-12-63	212	1
CI63-30 C 2-1-66 #	do	Arkansas Louisiana Gas Co., Cheniere Brake Field, Ouachita and Jackson Parishes, La.	Supplemental agreement 1-7-66. 11	309	CI66-640 A 1-24-66 #	Erwin E. Grimes	Bluebonnet Gas Corp. 284 Cypress Creek Area, Newton County, Tex.	Contract 12-30-65 11	1	
CI64-1373 E 1-14-66	Steeple Oil & Gas Corp. (Operator), et al., successor to Calvin Michelson (Operator), et al.	Almos Gas Gathering Co., Seely Field, Bee County, Tex.	Calvin Michelson (Operator), et al., FPC GRS No. 1. Notice of succession 8-16-66. Assignment 5-12-65 15 Effective date: 5-8-65 Contract 7-2-64	3 41	CI66-643 A 1-17-66 19	Phillip F. Beeler (Operator), et al.	Northern Natural Gas Co., acreage in Beaver County, Okla.	Contract 8-16-65 30 Letter agreement 10-8-65. 11	1	1
CI65-62 A 7-23-64	Cities Service Co.	Lone Star Gathering Area, Kearns County, Tex.	Amendment agreement 1-10-66. 11	33	CI66-655 A 1-27-66 #	George E. Allen, Jr., et al., d.b.a. Joe's Creek Gas Co.	Pennzoil Oil Co., Duval District, Lincoln County, W. Va.	Contract 6-14-65 11	1	
CI65-701 C 2-1-66 19	Harper Oil Co. (Operator), et al.	Michigan Wisconsin Pipe Line Co., Laverne Field, Harper County, Okla.	Amendment agreement 1-10-66. 11	7	CI66-658 A 2-1-66 #	Sydney Spofforth	Consolidated Gas Supply Corp., Grant District, Ritchie County, W. Va.	Contract 8-2-65 11	7	
CI65-817 C 1-27-66 # D 1-27-66	A. M. van Fliet, agent for Jennings Petroleum Corp.	Equitable Gas Co., Salt Lick and Orter Districts, Braxton County, W. Va.	Letter agreement 1-10-66. 39 Effective date: 2-27-66	3	CI66-659 A 2-1-66 #	Trojan Coal & petroleum Corp.	Consolidated Gas Supply Corp., Center District, Gilmer County, W. Va.	Contract 7-1-65 11	6	
CI65-918 C 1-27-66 #	Westmore Drilling Co., Inc. (Operator), et al.	Cities Service Gas Co., Astma Mississippi Gas Pool, Barber County, Kansas	Supplemental agreement 12-20-65. 11	2	CI66-660 A 2-1-66 #	Petroleum Resources, Inc.	Consolidated Gas Supply Corp., Greathouse Lease, New Milton District, Doddridge County, W. Va.	Contract 9-23-65 11	7	
CI65-1304 C 2-8-66 #	Francis Frieestad, et al.	Consolidated Gas Supply Corp., Nellie Engelke, et al., Glenville District, Gilmer County, W. Va.	Letter agreement 10-18-65. 11	5	CI66-661 A 2-1-66 #	H. L. Ice, agent for Gill Oil & Gas Co.	Consolidated Gas Supply Corp., Murphy District, Wayne County, W. Va.	Contract 7-16-65 11	8	
CI66-364 A 11-1-65 19	Wood Oil Co. 21	Michigan Wisconsin Pipe Line Co., Laverne Field, Harper County, Okla.	Contract 8-23-65 22 Contract 12-11-64 11	5 5	CI66-662 A 2-1-66 #	Francis Frieestad, et al.	Consolidated Gas Supply Corp., Salt Lick District, Wayne County, W. Va.	Contract 9-2-65 11	9	

See footnotes at end of table.







NOTICES

Docket No. date filed	Applicant	Purchaser, field, and location	FPC rate schedule to be accepted		Docket No. date filed	Applicant	Purchaser, field, and location	FPC rate schedule to be accepted		
			Description and date of document	No.				Supp.	Description and date of document	No.
CI66-694 A 1-28-66 <sup>1</sup>	Socoany Mobil Oil Co., Inc.	Kansas-Nebraska National Gas Co., Inc. Boone Dome Field, Natrona County, Wyo.	Ratified 11-25-65 Contract 11-22-61 <sup>11</sup>	382 382	1	Shell Oil Co.	Lone Star Gathering Co., Speary Field, Karnes County, Tex.	Agreement 7-28-65 <sup>4</sup> Contract 7-28-65 <sup>4</sup> Amendment 10-21-65, 11 <sup>5</sup> Contract 2-9-66 <sup>11</sup>	326 326 15	1 2
A CI66-695 (CI66-738) F 2-4-66	John L. Crawford (successor to Ashland Oil & Refining Co.), Inc.	Panhandle Eastern Pipe Line Co., acreage in Major County, Okla.	Contract 12-31-65 <sup>42</sup> Contract 4-27-60 Assignment 12-7-65 <sup>43</sup> Effective date: 12-7-65 Contract 1-14-66 <sup>11</sup>	2 2 2 (4)	1 2	Texas Gas Exploration Corp.	Texas Gas Transmission Corp., Midland Field, Muhlenberg County, Ky.			
CI66-696 A 2-4-66 <sup>2</sup>	Sierra Petroleum Co., Inc.	Cities Service Gas Co., Palmer Mississippi Oil & Gas Pool, Barber County, Kans.	Contract 9-7-36	1						
CI66-697 A 2-1-66 <sup>2</sup>	Arthur T. Bryson, Jr., et al.	Kentucky-West Virginia Gas Co., acreage in Floyd County, Ky.	Notice of cancellation 2-2-66, 2 <sup>3</sup>	3	6					
CI66-699 (G-10787) B 2-4-66	C. H. Lyons, Jr., et al.	Texas Eastern Transmission Corp., South Hallsville Field, Harrison County, Tex.	Contract 12-15-63 <sup>44</sup> Supplemental agreement 12-15-63 Supplemental agreement 8-15-60 Letter agreement 8-29-60 Letter agreement 12-27-63	383 383 383 383	1 2 3 4					
A CI66-700 (G-2585) F 2-7-66	Socoany Mobil Oil Co., Inc. (successor to Gulf Oil Corp.).	Montana-Dakota Utilities Co., Manderson Field, Big Horn County, Wyo.	Assignment 6-28-65 <sup>46</sup> Assignment 6-28-65 <sup>46</sup> Effective date: 4-1-65 Contract 9-9-65 <sup>11</sup>	383 383 383	5 6					
CI66-704 A 2-7-66	Quaker State Oil Refining Corp.	Equitable Gas Co., Cove and Southwest Districts, Doddridge County, Troy District, Ghimre County, and Union District, Ritchie County, W. Va.	Contract 10-18-65 <sup>11</sup>	3 <sup>47</sup>						
CI66-705 A 2-7-66 <sup>1</sup>	Kirkpatrick Oil and Gas Co. (Operator) et al.	Panhandle Eastern Pipe Line Co., Woods Ward Arch, Woods County, Okla.	Contract 9-27-65 <sup>11</sup>	6						
CI66-706 A 2-7-66 <sup>1</sup>	James F. Scott, agent for M. Justice Well No. 2.	Consolidated Gas Supply Corp., McClelland District, Doddridge County, W. Va.	Contract 12-23-65 <sup>48</sup> Contract 5-6-65	424 422	1					
CI66-707 A 2-7-66 <sup>1</sup>	Phillips Petroleum Co.	Panhandle Eastern Pipe Line Co., Anadarko Basin Area, Beaver County, Okla.	Supplemental agreement 12-27-65 <sup>11</sup> Notice of cancellation 1-19-66, 2 <sup>3</sup>	422 136	2 14					
CI66-708 (G-13633) <sup>49</sup> B 2-4-66	Union Producing Co.	United Gas Pipe Line Co., Monroe Field, Union Parish, La.	Contract 9-28-60 Letter agreement 10-4-60 <sup>50</sup>	1 1	1 2					
A CI66-709 (G-2612) F 2-7-66	Morgan Bros. (successor to Phillips Petroleum Co.).	Arkansas Louisiana Gas Co., Longwood Field, Caddo Parish, La.	Letter agreement 9-29-65 <sup>51</sup> Letter agreement 8-15-63 <sup>52</sup> Assignment 4-1-63 <sup>53</sup> Assignment 5-9-63 <sup>53</sup> Effective date: 4-1-63 Contract 2-3-66 <sup>11</sup>	1 1 1 1 1 82	3 4 5					
CI66-710 A 2-7-66 <sup>1</sup>	Cabot Corp. (GLC)	United Fuel Gas Co., Huff Creek District, Wyoming County, W. Va.	Notice of cancellation 2-2-66, 2 <sup>3</sup>	3	1					
CI66-711 (CI66-781) B 2-7-66	The Jupiter Corp. (Operator), et al.	Tennessee Gas Transmission Co., North Magnolia Field, Jim Wells County, Tex.								

See footnotes at end of table.

<sup>1</sup> Applicant unable to produce into buyer's gathering system.  
<sup>2</sup> Effective date: Date of this order.  
<sup>3</sup> By general assignment dated Apr. 10, 1964, Petroleum Corp. of Texas acquired the interests of John K. Harrell and assumed all operations formerly performed by Harrell Drilling Co.  
<sup>4</sup> Docket No. G-11645 will be vacated since duplicate certificate authorization for this sale was granted in said docket.  
<sup>5</sup> Production of gas no longer economically feasible.  
<sup>6</sup> Well pressure has declined to the point where buyer was no longer obligated to compress and accept gas. Reworking operations by coowners failed to increase subject wellhead pressure. For these reasons buyer agreed to release the subject acreage.  
<sup>7</sup> Assignment of interest from T. J. Ahern, et al., to Morgan Minerals Corp. (Filing completed Feb. 18, 1966.)  
<sup>8</sup> Certificate issued in the name of H. M. Harrell, Jr., et al.  
<sup>9</sup> Jan. 1, 1968, moratorium date pursuant to Commission's Statement of General Policy 61-1, as amended.  
<sup>10</sup> Adds acreage and deletes the indefinite pricing provisions and the 1.0 cent per Mcf minimum guarantee for liquids insofar as they pertain to the subject acreage.  
<sup>11</sup> Effective date: Date of initial delivery.  
<sup>12</sup> Conditioned temporary certificate issued Oct. 27, 1960.  
<sup>13</sup> Adopts terms and conditions of contract dated Mar. 25, 1960.  
<sup>14</sup> Accepts conditioned temporary certificate which certificate was granted on basis that base rate shall not be subject to upward B.t.u. adjustment.  
<sup>15</sup> Assignment of interest from Sutton Producing Co., et al., to Texas City Refining, Inc. (filing completed Feb. 28, 1966).  
<sup>16</sup> Designates Palmco Management Co., as nonsignatory operator of properties involved and Applicant as collection agent for revenues.  
<sup>17</sup> Assigns acreage to Steve Gose who made no filing; Gose reassigned acreage to Skelly Oil Co., which has filed in Docket No. CI66-551.  
<sup>18</sup> Reflects Steeples' acquisition of Michelson's interest under its FPC GRS No. 1.  
<sup>19</sup> July 1, 1967, moratorium date pursuant to Commission's Statement of General Policy 61-1, as amended.  
<sup>20</sup> Adds acreage under renewal leases and deletes acreage under expired leases.  
<sup>21</sup> By letter filed Feb. 17, 1966, Applicant advised willingness to accept a permanent certificate consistent with Opinion No. 464, as amended.  
<sup>22</sup> Adopts contract dated Dec. 11, 1964 between buyer and Harper Oil Co. and C. A. Smith, Jr.  
<sup>23</sup> Application in Docket No. CI66-483 will be treated as a petition to amend the certificate issued in Docket No. G-9465 and Docket No. CI66-485 will be canceled.  
<sup>24</sup> Assignment of interest from R. O. Mangum and Roy W. Mangum to Humble Oil & Refining Co.  
<sup>25</sup> Releases interest of R. O. and Roy W. Mangum in the Godfrey-Bryson Gas Unit No. 1 to lessor (filing completed Feb. 14, 1966).  
<sup>26</sup> Adopts terms of the July 2, 1963, contract.  
<sup>27</sup> Contract between Magness Petroleum Co., et al., and Arkla.  
<sup>28</sup> Also on file as Humble Oil & Refining Co., FPC GRS No. 337.  
<sup>29</sup> This is a June 7, 1965, filing.  
<sup>30</sup> Buyer has filed in Docket No. CI66-262 to purchase gas from Ghimes and resell same to Trunkline Gas Co.  
<sup>31</sup> Contract applicable to Council Grove Formation only.  
<sup>32</sup> Agreement between buyer and Applicant on reserve estimate.  
<sup>33</sup> 0 certificate or rate of interest of Eileen Bitts.  
<sup>34</sup> Pertains to interest of William N. Marshall, agent.  
<sup>35</sup> Pertains to interest of John S. Marshall.  
<sup>36</sup> Pertains to interest of Eileen Marshall, guardian.  
<sup>37</sup> Pertains to interest of Birdie Marshall Kroll.  
<sup>38</sup> Source of gas depleted.  
<sup>39</sup> The last effective rate is 20 cents per Mcf; a proposed increase to 26.0461 cents per Mcf was suspended in Docket No. RI65-370 and not made effective subject to refund, therefore, the rate suspension proceeding in said docket will be terminated.  
<sup>40</sup> Contract applicable to sales from top of Deese Formation to base of Springer Formation only.  
<sup>41</sup> Dedicates acreage down to 6,000 feet.  
<sup>42</sup> Adopts contract dated April 27, 1960, between Ashland Oil & Refining Co. and buyer; also on file as Ashland's FPC GRS No. 78.  
<sup>43</sup> Conveys acreage from Ashland Oil & Refining Co. to John L. Crawford.  
<sup>44</sup> Contract rate is 17.0 cents per Mcf, however, Applicant's predecessor's certificate was conditioned to 15.0 cents per Mcf as in Opinion No. 350. Applicant has expressed a willingness to accept the same conditions.  
<sup>45</sup> Between Gulf Oil Corp. and Montana-Dakota Utilities Co.; on file as Gulf's FPC GRS No. 211.  
<sup>46</sup> Conveys interest in certain acreage from Gulf Oil Corp. to Socony.  
<sup>47</sup> Contract rate is 17.0 cents per Mcf, however, Applicant agrees to accept a permanent certificate at the 15.0 cents per Mcf ceiling rate with conditions similar to those in Opinion No. 350.  
<sup>48</sup> Adopts terms of contract dated May 6, 1965, between A. I. K., Ltd., and buyer (Supp. No. 1).



- <sup>40</sup> Other sales covered under Docket No. G-13633, therefore, the certificate issued in said docket will be terminated only with respect to sales covered by FPC GRS No. 136.
- <sup>41</sup> Amends tax provisions.
- <sup>42</sup> Eliminates annual reserve determination.
- <sup>43</sup> Amends monthly settlement period.
- <sup>44</sup> Assigns partial interest from Phillips Petroleum Co.'s FPC GRS No. 31 to Morgan Brothers.
- <sup>45</sup> Shell agrees to sell gas under terms of a July 28, 1965, contract. Dedicated acreage is limited to depths above 9,478 feet.
- <sup>46</sup> Contract executed by Sun Oil Co. and Lone Star Gathering Co.; on file as Sun's FPC GRS No. 194.
- <sup>47</sup> Amends connection of facilities and delivery point provisions. Provides for 1100 p.s.i.g. maximum delivery pressure.

[F.R. Doc. 66-3886; Filed, Apr. 12, 1966; 8:45 a.m.]

[Docket No. RP66-14]

## MONTANA-DAKOTA UTILITIES CO.

### Notice of Extension of Time

APRIL 6, 1966.

Upon consideration of the motion filed on April 5, 1966, by Staff Counsel for an extension of time within which to file and serve the Staff's case-in-chief in the above-designated matter;

Notice is hereby given that the time is extended to and including May 16, 1966, within which the Commission Staff shall file and serve its direct testimony and exhibits; and to and including May 31, 1966, for intervenors to file and serve their direct testimony and exhibits. The prehearing conference scheduled to commence on May 10, 1966, is postponed to June 9, 1966, for the purposes set out in paragraph (D) of the Commission's order issued December 19, 1965, in this proceeding.

JOSEPH H. GUTRIDE,  
Secretary.

[F.R. Doc. 66-3932; Filed, Apr. 12, 1966; 8:45 a.m.]

[Docket No. G-13183, etc.]

## PLACID OIL CO., ET AL

### Order Denying Motions for Escrow of Refunds to Stop Interest, Requiring Reports of Intended Disposition, and Requiring Retention of Refunds

APRIL 6, 1966.

Placid Oil Co., et al., Docket No. G-13183, et al.; Superior Oil Co., The Docket Nos. G-16380, G-16388; Callery Properties, Inc., Docket Nos. G-17340, G-17341; United Gas Pipe Line Co., Docket No. RP65-15; Transcontinental Gas Pipe Line Corp., Docket No. RP65-31; and Consolidated Gas Supply Corp., Docket No. RP66-23.

On February 11, 1966, The Superior Oil Co. (Superior) filed a motion for escrow of refund amounts to stop further interest liability in the above-named dockets. On February 14, 1966, Callery Properties, Inc. (Callery) submitted a motion seeking the same result. Answers in opposition to these motions were filed by The Public Service Commission of The State of New York, United Gas Improvement Co., Consolidated Gas Supply Corp., and Transcontinental Gas Pipe Line Corp.

Movants allege that orderly procedure would seem to require that this Commission would wish to order distribution as a single refund of refund amounts required pursuant to paragraph (D) of Opinion No. 398 and the amounts accumulated pursuant to the order of the

Fifth Circuit Court of Appeals, dated October 17, 1963, which stayed the order in Opinion No. 398, Superior states that those funds are yet to be disposed of by appropriate order of that court and that "such order will probably be deferred pending disposition by the Fifth Circuit Court of any further issues originally raised before it and not now resolved by it or the reversing opinion of the Supreme Court."

On March 29, 1966, the Fifth Circuit Court of Appeals issued an order affirming our Opinion No. 398, as amended in Opinion No. 398-A, "in all things," and dissolving the stay which it had entered on October 17, 1963.

As a result of the Court's order of March 29, the matter of refunds is now before this Commission. Under ordering paragraph (D) of the Commission's Opinion No. 398-A, movants are required to make refunds, including interest, within 30 days of the order being finally effective. Accordingly, refunds should be made within such time by the producers involved in the proceeding.

There remains, however, a question whether further action is required with regard to these refund amounts. In view of the fact that there is no assurance that the refunds received by the jurisdictional customers of certain of the pipeline companies in turn will be flowed through to their distribution customers for appropriate disposition pursuant to appropriate State Commission order, we have in prior cases required that such pipelines retain refund amounts, pending further order of the Commission directing disposition of those amounts. The purpose of such action by the Commission has been to determine whether the pipeline's immediate customer or the customers of such customers are legally entitled to such refunds.<sup>1</sup>

Similarly, in this proceeding we are concerned that the pipeline purchasers have an obligation to flow through to their customers in an appropriate manner, those refunds received from Superior and Callery.<sup>2</sup> We are not assured that each of the customers of these pipelines subject to our jurisdiction will

<sup>1</sup> Cf. Texas Eastern Transmission Corp. v. F.P.C. (C.A. 5), Nos. 22041, et al., decision issued Feb. 7, 1966.

<sup>2</sup> Although Opinion No. 398 indicated that each of the pipelines has an obligation, under its settlement agreement, to pass on all refunds, including interest, there may be some argument on this question, in view of the dates under which these sales were made. Since we believe all refunds should be passed on, where appropriate, we will condition this order in the manner hereinafter set forth.

in turn flow through the refunds which are received from the producers involved herein. Accordingly, we deem it necessary to require that certain of the refunded amounts be held by the pipeline recipients of the refunds from the producer until such time as it is finally determined whether their pipeline customers who have not indicated they will flow such refunds to their customers (or are not obligated to do so by Commission order) or the jurisdictional customers of such pipeline (either on their own behalf or as trustees for their customers) are equitably entitled thereto.

Because of the considerations discussed above, we are ordering Transcontinental Gas Pipe Line Corp. (Transco) and United Gas Pipe Line Co. (United) to retain subject to further order of the Commission those portions of the refunds to be received from Superior<sup>3</sup> which are attributable to purchases by specified companies subject to our jurisdiction. Provision is also made below for the retention subject to further Commission order of amounts attributable to jurisdictional sales which Transco or United might maintain that they are not required to flow through.

Since Hope Natural Gas Co. (Hope) has merged into Consolidated Gas Supply Corp. (Consolidated),<sup>4</sup> amounts refundable by Callery to Hope will be received by Consolidated, which has assumed the obligations of Hope with respect to these amounts. We are ordering Consolidated to retain the refunds by Callery,<sup>5</sup> pending approval of Consolidated's plan of disposition.

The Commission orders:

(A) The motions for escrow of refund amounts filed by Superior and Callery on February 11, 1966 and February 14, 1966, respectively, are denied. The disposition of the amounts to be refunded by Superior and Callery shall be in accordance with this order as provided hereinafter.

(B) Superior and Callery are hereby directed to proceed with distribution of the amounts to be refunded (including earnings, if any, on the Court of Appeals' escrow account) in accordance with paragraphs (D), (E) and (F) of Opinion No. 398 and paragraph (D) of Opinion No. 398-A. Interest on amounts attributable to sales prior to August 16, 1963 shall be computed through the date of distribution. Pursuant to the order entered March 29, 1966 by the U.S. Court of Appeals for the Fifth Circuit, the Commission orders that the disposition of all amounts to be refunded by Superior and Callery shall be as provided herein, whether held by the producer itself or in escrow as ordered by the Court of Appeals.

(C) Transco and United shall file within 30 days after receipt of the refund from Superior described above a report of their intended disposition of the amounts refunded by Superior. The

<sup>3</sup> Including amounts held in escrow pursuant to order of the Court of Appeals.

<sup>4</sup> Opinion No. 448.

<sup>5</sup> Op. cit. supra, note 4.



report shall describe in detail the amount payable to each jurisdictional customer, the bases used in computing the amount payable, the periods involved, and the relevant docket numbers. The report shall also show clearly the amount of the refund by Superior which is attributable to nonjurisdictional sales by Transco or United which they do not intend to flow through to their respective customers. The report should be accompanied by a brief statement of the reasons for Transco's or United's position, if any, that there is no obligation to flow through such amounts attributable to jurisdictional sales. Copies of the reports required herein shall be served by Transco and United on their customers and interested state commissions. Except as provided hereinafter, and unless notified to the contrary by the Secretary within 30 days after the reports are filed, Transco and United may proceed to distribute the amounts shown in their respective reports, in the manner provided in relevant settlement agreements and orders, at any time after the time for such notice from the Secretary has expired.

(D) United shall retain subject to further order of the Commission, in accordance with the methods described in paragraph (H) below, those portions of the refund by Superior which are attributable to purchases from United by:

1. Mississippi River Transmission Corp.
2. Mississippi River Fuel Corp.
3. Natural Gas Pipeline Co. of America.
4. Southern Natural Gas Co.
5. Texas Eastern Transmission Corp.
6. Texas Gas Transmission Corp.

(E) Transco shall retain subject to further order of the Commission, in accordance with the methods described in paragraph (H) below, those portions of the refund by Superior which are attributable to purchases from Transco by:

1. Atlantic Seaboard Corp.
2. Eastern Shore Natural Gas Co.
3. Manufacturers Light & Heat Co.
4. New York State Natural Gas Corp.
5. North Penn Gas Co.
6. United Natural Gas Co.

(F) Transco and United shall also retain subject to further order of the Commission, in accordance with the methods described in paragraph (H) below, any and all portions of the refund by Superior which are attributable to jurisdictional sales by Transco or United, with respect to which Transco or United may claim they are not obligated to flow through to their respective jurisdictional customers.

(G) Consolidated is hereby ordered to retain amounts refunded by Callery in accordance with the provisions of this paragraph. Consolidated shall submit within 30 days after receipt of the refunds a report showing its intended disposition of the money. The report shall set forth in detail the amounts to be refunded to each customer, the periods involved, and the relevant docket numbers. Such report shall be served upon each customer and interested State commissions. If Consolidated claims a right to retain any amounts attributable to jurisdictional sales, a brief statement of

the justification for such retention shall be included. Upon notification by the Secretary that the report constitutes a satisfactory plan of disposition, Consolidated shall proceed with distribution of the refunds to its customers.

(H) The amounts ordered to be retained pursuant to paragraphs (D) through (F) shall be retained by the respective pipeline under the following methods. The choice of method is optional to the pipeline required to retain the funds, but notice of the pipeline's choice of methods shall be served within 30 days after the date of this order:

1. Commingled with its general assets but interest at 5 percent per annum shall be paid from the date the funds would flow-through, if not so retained, to the date on which they are paid to the person ultimately determined to be entitled thereto by a final order of the Commission.

2. Deposited in a special escrow account on or before the date the funds would flow-through, if not so retained. If the fund is deposited in such an escrow account, the following conditions must be met:

(a) The retaining party shall submit, at least 45 days prior to the date the funds are to be deposited, an executed escrow agreement conditioned as set out below with a certificate showing service on the party to whom the fund would otherwise be payable. Unless notified to the contrary by the Secretary within 30 days from the date of filing thereof, the Escrow Agreement shall be deemed to be satisfactory and to have been accepted for filing. The Escrow Agreement shall be entered into between retaining party and any bank or trust company used as a depository for funds of the United States Government and the agreement shall be conditioned as follows:

(b) The retaining party, the bank or trust company, and the successors and assigns of each, shall be held and formally bound unto the Federal Power Commission for the use and benefit of those entitled thereto, with respect to all amounts and the interest thereon deposited in a special escrow account, subject to such Agreement, and such bank or trust company shall be bound to pay over to such person or persons as may be identified and designated by final order of the Commission and in such manner as may be therein specified, all or any portion of such deposits and the interest thereon.

(c) The bank or trust company may invest and reinvest such deposits in any short-term indebtedness of the United States or any agency thereof or in any form of obligation guaranteed by the United States which is, respectively, payable within 120 days as the said bank or trust company in the exercise of its sound discretion may select.

(d) Such bank or trust company shall be liable only for such interest as the invested funds described in subparagraph (c) above will earn and no other interest may be collected from it.

(e) Such bank or trust company shall be entitled to such compensation as is fair, reasonable and customary for its

services as such, which compensation shall be paid out of the escrow account to such bank or trust company. Said bank or trust company shall likewise be entitled to reimbursement for its reasonable expenses necessarily incurred in the administration of this escrow account, which reimbursement shall be made out of the escrow account.

(f) Such bank or trust company shall report to the Secretary quarterly, certifying the amount deposited in the trust account for the quarterly period.

By the Commission.

[SEAL]

JOSEPH H. GUTRIDE,  
Secretary.

[F.R. Doc. 66-3933; Filed, Apr. 12, 1966;  
8:45 a.m.]

[Docket No. CP66-309]

## SOUTHERN NATURAL GAS CO.

### Notice of Application

APRIL 6, 1966.

Take notice that on March 28, 1966, Southern Natural Gas Co. (Applicant), Post Office Box 2563, Birmingham, Ala., 35202, filed in Docket No. CP66-309 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities for the transportation of natural gas in interstate commerce, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks authorization for the construction and operation of natural gas facilities which will enable it to deliver natural gas on an interruptible basis to American Can Co., doing business as Allison Lumber Co. (Allison) for use in Allison's lumber mill near Bellamy, Ala. Applicant states that the entire natural gas requirements of the mill are estimated to be 4,500 Mcf per day. The facilities for which authorization is requested consist of 3.2 miles of 2 $\frac{7}{8}$ -inch pipeline extending from an existing pipeline tap located at M.P. 113.303 on Applicant's main South Line in Sumter County, Ala., to Allison's mill and a measuring station at the terminus of said 2 $\frac{7}{8}$ -inch pipeline.

The application states that the proposed delivery of gas to Allison will be on an interruptible basis and therefore will have no effect upon Applicant's ability to meet the firm requirements of its customers.

The total estimated cost of Applicant's proposed facilities is \$68,170, which cost will be financed from cash on hand.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before May 2, 1966.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and



15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

JOSEPH H. GUTRIDE,  
*Secretary.*

[F.R. Doc. 66-3934; Filed, Apr. 12, 1966;  
8:45 a.m.]

[Docket No. CP66-307]

### NORTHERN NATURAL GAS PIPELINE CO.

#### Notice of Application

APRIL 6, 1966.

Take notice that on March 25, 1966, Northern Natural Gas Pipeline Co. (Applicant), 2223 Dodge Street, Omaha, Neb., 68102, filed in Docket No. CP66-307 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the transportation of volumes of natural gas for its affiliate, Northern Natural Gas Co. (Northern) through Applicant's existing 8-inch pipeline located in Schleicher County, Tex., all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that Northern has entered into a contract with Skelly Oil Co. and Sinclair Oil & Gas Co. (Skelly-Sinclair) for the purchase of gas at the outlet of the Skelly-Sinclair Eldorado Gas Plant located in Schleicher County, Tex. Applicant further states that in order to receive the gas into its system with a minimum investment in facilities, Northern entered into an interim transportation agreement with Applicant whereby Applicant will receive up to 5 MMcf of gas per day from Northern at the outlet of Applicant's Huldale Compressor Station. Accordingly, Applicant proposes to transport the gas received through its existing 8-inch pipeline and to redeliver like volumes at Northern's Eldorado Compressor Station. Applicant proposes to charge a transportation rate of 0.4 cent per Mcf of gas transported for Northern.

The application states that the interim transportation agreement would terminate when Northern has constructed its own facilities to receive and transport the volumes set forth in the contract between itself and Skelly-Sinclair. On March 25, 1966, in Docket No. CP66-308 Northern filed its companion application pursuant to section 7(c) of the Act.

No additional facilities are proposed to be constructed by Applicant.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before May 5, 1966.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

JOSEPH H. GUTRIDE,  
*Secretary.*

[F.R. Doc. 66-3935; Filed, Apr. 12, 1966;  
8:45 a.m.]

[Docket No. CP66-310]

### TRANSCONTINENTAL GAS PIPE LINE CORP.

#### Notice of Application

APRIL 6, 1966.

Take notice that on March 30, 1966, Transcontinental Gas Pipe Line Corp. (Applicant), Post Office Box 1396, Houston, Tex., 77001, filed in Docket No. CP66-310 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of a river crossing, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant proposes to construct and operate 0.85 mile of dual 18-inch pipeline, comprising an underwater crossing of the Atchafalaya River, on Applicant's main pipeline between its compressor stations No. 50 and No. 60 in St. Landry and Pointe Coupee Parishes, La.

Applicant states that the Atchafalaya River is very erratic and subject to severe flooding and continual changes in course. This situation, and seasonal exposure to hurricanes, has caused Applicant's concern over its existing crossings: An aerial bridge-type crossing composed of two 30-inch pipelines, and an underwater crossing composed of two 18-inch pipelines. Applicant proposes the new underwater crossing to assure adequate continuity of service in the event of an

outage on one or both of the existing crossings.

The estimated total cost of construction of the proposed river crossing is \$1,431,000, which will be financed from cash on hand or from short term bank loans.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before May 5, 1966.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

JOSEPH H. GUTRIDE,  
*Secretary.*

[F.R. Doc. 66-3936; Filed, Apr. 12, 1966;  
8:45 a.m.]

[Docket No. CP66-305]

### SOUTHERN NATURAL GAS CO.

#### Notice of Application

APRIL 6, 1966.

Take notice that on March 24, 1966, Southern Natural Gas Co. (Applicant), Post Office Box 2563, Birmingham, Ala., 35202, filed in Docket No. CP66-305 a "budget-type" application pursuant to section 7(c) of the Natural Gas Act, as implemented by § 157.7(b) of the regulations under the Act, for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks authorization to construct, during the 12-month period, August 7, 1966, through August 6, 1967, and operate facilities to take into its certificated pipeline system additional natural gas supplies to be purchased from independent producers or other similar sellers thereof in the general area of its existing system. Applicant states that the facilities proposed to be constructed will consist of lateral supply lines, taps, measuring stations to receive gas, and such loop lines and compressing facilities as may be required for the



transportation of increased volumes of gas through supply lines.

The total estimated cost of Applicant's proposed facilities is not to exceed \$3,000,000, with no single project expenditure to exceed \$50,000, and will be financed from cash on hand.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before April 29, 1966.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

JOSEPH H. GUTRIDE,  
*Secretary.*

[F.R. Doc. 66-3937; Filed, Apr. 12, 1966;  
8:45 a.m.]

[Docket No. E-7280]

## IOWA SOUTHERN UTILITIES CO.

### Notice of Application

APRIL 6, 1966.

Take notice that on March 28, 1966, Iowa Southern Utilities Co. (Iowa Southern), filed an application with the Federal Power Commission seeking authority pursuant to section 203 of the Federal Power Act to acquire certain electric facilities now owned by Southeastern Federated Power Cooperative, Inc. (Southeastern), of Creston, Iowa.

Iowa Southern is incorporated under the laws of the State of Delaware and is qualified to do business in the State of Iowa with its principal place of business office at Centerville, Iowa. It is engaged primarily in the generation, transmission and sale at retail of electric energy in 24 counties in the Southeastern part of Iowa.

The facilities to be acquired consist of two 69 kv transmission lines totalling about 9.3 miles. Iowa Southern will pay approximately \$91,000 for these lines. As part of the transaction, Iowa Southern will transfer to Southeastern a 69/34.5 kv transformer for a consideration of \$6,210. According to the application the original cost of the property

to be acquired by Iowa Southern is approximately \$102,000 and the original cost of the property to be sold by Iowa Southern is \$16,131.

Iowa Southern represents that it needs additional transmission, distribution and substation capacity to serve its loads in the Osceola and Creston areas as does Southeastern and states that it is desirable, insofar as possible, that their respective ownership of facilities in this area by continuous rather than alternate ownership of a given line.

Any person desiring to be heard or to make any protest with reference to said application should on or before April 21, 1966, file with the Federal Power Commission, Washington, D.C., 20426, petitions or protests in accordance with the requirements of the Commission rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file and available for public inspection.

JOSEPH H. GUTRIDE,  
*Secretary.*

[F.R. Doc. 66-3938; Filed, Apr. 12, 1966;  
8:45 a.m.]

[Docket No. CP66-312]

## TENNESSEE NATURAL GAS LINES, INC.

### Notice of Application

APRIL 6, 1966.

Take notice that on April 1, 1966, Tennessee Natural Gas Lines, Inc. (Applicant), 1201 Nashville Trust Building, Nashville, Tenn., 37203, filed in Docket No. CP66-312 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that it obtains its entire supply of natural gas from Tennessee Gas Transmission Co. (Tennessee) and that it delivers and sells natural gas to Nashville Gas Co. for resale in Nashville and several other nearby communities and to three nonjurisdictional customers for their own use. Applicant further states that during periods of heavy demand it operates its system at the pressure available from Tennessee and that this past January it was unable to maintain the necessary pressure at the points of delivery to Nashville Gas Co.

In order to alleviate the above described situation, Applicant has filed the instant application requesting authorization for the construction and operation of a 16-inch pipeline looping its existing system from the point of connection with Tennessee to the junction of a lateral extension to Old Hickory, Tenn., a distance of approximately 29,384 feet, all in Davidson County, Tenn.

The total estimated cost of Applicant's proposed construction is \$299,315, which cost will be financed initially through the use of bank credit. Applicant states

that it plans to repay any loan or loans made by use of funds generated internally, by issuance of first mortgage bonds, or by a combination of the two.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before May 5, 1966.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

JOSEPH H. GUTRIDE,  
*Secretary.*

[F.R. Doc. 66-3939; Filed, Apr. 12, 1966;  
8:45 a.m.]

## DEPARTMENT OF THE INTERIOR

### Bureau of Indian Affairs

[Billings Area Office Redelelegation Order 1,  
Amtd. 18]

### SUPERINTENDENTS AND PROJECT ENGINEER

### Redelelegation of Authority Regarding Lands and Minerals

Billings Area Office Redelelegation Order 1, as amended, is further amended by the revision of section 2.12 under Part 2, Authority of Superintendents and Project Engineer, to read as follows:

Section 2.12 *Leases and permits.* All those matters set forth in 25 CFR Part 131 except (1) the approval of leases which provide for a duration in excess of 10 years, inclusive of any provisions for extensions or renewals thereof at the option of the lessee; and (2) modification of any forms approved by the Secretary of the Interior, the Commissioner of Indian Affairs or the Area Director.

JAMES F. CANAN,  
*Area Director.*

Approved: April 6, 1966.

ROBERT L. BENNETT,  
*Acting Commissioner.*

[F.R. Doc. 66-3941; Filed, Apr. 12, 1966;  
8:45 a.m.]



**Bureau of Land Management**

[Montana 073085]

**MONTANA****Notice of Proposed Withdrawal and Reservation of Lands**

APRIL 4, 1966.

The Department of Agriculture has filed the above application, serial number Montana 073085, for the withdrawal of the lands described below, from mineral location and entry under the mining laws, subject to existing valid claims.

The applicant desires the land for a ranger station administrative site.

For a period of 30 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management, Department of the Interior, 316 North 26th Street, Billings, Mont., 59101.

The Department's regulations (43 CFR 2311.1-3(c)) provide that the authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demand for the lands and their resources. He will also undertake negotiations with the applicant agency with the view of adjusting the application to reduce the area to the minimum essential to meet the applicant's needs, to provide for the maximum concurrent utilization of the lands for purposes other than the applicant's, to eliminate lands needed for purposes more essential than the applicant's, and to reach agreement on the concurrent management of the lands and their resources.

The authorized officer will also prepare a report for consideration by the Secretary of the Interior who will determine whether or not the lands will be withdrawn as requested by the applicant agency.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

If circumstances warrant, a public hearing will be held at a convenient time and place, which will be announced.

The lands involved in the application are:

PRINCIPAL MERIDIAN, MONTANA.

ST. REGIS ADMINISTRATIVE SITE

T. 18 N., R. 28 W.,

Sec. 24, SE $\frac{1}{4}$ NW $\frac{1}{4}$  and E $\frac{1}{2}$ SW $\frac{1}{4}$ .

Total area 120 acres.

EUGENE H. NEWELL,

Acting Land Office Manager.

[F.R. Doc. 66-3942; Filed, Apr. 12, 1966; 8:45 a.m.]

**NEVADA****Notice of Filing of Plat of Survey and Order Providing for Opening of Lands**

APRIL 6, 1966.

1. The Plats of Survey of lands described below will be officially filed at the

Nevada Land Office, Reno, Nev., effective 10 a.m. on May 16, 1966.

**MOUNT DIABLO MERIDIAN**

T. 17 N., R. 47 E. (Group 418).

T. 18 N., R. 47 E. (Group 418).

T. 18 $\frac{1}{2}$  N., R. 47 E. (Group 418).

T. 19 N., R. 48 E. (Group 418).

T. 20 N., R. 48 E. (Group 418).

T. 21 N., R. 49 E. (Group 418).

2. The area described above aggregates 119,320.04 acres. The plats were accepted November 12, 1965. Available data indicates the land surveyed ranges from 6,000 to 8,000 feet above sea level, and is nearly level to mountainous. The soil is sandy clay loam to light gravel getting rocky in the mountainous areas. The timber is composed of scattered pinon and juniper on the higher elevations. Vegetation consists of sagebrush, sparse native grasses and crested wheat grasses. No mineral formations of consequence were noted during the survey.

3. Subject to any existing valid rights and the requirements of applicable law, the above-described lands are hereby opened to filing applications, selections, and location, except for applications under the Small Tract and Desert Land Laws, in accordance with the following:

Applications and selections under the nonmineral public land laws may be presented to the Manager mentioned below, beginning on the date of the order. Such applications, selections and offers will be considered as filed on the hour and respective dates shown for the various classes enumerated in the following paragraphs: Applications by persons having prior existing valid settlement rights, preference rights conferred by existing laws, or equitable claims subject to allowance and confirmation will be adjudicated on the facts presented in support of each claim or right. All applications presented by persons other than those referred to in this paragraph will be subject to the applications and claims mentioned in this paragraph. All valid applications and selections under the nonmineral public land laws presented prior to 10 a.m. May 16, 1966, will be considered as simultaneously filed at that hour. Rights under such applications and selections filed after that hour will be governed by the time of filing.

4. Persons claiming preference rights based upon valid settlement, statutory preference, or equitable claims must enclose properly corroborated statements in support of their applications, setting forth all facts relevant to their claims. Detailed rules and regulations governing applications, which may be filed pursuant to this notice can be found in Title 43 of the Code of Federal Regulations.

Inquiries concerning these lands shall be addressed to the Manager, Land Office, Bureau of Land Management, Post Office Box 1551, Reno, Nev.

DANIEL P. BAKER,

Manager, Nevada Land Office.

[F.R. Doc. 66-3943; Filed, Apr. 12, 1966; 8:45 a.m.]

[Wyoming 0323973]

**WYOMING****Notice of Proposed Withdrawal and Reservation of Lands**

APRIL 6, 1966.

The Bureau of Reclamation, U.S. Department of the Interior, has filed an application, Serial Number Wyoming 0323973, for the withdrawal of the lands described below, from all forms of appropriation under the public land laws, subject to valid existing rights. The surface rights to the land were conveyed to the United States by the State of Wyoming pursuant to section 8 of the Taylor Grazing Act. The State of Wyoming retained all mineral rights in the land. The land has not been open to entry under the public land laws.

The applicant desires the land for reclamation purposes in connection with Fannie Division, Shoshone Project, Wyo.

For a period of 30 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management, Department of the Interior, 2120 Capitol Avenue, Cheyenne, Wyo., 82001.

The Department's regulations 43 CFR 2311.1-3(c) provide that the authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demand for the lands and their resources. He will also undertake negotiations with the applicant agency with the view of adjusting the application to reduce the area to the minimum essential to meet the applicant's needs, to provide for the maximum concurrent utilization of the lands for the purposes other than the applicant's, to eliminate lands needed for purposes more essential than the applicant's, and to reach agreement on the concurrent management of the lands and their resources.

The authorized officer will also prepare a report for consideration by the Secretary of the Interior who will determine whether or not the lands will be withdrawn as requested by the applicant agency.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

If circumstances warrant, a public hearing will be held at a convenient time and place, which will be announced.

The lands involved in the application are:

SIXTH PRINCIPAL MERIDIAN, WYOMING

T. 57 N., R. 97 W.,

Sec. 16, SW $\frac{1}{4}$ SW $\frac{1}{4}$ .

The area described contains 40 acres.

ED PIERSON,  
State Director.

[F.R. Doc. 66-3945; Filed, Apr. 12, 1966; 8:45 a.m.]



## SPOKANE DISTRICT OFFICE

## Notice of Name Change

Notice is hereby given that the Spokane Field Office, Spokane, Wash., will be known henceforth as the Spokane District Office. This name change is being made in order to provide consistency of names among field offices having similar functions within the Bureau of Land Management. The functions and services of this Office will remain the same. The Spokane District Office will remain at the same location which is 680 Bon Marche Building, North 214 Wall Street, Spokane, Wash., 99201.

This change will be effective upon publication in the FEDERAL REGISTER.

CHARLES H. STODDARD,  
Director.

APRIL 6, 1966.

[F.R. Doc. 66-3944; Filed, Apr. 12, 1966;  
8:45 a.m.]

## DEPARTMENT OF AGRICULTURE

Office of the Secretary

NRC PESTICIDE RESIDUES  
COMMITTEEStatement for Implementation of Re-  
port on No Residue and Zero  
Tolerance

Statement for implementation of the NRC Pesticide Residues Committee's "Report on 'No Residue' and 'Zero Tolerance'."

Upon recommendation of the President's Science Advisory Committee and based on difficulties arising from zero tolerance and no residue registration, the Agricultural Research Service of the U.S. Department of Agriculture and the Food and Drug Administration of the Department of Health, Education, and Welfare requested that a committee be appointed by the National Academy of Sciences, National Research Council, to evaluate the present system of registering pesticides for use on food crops on a zero tolerance or no residue basis. The committee completed its study in June 1965 and submitted a report with the following eleven recommendations:

1. The concepts of "no residue" and "zero tolerance" as employed in the registration and regulation of pesticides are scientifically and administratively untenable and should be abandoned.

2. A pesticide should be registered on the basis of either "negligible residue" or "permissible residue," depending on whether its use results in the intake of a negligible or permissible fraction of the maximum acceptable daily intake as determined by appropriate safety studies.

3. Where the use of a pesticide may reasonably be expected to result in a residue in or on food, registration by the U.S. Department of Agriculture should not be granted unless (a) it is established that the residue is a negligible residue or (b) such residue is not more than a permissible residue established by the Food and Drug Administration.

4. When a pesticide is registered on a negligible-residue basis, the negligible-residue figure should be published, as well as an analytical method for determining whether or not a food contains a residue in excess of the negligible residue. Both the amount and the analytical method should have the concurrence of the Food and Drug Administration and be controlling for its enforcement purposes.

5. The Food and Drug Administration's regulations on permissible residues should include a published description of the analytical methods used for enforcement purposes and should not be changed without notice and opportunity for comment by interested parties.

6. If a pesticide is known to be too hazardous for a particular use, registration for such use should be refused.

7. Because of the importance that pesticides play in the production of our food supply and the many nonfood uses necessary for protecting the health and economy of the Nation, it would seem appropriate that the registration of pesticides should continue to be the responsibility of the U.S. Department of Agriculture.

8. The publication of a reasonable schedule for an orderly transition from the present procedure is necessary, and its duration should be decided by mutual agreement between the Department of Agriculture and the Department of Health, Education, and Welfare.

9. Programs should be developed for continuing centralized leadership, free and prompt exchange of information, training activities, and interlaboratory evaluation. A manual of operating instructions for residue methods should be produced by the U.S. Department of Agriculture and the Department of Health, Education, and Welfare and continuously revised according to changing usage, food habits, and new pesticides and mixtures.

10. A formal program for education in residue analysis is urgently needed and the Departments of Agriculture and Health, Education, and Welfare, and any other agencies concerned should cooperatively sponsor this program with suitable training centers.

11. There should be an expanded research program on the persistence of pesticides in the total environment, and on the toxicology, pharmacology, and biochemistry of pesticides that would improve the reliability and precision of animal studies and their relevance to man.

After extensive consideration of the report and conferring together, the Agricultural Research Service and the Food and Drug Administration have agreed on certain general principles and procedures to be followed in implementation of the recommendations.

The Federal Food, Drug, and Cosmetic Act specifies that any pesticide chemical in or on food shall be deemed unsafe unless a "tolerance"<sup>1</sup> for such pesticide chemical has been prescribed and the quantity is within the limits of the toler-

<sup>1</sup>As used in this statement, the term "tolerance" also includes exemption from the requirement of a tolerance.

ance so prescribed. The act also provides for setting a "tolerance" at "zero" level if the scientific data do not justify the establishment of a greater tolerance. Thus, these terms cannot be abandoned as recommended without a change in the law. Also, misuse of pesticides on crops for which there is no tolerance and no registered use requires the zero tolerance concept to handle the illegal unsafe residues resulting from such misuse.

While the committee uses the terms "permissible residue" and "negligible residue," both of these are included within the concept of "tolerance" as used in the act. Authority exists under the law for establishing by regulation "tolerances" to cover "permissible residues" and "negligible residues."

Both agencies agree that the concept of "no residue" as employed in registration of pesticides for uses that may leave residues—even very small ones—on food should be abandoned in favor of a concept of finite tolerances for residues at the negligible level.

Both agencies accept the principle that new uses of pesticides on food crops which may reasonably be expected to result in small residues in or on food should not be registered under the Federal Insecticide, Fungicide, and Rodenticide Act unless a finite residue level is formally provided for by tolerances promulgated under the Federal Food, Drug, and Cosmetic Act. Such tolerances should be established on the basis of data in petitions presented by proponents to establish that such uses will be safe.

It is reasonable to expect that uses of persistent pesticides on crops or in soil in which crops are to be grown may result in residues on the crop at harvest. Agricultural uses of pesticides for which it can be concluded there is no reasonable expectation of any residues on the food will be considered as nonfood uses and can continue to be registered in the absence of a finite tolerance. These pesticide uses include applications highly remote from food crops. If a pesticide use considered under this paragraph is found to result in a finite residue by newly developed tests, and it is clear that this residue on the crop presents no hazard to the public health, the facts will be reported to the Agricultural Research Service looking toward reappraisal of the registered use, with continuance only if a finite tolerance can be established.

While chronic feeding studies in two species of animals and reproduction studies conducted in accord with recognized protocols are generally required for tolerance purposes, if only negligible levels are involved 90-day feeding studies on two species of test animals may be sufficient to provide a provisional or tentative basis for such tolerance. The negligible level for a pesticide chemical will be determined by the nature and degree of toxicity demonstrated. No procedure or formula is to be employed which will serve to override scientific judgment based on adequate safety data.

If the available data do not establish the safety of a pesticide for a particular use, such use will be deemed to be haz-



ardous and USDA would not register the pesticide for such use.

It is agreed that pesticide use patterns registered on a no-residue or zero tolerance basis which have resulted in regulatory actions because of the finding of residues in food should be immediately discontinued. Such registrations would not be restored until tolerances are established. Prompt action will be taken on petitions for tolerances for negligible residues of such pesticides.

All petitions should supply an analytical method which has been demonstrated to work satisfactorily on field samples and which is suitable for regulatory purposes. This method should be published in a scientific journal or be presented in a form suitable for publication in a compendium of methods or in the pesticide regulations. The Food and Drug Administration proposes to continue to expand its Pesticide Analytical Manual to include new enforcement procedures as they are developed for new pesticides and to keep it up to date with new improved methodology. The U.S. Department of Agriculture will make available for inclusion, methodology data developed under its programs. The manual will be made generally available to all interested parties. As methods are ultimately adopted by the Association of Official Analytical Chemists their location in the book of methods of that association can be conveniently referenced in the pesticide regulations.

Both agencies agree that current registrations of all uses involving reasonable expectation of small residues on the food at harvest in the face of a zero tolerance or no tolerance should be discontinued as of December 31, 1967, unless evidence is presented to support a finite tolerance or to show that enough progress has been made in the investigation to warrant the conclusion that the registration can be continued without undue hazard to the public health. Such registration will be replaced with registrations based on finite tolerances for negligible residues where data are submitted in petitions to support the establishment of such tolerances. The changeover, including processing of petitions, should be effected as soon as possible, but in no event should such no-residue or zero tolerance registrations be continued later than December 31, 1970.

Both agencies are ready to receive and process such petitions under the Food, Drug, and Cosmetic Act.

The procedures set forth in this statement will be applied in processing all pending applications for registration or reregistration and to all such future applications.

These procedures are to be applied to purposeful uses of pesticide chemicals. There is a comparable problem involving inadvertent and unavoidable residues in our food supply, such as meat, milk and eggs, which needs resolution.

While the principles of the Pesticide Residues Committee dealing with the zero problem will in many instances apply to this kind of residue problem, no definitive steps are contemplated in this

area until the recommendations of the new committee being established by the Commissioner of Food and Drugs are reviewed in connection with the petition for tolerances for residues of certain pesticides in milk, as submitted by the California Departments of Agriculture and Public Health.

That committee, in addition to reviewing the California petition, will also be charged to look into this matter of unavoidable residues in milk and other foods.

Both agencies agree that under existing statutes the registration of pesticides is the responsibility of the U.S. Department of Agriculture.

Although close relationships have been maintained, the Departments of Agriculture and Health, Education, and Welfare will do everything possible to improve liaison and coordination in the registration of pesticides and regulation of residues on food. Under the present interdepartmental agreement regarding pesticides, the Public Health Service of the Department of Health, Education, and Welfare is participating in the review of proposed pesticide uses from the human health standpoint.

As budget authorizations permit, both departments will increase research on the chemistry and toxicology of pesticide residues entering food supplies, participation in a program to provide exchange of information, training activities in pesticide methodology, and interlaboratory evaluation among all Federal and State governmental units having responsibility relating to pesticides. The Public Health Service of the Department of Health, Education, and Welfare has basic health responsibilities and laboratory and clinical research programs. The competencies of the Service are available for consultation and correlating human experience with animal experience and the studies of pharmacological actions of classes of pesticides.

Approved:

ORVILLE L. FREEMAN,  
*Secretary,*  
*Department of Agriculture.*

APRIL 1, 1966.

JOHN W. GARDNER,  
*Secretary, Department of Health,*  
*Education, and Welfare.*

MARCH 11, 1966.

[F.R. Doc. 66-3923; Filed, Apr. 12, 1966;  
8:45 a.m.]

## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of the Secretary

NRC PESTICIDE RESIDUES  
COMMITTEE

Statement for Implementation of Report on No Residue and Zero Tolerance

CROSS-REFERENCE: For a document relating to a statement for implementation

of the NRC Pesticide Residues Committee's "Report on 'No Residue' and 'Zero Tolerance,'" see F.R. Doc. 66-3923, Agriculture Department, supra.

### PUBLIC HEALTH SERVICE

#### Statement of Organization and Delegations of Authority

The Statement of Organization and Delegations of Authority of the Department of Health, Education, and Welfare (22 F.R. 1045, as amended by 28 F.R. 41033, 10688, 11647, 13374, 29 F.R. 12482, 18182, 30 F.R. 7296, 15003, 15109, and 31 F.R. 914) is hereby amended as follows:

1. Section 4.20(b) subparagraph 12, is hereby revised to read as follows:

(12) The functions vested in the Secretary by sections 740-745, Part C, Title VII, of the Public Health Service Act, 42 U.S.C. 294 to 294e, as added by the Health Professions Educational Assistance Act of 1963, P.L. 89-129, 77 Stat. 170, and as amended by P.L. 88-654, 78 Stat. 1086, and P.L. 89-290, 79 Stat. 1052, relating to student loans.

2. Section 4.20(b), subparagraph 16, is hereby revised to read as follows:

(16) The functions vested in the Secretary by sections 822-828, Part B, Title VIII, of the Public Health Service Act, 42 U.S.C. 297a-297g, except the making of regulations authorized by section 828, as added by the Nurse Training Act of 1964, P.L. 88-581, 78 Stat. 913, and as amended by P.L. 89-290, 79 Stat. 1052, relating to nursing student loans.

3. Section 4.30, paragraph (e), is revised to read as follows:

(e) The functions exercised by the Surgeon General under Part C, Title VII, of the Public Health Service Act, as added by the Health Professions Educational Assistance Act of 1963, and as amended by P.L. 88-654, and P.L. 89-290, and under Part B, sections 822-828 of Title VIII, Public Health Service Act, as added by the Nurse Training Act of 1964 and amended by P.L. 89-290, shall be exercised by the Surgeon General after consultation with the Commissioner of Education in order to ensure the maximum possible consistency between the policies and the methods of administration of the student loan programs of the Health Professions Educational Assistance Act of 1963, as amended, and the Nurse Training Act of 1964, as amended, and the student loan program authorized by the National Defense Education Act.

[SEAL] WILBUR J. COHEN,  
*Acting Secretary, Department of*  
*Health, Education, and Welfare.*

APRIL 6, 1966.

[F.R. Doc. 66-3940; Filed, Apr. 12, 1966;  
8:45 a.m.]



## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Secretary  
CONTRACTS COMPLIANCE OFFICER  
ET AL.

### Designation and Functions

#### Correction

In F.R. Doc. 66-3800, appearing at page 5584 of the issue for Friday, April 8, 1966, "41 CFR Part 60" should read "41 CFR Ch. 60" in all instances.

## CIVIL AERONAUTICS BOARD

[Docket No. 17106]

### JAPAN AIR LINES CO., LTD.

#### Notice of Hearing

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that hearing in the above-entitled proceeding is assigned to be held on April 20, 1966, at 9 a.m., e.s.t., in Room 925, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before the undersigned.

Dated at Washington, D.C., April 6, 1966.

[SEAL] JOSEPH L. FITZMAURICE,  
Hearing Examiner.

[F.R. Doc. 66-3963; Filed, Apr. 12, 1966;  
8:46 a.m.]

## FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 14977, 14978; FCC 66M-491]

### ABACOA RADIO CORP. (WRAI) AND MID-OCEAN BROADCASTING CORP.

#### Order Scheduling Hearing

In re applications of Abacoa Radio Corp. (WRAI), Rio Piedras (San Juan), P.R., Docket No. 14977, File No. BP-14070; Mid-Ocean Broadcasting Corp., San Juan, P.R., Docket No. 14978, File No. BP-14994; for construction permits.

A further hearing conference in the above-entitled proceeding having been held as scheduled on April 6, 1966,

It is ordered, This 7th day of April 1966, that the procedural ground rules established at said conference are hereby approved and that the transcript of said conference, incorporated herein by reference with the same force and effect as if set forth at length, shall control as to any question bearing on the established ground rules; and

It is further ordered, That further hearing herein shall be held at 10 a.m., on June 20, 1966.

Released: April 7, 1966.

FEDERAL COMMUNICATIONS  
COMMISSION,  
[SEAL] BEN F. WAPLE,  
Secretary.

[F.R. Doc. 66-3966; Filed, Apr. 12, 1966;  
8:46 a.m.]

[Docket No. 16367; FCC 66M-493]

### B&K BROADCASTING CO.

#### Order Scheduling Hearing

In re application of B&K Broadcasting Co., Selinsgrove, Pa., Docket No. 16367, File No. BP-16183; for construction permit.

A further prehearing conference in the above-entitled proceeding having been held as scheduled on April 7, 1966, It is ordered, This 7th day of April 1966, that the procedural ground rules established at said conference are hereby approved and that the transcript of said conference, incorporated herein by reference with the same force and effect as if set forth at length, shall control as to any question bearing on the established ground rules; and

It is further ordered, That hearing herein shall be commenced at 10 a.m. on June 7, 1966.

Released: April 7, 1966.

FEDERAL COMMUNICATIONS  
COMMISSION,  
[SEAL] BEN F. WAPLE,  
Secretary.

[F.R. Doc. 66-3967; Filed, Apr. 12, 1966;  
8:46 a.m.]

[Docket No. 16476-16478; FCC 66M-498]

### ARTHUR A. CIRILLI, ET AL.

#### Order Continuing Hearing

In re applications of Arthur A. Cirilli, trustee in bankruptcy (WIGL), Superior, Wis., Docket No. 16476, File No. BR-4080, BRRE-7740; for renewal of license of Station WIGL (Including AM remote pickup KG-5235). Quality Radio, Inc. (WAKX), Superior, Wis., Docket No. 16477, File No. BP-16497; for construction permit. Arthur A. Cirilli, trustee in bankruptcy (Assignor), D. L. K. Broadcasting Co., Inc. (Assignee), Docket No. 16478, File No. BAL-5627, BALRE-1336; for assignment of license of Station WIGL (Including AM remote pickup KG-5235).

Pursuant to agreement reached at the prehearing conference held this date: It is ordered, This 7th day of April 1966, that a further prehearing conference will be held on May 24, 1966, at 9 a.m., in the offices of the Commission at Washington, D.C.

It is further ordered, That the hearing heretofore scheduled to commence on April 11, 1966, is postponed to June 21, 1966, at 10 a.m., in the offices of the Commission at Washington, D.C.

Released: April 8, 1966.

FEDERAL COMMUNICATIONS  
COMMISSION,  
[SEAL] BEN F. WAPLE,  
Secretary.

[F.R. Doc. 66-3968; Filed, Apr. 12, 1966;  
8:46 a.m.]

[Docket Nos. 16306-16308; FCC 66M-496]

### K-SIX TELEVISION, INC. (KVER) ET AL.

#### Order Continuing Hearing

In re applications of K-Six Television, Inc. (KVER), Laredo, Tex., Docket No. 16306, File No. BPCT-3304; for construc-

tion permit for new television broadcast station. K-Six Television, Inc. (KVER), Laredo, Tex., Docket No. 16307, File No. BMPCT-6153; for modification of construction permit. Southwestern Operating Co., (KGNS-TV), Laredo, Tex., Docket No. 16308, File No. BRCT-503; for renewal of license.

The Hearing Examiner having under consideration Motion For Extension of Hearing Date, filed late in the afternoon of April 4, 1966 by Southwestern Operating Co. requesting continuance of hearing date in the above-styled proceeding from April 5 to June 6, 1966, and an oral motion made on the record by the same applicant on April 5, 1966; and

It appearing, that the basis for the requested continuance is the pendency before the Commission of a joint petition for reconsideration of the hearing order and the grant of the above-styled applications, and that favorable action on such petition will obviate the necessity for a hearing in this proceeding;

It further appearing, that the filing of the motion for continuance was not known to the Hearing Examiner prior to the scheduled hour of the hearing, and an oral motion for continuance of the hearing to June 6, 1966, was made on the record of the April 5, 1966 hearing and granted, with consent of counsel for all parties, thus rendering moot the written motion for continuance;

It is ordered, this 6th day of April 1966, That the written motion requesting continuance of hearing filed by Southwestern Operating Co. on April 4, 1966, be and the same is hereby dismissed as moot;

It is further ordered, That in the event the action of the Commission on the pleadings now pending before it does not grant the relief requested and render unnecessary an evidentiary hearing in this proceeding, another prehearing conference will be held forthwith on a date to be fixed by further order herein.

Released: April 7, 1966.

FEDERAL COMMUNICATIONS  
COMMISSION,  
[SEAL] BEN F. WAPLE,  
Secretary.

[F.R. Doc. 66-3969; Filed, Apr. 12, 1966;  
8:46 a.m.]

[Docket No. 15450; FCC 66M-497]

### MIDWEST TELEVISION, INC.

#### Order Continuing Prehearing Conference

In re application of Midwest Television, Inc., Springfield, Ill., Docket No. 15450, File No. BPCT-2846; for construction permit for new television broadcast station.

The Hearing Examiner having under consideration a "Motion for Continuance of Hearing Conference" filed by Midwest Television, Inc., on April 6, 1966, requesting that the further hearing conference heretofore scheduled for April 8, 1966, be postponed to May 16, 1966;

It appearing, that the subject request for postponement is predicated upon the acceptance for filing on April 5, 1966, of



Midwest's application for a translator authorization to utilize UHF Channel 49 at Springfield, Ill., and the statement of Midwest in that application that it would request "dismissal of the pending Channel 49 satellite operation" which is the subject of the present hearing, in the event of a grant of the translator application;

It further appearing, that counsel for respondent, Plains Television Corp., has indicated through counsel for movant that he interposes no objection to the postponement now sought, and that counsel for the Broadcast Bureau has informally advised the Examiner the Bureau interposes no objection to grant of the motion in view of the circumstances mentioned therein; and

It further appearing, that it would be appropriate to await a determination on the application for the translator before making arrangements for resumption of the hearing; and that "good cause" is shown in Midwest's motion for grant thereof;

Accordingly, it is ordered, This 7th day of April, 1966, that the "Motion for Continuance of Hearing Conference" filed by Midwest on April 6, 1966, is granted, and the further hearing conference heretofore scheduled for April 8, 1966, is postponed to May 16, 1966, at 10 a.m., in the offices of the Commission at Washington, D.C.

Released: April 7, 1966.

FEDERAL COMMUNICATIONS  
COMMISSION,  
[SEAL] BEN F. WAPLE,  
Secretary.

[F.R. Doc. 66-3970; Filed, Apr. 12, 1966;  
8:46 a.m.]

[Docket Nos. 16342-16344; FCC 66M-486]

### SEVEN (7) LEAGUE PRODUCTIONS, INC. (WIII) ET AL.

#### Order Scheduling Hearing

In re applications of Seven (7) League Productions, Inc. (WIII), Homestead, Fla., Docket No. 16342, File No. BR-3580, for renewal of license.

South Dade Broadcasting Co., Inc., Homestead, Fla., Docket No. 16343, File No. BP-16371; Redlands Broadcasting Co., Inc., Homestead, Fla., Docket No. 16344, File No. BP-16476; for construction permits.

The Hearing Examiner having for consideration (1) the order released herein on March 28, 1966, scheduling a prehearing conference for April 15, 1966; and (2) the order of the Review Board released on April 5, 1966, wherein an additional issue was designated for hearing;

It appearing, that the said prehearing conference was scheduled for the purpose of determining what, if any, hearing would be necessary in light of certain prospective pleadings to be filed by the

parties; but that, in any event, hearing will be necessary on the issue added by the Review Board's said order;

It is ordered, This 6th day of April 1966, that:

(1) Hearing on the issue added by the Review Board's order released April 5, 1966, shall commence on May 4, 1966, at 10 a.m. in the offices of the Commission at Washington, D.C.;

(2) In the event any portion of the direct affirmative case of Seven (7) League Productions, Inc., on the said issue is in writing, copies thereof shall be exchanged on or before April 28, 1966, and that on or before April 28, 1966, Seven (7) League shall identify the witnesses it proposes to produce for oral testimony; and,

It is further ordered, That the prehearing conference scheduled for April 15, 1966, is cancelled, and that the matters which were to be discussed at the said conference shall be considered at the hearing session hereinabove scheduled.

Released: April 7, 1966.

FEDERAL COMMUNICATIONS  
COMMISSION,  
[SEAL] BEN F. WAPLE,  
Secretary.

[F.R. Doc. 66-3971; Filed, Apr. 12, 1966;  
8:46 a.m.]

[Docket Nos. 16253, 16423; FCC 66M-479]

### KEITH L. REISING AND KENTUCKIANA TELEVISION, INC.

#### Order Scheduling Hearing

In re applications of Keith L. Reising, Louisville, Ky., Docket No. 16253, File No. BPH-4207; Kentuckiana Television, Inc., Louisville, Ky., Docket No. 16423, File No. BPH-5120; for construction permits.

The Hearing Examiner having under consideration the necessity for changing the date for commencement of hearing;

It appearing, that the currently scheduled date of April 11 presents conflicts in the Examiner's other hearing commitments and would involve inconveniences to some of the parties concerned;

It is ordered, This 5th day of April 1966, that the date for commencement of hearing is changed from April 11 to April 21, 1966.

Released: April 6, 1966.

FEDERAL COMMUNICATIONS  
COMMISSION,  
[SEAL] BEN F. WAPLE,  
Secretary.

[F.R. Doc. 66-3972; Filed, Apr. 12, 1966;  
8:46 a.m.]

[Docket No. 16493; FCC 66M-473]

### FRANCIS G. RIGGS

#### Order Continuing Hearing

In the matter of Francis G. Riggs, Detroit, Mich., Docket No. 16493; order

to show cause why the license for radio station KNM-5822 in the Citizens Radio Service should not be revoked.

It is ordered, This 5th day of April 1966, upon consideration of respondent's informal request received March 28, 1966, that the order released March 9, 1966 in the above-entitled proceeding (FCC 66M-336) is amended to provide that the hearing in the proceeding shall be convened on May 2, 1966: It is further ordered, Since the holding of this hearing in Detroit, Mich., would not be warranted, that it shall be held in the Offices of the Commission, Washington, D.C., on the new date herein specified; and: It is further ordered, That the Secretary forthwith shall mail a copy of this order to the respondent.

Released: April 5, 1966.

FEDERAL COMMUNICATIONS  
COMMISSION,  
[SEAL] BEN F. WAPLE,  
Secretary.

[F.R. Doc. 66-3973; Filed, Apr. 12, 1966;  
8:46 a.m.]

[Docket Nos. 16342-16344; FCC 66R-131]

### SEVEN (7) LEAGUE PRODUCTIONS, INC. (WIII) ET AL.

#### Memorandum Opinion and Order Enlarging Issues

In re applications of Seven (7) League Productions, Inc. (WIII), Homestead, Fla., Docket No. 16342, File No. BR-3580; for renewal of license. South Dade Broadcasting Co., Inc., Homestead, Fla., Docket No. 16343, File No. BP-16371; Redlands Broadcasting Co., Inc., Homestead, Fla., Docket No. 16344, File No. BP-16476; for construction permits.

1. The above-captioned case involves the renewal application of standard broadcast Station WIII, Homestead, Fla. and the mutually exclusive applications of South Dade Broadcasting Co., Inc., and Redlands Broadcasting Co., Inc., for identical facilities in Homestead. The Review Board now has before it a petition to enlarge issues in this matter, filed January 3, 1966, by Redlands Broadcasting Co., Inc.<sup>1</sup> By letter of February 12, 1966, signed by one Joe S. Marcus, attorney for Redlands Broadcasting Co. Inc., Redlands has undertaken to withdraw the above-described

<sup>1</sup> The Board also has before it Broadcast Bureau Comments on "Petition to Enlarge Issues"; Opposition of South Dade Broadcasting Co., Inc., to "Petition to Enlarge Issues"; Opposition to Petition to Enlarge Issues filed by Seven (7) League Productions, Inc., all filed Mar. 7, 1966; and a Petition to Accept Supplemental Affidavit, filed by Seven (7) League Productions, Inc., Mar. 10, 1966.



petition.<sup>2</sup> Despite Redlands' wish to withdraw its petition to enlarge the issues in this proceeding the questions raised by that petition must nevertheless be considered by the Board. The petition relies upon information set forth in a civil action brought by one Arnold S. Friedman against Seven (7) League Productions, Inc., in the courts of Dade County, Fla., to support its request for 4 of the 7 issues. Two of these four are directed against Seven (7) League Productions, Inc., and two are directed against South Dade Broadcasting Co., Inc.

2. Redlands' petition is not supported by affidavits of persons who purport to have knowledge of the facts as required by § 1.229(c) of the Commission's rules, nor does it rely upon matters which may be officially noted by the Board. The extensive allegations set forth in the various pleadings in the civil action pending in the Florida courts are no substitute for the affidavits required by the Commission rules nor can we rely on the unverified allegations of counsel set forth in the petition since counsel does not purport to have personal knowledge of the facts. However, Seven (7) League, in its Answer and Counter Claim filed in the Dade County Court, admitted that it had entered into an employment contract with Arnold S. Friedman whereby Friedman would be employed as Executive Vice President, Administrative Consultant and Sales Manager of Seven (7) League.<sup>3</sup> Moreover, in its opposition to the Redlands petition Seven (7) League acknowledged

<sup>2</sup>In its opposition Seven (7) League advises us that it has reached an agreement with Redlands whereby Seven (7) League would reimburse Redlands for its legitimate and prudent expenses incurred in the preparation and prosecution of its application. Redlands would withdraw its petition to enlarge issues and would join Seven (7) League to request joint approval of the agreement and dismissal of the Redlands application. Seven (7) League also indicates that it has reached in principle an agreement whereby, with Commission approval, South Dade will dismiss its application and several of the South Dade stockholders will acquire shares in Seven (7) League. Requests for approval of these agreements have not yet been filed even though the Seven (7) League-Redlands agreement must have been reached prior to February 12, 1966, the date of the letter requesting withdrawal of the petition to enlarge the issues.

<sup>3</sup>Under the terms of this contract Friedman would be elected Executive Vice President of the Corporation, Administrative Consultant and Sales Manager of the Company for a salary of \$175.00 per week. Moreover, if within the 6-month contract period the gross sales of Seven (7) League reached \$45,000 or more Friedman was to receive 5 percent of the outstanding stock and the contract to be extended for 6 months. If the gross sales production reached \$95,000, then Friedman shall have an additional 5 percent of the outstanding stock. The contract provided for further extension of the contract and outlined conditions under which Friedman would acquire a total of 20 percent of the outstanding shares of Seven (7) League stock.

that the employment agreement was entered into and was not filed with the Commission even though the Commission's rules require such documents to be so filed. In that same document Seven (7) League, however, denied that Friedman was elected Executive Vice President of the Corporation or that he obtained any of the shares of Seven (7) League stock. In any event, it is quite clear that Seven (7) League entered into the above-described employment contract with Friedman and that the terms of the contract were not made available to the Commission as required by § 1.613 of the Commission's rules.

3. In its petition Redlands notes that at paragraph 4 of the Employment Contract the parties (Seven (7) League and Friedman) acknowledge that all of the outstanding stock of Seven (7) League is held by the First National City Bank of New York as collateral for a loan of \$141,550.00 and that it appears that paragraph 6 of the agreement contemplates sale of the stock by the Bank pursuant to the terms of the loan agreement. Redlands then notes that it has been unable to find that the above-described Agreement with the bank had been filed with the Commission as required by § 1.613 of the rules. Seven (7) League acknowledges that its stock is in fact held by the New York bank as collateral for \$141,550.00 and that the terms of the Agreement have not been filed with the Commission.

4. Seven (7) League concedes that it was required to file both the employment contract and the agreement concerning the loan but urges that Gillaspay, the president and general manager of Seven (7) League, was inexperienced in the operation and management of a broadcast station and because of this inexperience he failed to comply with the Commission's rules which required disclosure of such agreements. Despite Seven (7) League's protestation an issue concerning the effect of its failure to report the pertinent agreements must be added to this proceeding. It is fundamental that the Commission must rely upon the integrity of its licensees to keep it fully informed with respect to such matters. Any breakdown in this system, for whatever the reason, must be a matter of Commission concern. The issues will, therefore, be enlarged as hereinafter set forth.

5. The petitioner relies upon certain allegations made by Friedman in his "Answer to Counter Claim" to support its request for a "real party in interest issue." As we have noted, these allegations are not under oath. Moreover, they are denied by Seven (7) League in its opposition. In view of these circumstances that requested issue will be denied.

6. The petitioner would also rely upon the pleadings filed in the Dade County Court to support two issues directed to South Dade. This stems from the fact that Friedman was a stockholder and an officer and director of South Dade

at the time the petition was filed.<sup>4</sup> Redlands urges that Friedman was Executive Vice President of Seven (7) League and that he was aware of the Employment Contract and the terms of the bank loan and that he was, therefore, in his official capacity obliged to report these agreements to the Commission. Such reasoning is untenable. There are no affidavits of persons who purport to know the facts to the effect that complying with the Commission's reporting requirements was within the scope of Friedman's employment contract. Moreover, the employment contract upon which Redlands relies does not indicate that Friedman had such responsibility. This requested issue will, therefore, be denied. The second issue which Redlands would direct to South Dade would inquire whether Friedman had breached his fiduciary obligation to Seven (7) League and, if so, what bearing said breach has on the qualifications of South Dade. These are matters which are now being litigated in the courts of Dade County, Florida, and the Commission will not predicate such an issue on the unverified statements by parties to a law suit which seeks, among other things, to resolve the question which the petitioner urges upon us. This issue will, therefore, be denied.

7. Redlands requests the Board to add an issue directed toward Seven (7) League Productions, Inc., to determine "whether Richard M. Gillaspay has demonstrated a reckless, wilful, or wanton disregard of the State traffic laws, and, if so, whether he has the requisite character qualifications to be a licensee of a broadcast station." In support of this issue, petitioner relies upon a compilation of traffic records of one Richard M. Gillaspay from the records and files in the office of the Clerk of the Metropolitan Court in and for Dade County. No attempt is made to relate these records to the Richard M. Gillaspay who is 50 percent owner of Seven (7) League Productions, Inc. Nor are the alleged offenses of such nature to warrant the inclusion of a character qualification issue in this proceeding. The issue will, therefore, be denied.

8. The petitioner seeks to have a "Suburban Issue" added to this proceeding. To support its request it relies upon an analysis of the proposed programing submitted with Seven (7) League's application for renewal. These proposals were before the Commission at the time the renewal application was designated for hearing yet such an issue was not included in the designation Order. The petitioner has made no new showing nor has it advanced any argument which would warrant the addition of an issue based on facts which were admittedly before the Commission at the time the application was designated for hearing.

<sup>4</sup>In its opposition to the petition, South Dade states that Friedman has withdrawn from that corporation and is no longer either a stockholder, officer, or director. However, no petition to amend South Dade's application to reflect this change has been filed with the Commission.



The Board will, therefore, deny this requested issue.

9. The seventh issue requested by Redlands would inquire into Seven (7) League's propensity for carelessness. To justify such an issue Redlands relies upon a series of allegations by counsel including reference to Seven (7) League's failure to report contracts already discussed, see paragraph 3, supra, a forfeiture assessed for operation of Station WIII beyond its authorized hours, the fact that Seven (7) League was 25 days late filing its renewal application and its exhibit 9 which purports to be a copy of a log for Radio Station WIII, Homestead, Fla., dated May 21, 1963. In the body of the pleading counsel for petitioner sets forth his analysis of the log and notes what he considers to be several deficiencies in the manner in which the log is maintained. While we may officially note that the contracts were not reported, the forfeiture was levied, and the renewal application was late, these facts do not warrant the inclusion of a special issue. Nor does counsel's analysis of the log for a single day establish a propensity for carelessness on the part of the licensee which would warrant such an issue. The carelessness issue will, therefore, be denied.

Accordingly, it is ordered, this 4th day of April, 1966, That the Petition to Accept Supplemental Affidavit, filed March 10, 1966, by Seven (7) League Productions, Inc., is granted; and

It is further ordered, That the Petition to Enlarge Issues, filed January 3, 1966, by Redlands Broadcasting Co., Inc., is granted to the extent that the issues in this proceeding are enlarged as follows:

To determine whether Seven (7) League Productions, Inc., has failed, by inadvertence or by design, to report changes in its officers and contracts concerning future disposition or contract of its stock and if so what bearing said failure has upon Seven (7) League's qualifications to continue as the licensee of standard broadcast Station WIII, Homestead, Fla.

And denied in all other respects.

Released: April 5, 1966.

FEDERAL COMMUNICATIONS  
COMMISSION,<sup>5</sup>

[SEAL] BEN F. WAPLE,  
Secretary.

[F.R. Doc. 66-3974; Filed, Apr. 12, 1966;  
8:46 a.m.]

[Docket Nos. 16421, 16422; FCC 66M-476]

#### TWIN-STATE RADIO, INC. AND RICHLAND BROADCASTING CO.

##### Order Continuing Hearing

In re applications of Twin-State Radio, Inc., Natchez, Miss., Docket No. 16421, File No. BP-16455; A. S. Johnson, trading as Richland Broadcasting Co., Delhi, La., Docket No. 16422, File No. BP-16720; for construction permits.

The Hearing Examiner having under

<sup>5</sup> Board members Nelson and Kessler dissenting from the addition of issue.

consideration the "Motion for Continuance of Hearing and Other Dates" filed on April 4, 1966, by A. S. Johnson, trading as Richland Broadcasting Co. in the above-entitled matter requesting that the procedural dates and the hearing date be continued for a period of 30 days;

It appearing, that counsel for the other parties advise that they have no objection to a grant of the request; and

It further appearing, that the applicants have reached an agreement looking toward the dismissal of Twin-State's application and on March 30, 1966, filed the joint petition required by § 1.525 of the Commission's rules with the Review Board; and

It further appearing, that good cause has been shown for a grant of the requested continuance;

It is ordered, This 5th day of April 1966, that the aforesaid Motion be, and the same is, hereby granted, and that the procedural dates be changed as follows:

Exchange of all exhibits presently scheduled for April 4, 1966, is continued to May 4, 1966;

Exchange of rebuttal exhibits and notification of witnesses presently scheduled for April 8, 1966, is continued to May 9, 1966; and Hearing presently scheduled for April 15, 1966, is continued to May 16, 1966.

Released: April 6, 1966.

FEDERAL COMMUNICATIONS

COMMISSION,

[SEAL] BEN F. WAPLE,  
Secretary.

[F.R. Doc. 66-3975; Filed, Apr. 12, 1966;  
8:46 a.m.]

[Docket No. 16533; FCC 66M-488]

#### WASHINGTON BROADCASTING CO. AND WOL, INC.

##### Order Continuing Hearing

In re application of Washington Broadcasting Co. (Assignor) and WOL, Inc. (Assignee), Docket No. 16533, File Nos. BAL-5418, BALH-780, BALRE-1237; for assignment of licenses of Stations WOL AM and FM, Washington, D.C.

The Hearing Examiner having under consideration communication dated April 5, 1966, from counsel for WOL, Inc., requesting that the prehearing conference now scheduled for April 11, 1966, be continued to April 29, 1966;

It appearing, that counsel for WOL, Inc., will be out of the city of Washington, D.C. on the date scheduled for the prehearing conference;

It further appearing, that counsel states that the additional time before the first prehearing conference will also provide all counsel with an opportunity to informally discuss the prospects for reaching stipulations or other agreements so as to expedite the hearing;

It further appearing, that counsel for Atlantic Broadcasting Co., Henry Rau, and Chief, Broadcast Bureau, have indicated to counsel for WOL, Inc., that they interpose no objection to the instant request;

It further appearing, that there are two interlocutory pleadings now pending before the Commission, including a motion for stay and the Commission has granted extensions of time for certain parties to file responsive pleadings thereto. (See FCC 66M-445 and FCC 66M-446, both released March 30, 1966);

It further appearing, that the evidentiary hearing herein now scheduled for May 2, 1966, should be rescheduled;

It further appearing, that good cause exists why the instant request should be granted and there is no opposition thereto;

Accordingly, it is ordered, This 7th day of April 1966, that the request is granted and the prehearing conference now scheduled for April 11, 1966, be and the same is hereby rescheduled for April 29, 1966, 9 a.m., in the Commission's Offices, Washington, D.C.

It is further ordered, That the hearing now scheduled for May 2, 1966, be and the same is hereby rescheduled for May 16, 1966, 10 a.m., in the Commission's Offices, Washington, D.C.

Released: April 7, 1966.

FEDERAL COMMUNICATIONS

COMMISSION,

[SEAL] BEN F. WAPLE,  
Secretary.

[F.R. Doc. 66-3976; Filed, Apr. 12, 1966;  
8:46 a.m.]

#### FEDERAL MARITIME COMMISSION

##### T. A. COLEMAN & CO., INC., ET AL.

##### Independent Ocean Freight Forwarder Licenses and Applications Therefor; Notice of Revisions

Notice is hereby given of the cancellation of the following independent ocean freight forwarder licenses.

T.A. Coleman & Co., Inc., 23 East 22d Street, New York, N.Y.; License No. 489, canceled March 1, 1966.

West Indies Freight Service, Inc., 345 East 99th Street, New York, N.Y.; License No. 54, canceled March 1, 1963.

Carl Sawyer Steamship Agency, Inc., Post Office Box 414, Miami, Fla.; License No. 605, canceled March 2, 1966.

Tice & Lynch, Inc., 21 Pearl Street, New York, N.Y.; License No. 588, canceled March 4, 1966.

Notice is hereby given of changes in the following applications for independent ocean freight forwarder licenses filed pursuant to section 44, Shipping Act, 1916 (75 Stat. 522 and 46 U.S.C. 841(b)).

##### GRANDFATHER APPLICANT

R-X Consolidators, Inc., 14th and Clay Streets, Post Office Box 958, Oakland, Calif.; Application No. 525, withdrawn March 25, 1966.

##### NEW APPLICANT

Span International, 210 Harvey Avenue, Lincoln, N.J.; Application withdrawn March 21, 1966.

Notice is hereby given that the following persons have filed with the Federal Maritime Commission, applications for licenses as independent ocean freight



forwarders, pursuant to section 44(a) of the Shipping Act, 1916 (75 Stat. 522 and 46 U.S.C. 841(b)).

Persons knowing of any reason why any of the following applicants should not receive a license are requested to communicate with the Director, Bureau of Domestic Regulation, Federal Maritime Commission, Washington, D.C., 20573. Protests received within 60 days from the date of publication of this notice in the FEDERAL REGISTER will be considered.

United Van Lines, Inc., No. 1 United Drive, Fenton, St. Louis County, Mo.; board of directors: Gene Anderson, J. B. Beard, Philip E. Burke, Paul Corrigan, John E. Cote, H. A. Davidson, Louis Destefanis, Harry A. Driemeir, John K. Gund, D. P. Havenburg, Jos. R. Locker, Lloyd H. Meyer, Howard A. Nilson, Richard H. O'Neil, Martin M. O'Rourke, Lloyd Ramer, Leo A. Santini, and A. C. White, Jr.

Consolidated Express, Inc., Post Office Box 1375, San Juan, P.R.; Rodolfo A. Catinchi, president; Roy Jacobs, vice president; Ginette Catinchi, secretary-treasurer.

Lynwood L. Lacy, 100 North Royal Street, Mobile, Ala.; Lynwood L. Lacy, owner.

National Carloading Corp., 63 Veasey Street, New York, N.Y.; O. M. Collett, director-chairman of board; J. G. Hodge, treasurer-assistant secretary; F. P. Lucas, president; H. G. Roberts, vice president; P. T. Wolf, secretary; Brooke Daisley, vice president; Frank Devlin, vice president; R. E. Lewis, vice president; M. E. Petrucione, vice president; N. C. Myers, controller-assistant secretary; C. A. Beppler, assistant vice president; W. E. Diduch, assistant vice president; P. Egan, assistant treasurer; C. H. Hattendorf, assistant vice president; W. R. Jester, assistant vice president; D. Leffel, assistant to treasurer; L. F. Tremayne, assistant vice president; and F. Yetsavage, assistant vice president.

Branch offices: Boston, Mass.; Honolulu, Hawaii; Houston, Tex.; Los Angeles, Calif.; Oakland, Calif.; Phila., Pa.; Portland, Oreg.; San Diego, Calif.; San Francisco, Calif.; and Seattle, Wash.

Notice is hereby given of changes in the following independent ocean freight forwarder licenses.

## CHANGE OF NAME

International Express Co. (S. B. Navarro, d.b.a.); to International Express Co., Inc., 348 Camp Street, New Orleans, La., 70130; License No. 501.

Rex & Reynolds Co. to Rex & Reynolds Co., Inc., 27 Park Place, New York, N.Y., 10007; License No. 76.

D. H. McClary to McClary, Swift & Co., Inc., 509A Maritime Building, Seattle, Wash.; License No. 632.

## ADDRESS CHANGES

E. Hennigson Co., Inc., 99 Wall Street, New York, N.Y., 10005; License No. 461.

Reedy Forwarding Co., Inc., Post Office Box 349, Suite 204, 501 Northeast First Avenue, Miami, Fla., 33132; License No. 429.

City Transfer Co., Ltd., 2144 Auika Street, Honolulu, Hawaii, 96809; License No. 322.

Advance Shipping Co., 507 M&M Building, Post Office Box 33013, No. 1 Main Street, Houston, Tex.; License No. 1030.

Standard Shipping Co., 530 Gravier Street, New Orleans, La., 70130; License No. 1071.

Silvey Shipping Co., Inc., 261 Beaver Street, New York, N.Y., 10004; License No. 515.

Lake Shipping Co., Port Marine Transport Building, Port of Lake Charles Docks, Post Office Box 1912, Lake Charles, La., 70601; License No. 1109.

Frontier Freight Forwarders, Inc., 1175 East Fourth Avenue, Hialeah, Fla.; License No. 103.

Lockwood Shipping Service, Inc., 11 Broadway, Suite 553, New York, N.Y.; License No. 97.

International Sea & Air Shipping Corp., 60 Stone Street, New York, N.Y., 10004; License No. 214.

Van Oppen & Co., Inc., 32 Broadway, New York, N.Y., 10004; License No. 814.

Export Enterprises, Inc. (Branch), 16 Beaver Street, New York, N.Y., 10004; License No. 101.

## CHANGES OF OFFICERS

City Transfer Co., Ltd., 2144 Auika Street, Honolulu, Hawaii, 96809; License No. 322; D. H. Puckett, president-director; R. A. Cushman, vice president-director; Sidney G. Jensen, secretary-director; Don K. Masuda, treasurer-director; and Hathale R. Cushman, auditor-director.

F. N. S. Corp., 6 State Street, New York, N.Y.; License No. 8; Gerald Schwartz, vice president.

J. G. R. Williams, Inc., 402 Cotton Exchange Building, New Orleans, La.; License No. 348; J. G. R. Williams II, president.

Oceanbrokers, Inc., 500 Sansome Street, Suite 604, San Francisco, Calif.; License No. 1077; Nils H. A. Heyerdahl; J. Borgen, first vice president; David Schonkoff, second vice president; Jerome Strelch, secretary-treasurer; and Nathan Spivock, assistant secretary-treasurer.

Trans-Air System, Inc., 11 Broadway, New York, N.Y.; License No. 907; Sidney B. Lifschultz, chairman of board; Conrad K. Grossman, vice chairman of the board; Rubin Steiner, executive vice president, finance and operations; Merrill E. Brown, vice president; Harold Belser, vice president, sales; Harvey Levinson, treasurer; M. James Spitzer, secretary; and board of directors, Merrill E. Brown, Sidney B. Lifschultz, M. James Spitzer, Conrad K. Grossman, Arthur Rubenstein, and Rubin Steiner.

Air Express International Agency & Surface Freight Corp., 90 Broad Street, New York, N.Y., 10004; License No. 315; Anthony A. Mannheim, director.

Van Oppen & Co., Inc., 32 Broadway, New York, N.Y.; License No. 814; Paul Mellman, president; Samuel A. Briggs, Jr., vice president-treasurer; and Michael A. Sosa, secretary.

Thomas Shipping Co., Inc., 11 Broadway, New York, N.Y.; License No. 917; Florence DiCostanzo, assistant vice president.

Samuel Shapiro & Co., Inc., 11-13 Gay Street, Baltimore, Md., 21202; License No. 17; M. Sigmund Shapiro, president-treasurer; Jessie York, executive vice president; Hilda L. Shapiro, vice president; Morris E. Horwitz, vice president, import traffic; Ida S. Goldberg, secretary; Thelma Elcher, assistant treasurer; Florence Pearl Rosen, assistant secretary; and Jack Shapiro, assistant secretary.

## GRANDFATHERS LICENSED

March 1966

Alltransport, Inc., Kuehne & Nagel, Inc., 17 Battery Place, New York, N.Y.; License No. 300, issued March 15, 1966.

Edmond Loeliger, Inc., 1805 American Bank Building, Carondelet and Common Streets, New Orleans, La., 70112; License No. 930, issued March 15, 1966.

Borinquen Express Co., 766 North Milwaukee Avenue, Chicago, Ill.; License No. 503, issued March 30, 1966.

Trade Lanes Shipping Corp., 15 Moore Street, New York, N.Y.; License No. 658, issued March 30, 1966.

## NEW APPLICANTS LICENSED

March 1966

Hermann Ludwig of California, Inc., 408 South Spring Street, Continental Building, Los Angeles, Calif.; License No. 1111, issued February 21, 1966.

Helm's International, Inc., Post Office Box 268, Pittsburgh, Pa., 15230; License No. 1113, issued March 18, 1966.

Advance Distribution Co., Inc., 3600 Third Street, San Francisco, Calif.; License No. 1112, issued March 17, 1966.

THOMAS LISI,  
Secretary.

APRIL 8, 1966.

[F.R. Doc. 66-3960; Filed, Apr. 12, 1966; 8:46 a.m.]

## INTERSTATE COMMERCE COMMISSION

### FOURTH SECTION APPLICATIONS FOR RELIEF

APRIL 8, 1966.

Protests to the granting of an application must be prepared in accordance with Rule 1.40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

## LONG-AND-SHORT HAUL

FSA No. 40407—*Iron or steel angles to Beaumont and Houston, Tex.*—Filed by Southwestern Freight Bureau, agent (No. B-8829), for interested carriers. Rates on iron or steel angles, in straight mill lengths not less than 40 feet, in carloads subject to minimum of 420,000 pounds per shipment, from specified points in Alabama, Illinois, and Missouri, also Minnequa, Colo., and Sand Springs, Okla., to Beaumont and Houston, Tex.

Grounds for relief—Market competition.

Tariff—Supplement 184 to Southwestern Freight Bureau, agent, tariff ICC 4503.

FSA No. 40409—*Liquid caustic soda to Franklin, Va.*—Filed by Traffic Executive Association—Eastern Railroads, agent (E.R. No. 2834), for interested carriers. Rates on liquid caustic soda, in tank carloads, from Reybold, Del., to Franklin, Va.

Grounds for relief—Market competition.

Tariff—Supplement 136 to Traffic Executive Association—Eastern Railroads, agent, tariff ICC C-334.

FSA No. 40410—*Commodities between points in Texas.*—Filed by Texas-Louisiana Freight Bureau, agent (No. 565), for interested carriers. Rates on blacks (carbon, gas and/or oil); blacks, chemical carbon, not carbon black, in bulk, in covered hopper cars, in carloads, from, to, and between points in Texas, over interstate routes through adjoining States.

Grounds for relief—Intrastate rates and maintenance of rates from and to points in other States not subject to the same competition.



[Notice 163]

### MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

APRIL 8, 1966.

The following are notices of filing of applications for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules in Ex Parte No. MC 67 (49 CFR Part 240), published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965. These rules provide that protests to the granting of an application must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protest must be served on the applicant, or its authorized representative, if any, and the protest must certify that such service has been made. The protest must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six (6) copies.

A copy of the application is on file, and can be examined, at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the field office to which protests are to be transmitted.

#### MOTOR CARRIERS OF PROPERTY

No. MC 123048 (Sub-No. 86 TA), (Amendment), filed March 15, 1966, published FEDERAL REGISTER, issue of March 22, 1966, and republished as amended this issue. Applicant: DIAMOND TRANSPORTATION SYSTEM, INC., 1919 Hamilton Avenue, Post Office Box A, Racine, Wis., 53404. Applicant's representative: John L. Bruemmer, 121 West Doty Street, Madison, Wis., 53703. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Tractors* (except truck tractors designed primarily for the transportation of property over highways), *tractor attachments*, and *agricultural implements and machinery* (except commodities the transportation of which because of their size or weight require the use of special equipment), from the plant and warehouse sites of the Oliver Corp. at Atlanta and Decatur, Ga., to points in Connecticut, Delaware, Georgia, Indiana, Maryland, Massachusetts, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, and Virginia, restricted to shipments moving on double-deck trailer equipment, for 180 days. Supporting shipper: Oliver Corp., 300 Lawler Street, Charles City, Iowa, 50616, Richard D. Jones, traffic manager. Send protests to: W. F. Sibbald, Jr., District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 108 West Wells Street, Room 511, Milwaukee, Wis., 53203. NOTE: The purpose of this republication is to show that the movement is re-

Tariff—Supplement 48 to Texas-Louisiana Freight Bureau, agent, tariff ICC 998.

FSA No. 40412—*Lumber and related articles from and to points in southwestern territory.*—Filed by Southwestern Freight Bureau, agent (No. B-8840), for interested carriers. Rates on lumber and related articles, in carloads, between points in southwestern territory, on the one hand, and points in southern territory, also points in official-southern border territory, on the other.

Grounds for relief—Market competition.

Tariff—Supplements 39 and 92 to Southwestern Freight Bureau, agent, tariffs ICC 4622 and 4562, respectively.

#### AGGREGATE-OF-INTERMEDIATES

FSA No. 40408—*Iron or steel angles to Beaumont and Houston, Tex.*—Filed by Southwestern Freight Bureau, agent (No. B-8828), for interested carriers. Rates on iron or steel angles, in straight mill lengths not less than 40 feet, in carloads, subject to minimum of 420,000 pounds per shipment, from specified points in Alabama, Illinois, and Missouri, also Minnequa, Colo., and Sand Springs, Okla., to Beaumont and Houston, Tex.

Grounds for relief—Maintenance of depressed rates published to meet market competition without use of such rates as factors in constructing combination rates.

Tariff—Supplement 184 to Southwestern Freight Bureau, agent, tariff ICC 4503.

FSA No. 40411—*Commodities between points in Texas.*—Filed by Texas-Louisiana Freight Bureau, agent (No. 566), for interested carriers. Rates on blacks (carbon, gas and/or oil); blacks, chemical carbon, not carbon black, in packages, or in bulk, in covered hopper cars, in carloads, from, to and between points in Texas, over interstate routes through adjoining States.

Grounds for relief—Maintenance of depressed rates published to meet intrastate competition without use of such rates as factors in constructing combination rates.

Tariff—Supplement 48 to Texas-Louisiana Freight Bureau, agent, tariff ICC 998.

By the Commission.

[SEAL] H. NEIL GARSON,  
Secretary.

[F.R. Doc. 66-3954; Filed, Apr. 12, 1966;  
8:45 a.m.]

### NOTICE OF FILING OF MOTOR CARRIER INTRASTATE APPLICATIONS

APRIL 8, 1966.

The following applications for motor common carrier authority to operate in intrastate commerce seek concurrent motor carrier authorization in interstate or foreign commerce within the limits of the intrastate authority sought, pursuant to section 206(a)(6) of the Interstate Commerce Act, as amended October 15, 1962. These applications are governed by Special Rule 1.245 of the Commis-

sion's rules of practice, published in the FEDERAL REGISTER, issue of April 11, 1963, page 3533, which provides, among other things, that protests and requests for information concerning the time and place of State commission hearings or other proceedings, any subsequent changes therein, and any other related matters shall be directed to the State commission with which the application is filed and shall not be addressed to or filed with the Interstate Commerce Commission.

State Docket No. M-901 (Sub-No. 1), filed March 29, 1966. Applicant: E. O. KAVLI, doing business as MINOT-BOTTINEAU TRUCKING SERVICE, Bottineau, N. Dak. Certificate of public convenience and necessity sought to operate a freight service as follows: Transportation of: For the extension of class A certificate No. 330 which authorizes the transportation of general commodities in any quantity between Minot and Dunseith, N. Dak., over U.S. Highway No. 83, State Highway No. 5 and various county roads covering the intermediate points of Maxbass, Westhope, Landa, Roth, Souris, Carbury, and Bottineau, N. Dak., to include service to the villages of Newburg and Upham, N. Dak.

HEARING: Time, date, and place of hearing not known; information to be hereafter affixed. Requests for procedural information including the time for filing protests concerning this application should be addressed to the North Dakota Public Service Commission, State Capitol Building, Bismarck, N. Dak., 58501, and should not be directed to the Interstate Commerce Commission.

State Docket No. M-3833 (Sub-No. 1) (Amendment), filed February 10, 1966, published FEDERAL REGISTER, issue of March 9, 1966, and republished as amended this issue. Applicant: EMIL ZUECK, doing business as ZUECK TRANSPORTATION CO., Rock Springs, Wyo. Applicant's representative: John H. Lewis, 1650 Grant Street, Denver, Colo. Certificate of public service and necessity sought to operate a freight service as follows: Transportation of property for hire, serving Elk, Wyo., and points within 2 miles thereof, as off-route points in connection with applicant's presently authorized authority.

HEARING: June 7, 1966, at 9 a.m., Hearing Room, State Library and Supreme Court Building, Cheyenne, Wyo. The purpose of this republication is to show that application has been amended to include off-route points within two miles of Elk, Wyo., and also to show new hearing information. Requests for procedural information including the time for filing protests concerning this application should be addressed to the Wyoming Public Service Commission, State Library and Supreme Court Building, Cheyenne, Wyo., 82001, and should not be directed to the Interstate Commerce Commission.

By the Commission.

[SEAL] H. NEIL GARSON,  
Secretary.

[F.R. Doc. 66-3955; Filed, Apr. 12, 1966;  
8:45 a.m.]



stricted to shipments moving on double-deck trailer equipment.

By the Commission.

[SEAL]

H. NEIL GARSON,  
Secretary.

[F.R. Doc. 66-3956; Filed, Apr. 12, 1966;  
8:45 a.m.]

[Notice 904]

### MOTOR CARRIER APPLICATIONS AND CERTAIN OTHER PROCEEDINGS

APRIL 8, 1966.

The following publications are governed by the new Special Rule 1.247 of the Commission's rules of practice, published in the FEDERAL REGISTER, issue of December 3, 1963, which became effective January 1, 1964.

The publications hereinafter set forth reflect the scope of the applications as filed by applicant, and may include descriptions, restrictions, or limitations which are not in a form acceptable to the Commission, Authority which ultimately may be granted as a result of the applications here noticed will not necessarily reflect the phraseology set forth in the application as filed, but also will eliminate any restrictions which are not acceptable to the Commission.

#### APPLICATIONS ASSIGNED FOR ORAL HEARING

##### MOTOR CARRIERS OF PROPERTY

No. MC 113495 (Sub-No. 22) (Republication) filed March 1, 1966, published FEDERAL REGISTER issue of March 18, 1966, and republished this issue. Applicant: GREGORY HEAVY HAULERS, INC., 2 Main Street, Post Office Box 5266, Nashville, Tenn. Applicant's representative: Wilmer B. Hill, Transportation Building, Washington, D.C., 20006. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Signs, sign poles, light poles, and parts and accessories therefor, and materials, supplies and equipment used in the manufacture of signs, sign poles, light poles and parts and accessories, between points in Tennessee on and west of U.S. Highway 27 and east of the Tennessee River, on the one hand, and, on the other, points in the United States (except Alaska and Hawaii).* NOTE: The purpose of this republication is to reflect the hearing information.

HEARING: April 26, 1966, at the Dinkler-Andrew Jackson Hotel, Nashville, Tenn., before Examiner Edith H. Cockrill.

No. MC 113678 (Sub-No. 238) (Republication), filed February 17, 1966, published in FEDERAL REGISTER issue of March 18, 1966, and republished this issue. Applicant: CURTIS, INC., 770 East 51st Avenue, Denver, Colo., 80216. Applicant's representative: Duane W. Acklie, Post Office Box 2028, Lincoln, Nebr. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Juices, beverage preparations, drinks, and fruits (other than citrus fruits and citrus juices), not frozen, from points in Florida on and south of Florida Highway 40, to*

points in Arizona, California, Colorado, Iowa, Kansas (except Kansas City), Louisiana, Minnesota (except Minneapolis and St. Paul), Mississippi, Missouri (except St. Louis), Montana, Nebraska, New Mexico, North Dakota, South Dakota, Texas, Utah, and Wyoming. NOTE: The purpose of this republication is to reflect the hearing information.

HEARING: June 2, 1966, at the Federal Office Building, 500 Zack Street, Tampa, Fla., before Examiner Walter D. Matson.

No. MC 113678 (Sub-No. 239) (Republication), filed March 1, 1966, published in FEDERAL REGISTER March 24, 1966, and republished this issue. Applicant: CURTIS, INC., 770 East 51st Avenue, Denver, Colo., 80216. Applicant's representative: Duane W. Acklie, Post Office Box 2028, Lincoln, Nebr. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Potato products, from points in Colorado, to points in Alabama, Arkansas, Florida, Georgia, Kansas, Louisiana, Mississippi, Missouri, New Mexico, Oklahoma, and Texas.* The purpose of this republication is to reflect the hearing information.

HEARING: May 11, 1966, at the New Customs House, 191½ and California Streets, Denver, Colo., before Examiner George A. Dahan.

No. MC 113678 (Sub-No. 245), filed March 31, 1966. Applicant: CURTIS, INC., 770 East 51st Avenue, Denver, Colo., 80216. Applicant's representative: Duane W. Acklie, Post Office Box 2028, Lincoln, Nebr. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Frozen foods, advertising materials, supplies, display materials, and premiums, in vehicles equipped with mechanical temperature control devices, from New York City, N.Y., and points in the commercial zone thereof, and points in Union County, N.J., to points in Iowa, Indiana, Illinois, Kentucky, Michigan, Minnesota, Missouri, Nebraska, Ohio, West Virginia, and Wisconsin; and (2) advertising materials, supplies, display materials, and premiums in quantities not exceeding 10 percent of the truckload, moving in vehicles equipped with mechanical temperature devices, from New York City, N.Y., and points in the commercial zone thereof, and points in Union County, N.J., to points in Arizona, Arkansas, California, Colorado, Idaho, Kansas, Montana, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, and Wyoming.*

HEARING: May 11, 1966, at the Hearing Room, Federal Trade Commission, 30 Church Street, New York, N.Y., before Examiner Henry C. Winters.

No. MC 111545 (Sub-No. 78) (Republication), filed May 18, 1965, published FEDERAL REGISTER issue of June 9, 1965, and republished, this issue. Applicant: HOME TRANSPORTATION COMPANY, INC., 1425 Franklin Road, SE., Post Office Box 6426, Station A, Marietta, Ga. Applicant's representative: Paul M. Daniell, Suite 1600, First Federal Building, Atlanta, Ga., 30303. By appli-

cation filed May 18, 1965, as amended, applicant seeks a certificate of public convenience and necessity authorizing operation, in interstate or foreign commerce, as a common carrier by motor vehicle, over irregular routes, of air compressors, the transportation of which because of size or weight requires the use of special equipment, from Atlanta, Ga., to points in Alabama, North Carolina, South Carolina, and Tennessee. A report of the Commission, Operating Rights Review Board No. 1, decided March 29, 1966, and served April 5, 1966, finds that the present and future public convenience and necessity require operation by applicant, in interstate or foreign commerce, as a common carrier by motor vehicle, over irregular routes, of *air compressors*, the transportation of which because of size or weight requires the use of special equipment, from Atlanta, Ga., to points in Alabama, South Carolina, Tennessee, and North Carolina, that applicant is fit, willing, and able properly to perform such service and to conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulations thereunder, that an appropriate certificate should be granted, subject to prior republication in the FEDERAL REGISTER, showing applicant's intention to tack the authority sought with its existing authority so as to be able to reinstitute the operation which it had previously performed when it transported air compressors under its authority to transport heavy machinery.

No. MC 119848 (Sub-No. 8) (Republication), filed April 12, 1965, published FEDERAL REGISTER issue of May 5, 1965, and republished, this issue. Applicant: KENISON TRUCKING, INC., Post Office Box 324, 1975 South, 1045 West, Salt Lake City, Utah. By application filed April 12, 1965, as amended, applicant seeks a certificate of public convenience and necessity authorizing operation, in interstate or foreign commerce, as a common carrier by motor vehicle, over irregular routes, of stone, natural, quarried, nonprocessed, sawed, gullotted, polished, terrazo, flag, crushed, marble, slate, cast and ornamental building blocks, and used bricks, between points in Utah (except Aragonite, Utah), and points in California, with stop-in-transit privilege for partial loading or unloading in Nevada. A report of the Commission, Operating Rights Review Board No. 2, decided March 25, 1966, and served April 1, 1966, finds that the present and future public convenience and necessity require operation by applicant, in interstate or foreign commerce, as a *common carrier* by motor vehicle, over irregular routes, of *stone, terrazo, flag, marble, slate, cast stone, ornamental building blocks, and used bricks, between points in Utah (except Aragonite), Nevada, and California, that applicant is fit, willing, and able properly to perform such service, and to conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulations thereunder, that a certificate authorizing such operations should be issued subject (1) to prior publication in the FEDERAL REGISTER of a notice of the au-*



thority granted herein; and (2) to the right of the Commission, which is hereby expressly reserved, to impose such terms, conditions, and limitations in the future as it may find necessary to insure that applicant's operations shall conform to the provisions of section 210 of the Interstate Commerce Act, and further finds that the holding by applicant of a certificate authorizing the operations found herein to be required, and the holding by it of permits authorized in No. MC 115504 and various subs thereunder, will be consistent with the public interest and the national transportation policy. Any proper party in interest may file an appropriate pleading within a period of 30 days from the date of this publication.

No. MC 127345 (Republication), filed June 7, 1965, published FEDERAL REGISTER issue of July 9, 1965, and republished this issue. Applicant: LOWAL LEON HAND, doing business as LOWAL HAND TRUCKING CO., Post Office Box 287, Buffalo, Okla. Applicant's representative: Grady L. Fox, 222 Amarillo Building, Amarillo, Tex. In the above-entitled application as amended, the examiner recommended the issuance to applicant of a certificate authorizing operations as a common carrier by motor vehicle, in interstate or foreign commerce (1) of cotton seed products, mixed feeds and alfalfa pellets, in bulk, between points in that part of Oklahoma west of a line beginning at the Kansas-Oklahoma State line and extending along U.S. Highway 77 to Oklahoma City, Okla., thence west along U.S. Highway 66 to the Oklahoma-Texas State line, points in that part of Texas west and north of a line beginning at the Oklahoma-Texas State line and extending along U.S. Highway 283 to junction U.S. Highway 380, thence along U.S. Highway 380 to the Texas-New Mexico State line, points in Curry County, N. Mex., and points in that part of Kansas south and west of a line beginning at the Kansas-Colorado State line and extending along U.S. Highway 50 to junction U.S. Highway 283, thence along U.S. Highway 283 to the Kansas-Oklahoma State line, except cotton seed products, (a) from points in Texas to points in Kansas and New Mexico, and (b) from points in New Mexico to points in Kansas and except alfalfa meal and pellets from points in Kansas to points in New Mexico and Texas; (2) of premix (compounds of vitamins, minerals, hormones, or antibiotics or variations of them) and feed supplements (composed of premix and cotton seed meal), in bulk, from Lubbock, Tex., to points in the territory described in part (1) above; and (3) of sugar beet pulp and pellets, in bulk, from Hereford, Tex., to points in the territory described in part (1) above, over irregular routes.

A Decision and Order of the Commission, Operating Rights Review Board No. 2, dated March 24, 1966, and served March 31, 1966, finds that operation by applicant as a common carrier by motor vehicle, in interstate or foreign commerce, over irregular routes of: (1) *Mixed animal feeds* (except cotton seed

products), in bulk, between points in Oklahoma west of a line beginning at the Kansas-Oklahoma State line and extending along U.S. Highway 77 to Oklahoma City, Okla., thence west along U.S. Highway 66 to the Oklahoma-Texas State line, points in Texas west and north of a line beginning at the Oklahoma-Texas State line and extending along U.S. Highway 283 to junction U.S. Highway 380, thence along U.S. Highway 380 to the Texas-New Mexico State line, points in Curry County, N. Mex., and points in Kansas south and west of a line beginning at the Kansas-Colorado State line and extending along U.S. Highway 50 to junction U.S. Highway 283, thence along U.S. Highway 283 to the Kansas-Oklahoma State line, (2) *cotton seed products*, in bulk, (a) between the points in Oklahoma described in part (1) above, on the one hand, and, on the other, the points in Texas, New Mexico, and Kansas described in part (1) above, (b) from the points in Kansas described in part (1) above, to points in Curry County, N. Mex., and the points in Texas described in part (1) above, and (c) from points in Curry County, N. Mex., to the points in Texas described in part (1) above; (3) *alfalfa meal and pellets*, in bulk, (a) between the points in Oklahoma, Texas and New Mexico described in part (1) above, (b) between the points in Oklahoma described in part (1) above, on the one hand, and on the other, the points in Kansas described in part (1) above, and (c) from points in Curry County, N. Mex. and the points in Texas described in part (1) above to the points in Kansas described in part (1) above; (4) *animal feed supplements*, in bulk, from Lubbock, Tex., to the points in Oklahoma, Texas, New Mexico and Kansas described in part (1) above; and (5) *sugar beet pulp and pellets*, in bulk, from Hereford, Tex., to the points in Oklahoma, Texas, New Mexico and Kansas described in part (1) above.

Because it is possible that other parties, who have relied upon the notice of the application as published, may have an interest in and would be prejudiced by the lack of proper notice of the authority described in the findings above, a notice of the authority actually granted will be published in the FEDERAL REGISTER and issuance of a certificate containing such authority in this proceeding will be withheld for a period of 30 days from the date of this publication, during which period any proper party in interest may file an appropriate protest or other pleading.

APPLICATIONS FOR CERTIFICATES OR PERMITS WHICH ARE TO BE PROCESSED CONCURRENTLY WITH APPLICATIONS UNDER SECTION 5 GOVERNED BY SPECIAL RULE 1.240 TO THE EXTENT APPLICABLE

No. MC 2228 (Sub-No. 50) (Correction), filed March 7, 1966, published FEDERAL REGISTER, issue of March 23, 1966, and republished as corrected this issue. Applicant: MERCHANTS FAST MOTOR LINES, INC., East U.S. Highway 80, Post Office Drawer 270, Abilene, Tex. Authority sought to operate as a com-

mon carrier, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading), (1) between Stinnett, Tex., and the Texas-Oklahoma State line, over Texas Highway 15, and return over the same route, serving all intermediate points; (2) between junction Texas Highways 15 and 136 and Spearman, Tex.: From junction Texas Highways 136 and 15, over Texas Highway 136 to junction Farm to Market Road 289, thence over Farm to Market Road 289 to junction Texas Highway 282, and thence over Texas Highway 282 to Spearman, and return over the same route, serving all intermediate points; and (3) between Perryton, Tex., and Wellington, Tex., over U.S. Highway 83, and return over the same route, serving all intermediate points. Note: This application is directly related to MC-F-9366. The purpose of this republication is to show that in (2) above, applicant proposes to serve all intermediate points. Previous publication indicated applicant did not propose to serve any intermediate points. If a hearing is deemed necessary, applicant requests it be held at Dallas, Tex.

No. MC 58923 (Sub-No. 35), filed March 28, 1966. Applicant: GEORGIA HIGHWAY EXPRESS, INC., 2090 Jonesboro Road SE, Atlanta, Ga., 30315. Applicant's representative: Robert C. Dryden (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: *General commodities* (except classes A and B explosives, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment, and those of unusual value), (1) between Savannah, Ga., and Helena, Ga., as follows: From Savannah over Georgia Highway 26 to junction Georgia Highway 30, thence over Georgia Highway 30 to junction Georgia Highway 27, thence over Georgia Highway 27 to Helena, and return over the same route, serving all intermediate points and the off-route point of Manassas, with closed doors between Savannah and Blytheon, Ga.; (2) between Claxton and Collins, Ga., as follows: From Claxton over Georgia Highway 129 to junction Georgia Highway 23, thence over Georgia Highway 23 to Collins, and return over the same route, serving all intermediate points, with the right to operate between Cobbtown and Lyons, Ga., over Georgia Highway 152; (3) between Glennville, Ga., and Collins, Ga., over Georgia Highway 23, serving the intermediate point of Reidsville, and the off-route point of Mendes and also serving State Prison, as an off-route point, over Georgia Highway 147; and (4) between Glennville and Claxton, Ga., over Georgia Highway 73, serving no intermediate points. Note: This is a matter directly related to MC-F-9389. If a hearing is deemed necessary, applicant requests it be held at Atlanta, Ga.



## APPLICATIONS UNDER SECTIONS 5 AND 210a(b)

The following applications are governed by the Interstate Commerce Commission's special rules governing notice of filing of applications by motor carriers of property or passengers under sections 5(a) and 210a(b) of the Interstate Commerce Act and certain other proceedings with respect thereto (49 CFR 1.240).

## MOTOR CARRIERS OF PROPERTY

No. MC-F-9120 (DORN'S TRANSPORTATION, INC.—Purchase—NORTHEASTERN TRANSPORTATION CO., INC.), published in the May 20, 1965, issue of the FEDERAL REGISTER on page 6895. Amendment filed April 5, 1966, to substitute WALTER A. DORN, in lieu of FRED DORN, as the person in control of DORN'S TRANSPORTATION, INC.

No. MC-F-9357 (RYDER TRUCK LINES, INC.—Control and merger—HARRIS EXPRESS, INC.), published in the March 9, 1966 issue of the FEDERAL REGISTER on page 4182. By supplemental application filed April 4, 1966, INTERNATIONAL UTILITIES, INC., and, in turn INTERNATIONAL UTILITIES CORPORATION, joins in the application as controlling stockholders of RYDER TRUCK LINES, INC.

No. MC-F-9391. Authority sought for purchase by MURAL TRANSPORT, INC., 2900 Review Avenue, Long Island City, 1, N.Y., of the operating rights of GREAT LAKES STORAGE & MOVING COMPANY, 6917 Euclid Avenue, Cleveland, Ohio, and for acquisition by ALEXANDER SHAPIRO, also of Long Island City, N.Y., of control of such rights through the purchase. Applicants' attorneys: S. S. Eisen, 140 Cedar Street, New York 6, N.Y., James R. Stiverson, 50 West Broad Street, Columbus, Ohio, and James E. Wilhelm, Jr., 37 West Broad Street, Columbus, Ohio. Operating rights sought to be transferred: *Household goods*, as defined in *Practices of Motor Common Carriers of Household Goods*, 17 M.C.C. 467, *office furniture and equipment*, and *store fixtures*, as a *common carrier*, over irregular routes, between points in Cuyahoga County, Ohio, on the one hand, and, on the other, St. Louis, Mo., Covington, Ky., and points in Kentucky within 10 miles of Covington, those in Ohio, Indiana, Illinois, Pennsylvania, West Virginia, New York, Connecticut, Massachusetts, and New Jersey, and those in Michigan on and south of U.S. Highway 12. Vendee is authorized to operate as a *common carrier* in all States in the United States (except Alaska and Hawaii), and the District of Columbia. Application has not been filed for temporary authority under section 210a(b).

No. MC-F-9392. Authority sought for purchase by LEATHAM BROTHERS, INC., 46 Orange Street, Salt Lake City, Utah, of a portion of the operating rights of COMMERCIAL CARRIERS, INC., 10701 Middlebelt Road, Romulus, Mich., and for acquisition by CHARLES LEATHAM, Wellsville, Utah, W. LEROY

LEATHAM, Bountiful, Utah, and JACK LEATHAM, Wellsville, Utah., of control of such rights through the purchase. Applicants' attorney: Harry D. Pugsley, 600 El Paso Gas Building, Salt Lake City, Utah, 84111. Operating rights sought to be transferred: *Lumber*, as a *common carrier*, over irregular routes, from points in California, Oregon, Washington, and Idaho, to points in Colorado and Wyoming. Vendee is authorized to operate as a *common carrier* in Idaho, Utah, Montana, Wyoming, Oregon, Colorado, Washington, Nevada, California, Arizona, and New Mexico. Application has not been filed for temporary authority under section 210a(b).

No. MC-F-9393. Authority sought for purchase by SPECTOR FREIGHT SYSTEM, INC., 205 West Wacker Drive, Chicago, Ill., of the operating rights of BUFFALO CONSOLIDATED CARTAGE, INC., 296 Connecticut Street, Buffalo, N.Y., and for acquisition by SIMON FISHER, and W. STANHAUS, both also of Chicago, Ill., of control of such rights through the purchase. Applicants' attorneys: Axelrod, Goodman & Steiner, 39 South La Salle Street, Chicago, Ill., 60603, and Samuel D. Magavern, 621 Erie County Bank Building, Buffalo, N.Y., 14202. Operating rights sought to be transferred: Under a certificate of registration, in Docket No. MC-98730 (Sub-No. 1), covering the transportation of general commodities, as a *common carrier*, in intrastate commerce, within the State of New York. Vendee is authorized to operate as a *common carrier* in Missouri, Massachusetts, Illinois, New York, Indiana, Connecticut, Pennsylvania, Maryland, Wisconsin, Ohio, Minnesota, New Jersey, Kansas, Iowa, Nebraska, Rhode Island, Michigan, and the District of Columbia. Application has been filed for temporary authority under section 210a(b). NOTE: Docket No. MC-69116 (Sub-No. 97) is a matter directly related.

No. MC-F-9394. Authority sought for purchase by A-P-A TRANSPORT CORP., 2110 85th Street, North Bergen, N.J., of the operating rights and property of G. F. TRUCKING, INC., 318 Exchange Street, New Haven, Conn., and for acquisition by A-P-A TRUCK LEASING CORP., also of North Bergen, N.J., of control of such rights and property through the purchase. Applicants' attorneys and representative: Zelby & Burstein, 160 Broadway, New York, N.Y., and Sigmund L. Miller, 55 Main Street, Bridgeport, Conn. Operating rights sought to be transferred: Under a certificate of registration, in Docket No. MC-98280 (Sub-No. 1), covering the transportation of general commodities, as a *common carrier*, in intrastate commerce, within the State of Connecticut. Vendee is authorized to operate as a *common carrier* in New Jersey, New York, Connecticut, and Pennsylvania. Application has been filed for temporary authority under section 210a(b). NOTE: Docket No. MC-25399 (Sub-No. 4) is a matter directly related.

No. MC-F-9396. Authority sought for control by TRANSPORT SERVICE, INC., 5231 Monroe Street, Denver, Colo., 80216, of WESTWAY MOTOR

FREIGHT, INC., 4350 Kendrick Street, Golden, Colo., 84301, and for acquisition by DONN D. McMORRIS, also of Denver, Colo., of control of WESTWAY MOTOR FREIGHT, INC., through the acquisition by TRANSPORT SERVICE, INC. Applicants' attorney: Alvin J. Meiklejohn, Jr., 420 Denver Club Building, Denver, Colo., 80202. Operating rights sought to be controlled: *General commodities*, excepting, among others, household goods and commodities in bulk, as a *common carrier*, over regular routes, between Denver, Colo., and Golden, Colo., serving all intermediate points, between Denver, Colo., and Watkins, Colo., serving all intermediate points (except Aurora, Colo.); *general commodities*, excepting, among others, household goods and commodities in bulk, over irregular routes, between Denver, Broomfield, and Littleton, Colo., and points in that part of Jefferson County, Colo., on and north of U.S. Highway 285, between Denver, Broomfield, and Littleton, Colo., and points in that part of Jefferson County, Colo., on and north of U.S. Highway 285, on the one hand, and, on the other, points in Colorado. Restriction: The operations authorized immediately above are restricted to the transportation of shipments which originate at or are destined to points in that part of Colorado on and west of U.S. Highway 87. TRANSPORT SERVICE, INC., holds no authority with this Commission. However, it controls NORTH EASTERN MOTOR FREIGHT, INC., 5231 Monroe Street, Denver, Colo., which is authorized to operate as a *common carrier* in Colorado, Nebraska, and Wyoming. Application has not been filed for temporary authority under section 210a(b).

No. MC-F-9397. Authority sought for purchase by DENVER CHICAGO TRUCKING COMPANY, INC. (name proposed to be changed to DC INTERNATIONAL, INC.), 45th Avenue at Jackson Street, Denver, Colo., of a portion of the operating rights of LYNDEN TRANSFER, INC., Post Office Box 433, Lynden, Wash., and for acquisition by LESLIE G. TAYLOR, also of Denver, Colo., of control of such rights through the purchase. Applicants' attorneys: Axelrod, Goodman & Steiner, 39 South La Salle Street, Chicago, Ill., 60603, and James T. Johnson, 1610 IBM Building, 1200 South Fifth Avenue, Seattle, Wash., 98101. Operating rights sought to be transferred: *General commodities*, except those of unusual value, class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment, clay, clay brick, clay flue lining, clay tile, and clay pipe, as a *common carrier*, over regular routes, between Lynden, Wash., and Seattle, Wash., serving the intermediate and off-route points of Stanwood, Burlington, and Silvana, Wash., and those in Washington within 5 miles of Lynden, unrestricted, and serving the intermediate point of Bellingham, Wash., for joinder only, between Bellingham, Wash., and the United States-Canada boundary line at the port of entry at or near Blaine,



Wash., serving no intermediate points, and serving Bellingham for joinder only, between Bellingham, Wash., and the United States-Canada boundary line at the port of entry at or near Sumas, Wash., serving no intermediate points, and serving Bellingham for joinder only, between Everett, Wash., and the United States-Canada boundary line at the port of entry approximately 8 miles north of Oroville, Wash., serving no intermediate points, between the junction of U.S. Highways 2 and 97 (north of Wenatchee, Wash.), and Spokane, Wash., serving no intermediate points, and serving the termini for purpose of joinder only, between Seattle, Wash., and the United States-Canada boundary line at the port of entry at or near Eastport, Idaho, serving no intermediate points, between Spokane, Wash., and junction U.S. Highways 195 and 95 at or near Sandpoint, Idaho, serving no intermediate points, and serving the termini for purpose of joinder only; *general commodities*, except those of unusual value, high explosives, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading, clay, clay brick, clay flue lining, clay tile and clay pipe, between Lynden, Wash., and Bellingham, Wash., serving all intermediate points.

Restriction: Service is authorized only on shipments moving in foreign commerce to, from or through points in Canada lying south of a straight line drawn East and West through Prince George, British Columbia. Vendee is authorized to operate as a *common carrier* in Arizona, California, Colorado, Connecticut, Idaho, Illinois, Indiana, Iowa, Kentucky, Kansas, Massachusetts, Michigan, Missouri, Nebraska, New Mexico, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Utah, Washington, and Wyoming. Application has not been filed for temporary authority under section 210a(b). NOTE: Docket No. MC-65802, Sub 35, is concurrently filed.

By the Commission.

[SEAL] H. NEIL GARSON,  
Secretary.

[F.R. Doc. 66-3957; Filed, Apr. 12, 1966;  
8:45 a.m.]

[Notice 906]

## MOTOR CARRIER APPLICATIONS AND CERTAIN OTHER PROCEEDINGS

APRIL 8, 1966.

The following publications are governed by the new Special Rule 1.247 of the Commission's rules of practice, published in the FEDERAL REGISTER, issue of December 3, 1963, which became effective January 1, 1964.

The publications hereinafter set forth reflect the scope of the applications as filed by applicant, and may include descriptions, restrictions, or limitations which are not in a form acceptable to the Commission. Authority which ultimately may be granted as a result of the applications here noticed will not

necessarily reflect the phraseology set forth in the application as filed, but also will eliminate any restrictions which are not acceptable to the Commission.

### APPLICATIONS ASSIGNED FOR ORAL HEARING

#### MOTOR CARRIERS OF PROPERTY

The applications immediately following are assigned for hearing at the time and place designated in the notice of filing as here published in each proceeding. All of the proceedings are subject to the special rules of procedure for hearing outlined below:

#### Special rules of procedure for hearing.

(1) All of the testimony to be adduced by applicant's company witnesses shall be in the form of written statements which shall be submitted at the hearing at the time and place indicated.

(2) All of the written statements by applicant's company witnesses shall be offered in evidence at the hearing in the same manner as any other type of evidence. The witnesses submitting the written statements shall be made available at the hearing for cross-examination, if such becomes necessary.

(3) The written statements by applicant's company witnesses, if received in evidence, will be accepted as exhibits. To the extent the written statements refer to attached documents such as copies of operating authority, etc., they should be referred to in written statement as numbered appendices thereto.

(4) The admissibility of the evidence contained in the written statements and the appendices thereto, will be at the time of offer, subject to the same rules as if the evidence were produced in the usual manner.

(5) Supplemental testimony by a witness to correct errors or to supply inadvertent omissions in his written statement is permissible.

No. MC 2136 (Sub-No. 20), filed March 30, 1966. Applicant: CLEMANS TRUCK LINE, INC., 815 West Sample Street, South Bend, Ind. Applicant's representative: Ferdinand Born, 601 Chamber of Commerce Building, Indianapolis 4, Ind. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel and iron and steel articles*, between points in Ohio, Illinois, Indiana, Michigan, Pennsylvania, Wisconsin, Kentucky, and West Virginia.

HEARING: April 25, 1966, in Courtroom No. 9, Ninth Floor, U.S. Post Office and Courthouse, Grant Street and Seventh Avenue, Pittsburgh, Pa., before Examiner Warren C. White.

No. MC 2401 (Sub-No. 29), filed April 1, 1966. Applicant: MOTOR FREIGHT CORPORATION, 2245 South 13th Street, Terre Haute, Ind. Applicant's representative: Ferdinand Born, 601 Chamber of Commerce Building, Indianapolis, Ind. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel, and iron and steel articles*, between points in Ohio, Illinois, Indiana, Michigan, Pennsylvania, Wisconsin, Kentucky, and West Virginia.

HEARING: April 25, 1966, at the Courtroom No. 9, Ninth Floor, U.S. Post Office and Courthouse, Grant Street and Seventh Avenue, Pittsburgh, Pa., before Examiner Warren C. White.

No. MC 17002 (Sub-No. 31), filed March 29, 1966. Applicant: CASE DRIVE-AWAY, INC., 6001 U.S. Route 60, East Huntington, W. Va. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel and iron and steel articles*, between points in Illinois, Indiana, Kentucky, Maryland, Michigan, New York, Ohio, Pennsylvania, and West Virginia.

HEARING: April 25, 1966, at the Courtroom No. 9, Ninth Floor, U.S. Post Office and Courthouse, Grant Street and Seventh Avenue, Pittsburgh, Pa., before Examiner Warren C. White.

No. MC 29079 (Sub-No. 28), filed April 7, 1966. Applicant: BRADA MILLER FREIGHT SYSTEM, INC., 1200 Home Avenue, Kokomo, Ind., 46901. Applicant's representative: David Axelrod, 39 South La Salle Street, Chicago, Ill., 60603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel, and iron and steel articles*, between points in Pennsylvania, West Virginia, Michigan, Ohio, Illinois, Indiana, Wisconsin, Kentucky, and Missouri.

HEARING: April 25, 1966, in Courtroom No. 9, Ninth Floor, U.S. Post Office and Courthouse, Grant Street and Seventh Avenue, Pittsburgh, Pa., before Examiner Warren C. White.

No. MC 38383 (Sub-No. 19), filed March 30, 1966. Applicant: THE GLENN CARTAGE COMPANY, 1115 South State Street, Girard, Ohio. Applicant's representative: Walter F. Jones, Jr., 601 Chamber of Commerce Building, Indianapolis 4, Ind. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel, and iron and steel articles, and steel mill supplies*, between points in Pennsylvania, West Virginia, Ohio, Indiana, Illinois, New York, Michigan, Wisconsin, Iowa, and Minnesota.

HEARING: April 25, 1966, in Courtroom No. 9, Ninth Floor, U.S. Post Office and Courthouse, Grant Street and Seventh Avenue, Pittsburgh, Pa., before Examiner Warren C. White.

No. MC 68980 (Sub-No. 8), filed April 4, 1966. Applicant: CHECKER EXPRESS CO., a corporation, 960 West Montana, Milwaukee, Wis. Applicant's representative: David Axelrod, 39 South La Salle Street, Chicago, Ill., 60603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel, and iron and steel articles*, between points in Pennsylvania, Ohio, West Virginia, Indiana, Illinois, Wisconsin, and Michigan.

HEARING: April 25, 1966, at the Courtroom No. 9, Ninth Floor, U.S. Post Office and Courthouse, Grant Street and Seventh Avenue, Pittsburgh, Pa., before Examiner Warren C. White.

No. MC 75185 (Sub-No. 263), filed March 30, 1966. Applicant: SERVICE TRUCKING CO., INC., Post Office Box



276, Federalsburg, Md., 21632. Applicant's representative: James W. Lawson, 1000 16th Street NW., Washington, D.C., 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat byproducts, and articles distributed by meat packing-houses*, as described in Sections A and C of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766, from points in Iowa, to points in Connecticut, Delaware, Indiana, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, and the District of Columbia.

**HEARING:** April 25, 1966, at the Iowa Commerce Commission, East 12th and Court Avenue, Des Moines, Iowa, before Examiner William E. Messer.

No. MC 102401 (Sub-No. 10), filed March 31, 1966. Applicant: TAYLOR HEAVY HAULING, INC., 20601 West Ireland Road, Post Office Box 2657, Station A, South Bend, Ind. Applicant's representative: Walter F. Jones, Jr., 601 Chamber of Commerce Building, Indianapolis, Ind. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel, iron and steel articles, and steel mill supplies*, from points in Pennsylvania and Ohio to points in Illinois, Michigan, and Indiana.

**HEARING:** April 25, 1966, in Courtroom No. 9, Ninth Floor, U.S. Post Office and Courthouse, Grant Street and Seventh Avenue, Pittsburgh, Pa., before Examiner Warren C. White.

No. MC 112063 (Sub-No. 10), filed April 6, 1966. Applicant: P. I. & I. MOTOR EXPRESS, INC., Broadway Avenue Extension, Masury, Ohio. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular

routes, transporting: *Iron and steel, iron and steel articles and steel mill supplies*, between points in Pennsylvania, Illinois, Ohio, Indiana, and Michigan.

**HEARING:** April 25, 1966, at the Courtroom No. 9, Ninth Floor, U.S. Post Office and Courthouse, Grant Street and Seventh Avenue, Pittsburgh, Pa., before Examiner Warren C. White.

No. MC 113434 (Sub-No. 22), filed April 6, 1966. Applicant: GRA-BELL TRUCK LINE, INC., 679 Lincoln Avenue, Holland, Mich. Applicant's representative: Wilhelmina Boersma, 1600 First Federal Building, 1001 Woodward Avenue, Detroit, Mich., 48226. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel, and iron and steel articles, and refused, damaged or rejected shipments*, between points in Pennsylvania, Ohio, Indiana, and Michigan.

**HEARING:** April 25, 1966, at the Courtroom No. 9, Ninth Floor, U.S. Post Office and Courthouse, Grant Street and Seventh Avenue, Pittsburgh, Pa., before Examiner Warren C. White.

No. MC 126039 (Sub-No. 3) (Republication), filed March 16, 1966. Issues published in FEDERAL REGISTER April 7, 1966, and republished this issue. Applicant: MORGAN TRANSPORTATION SYSTEM, INC., U.S. Highways 6 and 15, New Paris, Ind. Applicant's representative: Walter F. Jones, Jr., 601 Chamber of Commerce Building, Indianapolis, Ind. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel and iron and steel articles*, between points in Ohio, Illinois, Indiana, Michigan, New York, Pennsylvania, Wisconsin, Kentucky, and West Virginia. **NOTE:** The purpose of this republication is to reflect the hearing information.

**HEARING:** April 25, 1966, at the Courtroom No. 9, Ninth Floor, U.S. Post

Office and Courthouse, Grant Street and Seventh Avenue, Pittsburgh, Pa., before Examiner Warren C. White.

By the Commission.

[SEAL]

H. NEIL GARSON,  
Secretary.

[F.R. Doc. 66-3958; Filed, Apr. 12, 1966; 8:45 a.m.]

[Third Rev. S.O. 562; Pfahler's ICC Order No. 200, Amdt. 1]

### CERTAIN U.S. RAILROADS'

#### Rerouting of Traffic

Upon further consideration of Pfahler's ICC Order No. 200 and good cause appearing therefor:

*It is ordered, That:*

Pfahler's ICC Order No. 200 be, and it is hereby amended by substituting the following paragraph (g) for paragraph (g) thereof:

(g) *Expiration date.* This order shall expire at 11:59 p.m., May 9, 1966, unless otherwise modified, changed, or suspended.

*It is further ordered,* That this amendment shall become effective at 11:59 p.m., April 9, 1966, and that this order shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement, and by filing it with the Director, Office of the Federal Register.

Issued at Washington, D.C., April 7, 1966.

INTERSTATE COMMERCE  
COMMISSION,  
R. D. PFAHLER,  
Agent.

[SEAL]

[F.R. Doc. 66-3959; Filed, Apr. 12, 1966; 8:45 a.m.]



CUMULATIVE LIST OF CFR PARTS AFFECTED—APRIL

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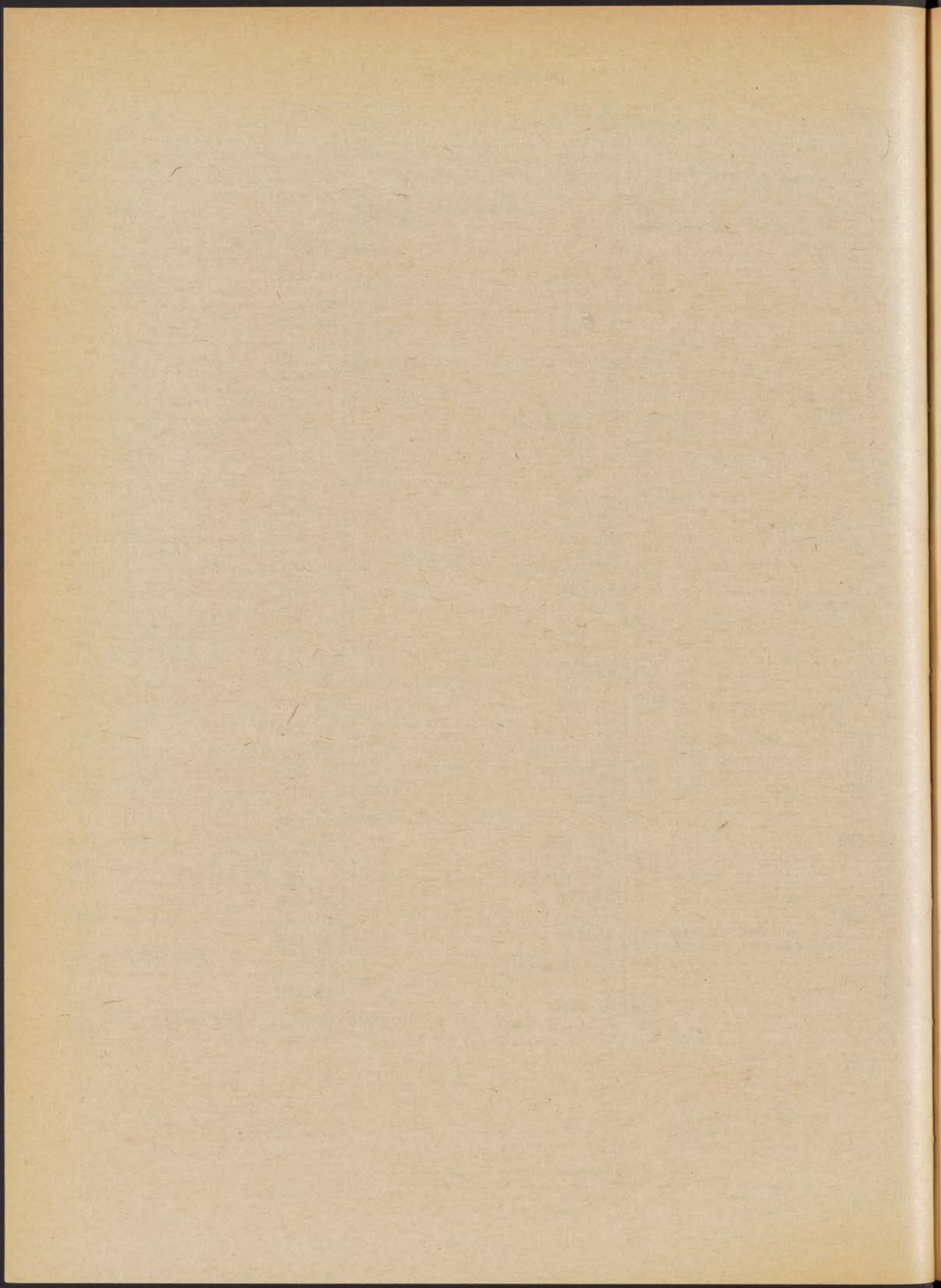


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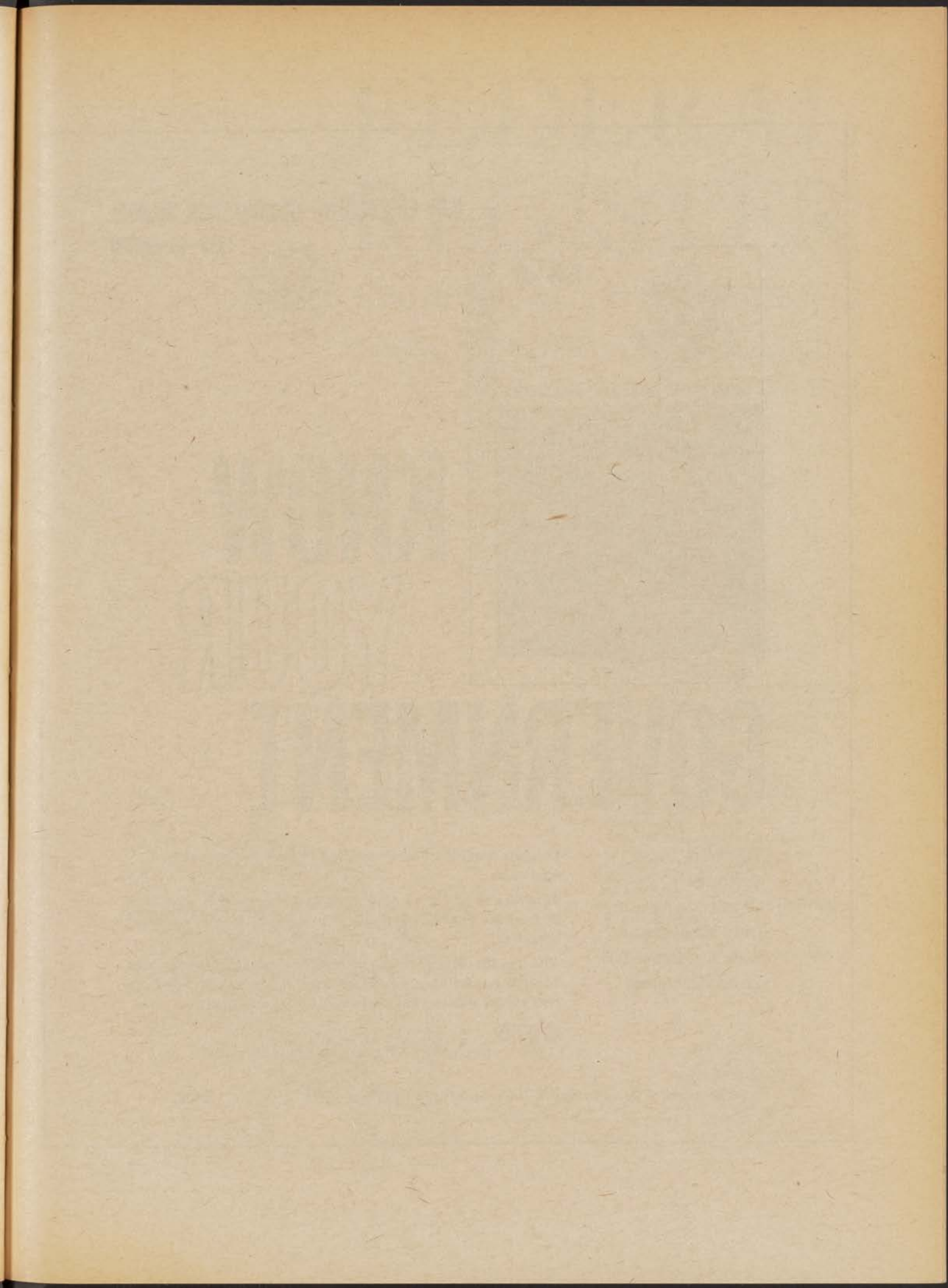
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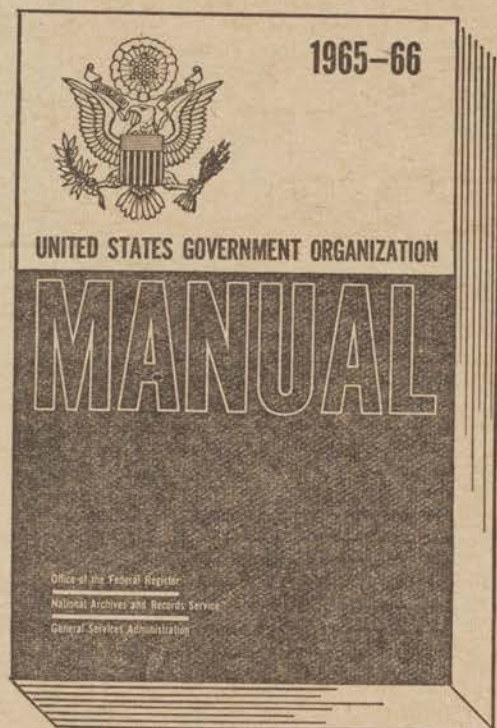






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