

FEDERAL REGISTER

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Agricultural Research Service
Civil Aeronautics Board
Civil Service Commission
Commodity Credit Corporation
Consumer and Marketing Service
Defense Department
Federal Aviation Administration
Federal Communications Commission
Federal Deposit Insurance Corporation
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Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission PART 213—EXCEPTED SERVICE Department of Agriculture

Section 213.3113 is amended to show a reduction from 20 to 15 in the number of Program Assistant positions that are under Schedule A when filled by persons whose current service at the State level in the Department has provided specialized knowledge and experience needed by the Department for the more efficient administration of its programs. At the same time, the authority is made available for positions in grade GS-12 and use of the authority has been extended from December 31, 1969, to June 30, 1970. Effective on publication in the FEDERAL REGISTER, subparagraph (9) of paragraph (a) of § 213.3113 is amended as set out below.

§ 213.3113 Department of Agriculture.

(a) General. * * *

(9) Not to exceed 15 positions of Program Assistant GS-12-15 when filled by persons whose current service in agricultural programs of the Department at the State level has provided specialized knowledge and experience needed by the Department for the more efficient administration of its programs. No new appointments may be made under this authority after June 30, 1970.

(5 U.S.C. 3301, 3302, E.O. 10577; 3 CFR 1954-58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 70-1613; Filed, Feb. 9, 1970; 8:45 a.m.]

PART 213—EXCEPTED SERVICE

Cabinet Committee on Opportunities for Spanish-Speaking People

The headnote of § 213.3123 is amended to show that the Schedule A authority available to the Interagency Committee on Mexican American Affairs has been made available to the successor Cabinet Committee on Opportunities for Spanish-Speaking People. Effective January 1, 1970, the headnote of § 213.3123 is amended as set out below.

§ 213.3123 Cabinet Committee on Opportunities for Spanish-Speaking People.

(5 U.S.C. 3301, 3302, E.O. 10577; 3 CFR 1954-58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 70-1610; Filed, Feb. 9, 1970; 8:45 a.m.]

PART 213—EXCEPTED SERVICE

Department of the Interior

Section 213.3312 is amended to show that one position of Staff Assistant to the Director, Environmental Planning Staff, is excepted under Schedule C. Effective on publication in the FEDERAL REGISTER, subparagraph (20) is added to paragraph (a) of § 213.3312 as set out below.

§ 213.3312 Department of the Interior.

(a) Office of the Secretary. * * *

(20) One Staff Assistant to the Director, Environmental Planning Staff.

(5 U.S.C. 3301, 3302, E.O. 10577; 3 CFR 1954-58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 70-1611; Filed, Feb. 9, 1970; 8:45 a.m.]

PART 213—EXCEPTED SERVICE

Office of Emergency Preparedness

Section 213.3326 is amended to show that one additional position of Special Assistant to the Director is excepted under Schedule C. Effective on publication in the FEDERAL REGISTER, subparagraph (3) of paragraph (a) of § 213.3326 is amended as set out below.

§ 213.3326 Office of Emergency Preparedness.

(a) Office of the Director. * * *

(3) Four Special Assistants to the Director.

(5 U.S.C. 3301, 3302, E.O. 10577; 3 CFR 1954-58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 70-1612; Filed, Feb. 9, 1970; 8:45 a.m.]

Title 7—AGRICULTURE

Chapter IX—Consumer and Marketing Service (Marketing Agreements and Orders; Fruits, Vegetables, Nuts), Department of Agriculture

[Lemon Reg. 412, Amdt. 1]

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient, and this amendment relieves restriction on the handling of lemons grown in California and Arizona.

Order, as amended. The provisions in paragraph (b) (1) (i), (ii), and (iii) of § 910.712 (Lemon Reg. 412, 35 F.R. 1275) are hereby amended to read as follows:

§ 910.712 Lemon Regulation 412.

(b) Order. (1) * * *

- (i) District 1: 38,130 cartons;
- (ii) District 2: 93,000 cartons;
- (iii) District 3: 87,420 cartons.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: February 5, 1970.

PAUL A. NICHOLSON,
Acting Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 70-1668; Filed, Feb. 9, 1970; 8:49 a.m.]

[947.328, Amdt. 3]

PART 947—IRISH POTATOES GROWN IN MODOC AND SISKIYOU COUNTIES IN CALIFORNIA AND IN ALL COUNTIES IN OREGON EXCEPT MALHEUR COUNTY

Limitation of Shipments

Findings. (a) Pursuant to Marketing Agreement No. 114 and Order No. 947, both as amended (7 CFR Part 947), regulating the handling of Irish potatoes grown in the production area defined therein, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and upon the basis of recommendations and information submitted by the Oregon-California Potato Committee, established pursuant to the said marketing agreement and order, it is hereby found that the amendment to the limitation of shipments hereinafter set forth, will tend to effectuate the declared policy of the act.

(b) It is hereby found that it is impracticable and contrary to the public interest to give preliminary notice or engage in public rule making procedure, and that good cause exists for not postponing the effective date of this amendment until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 553) in that (1) shipments of 1969 crop potatoes grown in the production area are now being made, (2) to maximize benefits to producers, this amendment should apply to as many shipments as possible during the effective period, (3) compliance with this amendment will not require any special preparation by handlers which cannot be completed by the effective date, (4) information regarding the committee's recommendation has been made available to producers and handlers in the production area who will be affected by the amendment, and (5) this amendment reduces the grade requirement on shipments of potatoes for prepeeling.

Order, as amended. Paragraph (c) of § 947.328 (34 F.R. 11136; 17161; 18171) is hereby further amended to read as follows:

§ 947.328 Limitation of shipments.

(c) *Special purpose shipments.* The minimum grade, size, and maturity requirements set forth in paragraphs (a) and (b) of this section shall not be applicable to shipments of potatoes for any of the following purposes:

(1) Certified seed.

(2) Grading and storing, planting, or livestock feed: *Provided*, That potatoes may not be shipped for such purposes outside of the district where grown except that: (i) Potatoes grown in District No. 2 or District No. 4 may be shipped for grading and storing, for planting, or for livestock feed within, or to, such districts for such purposes; (ii) potatoes grown in any one district may be shipped to a receiver in any other district within the production area for grading if such receiver is substantiated and recognized by the committee as a processor of canned, frozen, dehydrated, or prepeeled products, potato chips, or potato sticks.

- (3) Charity.
- (4) Starch.
- (5) Canning or freezing.
- (6) Export: *Provided*, That all varieties of potatoes handled pursuant to this subparagraph shall be at least U.S. No. 1 grade and 1 $\frac{3}{4}$ to 2 $\frac{1}{4}$ inches in diameter.
- (7) Potato chipping: *Provided*, That all potatoes handled for chipping shall be at least "U.S. No. 2 Potatoes for Processing" grade 1 $\frac{3}{4}$ inches minimum diameter.
- (8) Dehydration.
- (9) Prepeeling.
- (10) Potato sticks (French fried shoe-string potatoes): *Provided*, That all varieties of potatoes handled pursuant to subparagraphs (8) and (10) of this paragraph shall be 1 $\frac{3}{4}$ to 2 $\frac{1}{4}$ inches in diameter and at least 85 percent U.S. No. 1 grade and all varieties of potatoes handled pursuant to subparagraph (9) of this paragraph shall be at least 1 $\frac{3}{4}$ inches in diameter and "U.S. No. 2 Potatoes for Processing" grade or better.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: February 5, 1970, to become effective February 5, 1970.

PAUL A. NICHOLSON,
Acting Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 70-1669; Filed, Feb. 9, 1970; 8:49 a.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[Amdt. 1]

PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES

Subpart—1966-70 Payment-in-Kind Regulations—Price Support and Diversion

MISCELLANEOUS AMENDMENTS

The regulations issued by the Commodity Credit Corporation published in 31 F.R. 3385 and containing the 1966-69 Payment-in-Kind Regulations—Price Support and Diversion are hereby amended as follows:

1. In accordance with authority conferred by Public Law 90-559, 82 Stat. 996, the 1966-69 Payment-In-Kind Regulations published by Commodity Credit Corporation in 31 F.R. 3385, are hereby extended through the 1970 crop year to provide a payment-in-kind program with respect to the 1970 crop of feed grains.

2. The program title is hereby amended to read "1966-1970 Payment-In-Kind Regulations—Price Support and Diversion" and any references to the "1966-1969" program regulations period are hereby amended to read "1966-1970."

3. In § 1421.3775 paragraph (b) is amended by deleting the last sentence. The amended paragraph reads as follows:

§ 1421.3775 Description of certificates.

(b) *Face value.* The face value of the certificate(s) issued to any payee shall be the amount(s) for which the payee is approved for payment. A certificate shall be accepted by CCC at face value if, within 30 days after the date of issuance shown thereon, it is tendered to CCC for redemption in grain or for marketing. If after such 30-day period the certificate is tendered to CCC for redemption in grain or for marketing, the value at which the certificate is accepted shall be the face value reduced by one twenty-fifth of 1 percent for each day beginning on the 31st day after issuance to but not including the date of redemption, or, if it is tendered for marketing, not including the date it is tendered to CCC.

4. Sections 1421.3778(a) and 1421.3779 are amended by making reference to the CCC Annual and Monthly Sales List as a source of CCC minimum sales price policy. The amended sections read as follows:

§ 1421.3778 Marketing of certificates.

(a) All certificates for which payees have requested CCC's assistance in marketing shall be pooled by CCC and shall lose their identity as individual certificates. The amount of the certificate pool(s) shall be the total of the value of certificates of which CCC has made constructive delivery to the payees and the value of the certificates presented to the county office by the payees for marketing by CCC. Such amount shall be equal to the amount of cash advances. CCC shall market the rights represented by pooled certificates at such times and in such manner as it determines will best effectuate the purpose of the program. Such rights shall be marketed for immediate use by the purchaser to obtain delivery of grain from CCC. CCC reserves the right to determine the time and place of delivery and the kind, class, grade, quality, and quantity of grain for which such rights may be redeemed. Such grain delivered by CCC shall be valued at the market price at point of delivery as determined by CCC, but not less than the applicable current price support loan rate, plus such markups or carrying charges or both as may be specified by the Executive Vice President of CCC in the applicable CCC Annual or Monthly Sales List or both. Such grain shall not be eligible for tender to CCC under the price support program.

§ 1421.3779 Redemption in grain by payees.

At the option of CCC, certificates may be redeemed in corn and grain sorghum, and may be redeemed in barley during the marketing year beginning July 1, 1966, and any subsequent marketing year in which the Secretary designates barley as a "feed grain" under the acreage diversion program. Such grains are herein referred to as "grain." CCC reserves the right to determine the kind,

class, grade, or quality of grain for which certificates may be redeemed and to restrict the availability of any grain in any area at any time whenever such action is deemed necessary, either to effectuate the purposes of the program or in the interest of CCC inventory management. Certificates held by a payee shall be redeemed, at the option of CCC, in grain in warehouses, in CCC bin sites or at points designated by CCC in the county in which the certificate was issued or in the nearest county in which grain is made available for redemption. Certificates may also be redeemed in grain delivered by a payee under such price support loans as may be designated by CCC. Grain delivered by CCC in redemption of certificates shall be valued at market price at point of delivery as determined by CCC, but not less than the applicable current loan rate, plus such markups and/or carrying charges as may be specified by the Executive Vice President of CCC in the applicable CCC Annual or Monthly Sales List or both. Such grain shall not be eligible for tender to CCC under the price support program.

5. In § 1421.3790, paragraphs (b) and (c) are amended to change ASCS commodity office addresses and telephone numbers. The amended paragraphs read as follows:

§ 1421.3790 ASCS commodity offices.

(b) Chicago ASCS Branch Office, 226 West Jackson Boulevard, Chicago, Ill. 60606, Telephone: 353-6581. (Branch of Kansas City ASCS Commodity Office.)

(c) Minneapolis ASCS Branch Office, Room 310, Grain Exchange Building, Minneapolis, Minn. 55415, Telephone: 725-2051. (Branch of Kansas City ASCS Commodity Office.)

Effective date. This amendment shall become effective on the date of its publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on February 4, 1970.

KENNETH E. FRICK,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 70-1615; Filed, Feb. 9, 1970; 8:45 a.m.]

Title 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

SUBCHAPTER C—INTERSTATE TRANSPORTATION OF ANIMALS AND POULTRY

PART 76—HOG CHOLERA AND OTHER COMMUNICABLE SWINE DISEASES

Areas Quarantined

Pursuant to provisions of the Act of May 29, 1884, as amended, the Act of February 2, 1903, as amended, the Act of March 3, 1905, as amended, the Act

of September 6, 1961, and the Act of July 2, 1962 (21 U.S.C. 111-113, 114g, 115, 117, 120, 121, 123-126, 134b, 134f), Part 76, Title 9, Code of Federal Regulations, restricting the interstate movement of swine and certain products because of hog cholera and other communicable swine diseases, is hereby amended in the following respects:

1. In § 76.2, paragraph (e) (9) relating to the State of North Carolina, subdivision (i) relating to Cumberland County and subdivision (iii) relating to Edgecombe and Halifax Counties are deleted.

2. In § 76.2, paragraph (e) (3) relating to the State of Illinois, subdivision (vi) is amended to read:

(3) *Illinois.* * * *

(vi) That portion of Montgomery County comprised of Audobon, Bois Darc, Butler Grove, East Fork, Fillmore, Harvel, Hillsboro, Irving, Nokomis, Raymond, Rountree, and Witt Townships.

3. In § 76.2, paragraph (e) (7) relating to the State of Mississippi, subdivisions (i) and (iii) are amended to read:

(7) *Mississippi.* (i) Calhoun County.

(iii) That portion of Rankin County beginning at the junction of the Pearl River and the Black Top County Road (south of the Ross Barnett Reservoir) known locally as Scenic Drive Road; thence, following Scenic Drive Road in a southeasterly direction to State Highway 471; thence, following State Highway 471 in a northerly direction to Pelohotchie Creek; thence, following the south bank of Pelohotchie Creek in a generally southeasterly direction to U.S. Highway 80; thence, following U.S. Highway 80 in a southwesterly direction to the Gulde-Shilo County Road; thence, following the Gulde-Shilo County Road in a southeasterly direction to Shilo; thence, following the Shilo-Micro Wave Station County Road in a southwesterly direction to Micro Wave Station; thence, following the Micro Wave Station-Johns County Road in a southeasterly direction to State Highway 18; thence, following State Highway 18 in a northwesterly direction to Tumbaloo Creek; thence, following the north bank of Tumbaloo Creek in a northwesterly direction to Richland Creek; thence, following the north bank of Richland Creek in a northwesterly direction to State Highway 468; thence, following State Highway 468 in a northerly direction to U.S. Highway 80; thence, following U.S. Highway 80 in a westerly direction to the Pearl River; thence, following the east bank of the Pearl River in a northeasterly direction to its junction with the Scenic Drive Road (south of Ross Barnett Reservoir).

4. In § 76.2, paragraph (e) (14) relating to the State of Virginia, new subdivisions (iv) and (v) are added to read:

(14) *Virginia.* * * *

(iv) That portion of Isle of Wight County bounded by a line beginning at the junction of Secondary Highway 655 and U.S. Highway 258; thence, following U.S. Highway 258 in a generally easterly direction to Secondary Highway 704;

thence, following Secondary Highway 704 in an easterly direction to Secondary Highway 669; thence, following Secondary Highway 669 in a south-easterly direction to Secondary Highway 665; thence, following Secondary Highway 665 in a southwesterly direction to U.S. Highway 258; thence, following U.S. Highway 258 in a northwesterly direction to Secondary Highway 644; thence, following Secondary Highway 644 in a southwesterly direction to Secondary Highway 620; thence, following Secondary Highway 620 in a northwesterly direction to Secondary Highway 655; thence, following Secondary Highway 655 in a northerly direction to its junction with U.S. Highway 258.

(v) That portion of Surry County bounded by a line beginning at the junction of Secondary Highway 611 and Secondary Highway 612; thence, following Secondary Highway 611 in a southeasterly direction to Secondary Highway 616; thence, following Secondary Highway 616 in a southwesterly direction to Secondary Highway 615; thence, following Secondary Highway 615 in a southeasterly direction to Secondary Highway 614; thence, following Secondary Highway 614 in a generally northwesterly direction to Secondary Highway 615; thence, following Secondary Highway 615 in a northwesterly direction to Secondary Highway 612; thence, following Secondary Highway 612 in a northeasterly direction to its junction with Secondary Highway 611.

(Secs. 4-7, 23 Stat. 32, as amended, secs. 1, 2, 32 Stat. 791-792, as amended, secs. 1-4, 33 Stat. 1264, 1265, as amended, sec. 1, 75 Stat. 481, secs. 3 and 11, 76 Stat. 130, 132; 21 U.S.C. 111, 112, 113, 114g, 115, 117, 120, 121, 123-126, 134b, 134f; 29 F.R. 16210, as amended)

Effective date. The foregoing amendments shall become effective upon issuance.

The amendments quarantine portions of Montgomery County, Illinois; portions of Rankin County, Miss.; and portions of Isle of Wight and Surry Counties in Virginia because of the existence of hog cholera. This action is deemed necessary to prevent further spread of the disease. The restrictions pertaining to the interstate movement of swine and swine products from or through quarantined areas as contained in 9 CFR Part 76, as amended, will apply to such counties.

The amendments also exclude Webster County in Mississippi and parts of Cumberland, Edgecombe, and Halifax Counties in North Carolina from the areas heretofore quarantined because of hog cholera. Therefore, the restrictions pertaining to the interstate movement of swine and swine products from or through quarantined areas as contained in 9 CFR Part 76, as amended, will not apply to the excluded areas, but will continue to apply to the quarantined areas described in § 76.2. Further, the restrictions pertaining to the interstate movement from nonquarantined areas contained in said Part 76 will apply to the areas excluded from quarantine.

Insofar as the amendments impose certain further restrictions necessary to

prevent the interstate spread of hog cholera they must be made effective immediately to accomplish their purpose in the public interest. Insofar as they relieve restrictions, they should be made effective promptly in order to be of maximum benefit to affected persons.

Accordingly, under the administrative procedure provisions in 5 U.S.C. 553, it is found upon good cause that notice and other public procedure with respect to the amendments are impracticable, unnecessary, and contrary to the public interest, and good cause is found for making them effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 4th day of February 1970.

GEORGE W. IRVING, JR.,
Administrator,
Agricultural Research Service.

[F.R. Doc. 70-1673; Filed, Feb. 9, 1970;
8:50 a.m.]

Title 12—BANKS AND BANKING

Chapter II—Federal Reserve System

SUBCHAPTER A—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

[Regs. D; Q]

PART 204—RESERVES OF MEMBER BANKS

PART 217—INTEREST ON DEPOSITS

Deposits in Foreign Branches

§ 204.112 Deposits in foreign branches guaranteed by domestic office of member bank.

(a) In accepting deposits at branches abroad, some member banks are reported to have entered into agreements from time to time with depositors that in effect guarantee payment of such deposits in the United States if the foreign branch is precluded from making payment. The question has arisen whether such deposits are subject to this Part 204 and Part 217 of this chapter (Regs. D and Q), and this interpretation is intended as a clarification.

(b) Section 19 of the Federal Reserve Act provides that the limitations prescribed therein on rates of interest paid on deposits are not applicable to deposits of a member bank "payable only at an office thereof located outside of the States of the United States and the District of Columbia" (12 U.S.C. 371a). The Board ruled in 1918 that the requirements of section 19 as to reserves to be carried by member banks also do not apply to foreign branches (1918 Federal Reserve Bulletin 1123).

(c) In the Board's judgment, the applicability of these exemptions from Regulation Q and Regulation D is limited to deposits in foreign branches as to which the depositor is entitled, under his agreement with the bank, to demand payment only outside the United States, regardless

of special circumstances. Said exemptions are intended principally to enable foreign branches of U.S. banks to compete on a more nearly equal basis with other banks in foreign countries in accordance with the laws and regulations of those countries. A customer who makes a deposit that is payable solely at a foreign branch assumes whatever risk may exist that the foreign country might impose restrictions on withdrawals. When payment of a deposit in a foreign branch is guaranteed by a promise of payment at a banking office in the United States if not paid at the foreign office, the depositor no longer assumes such risk, but enjoys substantially the same rights as if the deposit had been made in a U.S. office of the bank. To assure the effectiveness of Regulations D and Q and to prevent evasions thereof, the Board considers that such guaranteed foreign-branch deposits must be subject to those regulations.

(d) Accordingly, a deposit in a foreign branch of a member bank that is guaranteed by a domestic office is subject to the interest rate limitations and reserve percentages of Regulations Q and D the same as if the deposit had been made in the domestic office.

(e) This interpretation is not designed in any respect to prevent the head office of a U.S. bank from repaying borrowings from, making advances to, or supplying capital funds to its foreign branches.

§ 217.146 Deposits at foreign branches guaranteed by domestic office of member bank.

For text of this interpretation see § 204.112 of this subchapter. (12 U.S.C. 248(i). Interprets and applies 12 U.S.C. 371a, 371b, and 461.)

By order of the Board of Governors,
January 30, 1970.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

[F.R. Doc. 70-1652; Filed, Feb. 9, 1970;
8:48 a.m.]

Chapter III—Federal Deposit Insurance Corporation

SUBCHAPTER B—REGULATIONS AND STATEMENTS OF GENERAL POLICY

PART 329—INTEREST ON DEPOSITS

Interest on Time and Savings Deposits

Effective upon publication in the FEDERAL REGISTER, § 329.3(g) is amended to read as follows:

§ 329.3 Interest on time and savings deposits.

(g) *Time deposits of foreign governmental entities and international organizations.* Section 329.6 does not apply to the rate of interest that may be paid by an insured nonmember bank on a time deposit having a maturity of 2 years or less and representing funds deposited and

owned by (1) a foreign national government, or an agency or instrumentality thereof¹¹ engaged principally in activities which are ordinarily performed in the United States by governmental entities, (2) an international entity of which the United States is a member, or (3) any other foreign, international or supranational entity specifically designated by the Board of Directors as exempt from § 329.6. All certificates of deposit issued by insured nonmember banks to such entities on which the contract rate of interest exceeds the maximum prescribed under § 329.6 shall provide that (i) in the event of transfer, the date of transfer, attested to in writing by the transferor, shall appear on the certificate, and (ii) the maximum rate limitations of § 329.6 in effect on the date of issuance of the certificate shall apply to the certificate for any period during which it is held by a person other than an entity exempt from § 329.6 under the foregoing sentence.¹² Upon the presentment of such a certificate for payment, the bank may pay the holder the contract rate of interest on the deposit for the time that the certificate was actually owned by an entity so exempt.

2. The present footnote 11 to § 329.3 (g) is redesignated as footnote 11a.

3a. The purpose of this amendment is to make it clear that only foreign national governments and agencies thereof with national jurisdiction are covered by § 329.3(g)(1).

b. The procedures of 5 U.S.C. sec. 553 (b) and of 12 CFR 302.1-302.5, with respect to notice, public participation, and deferred effective date were not followed because this amendment is of a clarifying nature implementing the basic purpose underlying the amendments to § 329.3 (g) adopted effective November 5, 1969. In these circumstances, the Board of Directors found such procedures to be unnecessary and contrary to the public interest.

(Secs. 9, 18(g), 64 Stat. 881-82, 83 Stat. 371, 12 U.S.C. 1819, 1828(g))

Dated at Washington, D.C., this 30th day of January 1970.

By order of the Board of Directors.

FEDERAL DEPOSIT INSURANCE CORPORATION,

[SEAL] E. F. DOWNEY,
Secretary.

[F.R. Doc. 70-1648; Filed, Feb. 9, 1970;
8:48 a.m.]

¹¹ Other than States, provinces, municipalities, or other regional or local governmental units, or agencies or instrumentalities thereof.

¹² A new certificate not maturing prior to the maturity date of the original certificate may be issued by the insured nonmember bank to the transferee, in which event the original must be retained by the bank. The new certificate may not provide for interest after the date of transfer at a rate in excess of the applicable maximum rate authorized by § 329.6 as of the date of issuance of the original certificate.

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Airspace Docket No. 69—CE—62]

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

Designation of Transition Area

On pages 12595 and 12596 of the FEDERAL REGISTER dated August 1, 1969, the Federal Aviation Administration published a notice of proposed rule making which would amend § 71.181 of Part 71 of the Federal Aviation Regulations so as to designate a transition area at Knoxville, Iowa.

Interested persons were given 45 days to submit written comments, suggestions, or objections regarding the proposed amendment.

No objections have been received and the amendment as so proposed is hereby adopted, subject to the following change:

The coordinates recited in the Knoxville, Iowa, Municipal Airport transition area designation as "latitude 41°17'50" N., longitude 93°06'35" W." are changed to read "latitude 41°18'00" N., longitude 93°06'40" W."

This amendment becomes effective 0901 G.m.t., April 2, 1970.

(Sec. 307(a), Federal Aviation Act of 1958, 49 U.S.C. 1348; sec. 6(c), Department of Transportation Act, 49 U.S.C. 1655(c))

Issued in Kansas City, Mo., on January 9, 1970.

EDWARD C. MARSH,
Director, Central Region.

In § 71.181 (35 F.R. 2134), the following transition area is added:

KNOXVILLE, IOWA

That airspace extending upward from 700 feet above the surface within a 5-mile radius of Knoxville Municipal Airport (latitude 41°18'00" N., longitude 93°06'40" W.) and within 3 miles each side of the 342° bearing from Knoxville Municipal Airport extending from the 5-mile radius area to 8 miles north of the airport.

[F.R. Doc. 70-1636; Filed, Feb. 9, 1970; 8:47 a.m.]

[Airspace Docket No. 69—EA—22]

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

Designation of Reporting Point

On January 1, 1970, F.R. Doc. 69-15511 was published in the FEDERAL REGISTER (35 F.R. 6) effective April 2, 1970. This document in part amended § 71.207 by designating certain high altitude reporting points. Through a typographical error the Peck, Mich., VOR was omitted from this list of designated reporting points. Action is taken herein to correct the amendment to include Peck, Mich.

Since this amendment is minor in nature and no substantive change in the

regulation is effected, notice and public procedure thereon are unnecessary.

In consideration of the foregoing, effective immediately, F.R. Doc. 69-15511 (35 F.R. 6) is amended as hereinafter set forth.

Item 3 is amended to read:

3. Section 71.207 (35 F.R. 2300) is amended by adding the following:

Chardon, Ohio; Dunkirk, N.Y.; Flint, Mich.; Keating, Pa.; Peck, Mich.; South Bend, Ind.; and Sparta, N.J.

(Sec. 307(a), Federal Aviation Act of 1958, 49 U.S.C. 1348; sec. 6(c), Department of Transportation Act, 49 U.S.C. 1655(c))

Issued in Washington, D.C., on February 2, 1970.

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

[F.R. Doc. 70-1644; Filed, Feb. 9, 1970; 8:47 a.m.]

[Airspace Docket No. 69—CE—114]

PART 73—SPECIAL USE AIRSPACE

Alteration of Restricted Area

On December 10, 1969, a notice of proposed rule making was published in the FEDERAL REGISTER (34 F.R. 19510) stating that the Federal Aviation Administration was considering an amendment to Part 73 of the Federal Aviation Regulations that would alter Restricted Area R-4207, Upper Lake Huron, Mich.

Interested persons were afforded an opportunity to participate in the proposed rule making through the submission of comments. All comments received were favorable.

In consideration of the foregoing, Part 73 of the Federal Aviation Regulations is amended, effective 0901 G.m.t., April 2, 1970, as hereinafter set forth.

Section 73.42 (35 F.R. 2335) is amended as follows:

In R-4207 Upper Lake Huron, Mich., "1100 to 0300 G.m.t., April 1 through October 31; 1300 to 2100 G.m.t., Thursday through Sunday, November 1 through March 31." is deleted and "Sunrise to sunset." is substituted therefor.

(Sec. 307(a), Federal Aviation Act of 1958, 49 U.S.C. 1348; sec. 6(c), Department of Transportation Act, 49 U.S.C. 1655(c))

Issued in Washington, D.C., on February 2, 1970.

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

[F.R. Doc. 70-1643; Filed, Feb. 9, 1970; 8:47 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. C-1874]

PART 13—PROHIBITED TRADE PRACTICES

Baron-Jackman, Inc., et al.

Subpart—Furnishing false guarantees: § 13.1053 *Furnishing false guarantees:*

13.1053-35 Fur Products Labeling Act. Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely:* 13.1108-45 Fur Products Labeling Act. Subpart—Misbranding or mislabeling: § 13.1185 *Composition:* 13.1185-30 Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* 13.1212-30 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1852 *Formal regulatory and statutory requirements:* 13.1852-35 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Baron-Jackman, Inc., et al., New York, N.Y., Docket C-1674, Jan. 20, 1970]

In the Matter of Baron-Jackman, Inc., a Corporation, and Martin Baron and Morris Jackman, Individually and as Officers of Said Corporation

Consent order requiring a New York City manufacturing furrier to cease falsely invoicing, deceptively guaranteeing, and misbranding its fur products.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondents Baron-Jackman, Inc., a corporation, and its officers, and Martin Baron and Morris Jackman, individually and as officers of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, or manufacture for introduction, into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product; or in connection with the manufacture for sale, sale, advertising, offering for sale, transportation or distribution, of any fur product which is made in whole or in part of fur which has been shipped and received in commerce, as the terms "commerce," "fur," and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding any fur product by:

1. Representing directly or by implication on a label that the fur contained in such fur product is natural when such fur is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

2. Failing to affix a label to such fur product showing in words and in figures plainly legible all of the information required to be disclosed by each of the subsections of section 4(2) of the Fur Products Labeling Act.

B. Falsely or deceptively invoicing any fur product by:

1. Failing to furnish an invoice, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b)(1) of the Fur Products Labeling Act.

2. Representing, directly or by implication, on an invoice that the fur contained in such fur product is natural when such fur is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

It is further ordered. That respondents Baron-Jackman, Inc., a corporation, and its officers, and Martin Baron and Morris Jackman, individually and as officers of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, do forthwith cease and desist from furnishing a false guaranty that any fur product is not misbranded, falsely invoiced or falsely advertised when the respondents have reason to believe that such fur product may be introduced, sold, transported, or distributed in commerce.

It is further ordered. That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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

Issued: January 20, 1970.

By the Commission.

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 70-1625; Filed, Feb. 9, 1970;
8:46 a.m.]

[Docket No. C-1670]

PART 13—PROHIBITED TRADE PRACTICES

Frank & Shakalis, Inc., et al.

Subpart—Furnishing false guaranties: § 13.1053 *Furnishing false guaranties*; 13.1053-35 Fur Products Labeling Act. Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely*; 13.1108-45 Fur Products Labeling Act. Subpart—Misbranding or mislabeling: § 13.1185 *Composition*; 13.1185-30 Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements*; 13.1212-30 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1845 *Composition*; 13.1845-30 Fur Products Labeling Act; § 13.1852 *Formal regulatory and statutory requirements*; 13.1852-35 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Frank & Shakalis, Inc., et al., New York, N.Y., Docket C-1670, Jan. 14, 1970]

In the Matter of Frank & Shakalis, Inc., a Corporation, and Michael Frank and Andrew Shakalis, Individually and as Officers of Said Corporation

Consent order requiring a New York City manufacturing furrier to cease falsely invoicing, deceptively guaranteeing and misbranding its fur products.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered. That respondents Frank & Shakalis, Inc., a corporation, and its of-

ficers, and Michael Frank and Andrew Shakalis, individually and as officers of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, or manufacture for introduction, into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product; or in connection with the manufacture for sale, sale, advertising, offering for sale, transportation or distribution of any fur product which is made in whole or in part of fur which has been shipped and received in commerce, as the terms "commerce," "fur," and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding fur products by:

1. Representing, directly or by implication, on labels that the fur contained in any fur product is natural when the fur contained therein is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

2. Failing to affix labels to fur products showing in words and in figures plainly legible all of the information required to be disclosed by each of the subsections of section 4(2) of the Fur Products Labeling Act.

3. Failing to set forth "natural" as part of the information required to be disclosed on labels under the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe fur products which are not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

4. Failing to set forth on labels the item number or mark assigned to each such fur product.

B. Falsely or deceptively invoicing fur products by:

1. Failing to furnish invoices, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b)(1) of the Fur Products Labeling Act.

2. Representing, directly or by implication, on invoices that the fur contained in the fur products is natural when such fur is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

3. Failing to set forth on invoices the item number or mark assigned to each such fur product.

It is further ordered. That respondents Frank & Shakalis, Inc., a corporation, and its officers, and Michael Frank and Andrew Shakalis, individually and as officers of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, do forthwith cease and desist from furnishing a false guaranty that any fur product is not misbranded, falsely invoiced or falsely advertised when the respondents have reason to believe that such fur product may be introduced, sold, transported, or distributed in commerce.

It is further ordered. That respondents notify the omission at least 30 days

prior thereto of any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

It is further ordered. That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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

Issued: January 14, 1970.

By the Commission.

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 70-1629; Filed, Feb. 9, 1970;
8:46 a.m.]

[Docket No. C-1673]

PART 13—PROHIBITED TRADE PRACTICES

Harry Kramer, Inc., et al.

Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely*; 13.1108-45 Fur Products Labeling Act. Subpart—Misbranding or mislabeling: § 13.1185 *Composition*; 13.1185-30 Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements*; 13.1212-30 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1845 *Composition*; 13.1845-30 Fur Products Labeling Act; § 13.1852 *Formal regulatory and statutory requirements*; 13.1852-35 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Harry Kramer, Inc., et al., New York, N.Y., Docket C-1673, Jan. 14, 1970]

In the Matter of Harry Kramer, Inc., a Corporation, and Harry Kramer and Burton Kramer, Individually and as Officers of Said Corporation

Consent order requiring a New York City manufacturing furrier to cease misbranding and falsely invoicing its fur products.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered. That respondents Harry Kramer, Inc., a corporation, and its officers, and Harry Kramer and Burton Kramer, individually and as officers of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, or manufacture for introduction, into commerce, or the sale, advertising or offering for sale in commerce, or the

transportation or distribution in commerce, of any fur product; or in connection with the manufacture for sale, sale, advertising, offering for sale, transportation or distribution, of any fur product which is made in whole or in part of fur which has been shipped and received in commerce, as the terms "commerce," "fur," and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding any fur product by:
 1. Failing to affix a label to such fur product showing in words and in figures plainly legible all of the information required to be disclosed by each of the subsections of section 4(2) of the Fur Products Labeling Act.

2. Failing to set forth the term "natural" as part of the information required to be disclosed on a label under the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

3. Setting forth information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder in handwriting on a label affixed to such fur product.

4. Failing to set forth information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder on a label in the sequence required by Rule 30 of the aforesaid rules and regulations.

5. Failing to set forth on a label the item number or mark assigned to such fur product.

B. Falsely or deceptively invoicing any fur product by:

1. Failing to furnish an invoice, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b) (1) of the Fur Products Labeling Act.

2. Setting forth information required under section 5(b) (1) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder in abbreviated form on an invoice pertaining to such fur product.

3. Failing to set forth the term "natural" as part of the information required to be disclosed on an invoice under the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed or otherwise artificially colored.

It is further ordered, That respondents notify the Commission at least 30 days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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

Issued: January 14, 1970.

By the Commission.

[SEAL] JOSEPH W. SHEA,
 Secretary.

[F.R. Doc. 70-1626; Filed, Feb. 9, 1970;
 8:46 a.m.]

[Docket No. C-1665]

PART 13—PROHIBITED TRADE PRACTICES

Jos. Schlitz Brewing Co.

Subpart—Discriminating in price under section 2, Clayton Act—Price discrimination under 2(a): § 13.735 *Delivered price systems*; § 13.785 *Terms and conditions*; § 13.790 *Trade areas*.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpretations or applies sec. 2, 49 Stat. 1526; 15 U.S.C. 13) [Cease and desist order, Jos. Schlitz Brewing Co., Milwaukee, Wis., Docket C-1665, Jan. 5, 1970]

In the Matter of Jos. Schlitz Brewing Co., a Corporation

Consent order requiring a major brewery headquartered in Milwaukee, Wis., to cease discriminating in price between competing resellers of its beer in violation of section 2(a) of the Clayton Act.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That the respondent, Jos. Schlitz Brewing Co., a corporation, and its officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the sale or offering for sale of beer, as "beer" is defined in Title 26 U.S.C. section 5052(a), in commerce as "commerce" is defined in the Clayton Act, do forthwith cease and desist from:

Discriminating, directly or indirectly, in the price of beer of like grade, quality, and packaging by selling such packages as a wholesaler to any retailer in any city or definable market area served by one of respondent's breweries in which respondent is in competition with another seller at a price (exclusive of freight, State taxes, and state bottle charges) which is lower than the price for such package charged by respondent to any other retailer in that or any other city or definable market area within the primary plant pattern of the same brewery, when respondent knows or should know that such lower price is less than the price at which the retailer charged the lower price may purchase beer from another seller in the same package produced by a regional or national brewer having a substantially smaller annual volume of sales of beer than respondent: *Provided, however,* That in addition to the defenses set forth

in sections 2(a) and 2(b) of the statute it shall be a defense in any enforcement proceeding instituted hereunder for respondent to establish that its lower price was the result of a promotional offer involving a price concession which does not undercut, or which respondent reasonably believed did not undercut, the lowest net price and/or the terms and conditions of sale resulting from a promotional offer made, within the previous 6 months, to the purchaser receiving the lower price by any other seller of a competitive product produced by a regional or national brewer.

This order shall not apply to respondent's "Burgermeister" brand of beer during such period of time as respondent is subject to judicially decreed divestiture of the Burgermeister assets, or to the purchaser or purchasers of such assets from respondent pursuant thereto.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

It is further ordered, That respondent notify the Commission at least 30 days prior to any proposed change in the corporate respondent such as dissolution, assignment, or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

It is further ordered, That the respondent herein shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with this order.

Issued: January 5, 1970.

By the Commission.

[SEAL] JOSEPH W. SHEA,
 Secretary.

[F.R. Doc. 70-1630; Filed, Feb. 9, 1970;
 8:46 a.m.]

[Docket No. 8549]

PART 13—PROHIBITED TRADE PRACTICES

Knoll Associates, Inc.

Subpart—Discriminating in price under Section 2, Clayton Act—Price discrimination under 2(a): § 13.700 *Arbitrary or improper functional discounts*.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpretations or applies sec. 2, 49 Stat. 1526; 15 U.S.C. 13) [Order of withdrawal, Knoll Associates, Inc., New York, N.Y., Docket No. 8549, Dec. 8, 1969]

In the Matter of Knoll Associates, Inc., a Corporation

Order withdrawing the complaint issued December 27, 1962, which charged a New York City furniture company with discriminating in price in violation of section 2(a) of the Clayton Act. This matter was settled by consent order, Docket No. C-1643, 35 F.R. 971, order withdrawing proceeding from adjudication dated July 25, 1969, 34 F.R. 14465.

The order of withdrawal is as follows:
The Commission having accepted an agreement containing a consent order in Docket No. C-1643 which provided that, upon acceptance of such agreement, the complaint against Knoll Associates, Inc., in Docket No. 8549, issued December 27, 1962, would be withdrawn.

Accordingly, it is ordered, That the complaint issued against Knoll Associates, Inc., on December 27, 1962, be, and it hereby is, withdrawn.

Issued: December 8, 1969.

By the Commission.¹

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 70-1621; Filed, Feb. 9, 1970;
8:46 a.m.]

[Docket No. C-1671]

PART 13—PROHIBITED TRADE PRACTICES

S. B. Levin Fur Co. et al.

Subpart—Invoicing products falsely: §13.1108 *Invoicing products falsely*; 13.1108-45 *Fur Products Labeling Act*. (Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, S. B. Levin Fur Co. et al., New York, N.Y., Docket C-1671, Jan. 14, 1970]

In the Matter of S. B. Levin Fur Co., a Partnership, and Samuel B. Levin, Irene Levin, and Edith Fallek, Individually and as Copartners Trading as S. B. Levin Fur Co.

Consent order requiring a New York City wholesale furrier to cease falsely invoicing its fur products.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondents S. B. Levin Fur Co., a partnership, and Samuel B. Levin, Irene Levin, and Edith Fallek, individually and as copartners trading as S. B. Levin Fur Co., or under any other name or names, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product; or in connection with the sale, advertising, offering for sale, transportation or distribution of any fur product which is made in whole or in part of fur which has been shipped and received in commerce; or in connection with the introduction into commerce, or the sale, advertising or offering for sale in commerce, of any fur, as the terms "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from falsely or deceptively invoicing any fur or fur product by failing to furnish an invoice, as the term "invoice" is defined in the Fur Products Labeling Act, show-

¹ Commissioner Elman not participating.

ing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b) (1) of the Fur Products Labeling Act.

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

Issued: January 14, 1970.

By the Commission.

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 70-1628; Filed, Feb. 9, 1970;
8:46 a.m.]

[Docket No. C-1672]

PART 13—PROHIBITED TRADE PRACTICES

Superior Hand Prints, Inc., and Lloyd S. Klaskin

Subpart—Importing, selling, or transporting flammable wear: § 13.1060 *Importing, selling, or transporting flammable wear*. Subpart—Misbranding or mislabeling: § 13.1185 *Composition*; 13.1185-80 *Textile Fiber Products Identification Act*; § 13.1212 *Formal regulatory and statutory requirements*; 13.1212-80 *Textile Fiber Products Identification Act*. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1852 *Formal regulatory and statutory requirements*; 13.1852-70 *Textile Fiber Products Identification Act*.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, 72 Stat. 1717, 67 Stat. 111, as amended; 15 U.S.C. 45, 70, 1191) [Cease and desist order, Superior Hand Prints, Inc., et al., Los Angeles, Calif., Docket C-1672, Jan. 14, 1970]

In the Matter of Superior Hand Prints, Inc., a Corporation, and Lloyd S. Klaskin, Individually and as an Officer of said Corporation.

Consent order requiring Los Angeles, Calif., textile manufacturers and wholesalers to cease misbranding its textile fiber products and marketing dangerously flammable fabrics.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondents Superior Hand Prints, Inc., and its officers, and Lloyd S. Klaskin, individually and as an officer of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, do forthwith cease and desist from manufacturing for sale, selling, offering for sale, in commerce, or importing into the United States, or introducing, delivering for introduction, transporting or causing to be transported in commerce, or selling or delivering after sale or shipment in commerce, any fabric, product or related material as "commerce", "fabric", "product" and "related material" are defined in the

Flammable Fabrics Act as amended, which fails to conform to an applicable standard or regulation continued in effect, issued or amended under the provisions of the aforesaid Act.

It is further ordered, That the respondents herein shall, within ten (10) days after service upon them of this order, file with the Commission an interim special report in writing setting forth the respondents' intention as to compliance with this order. This interim special report shall also advise the Commission fully and specifically concerning the identity of the product which gave rise to the complaint, (1) the amount of such product in inventory, (2) any action taken to notify customers of the flammability of such product and the results thereof and (3) any disposition of such product since May 7, 1969. Such report shall further inform the Commission whether respondents have in inventory any handkerchiefs from which the aforementioned products are made or any other fabric, product or related material having a plain surface and made of silk, rayon or cotton or combinations thereof in a weight of 2 ounces or less per square yard or fabric with a raised fiber surface made of cotton or rayon or combinations thereof. Respondents will submit samples of any such fabric, product or related material with this report. Samples of the fabric, product or related material shall be of no less than 1 square yard of material.

It is further ordered, That respondents Superior Hand Prints, Inc., a corporation, and Lloyd S. Klaskin, individually and as an officer of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, manufacture for introduction, sale, advertising or offering for sale, in commerce, or the transportation or causing to be transported in commerce, or the importation into the United States of any textile fiber product; or in connection with the sale, offering for sale, advertising, delivery, transportation or causing to be transported, of any textile fiber product, which has been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation or causing to be transported, after shipment in commerce, of any textile fiber product, whether in its original state or contained in other textile fiber products; as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act, do forthwith cease and desist from:

Misbranding textile fiber products by:

1. Falsely or deceptively stamping, tagging, labeling, invoicing, advertising, or otherwise identifying such products as to the name or amount of the constituent fibers contained therein.
2. Failing to affix a stamp, tag, label, or other means of identification to each textile fiber product showing in a clear, legible and conspicuous manner each element of information required to be

disclosed by section 4(b) of the Textile Fiber Products Identification Act.

3. Failing to set forth information required to be disclosed under section 4(b) of the Textile Fiber Products Identification Act and the rules and regulations promulgated thereunder conspicuously and separately on the same side of the label and in a manner clearly legible and readily accessible to prospective purchasers with all parts of the required information appearing in type or lettering of equal size and conspicuousness.

It is further ordered, That respondents notify the Commission at least 30 days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of this order.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operation divisions.

It is further ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form of their compliance with this order.

Issued: January 14, 1970.

By the Commission.

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 70-1627; Filed, Feb. 9, 1970;
8:46 a.m.]

[Docket Nos. 7225, 7496]

PART 13—PROHIBITED TRADE PRACTICES

Tri-Valley Growers

Subpart—Discriminating in price under section 2, Clayton Act—Price discriminating under 2(a): § 13.715 *Charges and price differentials*; Discriminating in price under section 2, Clayton Act—Payment for services or facilities for processing or sale under 2(d): § 13.824 *Advertising expenses*.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 2, 49 Stat. 1526; 15 U.S.C. 13) [Modified order to cease and desist, Tri-Valley Growers et al., San Francisco, Calif., Dockets Nos. 7225, 7496, Dec. 12, 1969]

In the Matter of Tri-Valley Growers, Formerly Known as Tri-Valley Packing Association, a Corporation

Order modifying an earlier order, 31 F.R. 11753, dated July 28, 1966, pursuant to a decision of the U.S. Court of Appeals, 411 F.2d 985, dated May 13, 1969, by inserting the words, "including customers who do not purchase directly from respondent", in paragraph 2 of the Commission's final order.

The modified order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondent, Tri-Valley Growers, a corporation, and its officers, representatives, agents, and employees, directly or through any corporate or other device in, or in connection with, the sale of food products in commerce, as "commerce" is defined in the amended Clayton Act, do forthwith cease and desist from:

1. Discriminating in the price of such products of like grade and quality by selling to any purchaser at net prices higher than the net prices charged any other purchaser who, in fact, competes with the purchaser paying the higher price or with customers of such purchaser.

2. Paying or contracting for the payment of anything of value to or for the benefit of any customer of respondent, pursuant to a specially tailored or negotiated arrangement, as compensation or in consideration for any service furnished by or through such customer, in connection with the offering for sale, sale or distribution of any of respondent's products, unless such payment or consideration is made available on proportionally equal terms to all other customers of respondent, including customers who do not purchase directly from respondent, who compete in the distribution of such products with the favored customer.

It is further ordered, That respondent, Tri-Valley Growers, shall, within sixty (60) days after service of this order upon it, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with the terms of the order to cease and desist contained herein.

Issued: December 12, 1969.

By the Commission.

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 70-1624; Filed, Feb. 9, 1970;
8:46 a.m.]

[Docket No. C-1675]

PART 13—PROHIBITED TRADE PRACTICES

Joseph Wiesel

Subpart—Advertising falsely or misleadingly: § 13.30 *Composition of goods*: 13.30-30 *Fur Products Labeling Act*; § 13.73 *Formal regulatory and statutory requirements*: 13.73-10 *Fur Products Labeling Act*. Subpart—Furnishing false guaranties: § 13.1053 *Furnishing false guaranties*: 13.1053-35 *Fur Products Labeling Act*. Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely*: 13.1108-45 *Fur Products Labeling Act*. Subpart—Misbranding or mislabeling: § 13.1185 *Composition*: 13.1185-30 *Fur Products Labeling Act*; § 13.1212 *Formal regulatory and statutory requirements*: 13.1212-30 *Fur Products Labeling Act*. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1845 *Composition*: 13.1845-30 *Fur Products Labeling Act*; § 13.1852 *Formal regulatory and*

statutory requirements: 13.1852-35 *Fur Products Labeling Act*.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Joseph Wiesel, New York, N.Y., Docket C-1675, Jan. 20, 1970]

In the Matter of Joseph Wiesel, an Individual, Trading as Joseph Wiesel

Consent order requiring a New York City manufacturing furrier to cease falsely advertising, guaranteeing, invoicing, and misbranding its fur products.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondent Joseph Wiesel, individually and trading as Joseph Wiesel or any other name or names, and respondent's representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, or manufacture for introduction, into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product; or in connection with the manufacture for sale, sale, advertising, offering for sale, transportation or distribution of any fur product which is made in whole or in part of fur which has been shipped and received in commerce, as the terms "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding any fur product by:

1. Failing to affix a label to such fur product showing in words and in figures plainly legible all of the information required to be disclosed by each of the subsections of section 4(2) of the Fur Products Labeling Act.

2. Failing to set forth the term "natural" as part of the information required to be disclosed on a label under the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

3. Failing to set forth on a label the item number or mark assigned to such fur product.

B. Falsely or deceptively invoicing any fur product by:

1. Failing to furnish an invoice, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b) (1) of the Fur Products Labeling Act.

2. Failing to set forth the term "natural" as part of the information required to be disclosed on an invoice under the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

3. Failing to set forth on an invoice the item number or mark assigned to such fur product.

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

1. Fails to set forth in words and figures plainly legible all of the information required to be disclosed by each of the subsections of section 5(a) of the Fur Products Labeling Act.

2. Represents, directly or by implication, that the fur contained in such fur product is natural when the fur contained therein is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

It is further ordered. That the respondent Joseph Wiesel, individually and trading as Joseph Wiesel or any other name or names, and respondent's representatives, agents, and employees, directly or through any corporate or other device, do forthwith cease and desist from furnishing a false guaranty that any fur product is not misbranded, falsely invoiced or falsely advertised when the respondent has reason to believe that such fur product may be introduced, sold, transported, or distributed in commerce.

It is further ordered. That respondent herein shall, within sixty (60) days after service upon him of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which he has complied with this order.

Issued: January 20, 1970.

By the Commission.

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 70-1620; Filed, Feb. 9, 1970;
8:46 a.m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER A—GENERAL

PART 3—STATEMENTS OF GENERAL POLICY OR INTERPRETATION

Drug Labeling for Cyclamate-Containing Artificial Sweeteners

Pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (secs. 201(s), 409, 505, 701(a), 52 Stat. 1052-53, as amended, 1055, 72 Stat. 1784-88, as amended; 21 U.S.C. 321(s), 348, 355, 371(a)) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 2.120), the following new section is added to Part 3:

§ 3.75 Drug labeling for cyclamate-containing artificial sweeteners.

(a) In the FEDERAL REGISTER of December 31, 1969 (34 F.R. 20426), the Commissioner of Food and Drugs promulgated § 130.40 *Abbreviated new-drug applications for cyclamates* (§ 130.40 of this chapter) prescribing conditions under which abbreviated new-drug applica-

tions for cyclamate-containing artificial sweeteners would be approved. Such applications have since been submitted and approved for such sweeteners marketed by several manufacturers.

(b) Stocks of these products without the newly developed drug labeling are regarded by the Food and Drug Administration as misbranded and adulterated foods; however, they can be brought into compliance with the law by use of stick-on labels offering the products for drug use as described in § 130.40 of this chapter.

(c) Accordingly, products shipped by the holders of new-drug applications shall relabeled or have applied thereto additional labeling sufficient to bring such products into compliance with § 130.40 of this chapter.

(d) Holders of the new-drug applications shall furnish, down to the wholesale level, supplies of such additional labels (1) sufficient to bring into compliance all stocks on hand at that level and (2) sufficient for distribution to retail outlets served by such wholesalers to provide for the relabeling of any stocks in retail channels. If they wish, manufacturers may furnish supplies of such labels directly to retail outlets.

(e) In transmitting the new labeling materials, holders of the new-drug applications shall notify wholesalers and/or retailers (1) that existing stocks must be relabeled to bring them into compliance with the law and (2) that failure to relabel the products may result in the products being proceeded against in seizure actions under the Federal Food, Drug, and Cosmetic Act.

(Secs. 201(s), 409, 505, 701(a), 52 Stat. 1052-53, as amended, 1055, 72 Stat. 1784-88, as amended; 21 U.S.C. 321(s), 348, 355, 371(a))

Dated: February 4, 1970.

SAM D. FINE,
Associate Commissioner for
Compliance.

[F.R. Doc. 70-1619; Filed, Feb. 9, 1970;
8:46 a.m.]

Title 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service, Department of the Treasury

SUBCHAPTER A—INCOME TAX [T.D. 7024]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Consolidated Return Regulations

Section 1.1502-75 of the Income Tax Regulations (26 CFR Part 1) under subchapter A of chapter 6 of the Internal Revenue Code of 1954 is amended by revising paragraph (c)(1)(i) to read as follows:

§ 1.1502-75 Filing of consolidated returns.

(c) *Election to discontinue filing consolidated returns—(1) Good cause—(i) In general.* Notwithstanding that a con-

solidated return is required for a taxable year, the Commissioner, upon application by the common parent, may for good cause shown grant permission to a group to discontinue filing consolidated returns. Any such application shall be made to the Commissioner of Internal Revenue, Washington, D.C. 20224, and shall be made not later than the 90th day before the due date for the filing of the consolidated return (including extensions of time). In addition, if an amendment of the Code, or other law affecting the computation of tax liability, is enacted and the enactment is effective for a taxable year ending before or within 90 days after the date of enactment, then application for such a taxable year may be made not later than the 180th day after the date of enactment, and if the application is approved the permission to discontinue filing consolidated returns will apply to such taxable year notwithstanding that a consolidated return has already been filed for such year.

* * * * *
Because this Treasury decision will not be detrimental to any taxpayer, it is found that it is unnecessary to issue this Treasury decision with notice and public procedure thereon under section 553(b) of title 5 of the United States Code or subject to the effective date limitation of section 553(d) of such title.

(Secs. 1502, 7805, Internal Revenue Code of 1954 (68A Stat. 367, 917; 26 U.S.C. 1502, 7805))

[SEAL] RANDOLPH W. THROWER,
Commissioner of Internal Revenue.

Approved: February 5, 1970.

EDWIN S. COHEN,
Assistant Secretary
of the Treasury.

[F.R. Doc. 70-1665; Filed, Feb. 9, 1970;
8:49 a.m.]

Title 29—LABOR

Chapter V—Wage and Hour Division, Department of Labor

PART 727—AGRICULTURE INDUSTRY IN PUERTO RICO

Sugar Cane Activities

Pursuant to section 8 of the Fair Labor Standards Act of 1938 (29 U.S.C. 208), Reorganization Plan No. 6 of 1950 (3 CFR 1949-53, Comp., p. 1004), and 29 CFR 511.18, Part 727 of Title 29, Code of Federal Regulations, is hereby amended in the manner indicated below. The purpose of the amendment is to continue to carry out the recommendations of Industry Committee No. 80 published at 34 F.R. 601 (Jan. 16, 1969) with regard to the activities within the sugar cane classification recommended by that Committee. These activities were not within the scope of the industry considered by Industry Committee No. 89-A, the recommendations of which were published at 35 F.R. 1105 (Jan. 28, 1970).

Part 727 is amended as follows:

1. Section 727.1 is amended by designating the present section as paragraph (a) and adding a new paragraph (b) thereto. As amended, § 727.1 reads as follows:

§ 727.1 Definition.

(b) As noted in paragraph (a) of this section, the General Agricultural Industry in Puerto Rico does not include any activities included in the sugar cane industry in Puerto Rico (34 F.R. 17732). The minimum wage rate applicable to activities within the sugar cane industry is that applicable to the sugar cane classification recommended by Industry Committee No. 80 and published at 34 F.R. 601 (Jan. 16, 1969). The applicable minimum wage rate and the definition of the classification are set forth in § 727.2a.

2. A new section, designated § 727.2a is added, and reads as follows:

§ 727.2a Sugar cane activities.

(a) *Application.* This section applies to all activities within the sugar cane classification recommended by Industry Committee No. 80 and given effect at 34 F.R. 17732 (Nov. 1, 1969), which are the following: The preparation of the soil, the planting and cultivating of sugar cane (all work related to the growing and maturing of the crop), the harvesting of sugar cane (cutting, piling, loading, transloading, and all transportation by or for the account of the grower to the point at which title to the sugar cane passes to others), and any other work related to the production and delivery of sugar cane by the grower performed on a farm as an incident to or in conjunction with the farming operations of the grower.

(b) *Wage rate.* The minimum wage for the activities listed in paragraph (a) of this section is \$0.65 an hour.

(c) *Notices.* The notice requirements of § 727.3 shall apply to this section.

(Sec. 8, 52 Stat. 1064; 29 U.S.C. 208)

Signed at Washington, D.C., this 3d day of February 1970.

ROBERT D. MORAN,
Administrator, Wage and Hour
and Public Contracts Divisions.

[F.R. Doc. 70-1622; Filed, Feb. 9, 1970; 8:46 a.m.]

Title 32—NATIONAL DEFENSE

Chapter I—Office of the Secretary of Defense

SUBCHAPTER B—PERSONNEL; MILITARY AND CIVILIAN

PART 115—ASSIGNMENT TO AND TRANSFER BETWEEN RESERVE CATEGORIES, AND DISCHARGE FROM RESERVE STATUS

The Deputy Secretary of Defense approved the following revision to Part 115:

Sec.

- 115.1 Purpose and applicability.
- 115.2 Original assignment to reserve status.
- 115.3 Transfer to the Standby Reserve.
- 115.4 Transfer from the Standby Reserve.
- 115.5 Discharge.

AUTHORITY: The provisions of this Part 115 issued under sec. 301, 80 Stat. 379; 5 U.S.C. 301; sec. 1(5)(A), 72 Stat. 1438; 10 U.S.C. 271, E.O. 11190, Dec. 29, 1964, 29 F.R. 19183; E.O. 11382, Nov. 28, 1967, 32 F.R. 16247.

§ 115.1 Purpose and applicability.

This part establishes Department of Defense policy guidance to the Military Departments for assignment of military personnel to and transfer between reserve categories, and discharge from reserve status under the provisions of the Military Selective Service Act of 1967 (50 App. U.S.C., 451 et seq.) and title 10, U.S.C.

§ 115.2 Original assignment to reserve status.

(a) *Ready Reserve.* Original membership in the Ready Reserve may be attained by:

(1) Transfer thereto under sections 269(a) and 651 of title 10, U.S.C. upon release from active duty:

(2) Appointment as a Reserve Officer and assignment to the Ready Reserve under section 6(d), The Military Selective Service Act of 1967 (50 App. U.S.C., 451 et seq.) and section 269(a) of title 10, U.S.C.;

(3) Entry (appointment or enlistment) into the Army National Guard of the United States or Air National Guard of the United States in accordance with section 269(b) of title 10, U.S.C. as affected by sections 510, 591, 3077, 3261, 3351, 8077, 8261, and 8351 of title 10, U.S.C.;

(4) Direct entry under section 511 of title 10, U.S.C.;

(5) Direct voluntary entry (appointment or enlistment) of an individual into the Ready Reserve, other than as provided above.

(b) *Standby Reserve.* Direct assignment to the Standby Reserve without prior membership in the Ready Reserve may be attained in accordance with sections 269(e) (1) and 269(f) of title 10, U.S.C. upon release from five or more years of active duty (other than for training) in the Armed Forces.

(c) *Retired Reserve.* Direct assignment and transfer to the Retired Reserve may be accomplished under DOD Directive 1200.4, "The Retired Reserve of the Reserve Forces," September 24, 1963.¹

§ 115.3 Transfer to the Standby Reserve.

(a) Provided they are not on active duty, the following personnel who have not fulfilled their total military service statutory obligation shall, upon their request, be assigned to or transferred to the Standby Reserve:

(1) Those who have served 5 or more years on active duty (other than for training).

¹ Filed as part of original document. Copies available from the U.S. Naval Publications and Forms Center, 6801 Tabor Avenue, Philadelphia, Pa. 19120, Attention: Code 300.

(2) Those who have served on active duty (other than for training) and participated satisfactorily in accredited training programs of the Ready Reserve for a combined total of at least 5 years, or such shorter period as the Secretary of a Military Department concerned, with the approval of the Secretary of Defense, may prescribe.

(b) Individuals qualifying for assignment or transfer to the Standby Reserve under paragraph (a) of this section, shall, if otherwise qualified therefor and a suitable vacancy exists, be afforded the opportunity to execute a written agreement to be assigned to or remain in the Ready Reserve. All such voluntary agreements will provide that:

(1) The reservist may be transferred to the Standby Reserve by the appropriate Secretary for cogent reasons;

(2) The reservist waives his right to transfer to the Standby Reserve under the conditions stated in paragraph (a) of this section, while serving under such agreement.

(3) The period of the agreement shall be as prescribed by Part 125 of this subchapter.

(c) Transfer to the Standby Reserve under the screening process in conformance with section 271 of title 10, U.S.C. will be accomplished under Part 125 of this subchapter.

(d) Transfer to the Standby Reserve of members of the Army National Guard of the United States or the Air National Guard of the United States will be subject to section 269(g) of title 10, U.S.C.

(e) Upon transfer of a member of the Ready Reserve to the Standby Reserve, notification thereof to the Selective Service System will be made by the Military Department concerned in accordance with Part 136 of this subchapter.

(f) Assignment to the Inactive Status List of the Standby Reserve and retention thereon is governed by Part 136 of this subchapter.

§ 115.4 Transfer from the Standby Reserve.

(a) In accordance with section 272 of title 10, U.S.C. any member of the Standby Reserve who has not completed his statutory obligated period of military service in the Ready Reserve may be transferred to the Ready Reserve whenever the reasons for his transfer to the Standby Reserve no longer exist, provided he is otherwise qualified and a requirement exists.

(b) Subject to such regulations as the appropriate Secretary may prescribe, a member of either the Standby Reserve or the Retired Reserve may, upon his own request, be transferred to the Ready Reserve if qualified and a requirement exists for him. However, a member of the Retired Reserve who is entitled to retired pay may not be transferred to the Ready Reserve unless the Secretary concerned personally makes a special finding that the member's services in the Ready Reserve are indispensable. Such voluntary

transfer will be accomplished under section 269(d) of Title 10, U.S.C. Those who have fulfilled their Ready Reserve statutory obligation will be required to execute a written agreement to serve in the Ready Reserve under conditions set forth in this paragraph (b).

(c) In any case, where an individual is transferred from the Standby Reserve to the Ready Reserve or the Retired Reserve, notification thereof to the Selective Service System will be made by the Military Department concerned in accordance with Part 136 of this subchapter.

§ 115.5 Discharge.

(a) Enlisted members of the Ready Reserve or the Standby Reserve not on active duty who have completed their statutory obligation or who are not otherwise subject to a military obligation will be discharged upon the completion of their obligation or upon the expiration of their enlistment, as the case may be, unless they voluntarily (1) re-enlist to serve in the Ready Reserve or Standby Reserve, or (2), where applicable, extend their enlistment to remain in the Ready Reserve or (3) request transfer to the Inactive Status List of the Standby Reserve under the provisions of Part 136 of this subchapter. Only those personnel listed in Part 136 of this subchapter may re-enlist in the Standby Reserve.

(b) Any person who while a member of a reserve component becomes a regular or duly ordained minister of religion shall be discharged from such reserve component upon request under section 1162(b) of Title 10, U.S.C. The definition of regular or duly ordained minister of religion provided in section 16(g) of The Military Selective Service Act of 1967 (50 App. U.S.C., 451 et seq.) shall be used in connection with this regulation.

(c) Those commissioned officers of the reserve who have accepted indefinite appointment will not be subject to mandatory discharge upon completion of the statutory obligation.

(d) Discharge from one's statutory obligation for hardship or other causes will be governed by pertinent provisions of Parts 50 and 125 of this subchapter.

(e) Discharge from the reserve components is governed by sections 1003, 1162, and 1163 of Title 10, U.S.C., subject to sections 680-681 and 1006 of the same reference.

(f) Upon the discharge of members of the Standby Reserve, due notification thereof will be made to the Selective Service System by the Military Department concerned.

MAURICE W. ROCHE,
Director, Correspondence and
Directives Division, OASD
(Administration).

FEBRUARY 4, 1970.

[F.R. Doc. 70-1618; Filed, Feb. 9, 1970;
8:45 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

Chapter II—Bureau of Land Management, Department of the Interior

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 4763]

[Utah 0133557; 0140646]

UTAH

Partial Revocation of Reclamation Project Withdrawal; Opening of Land Subject to Section 24 of the Federal Power Act

By virtue of the authority contained in section 3 of the Act of June 17, 1902 (32 Stat. 388; 43 U.S.C. 416), as amended and supplemented, and in section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1075; 16 U.S.C. 818), as amended, it is ordered as follows:

1. The Departmental Order of November 21, 1918, withdrawing lands for the Dewey Reservoir Site, Colorado River Storage Project, is hereby revoked so far as it affects the following described lands:

SALT LAKE MERIDIAN

T. 22 S., R. 24 E.,

Sec. 3, lots 1 to 10, inclusive, SW $\frac{1}{4}$ NW $\frac{1}{4}$,
W $\frac{1}{2}$ SW $\frac{1}{4}$;

Sec. 10, lots 1, 3, 4;

Sec. 11, lots 1 to 9, inclusive, N $\frac{1}{2}$ NE $\frac{1}{4}$,
SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$.

The above described land aggregates 1,118.54 acres in Grand County.

2. The above described lands are also withdrawn in Powersite Reserve No. 119 and Powersite Classification No. 377. In DA-166-Utah, the Federal Power Commission determined that the power values of the described lands will not be injured or destroyed by restoration to location, entry, or selection under appropriate public land laws, subject to the provisions of section 24 of the Federal Power Act.

The lands are located along the banks of the Colorado River in Grand County. The vegetative cover consists of large cottonwood trees, sagebrush, rabbit brush, and other miscellaneous weeds and grasses.

3. At 10 a.m. on March 11, 1970, the lands will be open to operation of the public land laws generally, subject to valid existing rights, the provisions of existing withdrawals, and the requirements of applicable law. All valid applications received at or prior to 10 a.m. on March 11, 1970, shall be considered as simultaneously filed at that time. Those received thereafter shall be considered in the order of filing.

4. The lands will be open to location under the U.S. mining laws at 10 a.m. on March 11, 1970. They have been open

to application and offers under the mineral leasing laws.

5. Any disposals of the lands described in paragraph 1 of this order, including appropriations under the U.S. mining laws, shall be subject to the provisions of section 24 of the Federal Power Act, supra.

The State of Utah has waived the preference right of application afforded it by section 24 of the said act.

Inquiries concerning the lands should be addressed to the Manager, Land Office, Bureau of Land Management, Salt Lake City, Utah 84111.

HARRISON LOESCH,
Assistant Secretary of the Interior.

FEBRUARY 3, 1970.

[F.R. Doc. 70-1632; Filed, Feb. 9, 1970;
8:47 a.m.]

Title 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[Docket No. 18509; FCC 70-115]

PART 63—EXTENSION OF LINES AND DISCONTINUANCE OF SERVICE BY CARRIERS

PART 64—MISCELLANEOUS RULES RELATING TO COMMON CARRIERS

Applications of Telephone Companies for Certain Certificates for Channel Facilities Furnished to Affiliated CATV Systems

Final report and order. In the matter of applications of telephone companies for section 214 certificates for channel facilities furnished to affiliated community antenna television systems; Docket No. 18509.

BACKGROUND OF PROCEEDING AND SUMMARY OF COMMENTS

1. This proceeding was initiated by the Commission on its own motion by a notice of inquiry and notice of proposed rule making (notice) released April 4, 1969 (34 F.R. 6290). The precipitating factor underlying the notice was the filing of 17 formal applications by telephone companies which sought authority under section 214 of the Communications Act to construct or operate, or to construct and operate channel facilities to be furnished under a published tariff to a Community Antenna Television System (CATV). In all said applications there existed some degree of ownership affiliation between the telephone company applicants and the CATV customers to be

served.¹ The Commission believed that these pending applications raised certain significant policy or legal questions that should be resolved by the Commission before those applications could be considered in other respects. Foremost among such questions was whether telephone companies, either directly or through their owned or controlled affiliates, should be permitted to engage in furnishing CATV service to the public and, if so, what conditions should be attached to any authorizations therefor issued by the Commission under section 214 to such companies to insure that rendition of the service would serve the public convenience and necessity.

2. Accordingly, we invited comments addressed to, but not necessarily limited to, the following questions and issues:

(a) What effect, if any, would the existence of Commission policies in this area have upon the Commission's expressed long range concern about a common carrier acting as a program originator?

(b) What effect would Commission policies regarding ownership relationship between CATV and communications common carriers have upon the concentration of control of CATV systems?

(c) Should the Commission adopt specific policies and regulations to protect against any potential unfair or anti-competitive practices that might arise as a result of the affiliated relationship between telephone companies and CATV systems? In this connection, consideration should be given to potential problems as:

(i) Possible discriminatory treatment between affiliated and nonaffiliated CATV systems in the construction or furnishing of CATV facilities;

(ii) Possible unfair competitive advantages that the affiliates of telephone companies may have over nonaffiliated entities of establishing CATV systems;

(iii) The possibility that telephone companies might subsidize the cost of construction and services required by their affiliates out of revenues derived by the telephone companies from their other services, thereby resulting in the underpricing or undercosting of services furnished by the affiliates, to the competitive detriment of nonaffiliated CATV systems;

(iv) The possibility that ownership affiliation might unduly constrain the full development of non-TV CATV services (e.g., data services) that could be substituted for traditional telephone services.

(d) Should the Commission adopt specific policies and regulations to protect against potential detrimental effects upon regular telephone consumers occasioned by telephone company supply of CATV service to affiliated companies. In this connection, consideration should be given to such questions as:

(i) Will the telephone company's investments in an affiliated CATV system enhance or impair its ability to raise the capital necessary to expand and improve services required by the regular customers of the telephone company?

(ii) How will the overall risk condition of the telephone company and its cost of capital be affected by investments in CATV systems?

(iii) To what extent will the telephone company's requirement to supply specialized services to its CATV affiliates be in conflict with its requirements to furnish new or expanded services and facilities to its regular customers for such services as wide spectrum and video telephone switched services?

(iv) How will telephone company ownership affiliation with CATV systems affect the policies, programs, priorities, and decisions of investment in facilities and research and development that are undertaken by the telephone companies?

(e) Will there be (and to what extent) cases where a substantial segment of the public would be deprived of CATV service unless a telephone company is permitted to furnish facilities to an affiliate?

(f) How should Commission policies in regard to affiliated CATVs take into account the legitimate role of local or state governmental agencies in their choice of who should be licensed or franchised to be CATV operators?

(g) What effect would Commission policies in this area have on the incentives for CATV operators to operate also as common carriers on any of their channels not utilized for carriage of broadcast signals or CATV origination?

(h) What effect will Commission policies (or the lack thereof) in this area have upon incentives for CATV program origination in the interest of meeting local public needs?

(i) Should the Commission prohibit telephone company ownership affiliation

with CATVs, or, alternatively, what conditions might be imposed on certificates granted in affiliation cases to further the public interest objectives of the Act?

(j) Should the Commission impose policies or conditions retroactively (and if so, in what nature) on presently operating telephone company-affiliated CATV systems that are not now the subject of section 214 applications?

3. We also requested the participants to consider in their comments, and to appropriately discuss the policy implications, if any, of proposals to provide "wide-spectrum" services under published tariffs, as contrasted with the proposals to serve only CATV customers, and further "put all interested persons on any notice that rules may be adopted incorporating any general policies established herein", in case the Commission determines as to some of the policy questions here involved, that they should be embodied in the rules.

4. Comments were subsequently filed by the National Businessman's Council (NBC); General Electric Co. (GE); T-V Transmission Inc. (T-V Transmission); Continental Telephone Corp. (Continental); Conestoga Telephone and Telegraph Co. (Conestoga); Enterprise Telephone Co. (Enterprise); Cox-Cosmos, Inc.; Commonwealth Telephone Co. (Commonwealth); American Telephone & Telegraph Co. (AT&T); National Association of Educational Broadcasters (NAEB); Radio Hanover, Inc.; National Association of Regulatory Utility Commissioners (NARUC); National Cable Television Association, Inc. (NCTA); United States Independent Telephone Association (USITA); California Community Television Association (CCTA); United Telephone System (United); Mid-Continent Telephone Corp. (Mid-Continent); GT&E Service Corp. (GT&E); Americans for Democratic Action (ADA); U.S. Department of Justice (Justice). Joint comments were filed on behalf of Columbia Cable System, Inc., Daniels and Associates, Inc., GenCoe, Inc., H&B American Corp., TelePrompeter Corp., and Twin County Trans-Video, Inc. Reply comments were submitted by NEAB, Continental, AT&T, United, GT&E, USITA, Oxnard Cablevision, Inc. (Oxnard), and the City of New York (New York).

5. For purposes of clarity we have decided to first set forth the overall positions taken by those filing comments and then, to the extent possible, the responses to the specific issues and questions set forth in the notice and paragraph 2, supra.

POSITION OF THE TELEPHONE INDUSTRY

6. The overall concern of the telephone companies filing comments in this proceeding is that their industry's future ability to provide total communications services, including CATV, vis-a-vis their wide spectrum service offerings, will be jeopardized or limited. Their position, in this respect, is supported by the ADA

¹ Subsequent to the adoption of the notice, certain alleged factual misstatements in the notice were brought to the attention of the Commission. Continental Telephone Corp. (Continental) in its comments stated that the number of homes served by Continental totaled 38,363 as of Mar. 31, 1969, and were provided by Continental's five CATV subsidiaries which operate in 44 communities in 10 States. The General Telephone Company of the Midwest, formerly General Telephone Company of Missouri, requested that its application for authority to construct CATV in the City of Columbia, Mo. (File No. P-C-7347) be severed from this proceeding. It appears that, although applicant's contemplated customer was GT&E Communications, Inc., at one time, this was no longer the case as of the date the notice was released. Applicant actually proposes to furnish wide-spectrum service to CATV of Columbia, Inc., an unaffiliated operator. At the time Southern Bell Telephone and Telegraph Co. applications (Files Nos. P-C-7225, 7231, and 7233) were filed, Jefferson-Carolina was equally owned by Jefferson Standard Broadcasting Co. and Carolina Telephone and Telegraph Co., and Southern Bell owned approximately 7 percent of the stock of Carolina. This 7 percent interest was purchased by United Utilities, Inc., shortly before the notice was issued. However, these alleged factual misstatements are not material to our decision herein.

and the National Businessmen's Council. The latter in its policy guidelines to the Commission urges that "all telephone companies must have equal opportunities to supply the total carrier services, including CATV."

7. In addition to addressing some of the individual issues raised in the inquiry, the industry has generally questioned the Commission's authority to preclude telephone companies' ownership of CATV systems or their leasing of facilities to affiliated CATV systems. They, together with NARUC, urge the Commission to defer to State and local regulation in these areas, and object to being "singled out" for special conditions or restrictions, as distinguished from other owners of CATV systems.² Aside from questioning the Commission's authority, under antitrust or other statutory provisions, to restrict affiliation between telephone companies and CATV systems, the telephone companies allege the lack of any factual basis for the need of any new or additional regulatory intervention by the Commission. They allege their nondiscriminatory treatment of independent CATV systems; emphasize the fact that telephone company-CATV common ownership is not statistically significant in the total national CATV field; and allege instead that greater affiliation between the two would actually increase the desirable diversification of communications media.

8. The members of the industry have generally agreed on the desirability, if not the essentiality, of the telephone companies providing economic and technical support to many CATV systems in rural and/or sparsely populated areas. The telephone companies contend that because of the limited economic potential involved, there is generally no interest by independent CATV systems in investing in cable systems in such areas, with the only result that, unless affiliation with the local telephone company is permitted, a significant portion of the country's population would be deprived not only of CATV service, but the future services to be provided by coaxial cable communication systems.

9. The carriers minimize the effect of telephone company-CATV system affiliation on the Commission's expressed long range concern about a common carrier acting as a program originator. It is the carriers' position that their affiliated CATV systems are separate entities acting independently from their affiliated telephone companies. Further, the carriers point out any applicable rules, presently in effect or those which may result from Docket No. 18397, would apply to all CATV systems which originate programming, regardless of system ownership.

10. In discussing the provision of pole space to CATV systems, several of the

telephone companies insist that such equipment is "strictly private property", and that the telephone companies are under no obligation to make space available to CATV systems on their poles.

The position of the independent CATV systems. 11. The independent CATV operators are opposed to any form of telephone company ownership affiliation with CATV systems. They contend that there is no reason for the Commission to authorize a telephone company to construct CATV channel distribution facilities for its own subsidiary unless, in the particular area, no independent CATV entrepreneur was willing to enter the field. The independent CATV systems contend however, that in virtually all cases in which a telephone company would wish to offer CATV services, an independent CATV operator would be equally willing to provide those services. Radio Hanover states that "given a sufficient period of time," there will be "independent CATV interest in almost any community upon which the telephone companies have designs."

12. Most of the independent systems ask that the Commission consider relevant antitrust policy in deciding this matter. In the joint comments of Columbia Cable Systems, et al., the allegation is made that the telephone companies' "power to exclude competition * * * coupled with the purpose or intent to exercise that power" is in violation of the Sherman Act, and that "the telephone companies' restrictions relating to CATV pole attachments fall squarely within the type of restriction struck down in *Carterfone*."³

13. In all cases, the independent CATV operators contend that the very existence of a monopoly as powerful as that of the telephone company suggests a great potential for abuse of that monopoly. They cite various anticompetitive practices in which, they claim, various telephone companies currently engage, such as:

(a) Telephone companies with CATV affiliates can subsidize those affiliates with revenues obtained through telephone company operations. The CATV operators suggest that this may impair the quality of regular telephone services offered;

(b) Telephone companies can arbitrarily refuse to grant pole space to independent CATV systems for the placing of their own cable facilities, thus virtually barring them from entering into competition with a telephone company affiliate. The joint comments submitted by Columbia Cable Systems, et al., relate this practice to antitrust policy, stating that since telephone poles are constructed on public rights-of-way, any anticompetitive act in relation to those poles is an abuse of the public trust;

(c) Telephone companies can rely upon their long-established relationships with community leaders to compete unfairly for available CATV franchises;

(d) Telephone companies can exert pressure upon independent CATV entre-

preneurs in an attempt to force them to accept expensive lease-back arrangements;

(e) Rates charged by telephone companies for pole attachment or broadband cable are often quite unrelated to the cost of providing such a service;

(f) Telephone companies can arbitrarily impose restrictions upon the uses to be made of broad-band cable attached to telephone poles.

14. The independent CATV systems, in addition to these allegations of unfair practices, point out two of the broader consequences of telephone company-CATV affiliation. First, they contend that if affiliation is allowed, the CATV industry will eventually fall under the control of a few large telephone companies, making competition virtually nonexistent; and, secondly, they feel that, with the absence of substantial competition, program origination and the general quality of CATV programming will decline.

15. It is their contention that among the advantages to be obtained by restricting telephone company-CATV affiliation is the substantial technological improvements in service that would result from vigorous competition, and the improvement in the quality of programming and in the amount of program origination that would also result.

16. All of the independent CATV systems propose that the Commission establish regulations requiring telephone companies to offer pole attachment arrangements to CATV systems when the attachment of additional cable is physically possible, and further ask that the Commission determine reasonable rates for the provision of such a service. These independent systems also recommend against the grant of exclusive CATV franchises in a particular area. Most of the CATV operators feel that the granting of franchises should be left in the hands of local authorities, but the National Association of Educational Broadcasters (NAEB) and Radio Hanover suggest that Federal intervention might be helpful, insofar as it could protect the public from extensive "cross-media" ownership, and compensate for the variety (and varying sophistication) of local authorities.

17. In addition to the above, NCTA proposes that stringent restrictions be imposed upon the granting section 214 certification of telephone company constructed CATV facilities. It suggests that certification be denied in instances where it can be established that a telephone company has competed unfairly for a franchise; that telephone companies with policies of refusing pole line attachments to independent CATV operators be completely barred from CATV operations; that there be a substantial notice period, during which the availability of a franchise is announced and publicized, before the granting of section 214 certification; and that the Commission issue regulations insuring expeditious repairs to the systems constructed by independent CATV operators via pole line attachment agreements, and preventing overbuilding of CATV facilities by telephone companies.

² This view is shared by Bell which argues that any conditions the Commission may ultimately impose should be "solely confined to the subject of fair and nondiscriminatory treatment as between affiliated and non-affiliated customers of the telephone companies."

³ 13 F.C.C. 2d 420.

18. The independent CATV operators also ask that any restrictions the Commission should decide to impose should be imposed retroactively, since telephone companies were well informed that, if they were to construct CATV facilities, such construction would be at their own risk.

Comments of other parties. 19. NAEB proposes that the Commission establish four priorities of service, or channel usage, to be adhered to by all CATV systems, and that operators be required to meet the conditions of each of these categories of service before allocating channels to the next lower category:

- (1) Television station signal carriage.
- (2) Requirements imposed by State or local franchising authorities.
- (3) One or more channels available on a free or reduced-rate basis for local noncommercial educational and public service programming.

(4) General common carrier usage [as contemplated by paragraph 26 of the rule-making notice in Docket 183971].

20. NAEB also feels that a common carrier is a specialist in distribution and, as such, should not be permitted to function as a program originator. In the matter of "wide-spectrum" offerings, NAEB feels that telephone companies should be allowed to offer "wide-spectrum" services only if no independent operator is willing to do so. NCTA feels that "wide-spectrum" tariff offerings are unfair in any case, since they do not comport with common carrier responsibilities to offer specific services. It describes the telephone companies' desire to offer "wide-spectrum" services as "a blatant attempt to control all uses of broad-band cable."

21. The National Businessmen's Council advocates a universal, wide-band, switched network carrier system which would be franchised, operated and regulated consistent with common carrier public utility principles, and that all telephone companies should have equal opportunity to supply the total communication services, including CATV. The proposed system should have capabilities for point-to-multiple point total switching freedom. It further proposes that the carrier system may not control content or equipment manufacturing; that the content services may not control the carrier or equipment interests; and that the carrier system may not restrain users in any way, except as to reasonable safeguards of technical operations.

22. Americans for Democratic Action calls for a public utility/common carrier structure, analogous to the telephone system, which will make access and use of the system available to any and all customers at reasonable rates. It proposes that such a system prohibit the carriers from engaging in the supply of content of broadcast matter. ADA also suggests the development of a national broadband, two-way switched carrier system, modeled on the telephone dial and exchange system, with freedom from restrictions on content and programs. It believes that common carriers must not be denied entry into the carriage of ca-

ble television, since the consent decree, which has barred AT&T from broadcasting, "is not relevant to common carrier services."

23. Justice believes that there is a serious danger that the existing local monopoly position of the telephone companies as communications common carriers may prevent the development of an independent CATV industry. It specifically recommends that the Commission use its section 214 authority (1) to require telephone companies to offer pole space, or conduit space, to all applicants on equal and nondiscriminatory terms; (2) to prohibit the telephone companies from restricting a CATV operator's use of cables, except as shown to be necessary to protect the technical integrity of the communications network; (3) prohibit telephone companies' direct offering of CATV services as part of their telephone tariff; and (4) allow telephone companies to establish separate CATV affiliates, provided they offer no CATV service in any territory served by the parent company, "subject to a possible exception for remote areas." Justice also urges that until and unless the Commission is satisfied that the above measures, or any others, if necessary, are adequate to deal with the type of competitive problems involved here, it should not entertain any more than 214 applications by telephone companies to construct CATV and other "wide-spectrum" facilities. To assure the public interest be best served by having built the most efficient broad-band cable system by either the telephone company or the independent CATV operator, Justice suggests that the Commission under section 214 should not authorize telephone companies to build such systems unless there is a showing that (1) a properly franchised or authorized independent CATV operator has entered into a leaseback arrangement with the telephone company; (2) pole or conduit space was available to the franchised CATV operator if he would have preferred to construct his own system; and that (3) the resulting system would be as efficient as, and have as much capacity as, those proposed by independent CATV operators serving comparable communities. Justice further recommends that in order to avoid "permitting a regulated utility to carry on nonregulated functions, * * * the Commission should consider adopting a rule recognizing the right of a telephone company to establish separate segregated CATV affiliates, provided they offered no service in any territory served by the telephone company", with "some limited exceptions in certain circumstances involving remote communities", where no reasonable alternative system exists at present or in the foreseeable future.

24. An issue-by-issue outline of the various representative comments follows:

(a) *What effect, if any, would the existence of Commission policies in this area have upon the Commission's expressed long-range concern about a common carrier acting as a program originator?* 25. As heretofore indicated,

the telephone companies do not believe that the existence of Commission policies in the area of CATV-telephone company affiliation would have any effect upon the Commission's expressed long-range concern about a common carrier acting as a program originator. They submit that their affiliated CATV operations are offered by separate entities, and that any generally applicable rules would apply to all CATV systems, irrespective of system ownership. The independent CATV interests, the National Businessmen's Council, ADA, and Justice express concern over the possible adverse consequences of telephone company control of CATV program content or program origination. On the other hand, NAEB argues that CATV systems should not be allowed to originate programs at all, pointing out that the history of the networks and of the motion picture industry shows that common ownership of production and distribution facilities is bad public policy, and that program origination, certainly in the educational television field, requires special expertise, not generally possessed by CATV systems.

(b) *What effect would Commission policies regarding ownership relationships between CATV and communications common carriers have upon the concentration of control of CATV systems?* 26. The telephone companies question the Commission's power as well as the existence of any proved need for adopting special policies regarding ownership relationships between CATV and communications common carriers, which would affect the concentration of control of CATV systems. They proclaim their nondiscriminatory attitude towards the independent CATV operators; emphasize the fact that telephone company-CATV common ownership is "not statistically significant in the total national CATV field; and explain that more such affiliation would actually increase the desirable diversification of communications media. The independent CATV operators believe that if affiliation between telephone companies and CATV is permitted, the CATV industry will eventually fall under the control of a few large telephone companies, thus preventing the various technological and quality improvements that would result from free competition. Justice contends that there is a serious danger that the existing local monopoly position of the telephone companies as communications common carriers may prevent the development of an independent CATV industry. It illustrates the alleged danger of telephone company monopolization by citing *Radio Hanover v. United Utilities, Inc.*, 273 F. Supp. 709 (M.D. Pa. 1967).

(c) *Should the Commission adopt specific policies and regulations to protect against any potential unfair or anti-competitive practices that might arise as a result of the affiliated relationship between telephone companies and CATV systems?* (i) *Possible discriminatory treatment between affiliated and non-affiliated CATV systems in the construction or furnishing of CATV facilities.* 27.

The telephone companies maintain, as typified in the comments of GT&E, that they do not engage in any unfair or anticompetitive practices, and that, in any event, section 202(a) of the Communications Act provides adequate protection. The independent CATV interests and Radio Hanover argue, in effect, that telephone companies with affiliated CATV systems would be incapable of competing fairly with nonaffiliated CATVs, and therefore, adoption of special policies and regulations by the Commission is necessary. CCTA, among others, urges that regulatory surveillance should extend to all aspects of the CATV-telephone company relationship, specifically focusing on pole attachment agreements, their conditions and rates, and on situations of direct competition between affiliated and nonaffiliated CATVs. NCTA and Justice, in supporting the view for the need for such protective policies, enumerate various alleged abuses by telephone companies, and conclude that the Commission should require telephone companies to offer pole space to all applicants on equal terms, provided the attachment of additional cable is physically possible, and should prohibit telephone companies from restricting a CATV system's use of CATV distribution facilities.

(ii) *Possible unfair competitive advantages that the affiliates of telephone companies may have over nonaffiliated entities in establishing CATV systems.* 28. T-V Transmission and GT&E allege that their affiliates do not have any unfair competitive advantages in establishing CATV systems. Furthermore, they claim only limited success in competing for franchises on the local level, pointing to statutory regulations pertaining to local CATV franchising. NCTA, expressing the view held by the independent CATV systems, argues that the telephone companies have made it clear that the CATV system who chooses to use telephone company provided distribution facilities will be the first one in the field. It is further alleged that in the event of damage to facilities, the telephone company, in restoring service, is free to prefer the affiliated over the independent CATV system. Cox-Cosmos alleges that CATV systems often experience delay when requesting telephone companies to engage in "make-ready" work so that the independent CATV system may place its facilities on the utility poles.

(iii) *The possibility that telephone companies might subsidize the cost of construction and services required by their affiliates out of revenues derived by the telephone companies from their other services, thereby resulting in the underpricing or undercosting of services furnished by the affiliates, to the competitive detriment of nonaffiliated CATV systems.* 29. NCTA comments that "it is theoretically possible for the integrated telephone company-CATV complex to set tariff rates in a delicate balance sufficiently high to cause substantially reduced profitability for CATVs while setting not so high as to induce lease-back takers to withdraw

from the lease-back and go to the very expensive expedient of an all underground system." CCTA, underscoring the risk of such anticompetitive policies by telephone companies, adds that they could transfer funds quite easily and that such practices would be almost impossible to uncover under the present methods of analysis and evaluation. The telephone companies deny the existence of such anticompetitive subsidization; claim that there are no funds transferred from telephone to CATV operations; and that the services rendered by a telephone company to its CATV affiliate are pursuant to validly filed tariffs.

(iv) *The possibility that ownership affiliation might unduly constrain the full development of non-TV CATV services (e.g., data services) that could be substituted for traditional telephone services.* 30. As to the possibility of any undue constraint by telephone company affiliated ownership on the full development of non-TV CATV services (e.g., data services) which could be substituted for traditional telephone services, GT&E, as indicative of the industry position, considers such a possibility as remote, and Continental contends that in view of the fact that the majority of CATV systems are not affiliated with telephone companies, indicates that there should be ample opportunity for the development of non-TV CATV services. Some telephone companies with CATV affiliates point out that this issue is under consideration in Docket No. 18397, and that until sufficient information is before the Commission concerning the technological, market, and regulatory development, in this area the Commission's concern is premature. T-V Transmission asserts that telephone company-affiliated CATV operations will foster improvements in telephone service or substitutions therefor, as a result of the continuing research and development being undertaken by telephone companies to improve such service.

(d) *Should the Commission adopt specific policies and regulations to protect against potential detrimental effects upon regular telephone service customers occasioned by telephone company supply of CATV services to affiliated companies?*

(i) *Will the telephone company's investment in an affiliated CATV System enhance or impair its ability to raise the capital necessary to expand and improve services required by regular customers of the telephone company?* 31. The telephone companies deny the need for any specific policies or regulations in this area, alleging that present agencies provide enough protection against such problems. GT&E states that its CATV subsidiary, GT&E Communications, is financed through loans from its parent company, which, in turn, obtains its capital through the sale of securities to the public. On the other hand, Cox-Cosmos, reflecting the general view of the independent CATV operators, believes that there is a real possibility that a telephone company might subsidize the cost of CATV construction with other telephone company revenues. Justice believes that it is necessary to prohibit any

telephone company from offering CATV services to the public directly as part of its rate regulated telephone undertaking, in order to prevent any problems of cross-subsidy between the telephone company's regulated and unregulated business.

(ii) *How will the overall risk condition of the telephone company and its cost of capital be affected by investments in CATV systems?* 32. Enterprise and Conestoga, two rural telephone companies, submit that telephone services potentially benefit from CATV ownership since the assets of a thriving CATV subsidiary make the telephone company itself a better risk for investors. GT&E contends that, if the Commission were to put CATV operators into direct competition with telephone companies in furnishing communications service to the public, the cost of capital to the telephone companies would rise, since investors would view them as substantial risks. It claims that this increased cost would ultimately be borne by the telephone company's rate-payers.

(iii) *To what extent will the telephone company's requirement to supply specialized services to its CATV affiliates be in conflict with its requirements to furnish new or expanded services and facilities to its regular customers for such services as wide spectrum and video telephone switched services?* 33. GT&E comments that channel service offerings by a telephone company to a CATV affiliate under valid tariffs are merely another form of communications service offered to the public by an operating telephone company, and thus there is no conflict between the offered services. Justice, however, warns that since a primary responsibility of the Commission is to foster innovation and efficiency in the communications industry, it cannot allow those with vested interests in existing technology and services to forestall and limit the growth of new services and better technology based on broadband facilities.

(iv) *How will telephone company ownership affiliation with CATV systems affect the policies, programs, priorities, and decisions of investment in facilities and research and development that are undertaken by the telephone companies?* 34. As to the effect of telephone company ownership of CATV systems on the policies, programs, priorities, and decisions of investment in facilities and research and development that are undertaken by the telephone companies, GT&E states that the research and development of the General System is carried on by employees of its subsidiaries, other than GT&E Communications. Accordingly, telephone company affiliation will have no effect on the policies, programs, priorities, etc., of the General System. CCTA, on the other hand, insists that diversion of telephone company investments into CATV must result in a dissipation of a telephone company's ability to expand and improve its prime common carrier services. Further, construction of CATV channel facilities by telephone companies might be wasteful duplication of services if such facilities can be more

economically provided by local independent CATV operators who, unlike the telephone companies, would not be inclined to "overbuild." Justice in its comments also proposes measures conducive to assuring that the cable facilities will be built by the most efficient party and to safeguard against the construction by telephone companies of "uneconomic or technically less advanced systems to forestall independent entry."

(e) *Will there be [and to what extent] cases where a substantial segment of the public would be deprived of CATV service unless a telephone company is permitted to furnish facilities to an affiliate?* 35. The independent CATV operators, along with Radio Hanover, allege that "there are sufficient numbers of independent CATV companies to insure that there will be a substantial number of applicants for CATV franchises in all communities which show promise of return", and that "there is no reason to expect that telephone companies will seek to provide service in any area found unattractive by independent CATVs." CCTA adds that since there has, thus far, been no dearth of independent CATV applicants, the hypothetical possibility that such a situation might occur is hardly a reason to authorize the telephone companies' entry into the field. The telephone companies, General Electric, and NARUC take the position that, in some rural areas, the only entity for whom the operation of a CATV installation would be economically feasible might be the local telephone company. GT&E, for one, alleges that in some sparsely populated areas of the country, people may be deprived of not only CATV service but also other coaxial cable services unless telephone company affiliates provide such service. Justice agrees that in the event it becomes the Commission's policy to prohibit CATV-telephone company ownership affiliation, it may become necessary to provide for exceptions to this general policy in rural areas.

36. Virtually all of the parties responding to the notice agreed that it is in the public interest for CATV systems to comply with local or municipal franchising requirements. The telephone companies and NARUC strongly argue that local authorities are best equipped to understand the problems of CATV in a given area. NCTA asks that "safeguards * * * be taken to assure that such requirements are not circumvented by telephone company-affiliated CATV operations." Cox-Cosmos requests that the Commission prohibit the granting of exclusive franchises, and also asks that the Commission make it clear to local authorities that an unaffiliated franchise holder would suffer no discrimination with respect to the telephone company's transmission facilities or their construction. The joint comments of several independent CATV operators question the wisdom of leaving control of franchising completely in the hands of local authorities, as a local telephone company occupies a position of advantage with local authorities, since it can guarantee that its affiliated CATV system will be

promptly serviced, while an independent CATV operator can make no such claim. Radio Hanover believes that for purposes of national uniformity, the Federal Government may properly curtail absolute franchising freedom.

1. What effect would Commission policies in this area have on the incentives for CATV operators to operate also as common carriers on any of their channels not utilized for carriage of broadcast signals or CATV origination? 37. The telephone companies agree that the undertaking by CATV systems of common carrier services would be improper, and that to encourage the CATV systems to compete with telephone companies on these services would not be beneficial to the public interest. Conestoga and Enterprise state that they have the incentive and the know-how to encourage their respective cable companies to utilize vacant channels on a common carrier basis if that development becomes technologically or economically feasible. Under their limited circumstances, however, such services would not be feasible for either the telephone companies or their subsidiaries, acting alone. The NAEB assumes that some CATV channels would be allocated for general common carrier usage (as contemplated by paragraph 26 of the rulemaking notice in Docket No. 18397). Cox-Cosmos proposes that the Commission not classify CATV systems as common carriers, since they are not public utilities.

h. What effect will Commission policies (or the lack thereof) in this area have upon incentives for CATV program origination in the interest of meeting local public needs? 38. The telephone companies take the position that incentives for origination should not depend on who owns the CATV installation. GT&E contends that Commission policies regarding affiliation should have no effect upon origination but that, should origination be required, the telephone company-affiliated CATV systems, unlike those affiliated with news or entertainment media, would not be confronted with conflicting interests. Continental adds that local programming is one of the major attractions of CATV, and the support given to it will provide sufficient incentive for program origination. The independent CATV systems feel that the lack of Commission policies prohibiting CATV-telephone company ownership affiliation could have a somewhat detrimental effect on local program origination. They claim that "there has been little indication to date of innovation in the area of originations on the part of CATV systems affiliated with telephone companies"; further, they feel that, since "telephone company interest in control of cable was defensive in origin," the interest of telephone company-affiliated CATV systems in program origination might also be defensive, and hence minimal.

i. Should the Commission prohibit telephone company ownership affiliation with CATVs, or, alternatively, what conditions might be imposed on certificates granted in affiliation cases to further the

public interest objectives of the Act? 39. The independent CATV systems and Radio Hanover unanimously oppose telephone company ownership affiliation. Columbia Cable Systems, Inc. et al. contend that it is in the public interest that affiliation be prohibited, since such prohibition would enhance CATV competition and encourage telephone companies to engage in the improvement of their telephone service. Cox-Cosmos opposes affiliation because it feels that, by owning CATV systems, a common carrier is negating its responsibility to treat all customers equally. Radio Hanover believes that the prohibition of telephone companies' ownership of CATV is justified since, on the basis of their past performance, the indications are that existing safeguards against the preferential treatment of telephone company affiliates will almost certainly be insufficient. NCTA also opposes affiliation, but states that "if the Commission should, contrary to our most strenuous urging, consider granting section 214 certificates in certain cases to companies such as United or General * * * the Commission should require most stringent conditions upon such section 214 authorizations, and would be entirely justified * * * in imposing restrictions going beyond those required for smaller independent telephone companies." CCTA's position is that "the Commission should flatly prohibit all telephone company affiliation with CATV Systems. Such a regulatory policy would at one sweep resolve many of the inherent problems caused by telephone company proprietary participation in CATV." In the alternative, it proposes prohibition of affiliation "in areas where they already conduct regular telephone operations." The positions of the telephone companies are varied, but they are unanimous in their belief that the Commission would not be justified in taking steps to prohibit affiliation. AT&T feels that it is not in the public interest for the Commission to regulate affiliation, and feels that the Commission's role should be that of insuring nondiscriminatory treatment to both affiliated and nonaffiliated customers of the telephone company. GT&E alleges that, since "no concrete evidence has thus far been presented to indicate that such affiliation is wrong or is in any way harmful to the public," there is no necessity for the prohibition of affiliation. T-V Transmission believes that the provision of CATV service is a natural extension of the communications business, and that affiliation therefore ought to be encouraged. Mid-Continent states that there is no factual or legal basis for the adoption of rules enforcing the prohibition of affiliation. Enterprise feels that the Commission should direct its attention to specific unfair practices, not to ownership affiliation in its totality. Justice suggests that the Commission should permit telephone companies to set up separate segregated CATV affiliates, so long as they offer no CATV service in areas served by the telephone company itself. It also suggests that exceptions to such a policy might be made

in remote rural areas. Further, Justice states that, as long as there is no limitation imposed by telephone companies on pole attachment rights, there is no need to preclude the construction of CATV facilities by telephone companies. If, however, pole space is limited, Justice recommends that the Commission should not authorize telephone companies to construct CATV channel facilities unless (a) some franchise CATV operator has entered into a leaseback arrangement with the telephone company, (b) pole space was available to him as an alternative to leaseback, and (c) the resulting system would be as efficient as those proposed by independent CATV operators in comparable communities. GE believes that outright prohibition of the subject affiliation would be detrimental to the public interest because a significant portion of the rural segment of the country's population could be deprived not only of CATV service, but also of the other future benefits of coaxial cable communication systems unless telephone companies and their affiliates are permitted to furnish such systems on a common basis, at low cost. Conestoga and Enterprise comment that, in case such a prohibition is decided upon, the Commission "grandfather" existing ownership situations at least in those circumstances where no allegations of any abusive practices on the part of the telephone company have been made, or can be rebutted. For extension of existing CATV service, they recommend that any additional authority be made subject to any appropriate new Commission policies adopted to prevent discriminatory practices favoring telephone company affiliates.

j. Should the Commission impose policies or conditions retroactively (and if so, of what nature) on presently operating telephone company-affiliated CATV systems that are not now the subject of section 214 applications? 40. Cox-Cosmos proposes the Commission should require divestiture by telephone companies within 4 years from the date of order in this proceeding. T-V Transmission, reflecting the viewpoint of the telephone industry, states that in view of the very significant capital investments made by the telephone companies, the imposition of such retroactive policies would be "inappropriate, inequitable, and potentially amounting to confiscation." Radio Hanover disagrees, and contends that in view of the Commission's "repeated and early warnings about unlawful uncertified cable construction, it would be unconscionable to permit grandfathering considerations to interfere with just determinations in the public interest." NCTA agrees essentially with Radio Hanover's comments that "the more than adequate warning" given to telephone companies engaged in the construction of CATV facilities justifies retroactively.

41. With respect to applications for certificates to construct or operate channel facilities that will be used to provide "wide spectrum" services under published tariffs the telephone companies' view is typically reflected in the

comments of Commonwealth Telephone Co. which recommends that the Commission should encourage telephone companies to offer wide-spectrum services under published tariffs. In GT&E's opinion, the furnishing of such services is an obligation to all customers, CATV or non-CATV, affiliated or not. It asserts that the public interest requires the permission of joint use by customers of common carrier facilities without regard to the nature of the carried traffic. Cox-Cosmos would allow wide-spectrum service offerings (excluding CATV) by telephone companies only where no unaffiliated CATV system is interested. NCTA insists that "wide spectrum tariff offerings are * * * unreasonable in themselves", because they constitute an offering to lease portions of cable spectrum for undisclosed purposes, thus, their tariffs "fail to comport with common carrier responsibilities to offer specific services." Furthermore, these offerings, NCTA believes, constitute a blatant attempt to control all uses of broadband cable and could give rise to discriminatory, unjust and unreasonable charges, as well as potential anticompetitive practices. Justice urges that until and unless the Commission is satisfied that the measures proposed in its own comments (or any others, if necessary) are adequate to deal with the type of competitive problems involved here, the Commission should not entertain any further 214 applications by telephone companies to construct CATV and other "wide spectrum" facilities, whether for affiliates or not, as possibly the only solution to encourage the "healthy competitive development of the vast potential of broadband coaxial cable". The National Businessmen's Council and the ADA advocate wide-band switched network carrier systems based on common carrier public utility principles, with telephone companies having equal opportunity to provide the total communications service, including CATV, except for the control of content of broadcast matter.

42. Reply comments were filed by eight parties, five of which are telephone companies and USITA;⁴ the other three are NAEB, Oxnard Cablevision, Inc. (Oxnard), and the City of New York (City).⁵ The City's purpose in filing comments is mainly to support Justice's recommendations that the Commission (1) require telephone companies to offer pole space to all applicants on a nondiscriminatory basis; and (2) prohibit restrictions on CATV systems use of cable, except

⁴ On Sept. 8, 1969 Radio Hanover filed a "Petition for Leave to file a Rejoinder", and a "Rejoinder" to the replies of United and USITA with respect to the status of Radio Hanover's antitrust litigation against United. The order herein grants the petition, and the rejoinder is made part of the record in this inquiry.

⁵ The City of New York and GT&E replies were not timely. However, in view of the importance of the subject matter of this inquiry, the Commission has accepted the documents and has given them due consideration.

as necessary to protect the integrity of the network. Oxnard's comments take the form of a complaint of General's refusal to grant pole line attachment rights to Oxnard, thus allegedly abusing "its local monopoly power in Oxnard (and elsewhere) by literally barring independent CATV operators from entry into the market except on the carrier's own terms: A lease-back arrangement." The telephone companies essentially reiterate and reemphasize their previously expressed position in (a) denying the Commission's legal authority to inquire into telephone company CATV ownership affiliation; (b) insisting that the real problem is not that of common carrier acting as program originators, but rather that of CATV operators acting as common carriers; (c) alleging that CATV operators are generally motivated in their filings more by their own anti-competitive aspirations than by any concern for the public interest; (d) insisting that Justice's proposals for a moratorium in processing section 214 applications to construct wide spectrum systems go "far beyond the matters noticed herein for inquiry;" would be wasteful; and would prevent the rendition of needed public service to CATV systems as well as to network TV, ETV, videophone, closed circuit TV, and broad-band data; (e) declaring that equal and nondiscriminatory access by all CATV applicants to poles and conduits" would preclude the possibility of facilities planning"; would jeopardize the integrity of communications; and would place the independent CATVs in a monopoly position; (f) arguing that the various present regulatory controls are adequate to prevent any of the alleged abuses; and (g) arguing that most of the complaints set forth against the telephone companies are vague, and others are clearly of antitrust character, thus irrelevant within the framework of this proceeding.

Evaluation and conclusions. 43. Although the preceding paragraphs present only some of the highlights of the comments and reply comments submitted, all documents have been considered in all their pertinent detail in the final evaluation of their effect on our conclusions. The central problem, as it appears to us from these documents, is the anomalous competitive situation between CATV systems affiliated with the telephone companies, and those which have no such affiliation, but have to rely on the telephone companies for either construction and lease of channel facilities or for the use of poles for the construction of their own facilities.⁶

⁶ The distributive cable network of a CATV system is provided either by channels constructed and leased by common carriers, or by attaching the CATV operator's own cables to utility poles (or using underground conduits) controlled by the telephone companies as direct owners, or through their arrangements with other utilities. The CATV system would normally have to use the same set of poles or conduits as the telephone company, because the communities generally will not permit the construction of duplicate sets of poles or conduits.

44. The notice attempted to spell out some of the related legal and economic problems which require an early resolution, such as the equitable use of facilities by the independent CATV operators; the prevention of potential favoritism by the telephone company towards its affiliated CATV system, either in the methods of establishing it, or by subsidizing the affiliate to the detriment of its telephone subscribers; and the fending off of any potentially undesirable social and economic consequences of concentration of control as a result of direct or indirect operation of CATV systems by telephone companies.

45. The Justice Department and most of the independent CATV parties argue that the telephone companies have been seeking to extend their regulated telephone monopoly into the areas of CATV and broad-band coaxial cables, primarily to assure themselves of control over the services broad-band coaxial cable will perform in the future. The Justice Department, believing that telephone company-CATV affiliation would inhibit the development of these new services on a competitive basis, proposes to keep telephone companies out of CATV ownership and operations within their telephone service areas, except in cases involving remote communities where "no reasonable alternative operator exists at present or in the foreseeable future." It also recommends that we freeze the granting of all telephone company applications for 214 broad-band cable authorizations pending the adoption of "adequate" regulatory measures. We do not believe that such action is necessary to assure the unhampered growth of the wide-spectrum services. However, we shall be alert to any discriminatory or anticompetitive attempts discussed in the Department's comments. In our opinion, the Department's essential concerns will be met by the actions we are taking herein.

46. The entry by a telephone company, directly or through an affiliate, into the retailing aspects of CATV services in the community within which it furnishes communications services can lead to undesirable consequences. This is because of the monopoly position of the telephone company in the community, as a result of which it has effective control of the pole lines (or conduit space) required for the construction and operation of CATV systems. Hence, the telephone company is in an effective position to preempt the market for this service which, at present, is essentially a monopoly service in most population centers. It can accomplish this by favoring its own or affiliated interest as against nonaffiliated interests in providing access to those pole lines or conduits. Numerous parties have complained that this, in fact, has occurred in many communities where the telephone company has entered into a pole attachment arrangement with its affiliated CATV company to the exclusion of others who may have sought such arrangements on reasonable terms. Accordingly, the actions we are taking herein are designed to prevent, as much as possible, any such abuse.

47. Moreover, telephone company preemption of CATV service in a community not only tends to exclude others from entry into that service, but also tends to extend, without need or justification, the telephone company's monopoly position to broadband cable facilities and the new and different services such facilities are expected to be providing in the future. This is because CATV service represents the initial practical application of broadband cable technology for providing services requiring a wider spectrum distribution facility than can be supplied within the technical capability of the existing plant of the telephone company. In this regard, there is a substantial expectation that broadband cables, in addition to CATV services, will make economically and technically possible a wide variety of new and different services involving the distribution of data, information storage and retrieval, and visual, facsimile and telemetry transmission of all kinds. There is also a real potential that such services will be furnished over regional and national networks consisting of local broadband cable systems interconnected by intercity microwave, coaxial cable, and communications satellite systems. Whether these services will evolve in a common carrier mode or some other institutional structure remains for future determination in the light of future developments. However, there is, at present, ample basis for regarding the provision of CATV service within a community as, at least, one important gateway to entering the yet undeveloped market for these other wide-spectrum services. Thus, it is our purpose to insure against any arbitrary blockage of this gateway.

48. It is entirely understandable and appropriate that telephone companies should seek to equip themselves with the facilities required to meet existing and anticipated demands of the public for broadband facilities and services. However, in the process of doing so, we cannot condone their employment of policies which result in denying others the opportunity to also enter the new and emerging markets for facilities and services. We believe that the public interest in modern and efficient means of communications will best be served, at this time, by preserving, to the extent practicable, a competitive environment for the development and use of broadband cable facilities and services and thereby avoid undue and unnecessary concentration of control over communications media either by existing carriers or other entities. We are of the opinion that the preservation of such competition will best be assured by the exclusion of telephone companies in their service areas from engaging in the sale of CATV service to the viewing public except where no practical alternative exists to make such service available within a particular community.

49. In view of the foregoing, it shall be our policy to bar all telephone common carriers from furnishing CATV service to the viewing public in their operating territory except when, for good cause shown, a waiver of this policy is granted.

Accordingly, we shall require telephone common carriers, seeking authority under section 214 of the Communications Act to construct and operate distribution facilities for channel service to CATV systems, to make an appropriate showing in their applications that the proposed CATV customer or customers is unrelated to or unaffiliated directly or indirectly with the applicant. Applications which do not contain such showing will be returned as unacceptable for filing. As a concomitant to this policy, and in view of the ability of telephone common carriers to use their monopoly position with respect to pole lines and conduit space to potentially exclude others from entering into CATV service, as discussed above, telephone common carriers will also be precluded from providing CATV service directly or indirectly to the viewing public by entering into pole line or conduit rental agreements with their affiliates in communities where they provide exchange service. (C.f. TeleCable Corp., 17 FCC 2d 517, 19 FCC 2d 574, 590; Manatee Cablevision, 18 FCC 2d 812.) To fulfill the intended purpose of this report and order, we shall broadly interpret the concept of affiliation between the telephone company and its proposed CATV customer, and our rules shall so provide.

50. In the case of their CATV affiliates, presently operating, we find that to assure a meaningful implementation of the above policies, it is necessary that telephone common carriers be also required to discontinue providing CATV service to the public in their service areas through such indirect method. However, to assure that existing CATV services would not be precipitously withdrawn from the public, temporary authorizations will be granted under section 214 to cover existing common carrier CATV channel services furnished to an affiliate, with the specific condition that these services be discontinued within 4 years from the effective date of this report and order.

51. We conclude that there is no justification for including any specific exceptions from the policy spelled out in paragraph 49. We believe that, where the need exists, there will be nonaffiliated, independent CATV systems ready, willing and able to service any area in which a telephone company would otherwise seek to provide service through an affiliated CATV system. Given the 4-year period for discontinuance of providing CATV service by telephone common carriers or their affiliates, we believe that no substantial segment of the public would be deprived of CATV service. In those rural communities, and communities of low population density where CATV service demonstrably could not exist except through an affiliate of the local telephone company and thus a telephone affiliate may be the only feasible source of CATV service to a community, adequate provisions will be made for waivers of any of our rules in such cases (with the understanding that appropriate accounting safeguards will be employed as to the regulated, versus unregulated, operations of the affiliated telephone company).

52. We do not believe that our change in policy will have any effect upon the recognized role of local or State government agencies in their choice of who should be licensed or franchised to be CATV operators. Both the State and/or municipal agencies will continue to be free to franchise any nonaffiliated independent CATV system where such franchising is now part of the local law, while any tendency or opportunity for discrimination by a telephone company on behalf of an affiliated CATV system will be removed.

53. It appears from the record in this proceeding, as well as from the various other information heretofore formally brought to our attention, that the potential seedbed of the controversy has been the independent CATV systems' alleged difficulty in obtaining pole line attachment agreements from the local telephone companies. Since pole lines are an essential part of the problem, they must necessarily be also part of the solution. Consequently, it is our further conclusion that any future authority to a telephone company under section 214(a) of the Act to provide CATV channel facilities, should be conditioned upon a documented showing that the customer CATV system had available, at its option, pole attachment rights (or conduit space, as the case may be) (a) at reasonable charges, and (b) without undue restrictions on the uses that may be made of the channel by the customer. This option must be open to the CATV customer not only at the time of the grant but also prior to its decision to seek an award of a local franchise. Additional showing is also required that this policy was made known to the local franchising authority.⁷

54. Pole line attachment (or conduit) rights must be offered on a nondiscriminatory basis where space for such facilities can reasonably be made available without impediment to the telephone company's obligation to supply non-CATV communications services to the public. The existence of technical limitations, which might prevent the leasing of space for additional lines on existing poles, should be convincingly shown by the telephone company and the exception be limited to the duration of the technical problem.

55. The principal assertion of some of the commenting telephone companies is, in effect, a challenge to the Commission's jurisdiction to conduct this inquiry and rule making proceeding. Specifically, United questions every one of the provisions listed in the notice as the statutory basis for the inquiry (sections 2, 3, 4 (i) and (j), 214, 301, 303, and 403 of the Communications Act). In

⁷ American Telephone and Telegraph Co. and General Telephone & Electronics Corp., on Oct. 27, 1969, and Dec. 1, 1969, respectively, advised the Commission of their present policy with respect to the conditions under which they are ready to enter into pole line (or underground conduit space) agreements with CATV systems. The communications are herewith annexed as Appendix B, which is filed as part of the original document.

reply, it is sufficient to point out that section 2(a) makes the provisions of the Act applicable "to all interstate and foreign communication by wire or radio * * *". Section 3 (a) and (b) states that communication by wire or radio includes "all instrumentalities, facilities, apparatus and services (among other things, the receipt, forwarding and delivery of communications) incidental to such transmission." Section 301 specifies that the purpose of the Act is "to maintain the control of the United States over all the channels of interstate and foreign radio transmission; * * *". And the courts have recognized that the Act confers comprehensive regulatory power on the Commission: *United States v. Southwestern Cable Co.*, 392 U.S. 157 (1968); *National Broadcasting Co. v. United States*, 319 U.S. 190, 219 (1943); *Federal Communications Commission v. Pottsville Broadcasting Co.*, 309 U.S. 134, 138 (1940). As for section 214, "The standard of 'public convenience and necessity' is to be so construed as to secure for the public the broad aims of the Communications Act", *Western Union Division v. United States*, 87 F. Supp. 324, 335 (USDC, D. of C. 1949), affirmed in 338 U.S. 864. The most recent case, confirming the Commission's authority with respect to section 214 certification requirement of telephone companies in CATV channel service application proceedings, is *General Telephone Company of California v. F.C.C.* 413 Fed. 2d 390, decided April 30, 1969, by the U.S. Court of Appeals for the District of Columbia Circuit (certiorari denied by the Supreme Court on Oct. 27, 1969, No. 357).

56. The telephone industry's comments and replies also specifically question the Commission's legal authority to limit the scope of telephone company ownership affiliation with CATV systems. Their position appears to be based on the argument that the nature of CATV ownership is as varied as that of any American enterprise; that CATV systems are known to be owned by other communications media; and that, therefore, the singling out of telephone companies for special treatment in this respect is making them "second-class citizens." We are unable to agree with the telephone industry's complaint, either legally or factually. We have proposed rules in Docket No. 18397 which would preclude cross-ownership of CATV and local broadcast media. Moreover, the prevention of undesirable concentration of control of communications media has always been of great concern to us. There surely cannot be any question about our authority to regulate the telephone companies' interstate communications activities, and, by now, our authority to issue regulations pertaining to CATV operations is equally well established.⁸ Similar restrictions on concentration of ownership in the public interest have been held fully within the Commission's statutory mandate. In

⁸ *U.S. v. Southwestern Cable Co.*, 392 U.S. 157 (1968).

U.S. v. Storer Broadcasting Co., 351 U.S. 192, the court, inter alia, held that the Commission's power to issue regulations authorizes it to limit concentration of stations under a single control. Since the standard of public convenience and necessity is the watchword of any section 214 grant, there should be no question about our responsibility to make it certain that any authorization issued by us will not be used as a tool of discrimination and unfair competition, and will not inhibit the future growth and development of the wide-spectrum services. On the contrary, our authorizations should assure that the common carrier applicant's service is offered in a manner consistent with the best interest of the community it serves.

57. It is also urged by some of the telephone companies that the complaints alleging anticompetitive and discriminatory practices on the part of the telephone companies are primarily antitrust issues and do not come within our basic jurisdiction. It is urged that any action taken by us to promulgate rules pertaining to such matters would be an attempt to enforce the antitrust laws of the United States which function Congress has delegated to the Department of Justice. This contention has been advanced before, and is expressly rejected by the courts. *Mansfield Journal Co. v. F.C.C.*, 180 F. 2d 28; *N.B.C. v. U.S.* 319 U.S. 190. It is not open to question that antitrust policies and the public interest standard of the Communications Act are closely related, and that we are obliged to give weight to that policy in applying the statutory standard *U.S. v. R.C.A.*, 358 U.S. 334 (1959), where the Court noted that:

* * * This Court consistently held that when rates and practices relating thereto were challenged under the antitrust laws, the agencies had primary jurisdiction to consider the reasonableness of such rates and practices in the light of the many relevant factors including alleged antitrust violations, for otherwise sporadic action by federal courts would disrupt an agency's delicate regulatory scheme, and would throw existing rate structures out of balance.

58. It has been repeatedly argued in the replies of the telephone companies that many of the comments, critical of the CATV-telephone company affiliation, were not supported with specific facts and detailed descriptions of anticompetitive practices. However, telephone company participants fail to consider that the subject proceeding is a general inquiry, not directed to specific complaints. We invited interested parties to comment on the general problems posed by the effects of potentially inherent anticompetitive conditions of telephone company-CATV affiliations and of the possible adverse consequences thereof to the public interest. We are satisfied that the prevention of such possible abuses fully warrant our policy findings herein, and the new rules which will implement them.

59. United in its reply⁹ also objects to the consideration of pole attachment

⁹ Page 9, paragraph 14.

agreements in this inquiry, for the reason that these matters could be properly considered only in the consolidated tariff proceedings.¹⁰ However, in paragraph 7 of the notice, referring to "alleged anticompetitive activities of the telephone companies in connection with both pole line attachment practices and tariffs", we wished to make clear that although these practices are in issue in the consolidated tariff case, they may be pertinent to this inquiry as well. Accordingly, we invited comments insofar as those practices may have a bearing on the questions to be resolved in this proceeding.

60. One of the applications (Heins Telephone Co., File No. P-C-7198), included among the 17 listed in the appendix to the notice of inquiry, allegedly involves a little over 10 percent stock-ownership on the part of one of the applicant telephone company's officers in the CATV system. It has been urged that the limited extent of the relationship should exclude such application from the scope of this proceeding. We believe, however, that the goal of barring any undesirable concentration of control of communications media and the realities of the situation require that no distinction be made between a minority non-controlling interest and a full or controlling one, except in large, publicly held corporation with more than 50 stockholders. While the holder of a small interest in many instances may have a slight influence on the operation of the CATV system in question, it is also true that such a person through his various affiliations, etc., may exert a considerable influence—potentially defeating the policies enunciated in this report and order.

61. Several questions in the notice inquire into the adverse financial or technical effects of CATV-telephone company ownership affiliation on the telephone company's furnishing of service to its telephone subscribers. However, the comments (and the replies to them) do not provide sufficient informational basis for any specific findings in this regard. Furthermore, in view of our conclusions restricting telephone company-CATV affiliations in the service areas of the telephone companies, the cause for concern over potential discriminatory practices will be considerably decreased. The situation is similar with respect to the possible danger of subsidization of affiliated CATV operations by a telephone company, making specific findings unnecessary at this time. However, should future developments require it, such matters may be the subject of a later proceeding.

62. Various comments were addressed to the regulatory ramifications of the future uses of broad-band channels. At this point it is impossible to foresee, let alone to provide for, the needed policy or regulatory guidance as to those matters. However, we expect to give continued

consideration to all new wide-spectrum service offerings, and will continue to encourage full and free competition in the development of such services under appropriate tariffs by all interested parties.¹¹

63. In light of all the foregoing, and to implement our above findings we conclude that the public interest would be served by the adoption of the rules set forth in Appendix A. Authority for the rules adopted is contained in sections 2, 3, 4 (i) and (j), 214, 301, 303, 307, 308, 309, and 403 of the Communications Act.

64. Accordingly, it is ordered. That the rules set forth in Appendix A below are adopted, effective March 16, 1970, and that this proceeding is hereby terminated.

(Secs. 2, 3, 4, 214, 301, 303, 307, 308, 309, 403, 48 Stat., as amended, 1064, 1065, 1066, 1075, 1081, 1082, 1083, 1084, 1085, 1094; 47 U.S.C. 152, 153, 154, 214, 301, 303, 307, 308, 309, 403)

Adopted: January 28, 1970.

Released: February 4, 1970.

FEDERAL COMMUNICATIONS COMMISSION,¹²

[SEAL] BEN F. WAPLE,
Secretary.

APPENDIX A

I. Part 63 is amended as follows:

New §§ 63.54, 63.55, 63.56, and 63.57 are added to read as follows:

§ 63.54 Applications of telephone common carriers for construction and/or operation of CATV channel facilities in their service areas.

Applications by telephone common carriers for authority to construct or operate distribution facilities for channel service to community antenna television (CATV) systems in their service areas shall include a showing that applicant is unrelated and unaffiliated, directly or indirectly, with the proposed CATV customer or customers. Applications which do not contain the showing required by this section will be returned as unacceptable for filing.

NOTE 1: (a) As used in the above paragraph, the term "unrelated and unaffiliated" bars any financial or business relationship whatsoever by contract or otherwise, directly or indirectly, between the carrier and the customer, except only the carrier-user relationship.

(b) Examples of situations in which a carrier and its customer will be deemed to be related or affiliated include the following among others: where one is the debtor or creditor of the other (except with respect to charges for communication service); where they have a common officer, director, or other employees at the management level; where there is any element of ownership or other

¹¹ On Jan. 11, 1967, in Docket No. 17098, FCC 67-59, we instituted an investigation into the lawfulness of the CATV channel service tariffs of the General Telephone and the United Utilities Systems which tariffs, among others, contain provisions restricting the use of their wide-spectrum channel offerings to CATV service only.

¹² Commissioners Robert E. Lee and Wells absent; Commissioner Johnson concurring in the result.

financial interest by one in the other; and where any party has a financial interest in both.

NOTE 2: In applying the provisions of the above paragraphs of this section to the stockholders of a corporation which has more than 50 stockholders:

(a) Only those stockholders need be considered who are officers or directors or who directly or indirectly own 1 percent or more of the outstanding voting stock;

(b) Stock ownership by an investment company, as defined in 15 U.S.C. section 80a-3 (commonly called a mutual fund), need be considered only if it directly or indirectly owns 3 percent or more of the outstanding voting stock or if officers or directors of the corporation are representatives of the investment company. Holdings by investment companies under common management shall be aggregated. If an investment company directly or indirectly owns voting stock in an intermediate company which in turn directly or indirectly owns 50 percent or more of the voting stock of the corporation, the investment company shall be considered to own the same percentage of outstanding shares of such corporation as it owns of the intermediate company: *Provided, however*, That the holding of the investment company need not be considered where the intermediate company owns less than 50 percent of the voting stock, but officers or directors of the corporation who are representatives of the intermediate company shall be deemed to be representatives of the investment company.

(c) In cases where record and beneficial ownership of voting stock is not identical (e.g., bank nominees holding stock as record owners for the benefit of mutual funds, brokerage houses holding stock in street name for the benefit of customers, trusts holding stock as record owners for the benefit of designated parties), the party having the right to determine how the stock will be voted will be considered to own it for the purposes of this section.

§ 63.55 Waivers.

In those communities where CATV service demonstrably could not exist except through a CATV system related to or affiliated with the local telephone common carrier, provisions in § 63.54 may be waived.

§ 63.56 Temporary authorizations under section 214(a) during period allowed for discontinuance of CATV service by telephone common carriers directly or through affiliates.

All telephone common carriers are required to discontinue providing CATV service directly or through their existing affiliated or related CATV systems within 4 years from March 16, 1970: *Provided, however*, That during the said 4-year period temporary authorizations may be granted under section 214(a) of the Act, to cover existing telephone common carrier CATV channel services furnished to an affiliated or related CATV system.

§ 63.57 Availability of pole (conduit) rights to CATV customer.

Applications by telephone common carriers for authority to construct or operate distribution facilities for channel service to CATV systems shall include a showing (in addition to the conditions set forth in the above sections) that the independent CATV system proposed to be served, had available, at its option,

¹⁰ CATV Channel Service Tariff proceedings in Dockets Nos. 16928, 16943, and 17098 (6 F.C.C. 2d 175, 433, 434, 440, 441).

and within the limitations of technical feasibility, pole attachment rights (or conduit space, as the case may be), at reasonable charges and without undue restrictions on the uses that may be made of the channel by the customer. This availability must exist not only at the time of the authorization but also prior to the customer's decision to seek an award of a local franchise, if such is required, and that such policy of the applicant is made known to the local franchising authority. Separate documents, attesting the above conditions, by the CATV customer and, where applicable, by the appropriate local franchising authority, must be annexed to the application.

II. Part 64 is amended by adding a new Subpart F, and §§ 64.601 and 64.602 to read as follows:

Subpart F—Pole Attachments and Other Arrangements Relative to CATV Service

Sec.

64.601 Furnishing of facilities for CATV service to the viewing public.

64.602 Waivers.

AUTHORITY: The provisions of this Subpart F issued under secs. 2-4, 214, 301, 303, 307-309, 403, 48 Stat., as amended, 1064-1066, 1075, 1081-1085, 1094; 47 U.S.C. 152-154, 214, 301, 303, 307-309, 403.

Subpart F—Pole Attachments and Other Arrangements Relative to CATV Service

§ 64.601 Furnishing of facilities for CATV service to the viewing public.

(a) No telephone communications common carrier subject in whole or in part to the Communications Act of 1934, as amended, shall directly or indirectly

through an affiliate owned or controlled by or under common control with said telephone communications common carrier, engage in the furnishing of CATV service to the viewing public in its telephone service area.

(b) No telephone common carrier subject in whole or in part to the Communications Act of 1934, as amended, shall provide channels of communications or pole line, conduit space or other rental arrangements to any entity which is directly or indirectly owned, operated or controlled by such telephone communications common carrier, where such facilities or arrangements are to be used for or in connection with the provision of CATV service to the viewing public in the service area of the said telephone common carrier.

NOTE 1: (a) As used above, the terms "control" and "affiliation" bar any financial or business relationship whatsoever by contract or otherwise, directly or indirectly, between the carrier and the customer, except only the carrier-user relationship.

(b) Examples of situations in which a carrier and its customer will be deemed to be controlled or having an interest, include the following, among others: Where one is the debtor or creditor of the other (except with respect to charges for communication service); where they have a common officer, director, or other employees at the management level; where there is any element of ownership or other financial interest by one in the other; and where any party has a financial interest in both.

NOTE 2: In applying the provisions of paragraph (a) of this section to the stockholders of a corporation which has more than 50 stockholders:

(a) Only those stockholders need be considered who are officers or directors or who directly or indirectly own 1 percent or more of the outstanding voting stock;

(b) Stock ownership by an investment company, as defined in 15 U.S.C. section 80a-3 (commonly called a mutual fund), need be considered only if it directly or indirectly owns 3 percent or more of the outstanding voting stock or if officers or directors of the corporation are representatives of the investment company. Holdings by investment companies under common management shall be aggregated. If an investment company directly or indirectly owns voting stock in an intermediate company which in turn directly or indirectly owns 50 percent or more of the voting stock of the corporation, the investment company shall be considered to own the same percentage of outstanding shares of such corporation as it owns of the intermediate company: *Provided, however,* That the holding of the investment company need not be considered where the intermediate company owns less than 50 percent of the voting stock, but officers or directors of the corporation who are representatives of the intermediate company shall be deemed to be representatives of the investment company.

(c) In cases where record and beneficial ownership of voting stock is not identical (e.g., bank nominees holding stock as record owners for the benefit of mutual funds, brokerage houses holding stock in street name for the benefit of customers, trusts holding stock as record owners for the benefit of designated parties), the party having the right to determine how the stock will be voted will be considered to own it for the purposes of this section.

§ 64.602 Waivers.

In those communities where CATV service demonstrably could not exist except through a CATV system related to or affiliated with the local telephone common carrier, provisions in § 64.601 may be waived.

[F.R. Doc. 70-1658; Filed, Feb. 9, 1970; 8:50 a.m.]

Proposed Rule Making

DEPARTMENT OF THE INTERIOR

National Park Service

[36 CFR Part 7]

YELLOWSTONE NATIONAL PARK,
WYO.

Fishing

Notice is hereby given that pursuant to the authority contained in section 3 of the Act of August 25, 1916 (39 Stat. 535, as amended, 16 U.S.C. 3), and the Act of May 7, 1894 (28 Stat. 73, as amended, 16 U.S.C. 26), 245 DM-I (27 F.R. 6395), National Park Service Order No. 34 (31 F.R. 4255) as amended, Regional Director, Midwest Region Order No. 4 (31 F.R. 5769), as amended, it is proposed to amend § 7.13(e) of Title 36 of the Code of Federal Regulations as set forth below.

The purpose of this amendment is to protect the fishery resource and at the same time provide a high quality angling experience for park visitors. The number of park visitors and subsequent angling pressure continues to increase each year. This increase can be accommodated in a wild trout fishery only by decreasing the number of fish killed by man. It is proposed this amendment would become effective at the start of the 1970 fishing season. Because of several changes, the paragraph is written here in its entirety.

It is the policy of the Department of the Interior, whenever practicable, to afford the public an opportunity to participate in the rulemaking process. Accordingly, interested persons may submit written comments, suggestions, or objections, with respect to the proposed amendments to the Superintendent, Yellowstone National Park, Wyo. 82190, within 30 days of the date of publication of this notice in the FEDERAL REGISTER.

Section 7.13(e) of Title 36 of the Code of Federal Regulations is amended as follows:

§ 7.13 Yellowstone National Park.

(e) *Fishing*—(1) *Open fishing season.*
(i) All rivers and creeks in the Yellowstone River drainage above the Upper Falls at Canyon, except as otherwise provided in subparagraph (2) of this paragraph, are open to fishing from 4 a.m., m.s.t., on July 15 to 9 p.m., m.s.t., on October 31. Rivers and creeks will include those portions of Yellowstone Lake marked by buoys within 100 yards of the river or creek inlet.

(ii) All lakes in the Yellowstone River drainage above the Upper Falls at Canyon, except as otherwise provided in subparagraph (2) of this paragraph, are open to fishing from 4 a.m., m.s.t., on June 15 to 9 p.m., m.s.t., on October 31.

The marking buoys in the vicinity of the outlet of Yellowstone Lake shall define the northern limit of Yellowstone Lake.

(iii) All other waters, except as provided in subparagraph (2) of this paragraph, are open to fishing from 4 a.m., m.s.t., on May 28 to 9 p.m., m.s.t., on October 31.

(2) *Closed waters.* The following waters of the park are closed to fishing and are so designated by appropriate signs:

(i) The Yellowstone River and its tributary streams from the confluence of Alum Creek with the Yellowstone River upstream to the Sulphur Caldron.

(ii) Bridge Bay Lagoon, Grant Village Lagoon and Marina and their connecting channels with Yellowstone Lake.

(iii) Fishing is prohibited from the shores of the southern extreme of the West Thumb thermal area (posted) along the shore of Yellowstone Lake to the mouth of Little Thumb Creek.

(iv) The Mammoth water supply reservoir.

(v) Old Faithful water supply consisting of that section of the Firehole River from the Old Faithful water intake to the Shoshone Lake trail crossing above Lone Star Geysir.

(3) *Daily fishing period.* Fishing in those waters of the park that are open is permitted only between the hours of 4 a.m. and 9 p.m., m.s.t., or 5 a.m. and 10 p.m., m.d.t.

(4) *Daily limits by waters.* Daily limit shall mean the numbers, sizes, or species of fish that may be legally taken from specified waters during the legal fishing hours of a day. All fish a person does not elect to keep in possession shall be carefully and immediately returned to the water from which they were taken.

(i) The possession of grayling caught in park waters is prohibited (catch-and-release fishing only).

(ii) Yellowstone Lake and the Yellowstone River outlet above the Upper Falls at Canyon (except as provided for in subparagraphs (1) and (2) of this paragraph): Three (3) fish, 14 inches or longer.

(iii) Firehole and Madison Rivers, Lower Gibbon River up to the base of Gibbon Falls: Two (2) fish, 16 inches or longer.

(iv) All other waters open to fishing: Five (5) fish, of which no more than three (3) may be cutthroat trout.

(5) *Possession limit.* Possession limit shall mean the numbers or species of fish taken within Yellowstone National Park which may be in the possession of a person, regardless if fresh, stored in freezers or ice chests, or otherwise preserved. A person must cease fishing immediately upon filling his possession limit.

(i) The possession limit is five (5) fish of which no more than three (3) may be cutthroat trout. The possession of grayling is prohibited.

(6) *Restriction of use of lines, bait and lures.* (i) Each person fishing in park waters shall use only one rod or line held in hand.

(ii) Only artificial flies on single hook or lures with one single, double, or treble hook may be used in park waters except as specified in the following paragraphs.

(iii) Only artificial flies with no more than a single hook may be used for fishing in the Firehole River, Madison River, and that section of the Gibbon River extending from the mouth of the stream to the base of Gibbon Falls.

(iv) When in the possession of any fishing equipment and while immediately adjacent to or on waters of the park, no person shall possess any fish bait (e.g. worms, insects, minnows, fish eggs, or other organic matter, or parts thereof) or fish lures, except as provided for in subdivisions (ii), (iii), and (v) of this subparagraph.

(v) Persons 12 years of age or under may fish with worms as bait on the Gardner River, Obsidian Creek, Indian Creek, and Panther Creek.

JACK K. ANDERSON,
Superintendent,
Yellowstone National Park, Wyo.

[F.R. Doc. 70-1687; Filed, Feb. 9, 1970;
8:50 a.m.]

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Part 52]

CANNED PEAS AND CARROTS

Proposed Standards for Grades¹

Notice is hereby given that the U.S. Department of Agriculture is considering the issuance of U.S. Standards for Grades of Canned Peas and Carrots. This new grade standard would be issued under authority of the Agricultural Marketing Act of 1946 (sec. 205, 60 Stat. 1090, as amended, 7 U.S.C. 1624), which provides for the issuance of official U.S. grades to designate different levels of quality for the voluntary use of producers, buyers, and consumers. Official grading services are also provided under this Act upon request of the applicant and upon payment of a fee to cover the cost of such service.

All persons who desire to submit written data, views, or arguments in connection with the proposal should file the same in duplicate not later than 90 days after publication hereof in the FEDERAL

¹ Compliance with the provisions of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act or with applicable state laws and regulations.

REGISTER, with the Hearing Clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C. 20250. All written submittals made pursuant to this notice will be available for public review at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

Statement of consideration leading to the proposed standards. There are no U.S. Standards for Grades of Canned Peas and Carrots at the present time.

The Wisconsin Cannery and Freezers Association, representing a high proportion of canners of the product, expressed the need for such a grade standard. Other parties have indicated an interest in grade standards for this product.

This standard, when effective, will provide the basis for describing the quality of canned peas and carrots in terms of market value and will be useful in commercial transactions and procurement purposes involving this product.

The new standard as here proposed would cover two quality grades above Substandard: U.S. Grade A (or Fancy) and U.S. Grade B (or Extra Standard). Requirements for U.S. Grade A would be comparable to a very good quality of canned peas and high quality of canned carrots. The requirements for U.S. Grade B would be equivalent of a good quality for both ingredients.

Evaluation of these quality factors would be rated on a scoring system: color, uniformity of size and shape (applicable to the carrot portion only), absence of defects, and character. Flavor and odor would also be a criteria of quality.

Canned peas and carrots—to be evaluated under the proposed grade standards—would contain 50 percent to 75 percent sweet type peas. The remainder of the product could be in the form of diced, sliced, double-diced, or strips of carrots.

In determining compliance with the stated requirements for quality and ingredient proportions, a sample unit of 10 ounces of representative drained product would be used. The size of the lot will determine the minimum number of such sample units that must be examined.

The proposed standards are as follows:

PRODUCT DESCRIPTION, KINDS, STYLES, GRADES

- 52.6201 Product description.
52.6202 Kinds, styles, proportions of vegetables.
52.6203 Grades of canned peas and carrots.

FILL OF CONTAINER, DRAINED WEIGHT

- 52.6204 Fill of container and drained weights.
52.6205 Compliance with recommended minimum drained weights.

SAMPLE UNIT SIZE, FACTORS OF QUALITY

- 52.6206 Sample unit size.
52.6207 Ascertaining the grade of a sample unit.
52.6208 Ascertaining the rating for the factors which are scored.
52.6209 Color.
52.6210 Uniformity of size and shape.
52.6211 Defects.
52.6212 Character.

METHODS OF ANALYSES

- 52.6213 Methods of analyses.
LOT COMPLIANCE
52.6214 Ascertaining the grade of a lot.
SCORE SHEET
52.6215 Score sheet for canned peas and carrots.

AUTHORITY: The provisions of this subpart issued under sec. 205, 60 Stat. 1090, as amended; 7 U.S.C. 1624.

PRODUCT DESCRIPTION, KINDS, STYLES, GRADES

§ 52.6201 Product description.

Canned peas and carrots is the product which has been properly prepared from clean, sound, succulent garden peas and clean, sound carrots. The peas and carrots are packed in a suitable packing medium with or without the addition of salt, sugar, or other ingredient(s) permissible under the Federal Food, Drug, and Cosmetic Act; and are sufficiently processed by heat to assure preservation of the product in hermetically sealed containers.

§ 52.6202 Kinds, styles, proportions of vegetables.

(a) *Peas.* Sweet type peas shall comprise not less than 50 percent, by weight, of the drained product.

(b) *Carrots.* Not less than 25 percent, by weight, of the drained product shall be carrots and shall be one of the following styles:

(1) *Sliced.* Predominantly of parallel slices which may be in the form of "corrugated," "fluted," "wavy," "scalloped," or "crinkle cut";

(2) *Diced.* Approximate cube-shaped;

(3) *Double-diced.* Approximate rectangular shaped which resemble the equivalent of two cube-shaped units; or

(4) *Strips.* Cut strips not exceeding three-eighth inch in width and of various lengths and which have four approximately parallel sides.

(c) *Determination of proportion of ingredients.* The proportion requirement for the respective ingredient is determined by averaging the total drained weight of each ingredient in all 10-ounce sample units in the sample: *Provided*, That any deviation from the requirement for proportions of ingredients in any one 10-ounce sample unit is within the range of variability of good commercial practice.

§ 52.6203 Grades of canned peas and carrots.

(a) "U.S. Grade A" or ("U.S. Fancy") is the quality of canned peas and carrots in which the vegetables possess a good color, are practically free from defects, possess a good character, possess a good flavor and odor, and which score not less than 90 points when scored in accordance with the scoring system outlined in this subpart.

(b) "U.S. Grade B" or ("U.S. Extra Standard") is the quality of canned peas and carrots in which the vegetables have at least reasonably good color, reasonable freedom from defects, a reasonably good character, and fairly good flavor and odor, and which score not less than

80 points when scored in accordance with the scoring system outlined in this subpart.

(c) "Substandard" is the quality of canned peas and carrots that fail to meet the requirements of U.S. Grade B.

FILL OF CONTAINER, DRAINED WEIGHT

§ 52.6204 Fill of container and drained weights.

(a) *General.* The recommended fill of container is not incorporated in the grades of the finished product since fill of container, as such, is not a factor of quality for the purpose of these grades. It is recommended that each container be as full of peas and carrots as practicable without impairment of quality and that the product and packing medium occupy not less than 90 percent of the volume of the container.

(b) *Method for ascertaining drained weight.* The minimum drained weight recommendations in Table I are not incorporated in the grades of the finished product since drained weight, as such, is not a factor of quality for the purpose of these grades. The drained weight of canned peas and carrots is determined by emptying the contents of the container upon a U.S. Standard No. 8 circular sieve of proper diameter containing 8 meshes to the inch (0.0937 inch, ± 3 percent, square openings). The product is evenly distributed on the sieve, the sieve inclined slightly to facilitate drainage, and allowed to drain for 2 minutes. The drained weight is the weight of the sieve and the peas and carrots less the weight of the dry sieve. A sieve 8 inches in diameter is used for the No. 2½ size can (401 x 411) and smaller sizes; and a sieve 12 inches in diameter is used for containers larger than the No. 2½ size can.

§ 52.6205 Compliance with recommended minimum drained weights.

Compliance with the recommended minimum drained weights for canned peas and carrots is determined by averaging the drained weights from all the containers which are representative of a specific lot. Such lot is considered as meeting the recommendations if the following criteria are met:

(a) The average of the drained weights from all of the containers meets the recommended drained weight; and

(b) The drained weights from the containers which do not meet the recommended drained weight are within the range of variability for good commercial practice.

TABLE I

RECOMMENDED MINIMUM DRAINED WEIGHTS OF PEAS AND CARROTS

Container size or designation	If the style of the carrot is—	
	Sliced; strips	Diced; double-diced
8 oz. Tall.....	Ounces 5.5	Ounces 5.5
No. 2 Vacuum (3½" X 3¾").....	9.5	9.5
No. 308.....	10.6	10.8
No. 308 (Glass).....	10.6	10.8
No. 10.....	70.0	71.0

SAMPLE UNIT SIZE, FACTORS OF QUALITY

§ 52.6206 Sample unit size.

Compliance with requirements for factors of quality and for proportions of ingredients shall be based on a sample unit consisting of 10 ounces of drained product. A sample unit may be comprised of:

- (a) The entire contents of a container;
- (b) A combination of the contents of two or more containers;
- (c) A representative portion of the contents of a container;

Provided, That not more than one (1) sample unit is derived from any one single container smaller than a No. 10 can and that no less than two (2) sample units are derived from any one single container of a No. 10 can size or larger.

§ 52.6207 Ascertaining the grade of a sample unit.

(a) *General*. The grade of a sample unit of canned peas and carrots is ascertained by considering: The flavor and odor which are not scored; the rating of the factors of color, uniformity of size and shape, absence of defects, and character which are scored; the total score; and the limiting rules which may be applicable.

(b) *Definition of flavor and odor*. (1) "Good flavor" means that the product and each of the vegetables has a good, characteristic, normal flavor and odor.

(2) "Fairly good flavor" means that the product may be lacking in good flavor and odor but is free from objectionable flavors and objectionable odors of any kind.

(c) *Factor not rated by score points*. (1) Flavor and odor.

(d) *Factors rated by score points*. The relative importance of each factor which is scored is expressed numerically on the scale of 100. The maximum number of points that may be given such factors are:

	<i>Points</i>
Color	20
Uniformity of size.....	20
Absence of defects.....	30
Character	30
Total	100

§ 52.6208 Ascertaining the rating for the factors which are scored.

The essential variations within each factor which is scored are so described that the value may be ascertained for each factor and expressed numerically. The numerical range within each factor which is scored is inclusive. (For example, "18 to 20 points" means 18, 19, or 20 points.)

§ 52.6209 Color.

(a) *General*. The factor of color refers to the overall appearance of the product and to the color and brightness of the vegetables individually.

(b) (A) *Classification*. Canned peas and carrots which possess a good color may be given a score of 18 to 20 points. "Good color" means that the product possesses an overall color that is at least

reasonably bright and each of the vegetables is not more than slightly affected by variations in color; that the carrots possess an orange-yellow color which is bright and typical and the presence of green, white, or orange-brown units does not more than slightly affect the appearance or eating quality of the carrots; that the color of the peas is normal and is typical of at least reasonably young and reasonably tender peas with practically no "blond" or "cream" colored peas.

(c) (B) *Classification*. Canned peas and carrots which possess a reasonably good color may be given a score of 16 or 17 points. Canned peas and carrots that fall into this classification shall not be graded above U.S. Grade B, regardless of the total score for the product (limiting rule). "Reasonably" good color means that the product possesses an overall color which may be slightly dull but is not off color; that the color of each of the vegetables may be variable but not to the extent that the appearance of the product is seriously affected; that the presence of green, white, or orange-brown units does not seriously affect the appearance of the carrots; that the color of the peas is typical of fairly young and fairly tender peas.

(d) (SStd) *Classification*. If the canned peas and carrots fail to meet the requirements of paragraph (c) of this section a score of 0 to 15 points may be given and the product shall not be graded above Substandard, regardless of the total score for the product (limiting rule).

§ 52.6210 Uniformity of size and shape.

(a) *General*. Under this factor, consideration is given only to the uniformity of size and shape of the carrot ingredient. The percentage, by weight, of the carrot ingredient consisting of units smaller, or larger, than the required size for a particular style is determined by separating all such units from the other carrot units in the sample unit, weighing such units, and dividing that weight by the total weight of the drained carrot ingredient in the sample unit.

(b) *Ascertaining dimensions*. Size dimensions of the various units are measured as follows:

(1) *Diameter and thickness of sliced carrots*. The diameter of a slice is the measurement across the largest cut surface of the slice. The thickness of a slice is measured at the thickest portion between the two cut surfaces of the slice.

(2) *Size of diced carrots*. The size of a dice is the length of the edge (other than rounded outer edges) which is most representative of the size of the approximate cube.

(3) *Width of a strip*. The width of a strip is the widest cut surface measured at right angles to the length of the unit.

(c) (A) *Classification*. Canned peas and carrots that are practically uniform in size and shape may be given a score of 18 to 20 points. "Practically uniform in size and shape" means that:

(1) The carrots comply with the measurement, shape, and uniformity requirements for (A) classification in Table II; and, in addition

(2) The overall appearance of the product is not materially affected by variations or irregularities in size and shape of the units.

(d) (B) *Classification*. Canned peas and carrots that are reasonably uniform in size and shape may be given a score of 16 or 17 points. Canned peas and carrots that fall into this classification shall not be graded above U.S. Grade B regardless of the total score for the product (limiting rule). "Reasonably uniform in size and shape" means that:

(1) The carrots simply with the measurement, shape, and uniformity requirements for (B) classification in Table II; and, in addition

(2) The overall appearance of the product is not seriously affected by variations or irregularities in size and shape of the units.

(e) (SStd) *Classification*. Canned peas and carrots that fail to meet the requirements of paragraph (d) of this section may be given a score of 0 to 15 points and shall not be graded above Substandard, regardless of the total score for the product (limiting rule).

TABLE II

UNIFORMITY OF SIZE AND SHAPE REQUIREMENTS FOR CARROT INGREDIENT IN CANNED PEAS AND CARROTS

Styles of carrots	Measurement and/or shape of individual units.	(A)	(B)
		Classification maximum variation (percent by weight of carrot ingredient in the sample unit)	Classification maximum variation (percent by weight of carrot ingredient in the sample unit)
Sliced.....	1 1/8" - maximum diameter; 3/8" - maximum thickness.	15 percent may exceed these measurement limits.	25 percent may exceed these measurement limits.
Diced.....	Approximate cube shape, 3/8" - minimum; 3/4" - maximum.	20 percent may fall these measurement limits, provided small chips do not materially affect appearance of product.	30 percent may fall these measurement limits, provided small chips do not seriously affect appearance of product.
Double-diced..	Approximate double-cube shapes.	20 percent may be noticeably smaller or larger than average sized unit.	30 percent may be noticeably smaller or larger than average sized unit.
Strips.....	Approximate french-cut shapes, 1 1/2" - minimum length, 3/8" - maximum width.	25 percent may be less than 1 1/2" in length or exceed 3/8" width.	35 percent may be less than 1 1/2" in length or exceed 3/8" width.

§ 52.6211 Defects.

(a) *General*. The factor of defects refers to the degree of freedom from harmless extraneous vegetable material, damaged units, seriously damaged units, and

any other defect which detracts from the appearance or edibility of the product.

(1) "Harmless extraneous vegetable material" means:

(i) Material common to the pea or carrot plant (such as leaves, stems, or pods); and

(ii) Harmless material from other plants (such as thistle buds or seeds) which are succulent.

(2) "Damaged unit" means any pea or carrot unit that is affected by discoloration or other blemish to the extent that the appearance or edibility of the unit is materially affected and has the following specific meanings with respect to each vegetable:

(i) *Peas*. Any spotted or off-colored pea (other than blond peas) such as brown or gray discoloration.

(ii) *Carrots*. Any unit possessing an unpeeled area greater than the area of a circle one-eighth inch in diameter; and any unit blemished by internal or external discoloration, such as sunburn or green color, or other similar color.

(3) "Seriously damaged unit" means a pea or carrot unit that is damaged to the extent that the appearance or edibility of the unit is seriously affected and includes units with very dark spots or serious discoloration or other abnormalities.

(4) "Other defects" means defects not specifically mentioned that affect the appearance or edibility of the product and include, but are not limited to, the following:

(i) *Peas*. Mashed peas, broken peas, loose cotyledons, loose skins, and any portions thereof;

(ii) *Carrots*. Crushed, broken, or cracked units or units with excessively frayed edges and surfaces.

(b) (A) *Classification*. Canned peas and carrots that are practically free from defects may be given a score of 27 to 30 points. "Practically free from defects" means that there may be present:

(1) Not more than one (1) piece of harmless extraneous material per 60 ounces of drained product (average of entire sample); and

(2) Not more than the following per sample unit of 10 ounces:

(i) A total of 8 damaged and seriously damaged units of which not more than one (1) may be seriously damaged: *Provided*, That damaged and seriously damaged units, either singly or in combination, may no more than slightly affect the appearance or eating quality of the product;

(ii) Harmless extraneous material and/or other defects, individually or collectively, which materially affect the appearance of the product; and

(iii) Any combination of the foregoing which materially affect the appearance or eating quality of the product.

(c) (B) *Classification*. If the canned peas and carrots are reasonably free from defects a score of 24 to 26 points may be given. Canned peas and carrots that fall into this classification shall not be graded above Grade B, regardless of the total score for the product (limiting rule). "Reasonably free from defects" means that there may be present:

(1) Not more than one (1) piece of harmless extraneous material per 30

ounces of drained product (average of entire sample); and

(2) Not more than the following per sample unit of 10 ounces:

(i) A total of 15 damaged and seriously damaged units of which not more than 3 units may be seriously damaged: *Provided*, That damaged and seriously damaged units, either singly or in combination, do not seriously affect the appearance or eating quality of the product;

(ii) Harmless extraneous material and/or other defects, individually or collectively, which seriously affect the appearance or eating quality; and

(iii) Any combination of the foregoing which seriously affect the appearance or eating quality of the product.

(d) (SStd) *Classification*. Canned peas and carrots that fail to meet the requirements of paragraph (c) of this section may be given a score of 0 to 23 points and shall not be graded above Substandard, regardless of the total score for the product (limiting rule).

§ 52.6212 Character.

(a) *General*. The factor of character refers to the tenderness and maturity of the peas; and the tenderness and degree of freedom from stringy or coarse fibers in the carrots.

(b) (A) *Classification*. Canned peas and carrots which possess a good character may be given a score of 27 to 30 points. Good character means that:

(1) *Carrots*. The carrot units are tender, are not fibrous, and possess a practically uniform texture.

(2) *Peas*. The peas are at least reasonably tender and comply with the requirements of Table III.

(c) (B) *Classification*. If the canned peas and carrots possess a reasonably good character, a score of 24 to 26 points may be given. Canned peas and carrots that fall into this classification shall not be graded above U.S. Grade B, regardless of the total score for the product (limiting rule). "Reasonably good character" means that:

(1) *Carrots*. The carrot units are at least reasonably tender, may be variable in texture but are not tough, hard, or mushy; and not more than 5 percent, by weight, of the carrot ingredient may possess coarse, fibrous material.

SCORE SHEET

§ 52.6215 Score sheet for canned peas and carrots.

Size and kind of container.....		
Container mark or identification.....		
Label.....		
Net weight (ounces).....		
Vacuum reading (in inches).....		
Drained weight (ounces).....		
	Per sample unit	
Kinds of ingredients	Aggregate weight each ingredient	Proportion of ingredient
Peas, Sweet..... oz.%
Carrots:		
Diced (approx. " " cubes)..... oz.%
Double-diced..... oz.%
Sliced (approx. " " diameter)..... oz.%
Strips..... oz.%
Total weight of drained vegetables..... oz.	100%

(2) *Peas*. The peas are at least fairly tender; the skins of not more than 5 percent, by count, of the peas may be ruptured to a width of one-sixteenth inch or more; and, the peas comply with the requirements of Table III.

TABLE III

SUMMARY OF MAXIMUM ALLOWANCES FOR THE BRINE FLOTATION TEST

Grade classification	Score range	Maximum number of peas that sink in 10 seconds	Salt in solution
Grade A.....	27 to 30	10 by count.....	13
Grade B.....	24 to 26	10 by count.....	15

(d) (SStd) *Classification*. Canned peas and carrots that fail to meet the requirements of paragraph (c) of this section may be given a score of 0 to 23 points and shall not be graded above Substandard, regardless of the total score for the product (limiting rule).

METHODS OF ANALYSES

§ 52.6213 Methods of analyses.

(a) *Brine flotation test*. The brine flotation test utilizes salt solutions of various specific gravities to separate the peas according to maturity. The brine solutions are based on the percentage, by weight, of pure salt (NaCl) in solution. In making the test a 250 ml. glass beaker is filled with the brine solution to a depth of approximately 2 inches. The brine equipment, solution, and peas should be at the same temperature. Only peas that sink to the bottom of the receptacle within 10 seconds after immersion are counted as "peas that sink". Pieces of peas and loose skins should not be used in making the brine flotation test.

LOT COMPLIANCE

§ 52.6214 Ascertaining the grade of a lot.

The grade of a lot of canned peas and carrots covered by these standards is determined by the procedures set forth in the Regulations Governing Inspection and Certification of Processed Fruits and Vegetables, Processed Products thereof, and Certain Other Processed Food Products (§§ 52.1 to 52.87).

SCORE SHEET—Continued

Factors	Score points	
Color.....	20	{(A) 18-20 {(B) 16-17 {(SStd) 10-15
Uniformity of Size and Shape.....	20	{(A) 18-20 {(B) 16-17 {(SStd) 10-15
Absence of Defects.....	30	{(A) 27-30 {(B) 24-26 {(SStd) 10-23
Character.....	30	{(A) 27-30 {(B) 24-26 {(SStd) 10-23
Flavor () Good () Fairly Good () Off		
Total score.....		
Grade.....		

† Indicates limiting rule.

Dated: February 4, 1970.

G. R. GRANGE,
Deputy Administrator,
Marketing Services.

[F.R. Doc. 70-1667; Filed, Feb. 9, 1970; 8:49 a.m.]

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE

Office of the Secretary

[45 CFR Part 85]

CONTROL OF AIR POLLUTION FROM
NEW MOTOR VEHICLES AND NEW
MOTOR VEHICLE ENGINES

Advance Notice of Proposed Rule
Making

On March 30, 1966, 45 CFR Part 85 was adopted establishing regulations for the control of air pollution from new motor vehicles and new motor vehicle engines. The standards so promulgated were applicable to the model years beginning with 1968 and dealt with crankcase emissions and exhaust emissions from gasoline-powered vehicles. Motor vehicles with an engine displacement of less than 50 cubic inches, commercial vehicles over one-half ton or equivalent, and motorcycles were excepted from compliance with the exhaust emission standards; motorcycles subsequently were excepted from the crankcase emission standards.

On June 4, 1968, 45 CFR Part 85 was amended to establish new regulations for the control of exhaust emissions from gasoline-powered vehicles and engines, exhaust smoke from diesel engines designed for use in commercial vehicles having a gross vehicle weight rating of more than 6,000 pounds, and for the control of fuel evaporative emissions from light-duty vehicles. Standards applicable to exhaust emissions from light-duty vehicles were revised. The standards so promulgated are applicable to the model years beginning with 1970 (1971 for fuel evaporative emissions). Motorcycles are excepted.

The standards now applicable to exhaust emissions from light-duty vehicles

are expressed on a mass basis. Current test procedures provide for measurements of emission concentrations during specified portions of test vehicle dynamometer operation. A calculated exhaust volume, theoretically relating exhaust flow to vehicle weight, together with average measured pollutant concentrations, are used to compute emissions on a mass basis for comparison with the mass standards.

The Department has for some time recognized that mass-based standards dependent upon calculated exhaust volumes do not provide equitable treatment for all light-duty vehicles. Accordingly, in 1968 it was announced to domestic and foreign automobile manufacturers that a true mass-measurement procedure for determining exhaust emissions would be developed for application to 1972 model year light-duty vehicles. This announcement was reiterated by the Department in a presentation to the California Air Resources Board in November 1968. A preliminary draft of such a procedure was forwarded by letter of June 25, 1969, to all manufacturers and to the California Air Resources Board.

Development of the announced measurement procedure and of a dynamometer test cycle which is closed and self-weighting are nearing completion. The cycle under development includes engine operating mode factors which are representative of urban driving practices.

Notice is hereby given that a test procedure which provides for true mass-measurement of exhaust emissions and employs a new, closed self-weighting cycle will be proposed no later than July 1, 1970, and will be adopted applicable to 1972 and subsequent model year light-duty vehicles and engines. The current regulations which appear at 45 CFR Part 85 will remain in effect for the purpose of their applicability to 1970 and 1971 model year vehicles and engines.

Notice is further given of the Department's intent to adopt an oxides of

nitrogen standard of 3.0 grams per vehicle mile applicable to 1973 light-duty vehicles and engines, and the following standards applicable to the 1975 model year:

Hydrocarbons	0.5 gram per vehicle mile.
Carbon Monoxide....	11.0 grams per vehicle mile.
Nitrogen Oxides....	0.9 gram per vehicle mile.
Particulates	0.1 gram per vehicle mile.

This advanced notice of proposed rule-making is issued under the authority of section 202 of the Clean Air Act, as amended (42 U.S.C. 1857f-1).

Dated: February 4, 1970.

ROBERT H. FINCH,
Secretary.

[F.R. Doc. 70-1607; Filed, Feb. 9, 1970; 8:45 a.m.]

DEPARTMENT OF
TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 71]

[Airspace Docket No. 69-CE-120]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to alter the transition area at Auburn, Ind.

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, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106. 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 Administration 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 Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106.

Since designation of controlled airspace in the Auburn, Ind., terminal area, a new public use instrument approach procedure has been developed for the Auburn-DeKalb Airport, Auburn, Ind.,

using the Wolflake, Ind., VOR as a navigational aid. In addition, the criteria for the designation of transition areas have changed. Accordingly, it is necessary to alter the Auburn, Ind., transition area to adequately protect aircraft executing the new approach procedure and to comply with the transition area criteria. The new procedure will be authorized for use concurrently with the designation of controlled airspace for its protection.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

In § 71.181 (35 F.R. 2134), the following transition area is amended to read:

AUBURN, IND.

That airspace extending upward from 700 feet above the surface within a 5-mile radius of Auburn-DeKalb Airport (latitude 41°18'20" N., longitude 85°04'00" W.); within 2½ miles each side of the Wolflake, Ind. VOR 079° radial, extending from the 5-mile radius area to 16 miles east of the VOR; and within 2½ miles each side of the Fort Wayne, Ind., VORTAC 016° radial, extending from the 5-mile radius area to the arc of a 17-mile radius circle centered on Bear Field (latitude 40°58'50" N., longitude 85°11'25" W.).

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Kansas City, Mo., on December 29, 1969.

DANIEL E. BARROW,
Acting Director, Central Region.

[F.R. Doc. 70-1637; Filed, Feb. 9, 1970;
8:47 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 69-CE-127]

CONTROL ZONE AND TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to alter the control zone and transition area at Cedar Rapids, Iowa.

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, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106. 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. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented dur-

ing such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposals 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 Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106.

Since designation of the Cedar Rapids, Iowa, control zone and transition area, the instrument approach procedures for the Cedar Rapids Municipal Airport have been altered. In addition, the criteria for designation of control zones and transition areas have been changed. Accordingly, it is necessary to alter the Cedar Rapids control zone and transition area to adequately protect aircraft executing the altered instrument approach procedures and to comply with the new control zone and transition area criteria.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

(1) In § 71.171 (35 F.R. 2054), the following control zone is amended to read:

CEDAR RAPIDS, IOWA

Within a 5-mile radius of Cedar Rapids Municipal Airport (latitude 41°53'05" N., longitude 91°42'35" W.); within 3 miles each side of the Cedar Rapids VORTAC 094° radial, extending from the 5-mile radius zone to 10 miles east of the VORTAC; and within 3 miles each side of the Cedar Rapids VORTAC 264° radial, extending from the 5-mile radius zone to 9 miles west of the VORTAC.

(2) In § 71.181 (35 F.R. 2134), the following transition area is amended to read:

CEDAR RAPIDS, IOWA

That airspace extending upward from 700 feet above the surface within a 9-mile radius of Cedar Rapids Municipal Airport (latitude 41°53'05" N., longitude 91°42'35" W.); within 4½ miles north and 9½ miles south of the Cedar Rapids ILS localizer west course, extending from the OM to 18½ miles west of the OM; and within 4½ miles north and 9½ miles south of the Cedar Rapids VORTAC 264° radial, extending from the VORTAC to 18½ miles west of the VORTAC; and that airspace extending upward from 1,200 feet above the surface bounded by a line beginning at latitude 42°05'00" N., longitude 91°00'00" W.; thence south along longitude 91°00'00" W.; to and west along the north edge of V-434; to and northwest along the northeast edge of V-52; to and north along longitude 92°53'00" W.; to and northeast along the southeast edge of V-161; to and east along the arc of a 29-mile radius circle centered on the Waterloo, Iowa, VORTAC; to and southeast along the southwest edge of V-67; to and east along latitude 42°05'00" N.; to the point of beginning excluding the area which overlies the Ottumwa, Iowa, transition area.

These amendments are proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Kansas City, Mo., on January 9, 1970.

EDWARD C. MARSH,
Director, Central Region.

[F.R. Doc. 70-1638; Filed, Feb. 9, 1970;
8:47 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 69-CE-129]

TRANSITION AREA

Proposed Designation

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to designate a transition area at Harlan, Iowa.

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, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106. 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 Administration 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 Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106.

A new public use instrument approach procedure has been developed for the Harlan, Iowa, Municipal Airport, utilizing the Neola, Iowa, VORTAC as a navigational aid. Consequently, it is necessary to provide controlled airspace protection for aircraft executing this new approach procedure by designating a transition area at Harlan, Iowa. The new procedure will become effective concurrently with the designation of the transition area. IFR air traffic into and out of the Harlan, Iowa, Municipal Airport will be controlled by the Chicago Air Route Traffic Control Center and the Omaha RAPCON.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

In § 71.181 (35 F.R. 2134), the following transition area is added:

HARLAN, IOWA

That airspace extending upward from 700 feet above the surface within a 7-mile radius

of Harlan Municipal Airport (latitude 41°-35'15" N., longitude 95°20'15" W.); and within 5 miles each side of the Neola, Iowa, VORTAC 064° radial, extending from the 7-mile radius area to 8 miles northeast of the VORTAC.

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Kansas City, Mo., on January 9, 1970.

EDWARD C. MARSH,
Director, Central Region.

[F.R. Doc. 70-1639; Filed, Feb. 9, 1970;
8:47 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 69-CE-130]

TRANSITION AREA

Proposed Designation

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to designate a transition area at Broken Bow, Nebr.

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, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106. 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 Administration 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 Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106.

A new public use instrument approach procedure has been developed for the Broken Bow, Nebr., Municipal Airport utilizing a State-owned radio beacon located on the airport as a navigational aid. Consequently, it is necessary to provide controlled airspace for the protection of aircraft executing this new approach procedure by designating a transition area at Broken Bow, Nebr. The new procedure will become effective concurrently with the designation of the transition area. IFR air traffic into and out of Broken Bow Municipal Airport

will be controlled by the Denver Air Route Traffic Control Center through the North Platte, Nebr., Flight Service Station.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

In § 71.181 (35 F.R. 2134), the following transition area is added:

BROKEN BOW, NEBR.

That airspace extending upward from 700 feet above the surface within a 5½-mile radius of Broken Bow Municipal Airport (latitude 41°26'00" N., longitude 99°38'35" W.); and within 3 miles each side of the 321° bearing from Broken Bow Municipal Airport, extending from the 5½-mile radius area to 8 miles northwest of the airport; and that airspace extending upward from 1,200 feet above the surface within 4½ miles southwest and 9½ miles northeast of the 321° and 141° bearings from Broken Bow Municipal Airport; extending from 6 miles southeast to 18½ miles northwest of the airport.

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655 (c)).

Issued in Kansas City, Mo., on January 16, 1970.

EDWARD C. MARSH,
Director, Central Region.

[F.R. Doc. 70-1640; Filed, Feb. 9, 1970;
8:47 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 70-CE-1]

CONTROL ZONE AND TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to alter the control zone and transition area at Glasgow, Mont.

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, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106. 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. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration 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 proposals 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 Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106.

The Glasgow, Mont., VOR is being relocated to a site on the Glasgow International Airport and two new public use instrument approach procedures have been developed utilizing the relocated VOR as a navigational aid. In addition, the existing VOR instrument approach procedure for this airport must be canceled when the VOR is relocated. Accordingly, it is necessary to alter the Glasgow, Mont., control zone and transition area to provide controlled airspace for the protection of aircraft executing the approach procedures and to delete that airspace now protecting the rescinded procedure.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

1. In § 71.171 (35 F.R. 2054), the following control zone is amended to read:

GLASGOW, MONT.

Within a 5-mile radius of Glasgow International Airport (latitude 48°12'50" N., longitude 106°37'10" W.); within 2½ miles each side of the 342° bearing from Glasgow International Airport, extending from the 5-mile radius zone to 5½ miles north of the airport; within 2½ miles each side of the Glasgow VOR 327° radial, extending from the 5-mile radius zone to 5½ miles northwest of the VOR; and within 2½ miles each side of the Glasgow VOR 127° radial, extending from the 5-mile radius zone to 5½ miles southeast of the VOR.

2. In § 71.181 (35 F.R. 2134), the following transition area is amended to read:

GLASGOW, MONT.

That airspace extending upward from 700 feet above the surface within a 9-mile radius of Glasgow International Airport (latitude 48°12'50" N., longitude 106°37'10" W.); and that airspace extending upward from 1,200 feet above the surface within 4½ miles northeast and 9½ miles southwest of the Glasgow VOR 327° radial, extending from the VOR to 18½ miles northwest of the VOR; within 4 miles east and 9½ miles west of the 342° bearing from Glasgow International Airport, extending from the airport to 18½ miles north of the airport; within 4½ miles southwest and 9½ miles northeast of the Glasgow VOR 127° radial, extending from the VOR to 18½ miles southeast of the VOR; and within 4½ miles south and 9½ miles north of the 112° bearing from Glasgow International Airport, extending from the airport to 18½ miles east of the airport.

These amendments are proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Kansas City, Mo., on January 26, 1970.

EDWARD C. MARSH,
Director, Central Region.

[F.R. Doc. 70-1641; Filed, Feb. 9, 1970;
8:47 a.m.]

**Hazardous Materials Regulations
Board****[49 CFR Part 179]**

[Docket No. HM-38; Notice No. 69-31]

**INTERLOCKING COUPLERS AND RE-
STRICTION OF CAPACITY OF TANK
CARS****Notice of Extension of Time To File
Comments**

On December 11, 1969, the Hazardous Materials Regulations Board pub-

lished a notice of proposed rule making (34 F.R. 19553) proposing to add §§ 179.13 and 179.14, (1) to require interlocking couplers on all new and rebuilt tank cars transporting hazardous materials, and (2) to restrict the capacity of new and rebuilt tank cars used to transport hazardous materials.

Several persons have petitioned the Board to extend the period for filing comments. The Board believes that it would be appropriate for these persons to have additional time to make detailed

comments on the matters proposed in the Notice. Therefore, the time within which comments on Docket No. HM-38; Notice No. 69-31 will be received is extended from February 10, 1970, to April 13, 1970.

Issued in Washington, D.C., on February 4, 1970.

R. N. WHITMAN,
Administrator,
Federal Railroad Administration.

[F.R. Doc. 70-1608; Filed, Feb. 9, 1970;
8:45 a.m.]

Notices

DEPARTMENT OF STATE

Agency for International Development

[Delegation of Authority 86, Amdt. 1]

ASSISTANT ADMINISTRATOR FOR TECHNICAL ASSISTANCE

Delegation of Authority Regarding Technical Assistance

Pursuant to the authority delegated to me by State Department Delegation of Authority No. 104, November 3, 1961 (26 F.R. 10608), as amended, I hereby amend Delegation of Authority No. 86, October 2, 1969 (34 F.R. 15385), as follows:

1. Add the following as subsection c(8) to section 1, Delegation of Authority No. 86:

(8) Science and Technology

2. All actions heretofore duly taken by the Assistant Administrator for Technical Assistance and the officials duly authorized by him, with respect to the functions affected by this amendment and not revoked, superseded, or otherwise made applicable before the effective date of this amendment shall continue in full force and effect until amended, modified or terminated by an officer to whom such authority has been delegated by Delegation of Authority No. 86.

3. This Amendment shall be effective immediately.

Dated: February 2, 1970.

RUTHERFORD M. POATS,
Acting Administrator.

[F.R. Doc. 70-1655; Filed, Feb. 9, 1970;
8:48 a.m.]

[Delegation of authority No. 69, Amdt. 1]

COORDINATOR, FOOD FOR PEACE

Delegation of Authority Regarding Food for Peace Functions

Pursuant to the authority delegated to me by Delegation of Authority No. 104, as amended, from the Secretary of State (26 F.R. 10608), I hereby amend further Delegation of Authority No. 69, dated March 23, 1967 (32 F.R. 5475), as amended (33 F.R. 919), (34 F.R. 15385), as follows:

SECTION 1. Delete section 4, Delegation of Authority No. 69, dated March 23, 1967 (32 F.R. 5475).

Sec. 2. Delete the title "Assistant Administrator, Office of the War on Hunger," and the words "or his authorized delegate" from the last three lines in section 5, Delegation of Authority No. 69, dated March 23, 1967 (32 F.R. 5475), and substitute therefor the words: "officials duly authorized to take such action."

Sec. 3. This Amendment to Delegation

of Authority No. 69, shall be effective immediately.

Dated: February 2, 1970.

RUTHERFORD M. POATS,
Acting Administrator.

[F.R. Doc. 70-1653; Filed, Feb. 9, 1970;
8:48 a.m.]

[Delegation of Authority 40, Amdt. 2]

REGIONAL ASSISTANT ADMINISTRATORS AND ASSISTANT ADMINISTRATOR FOR TECHNICAL ASSISTANCE

Delegation of Authority Regarding Procurement

Pursuant to the authority delegated to me by State Department Delegation of Authority No. 104, November 3, 1961 (26 F.R. 10608), as amended, I hereby amend further Delegation of Authority No. 40, April 17, 1964 (29 F.R. 5695), as amended (34 F.R. 15385), as follows:

1. Delete the title "Regional Assistant Administrators," in the heading of Delegation of Authority No. 40, April 17, 1964 (29 F.R. 5695), and substitute the title "Regional Assistant Administrators and Assistant Administrator for Technical Assistance."

2. Delete the first paragraph of section I, Delegation of Authority No. 40, April 17, 1964 (29 F.R. 5695), and substitute the following therefor:

I. *Regional Assistant Administrators and Assistant Administrator for Technical Assistance.* The Assistant Administrator for Near East-South Asia, the Assistant Administrator and U.S. Coordinator for Latin America, the Assistant Administrator for Africa, the Assistant Administrator for East Asia, and the Assistant Administrator for Viet-Nam, each for the countries or areas within their respective responsibilities, and the Assistant Administrator for Technical Assistance for programs within his jurisdiction, are hereby delegated the following functions:

3. Delete the proviso in section I.A., Delegation of Authority No. 40, and substitute the following therefor:

Provided, however, That the Regional Assistant Administrators or the Assistant Administrator for Technical Assistance, in cases within their respective areas of responsibility, shall certify that the exclusion of procurement from one or more of the "Excluded Countries" would seriously impede the attainment of U.S. foreign policy objectives and the objectives of the foreign assistance program.

4. Delete the proviso in section I.B., Delegation of Authority No. 40, and substitute the following therefor:

Provided, however, That in each case within their respective areas of responsi-

bility, the Regional Assistant Administrators or the Assistant Administrator for Technical Assistance shall certify that procurement of said commodity from one or more of said countries is necessary to the attainment of U.S. foreign policy objectives or the objectives of the foreign assistance program.

5. Delete section II.B. of Delegation of Authority No. 40 and substitute the following as section II.B:

B. Any officer of A.I.D. to whom functions are delegated under this Delegation of Authority may to the extent consistent with law, redelegate, or reassign any of the functions delegated or assigned to him by this Delegation of Authority, including authority to the Assistant Administrators for geographic areas, to redelegate any of the functions delegated hereby to A.I.D. Mission Directors and A.I.D. Representatives for the countries or areas within their responsibility.

6. This amendment shall not be construed to affect the validity of any waiver granted by a properly authorized official prior to the effective date of this amendment and any such waiver shall continue in effect unless modified or revoked by an officer to whom such authority has been delegated.

7. This amendment to Delegation of Authority No. 40, supersedes Amendment No. 1 (34 F.R. 15385) and shall be effective immediately.

Dated: February 2, 1970.

RUTHERFORD M. POATS,
Acting Administrator.

[F.R. Doc. 70-1654; Filed, Feb. 9, 1970;
8:48 a.m.]

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[Docket No. G-461]

MARY KAYE, INC.

Notice of Loan Application

FEBRUARY 2, 1970.

Mary Kaye, Inc., 33 South Coden Road, Bayou La Batre, Ala. 36509, has applied for a loan from the Fisheries Loan Fund to aid in financing the purchase of a used 72.6-foot registered length steel vessel to engage in the fishery for shrimp.

Notice is hereby given pursuant to the provisions of Public Law 89-85 and Fisheries Loan Fund Procedures (50 CFR Part 250, as revised) that the above-entitled application is being considered by the Bureau of Commercial Fisheries, Fish and Wildlife Service, Department of the Interior, Washington, D.C. 20240. Any person desiring to submit evidence that the contemplated operation of such vessel will cause economic hardship or injury to efficient vessel operators already

operating in that fishery must submit such evidence in writing to the Director, Bureau of Commercial Fisheries, within 30 days from the date of publication of this notice. If such evidence is received it will be evaluated along with such other evidence as may be available before making a determination that the contemplated operations of the vessel will or will not cause such economic hardship or injury.

C. E. PETERSON,
Chief,

Division of Financial Assistance.

[F.R. Doc. 70-1633; Filed, Feb. 9, 1970;
8:47 a.m.]

**National Park Service
OZARK NATIONAL SCENIC
RIVERWAYS**

**Notice of Intention To Issue
Concession Permit**

Pursuant to the provisions of section 5 of the Act of October 9, 1965 (79 Stat. 969; 16 U.S.C. 20), public notice is hereby given that thirty (30) days after the date of publication of this notice, the Department of the Interior, through the Superintendent, Ozark National Scenic Riverways, proposes to issue a concession permit to the Sullivan Concession & Canoe Rental authorizing it to provide boat rental, concession facilities and services for the public at Ozark National Scenic Riverways for a period of two (2) years from March 1, 1970 through February 29, 1972.

The foregoing concessioner has performed its obligations under prior contracts to the satisfaction of the National Park Service and, therefore, pursuant to the Act cited above, is entitled to be given preference in the issuance of a new permit. However, under the Act cited above, the Secretary is also required to consider and evaluate all proposals received as a result of this notice. Any proposal to be considered and evaluated must be submitted within thirty (30) days after the publication date of this notice.

Interested parties should contact the Superintendent, Ozark National Scenic Riverways, National Park Service, Post Office Box 448, Van Buren, Mo. 63965, for information as to the requirements of the proposed permit.

Dated: January 15, 1970.

DAVID D. THOMPSON, Jr.,
Superintendent,

Ozark National Scenic Riverways.

[F.R. Doc. 70-1645; Filed, Feb. 9, 1970;
8:48 a.m.]

**OZARK NATIONAL SCENIC
RIVERWAYS**

**Notice of Intention To Issue
Concession Permit**

Pursuant to the provisions of section 5 of the Act of October 9, 1965 (79 Stat. 969; 16 U.S.C. 20), public notice is hereby given that thirty (30) days after the

date of publication of this notice, the Department of the Interior, through the Superintendent, Ozark National Scenic Riverways, proposes to issue a concession permit to the Terry & McSpadden Boat Concession authorizing it to provide boating facilities and services for the public at Ozark National Scenic Riverways for a period of two (2) years from March 1, 1970 through February 29, 1972.

The foregoing concessioner has performed its obligations under prior contracts to the satisfaction of the National Park Service and, therefore, pursuant to the Act cited above, is entitled to be given preference in the issuance of a new permit. However, under the Act cited above, the Secretary is also required to consider and evaluate all proposals received as a result of this notice. Any proposal to be considered and evaluated must be submitted within thirty (30) days after the publication date of this notice.

Interested parties should contact the Superintendent, Ozark National Scenic Riverways, National Park Service, Post Office Box 448, Van Buren, Mo. 63965, for information as to the requirements of the proposed permit.

Dated: January 15, 1970.

DAVID D. THOMPSON, Jr.,
Superintendent,
Ozark National Scenic Riverways.

[F.R. Doc. 70-1646; Filed, Feb. 9, 1970;
8:48 a.m.]

**OZARK NATIONAL SCENIC
RIVERWAYS**

**Notice of Intention To Issue
Concession Permit**

Pursuant to the provisions of section 5 of the Act of October 9, 1965 (79 Stat. 969; 16 U.S.C. 20), public notice is hereby given that thirty (30) days after the date of publication of this notice, the Department of the Interior, through the Superintendent, Ozark National Scenic Riverways, proposes to issue a concession permit to the Big Spring Concession authorizing it to provide concessioner accommodations, facilities and services, including gift shop, for the public at Ozark National Scenic Riverways for a period of five (5) years from March 1, 1970, through February 28, 1975.

The foregoing concessioner has performed its obligations under prior contracts to the satisfaction of the National Park Service and, therefore, pursuant to the Act cited above, is entitled to be given preference in the issuance of a new permit. However, under the Act cited above, the Secretary is also required to consider and evaluate all proposals received as a result of this notice. Any proposal to be considered and evaluated must be submitted within thirty (30) days after the publication date of this notice.

Interested parties should contact the Superintendent, Ozark National Scenic Riverways, National Park Service, Post Office Box 448, Van Buren, Mo. 63965, for

information as to the requirements of the proposed permit.

Dated: January 15, 1970.

DAVID D. THOMPSON, Jr.,
Superintendent,
Ozark National Scenic Riverways.

[F.R. Doc. 70-1647; Filed, Feb. 9, 1970;
8:48 a.m.]

Office of the Secretary

[Order 2929]

**NEW FEDERAL POWER PROJECTS AND
SYSTEM TRANSMISSION FACILITIES**

**Standard Repayment Interest Rate
Formula**

JANUARY 29, 1970.

SECTION 1. Purpose. The purpose of this order is to establish a standard formula applicable to all Interior power agencies for fixing the interest rates for repayment purposes on new Federal power projects and system transmission facilities for which the administrative discretion to establish such rates is vested in the Secretary of the Interior. The resulting rates will more closely reflect the current interest costs of money borrowed by the Federal Government than the rates which have been utilized in recent years.

SEC. 2. Authority. This order is issued pursuant to the authority of the Secretary of the Interior under section 9(c) of the Reclamation Project Act of 1939, 53 Stat. 1194, 43 U.S.C. 485h(c); section 5 of the Flood Control Act of 1944, 58 Stat. 890, 16 U.S.C. 825; sections 6 and 7 of the Bonneville Project Act, 50 Stat. 734, 735, as amended, 16 U.S.C. 832 d, e; Reorganization Plan No. 3 of 1950, 5 U.S.C. 133z-15, note (1964 ed.); and section 2 of the Act of June 14, 1966, Public Law 89-448, 80 Stat. 200, as amended.

SEC. 3 Definitions. For the purpose of this order:

(a) The term "Federal power project" means any reservoir project of the Department of the Interior or the Department of the Army which includes the generation of electric power as one of its purposes, or any unit or separable power feature thereof, which is treated as a separate entity for repayment purposes, including transmission, substation and other appurtenant facilities.

(b) The term "system transmission facilities" means transmission lines, substations and appurtenant facilities which are treated for repayment purposes as a separate entity not a part of a Federal power project.

(c) The terms "new Federal power project" and "new system transmission facilities" mean a Federal power project or system transmission facilities the construction of which is initiated after the date of this Order.

SEC. 4 Interest rate formula. (a) Except as otherwise provided by law, the interest rate to be used for computing interest during construction and interest on the unpaid balance of the costs of new

Federal power projects and new system transmission facilities which are properly allocated to commercial power development, shall be the applicable rate, as hereinafter provided, during the fiscal year in which funds are first appropriated to initiate construction of such projects or facilities.

(b) The applicable rate for fiscal year 1970 shall be 4 $\frac{7}{8}$ percent.

(c) Each subsequent fiscal year, the Assistant Secretary—Water and Power Development shall request the Secretary of the Treasury to inform him of the computations made as of July 1 in accordance with subsection (d) for the preceding fiscal year. If the yield rate so computed does not differ from the applicable interest rate used by Interior for the previous fiscal year by more than one-half percent, the applicable rate to be used by Interior shall be equal to the yield rate. If the yield rate differs from the applicable interest rate used by Interior for the previous fiscal year by more than one-half percent, the applicable rate to be used by Interior shall be the applicable rate used in the previous fiscal year increased or decreased by one-half percent toward the yield rate.

(d) For the purposes of this section the yield rate is the average yield during the preceding fiscal year on interest-bearing marketable securities of the United States which, at the time the computation is made, have terms of 15 years or more remaining to maturity. The average yield shall be computed as the average during the fiscal year of the daily bid prices. Where the average rate so computed is not a multiple of one-eighth of 1 percent, the rate of interest shall be the multiple of one-eighth of 1 percent nearest to such average rate.

(e) The Assistant Secretary—Water and Power Development shall annually advise the power agencies of the applicable interest rate for the current fiscal year.

WALTER J. HICKEL,
Secretary of the Interior.

[F.R. Doc. 70-1631; Filed, Feb. 9, 1970;
8:47 a.m.]

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

CONTROLLER ET AL.

Delegation of Authority Issued Pursuant to CCC Blanket Insurance Policy

The following officers of Commodity Credit Corporation, Washington, D.C., are designated to act for me for the purpose of receiving, in accordance with the requirements of paragraph 1 of CCC Blanket Insurance Policy No. 30460 executed by Commodity Credit Corporation with the Appalachian Insurance Co., Providence, R.I., effective December 1, 1969, any information on which a warehouseman's liability may be based for a failure of the warehouseman to perform any of his obligations under the Bean

Storage Agreement (Form CCC-28), Uniform Grain Storage Agreement (Form CCC-25) and Uniform Rice Storage Agreement (Form CCC-26) and all modifications of such agreements or to perform any other of his obligations as a warehouseman in connection with commodities stored or handled under such agreements:

Controller.

Treasurer.

Assistant Treasurer, Who is the Chief, Claims Branch, Fiscal Division, ASCS.

Assistant Treasurer, Who is Assistant Chief, Claims Branch, Fiscal Division, ASCS.

This instrument shall be effective during the period of the blanket insurance policy, beginning noon, December 1, 1969 e.s.t., and continuing until noon, December 1, 1972, e.s.t.

Dated: February 4, 1970.

KENNETH E. FRICK,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 70-1672; Filed, Feb. 9, 1970;
8:50 a.m.]

DIRECTOR AND CONTRACTING OFFICER, ASCS COMMODITY OFFICE, KANSAS CITY, MO.

Delegation of Authority Issued Pursuant to CCC Blanket Insurance Policy

The following persons in the ASCS Commodity Office, Kansas City, Mo., are designated, as Contracting Officers of Commodity Credit Corporation, to decide, in accordance with paragraph 13 of CCC Blanket Insurance Policy No. 30460, effective December 1, 1969, any dispute concerning a question of fact with respect to a claim of Commodity Credit Corporation under this policy which is not disposed of by agreement:

Director, Kansas City ASCS Commodity Office.

George L. Eastling, Jr., Contracting Officer, CCC.

This instrument shall be effective until revoked.

Dated: February 4, 1970.

KENNETH E. FRICK,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 70-1670; Filed, Feb. 9, 1970;
8:50 a.m.]

DIRECTOR, ASCS COMMODITY OFFICE, KANSAS CITY, MO., ET AL.

Delegation of Authority Issued Pursuant to CCC Blanket Insurance Policy

Persons occupying the following positions in the ASCS Commodity Office, Kansas City, Mo., are designated to act for me for the purpose of receiving, in accordance with the requirements of paragraph 1 of CCC Blanket Insurance Policy No. 30460 executed by Commodity Credit Corporation with Appalachian

Insurance Co., Providence, R.I., effective December 1, 1969, any information on which a warehouseman's liability may be based for a failure of the warehouseman to perform any of his obligations under the Bean Storage Agreement (Form CCC-28), Uniform Grain Storage Agreement (Form CCC-25) and Uniform Rice Storage Agreement (Form CCC-26) and all modifications of such agreements or to perform any other of his obligations as a warehouseman in connection with commodities stored or handled under such agreements:

Director.

Deputy Director, Programs.

Deputy Director, Management.

Chief, Commodity Operations Division.

Assistant Chief, Commodity Operations Division.

Chief, Fiscal Settlement Division.

Assistant Chief, Fiscal Settlement Division.

Chief, Claims and Collections Division.

Assistant Chief, Claims and Collections Division.

Chief, Storage Contract Staff.

Assistant Chief, Storage Contract Staff.

This instrument shall be effective during the period of the blanket insurance policy, beginning noon, December 1, 1969, e.s.t., and continuing until noon, December 1, 1972, e.s.t.

Dated: February 4, 1970.

KENNETH E. FRICK,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 70-1671; Filed, Feb. 9, 1970;
8:50 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of the Secretary

ASSISTANT REGIONAL DIRECTOR FOR HEAD START AND CHILD DEVELOPMENT, REGION II

Redelegation of Authority Regarding Administration of Head Start Program

1. Pursuant to a delegation of authority from the Secretary of the Department of Health, Education, and Welfare, dated July 7, 1969, I redelegate to the Assistant Regional Director for Head Start and Child Development, Region II, the authority to issue audit disallowances and to receive appeals on and make final decisions on such disallowances with respect to grants under section 222(a)(1) of the Economic Opportunity Act of 1964 (Project Head Start).

2. This delegation shall take effect immediately.

Dated: November 12, 1969.

BERNICE L. BERNSTEIN,
Regional Director, Region II.

Approved: February 3, 1970.

JAMES FARMER,
Assistant Secretary
for Administration.

[F.R. Doc. 70-1606; Filed, Feb. 9, 1970;
8:45 a.m.]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration GENERAL AVIATION DISTRICT OFFICE, ZAHNS AIRPORT, LINDENHURST, N.Y.

Notice of Relocation

Notice is hereby given that on or about March 1, 1970, the General Aviation District Office at Zahns Airport, Lindenhurst, N.Y., will be relocated to Republic Airport, Farmingdale, N.Y. It will continue to provide services to the general aviation public without interruption at the new location. Communications to the District Office should be addressed as follows:

General Aviation District Office, Department of Transportation, Federal Aviation Administration, Building No. 53, Republic Airport, Farmingdale, N.Y. 11735.

(Sec. 313(a), 72 Stat. 752; 40 U.S.C. 1354)

Issued in New York, N.Y., on January 27, 1970.

GEORGE M. GARY,
Director, Eastern Region.

[F.R. Doc. 70-1642; Filed, Feb. 9, 1970;
8:47 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 21845]

BRITISH MIDLAND AIRWAYS, LTD.

Notice of Prehearing Conference

Notice is hereby given that a prehearing conference on the above-entitled application is assigned to be heard by the Board on February 18, 1970, at 10 a.m., e.s.t., in Room 911, Universal Building, 1825 Connecticut Avenue NW., Washington, D.C., before Examiner Edward T. Stodola.

Notice is also given that the hearing may be held immediately following conclusion of the prehearing conference unless at or prior to the conference a person objects or shows reason for further postponement.

Dated at Washington, D.C., February 4, 1970.

[SEAL] THOMAS L. WRENN,
Chief Examiner.

[F.R. Doc. 70-1651; Filed, Feb. 9, 1970;
8:48 a.m.]

[Docket No. 20932]

NORDAIR LTEE—NORDAIR LTD.

Notice of Oral Argument

Application of Nordair Ltee—Nordair Ltd. for a foreign air carrier permit pursuant to section 402 of the Federal Aviation Act of 1958, as amended, so as to authorize it to engage in foreign air transportation with respect to persons, property, and mail between the terminal point Hamilton, Province of Ontario,

Canada, and the terminal point Pittsburgh, Pa.

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that oral argument in the above-entitled proceeding is assigned to be heard by the Board on February 18, 1970, at 10 a.m., e.s.t., in Room 1027, Universal Building, 1825 Connecticut Avenue NW., Washington, D.C.

Dated at Washington, D.C., February 4, 1970.

[SEAL] THOMAS L. WRENN,
Chief Examiner.

[F.R. Doc. 70-1650; Filed, Feb. 9, 1970;
8:48 a.m.]

[Docket No. 16606, etc.]

OZARK AIR LINES, INC.

Notice of Oral Argument

Reopened Ozark route realignment investigation service to Sedalia, Mo.

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that oral argument in the above-entitled investigation is assigned to be heard by the Board on February 25, 1970, at 10 a.m., e.s.t., in Room 1027, Universal Building, 1825 Connecticut Avenue NW., Washington, D.C.

Dated at Washington, D.C., February 4, 1970.

[SEAL] THOMAS L. WRENN,
Chief Examiner.

[F.R. Doc. 70-1649; Filed, Feb. 9, 1970;
8:48 a.m.]

FEDERAL MARITIME COMMISSION

AMERICAN EXPORT ISBRANDTSEN LINES, INC., AND TRANSOCEAN GATEWAY CORP.

Notice of Agreement Filed for Approval

Notice is hereby given that the following Agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1405 I Street NW., Room 1202, or may inspect agreement at the offices of the District Managers, New York, N.Y.; New Orleans, La.; and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter),

and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Mr. Howard A. Levy, Kurrus and Jacobi, 2000 K Street NW., Washington, D.C. 20006.

Agreement No. T-2122-1 between American Export Isbrandtsen Lines, Inc. (AEIL) and Transocean Gateway Corp. (Transocean) amends the basic agreement which grants AEIL the exclusive use of certain terminal space at or adjacent to Piers 12 and 13, Stapelton (Staten Island), N.Y. The amendment will, inter alia, (1) change AEIL's use of the marshalling area from "exclusive" to "adequate"; (2) provide adequate space for the stuffing and stripping of AEIL containers with less than trailer load (LTL) cargo, including labor and equipment to operate the terminal and stevedore vessels; and (3) establish unit rates and a description of services performed by Transocean.

Dated: February 5, 1970.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Secretary.

[F.R. Doc. 70-1656; Filed, Feb. 9, 1970;
8:48 a.m.]

AMERICAN MAIL LINE, LTD., AND EVERETT ORIENT LINE

Notice of Agreement Filed

Notice is hereby given that the following Agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1405 I Street NW., Room 1202, or may inspect the agreement at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments on such agreements, including requests for hearing, may be submitted to the Secretary, Federal Maritime Commission, 1405 I Street NW., Washington, D.C. 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. Any person desiring a hearing on the proposed agreement shall provide a clear and concise statement of the matters upon which they desire to adduce evidence. An allegation of discrimination or unfairness shall be accompanied by a statement describing the discrimination or unfairness with particularity. If a violation of the Act or detriment to the commerce of the United States is alleged, the statement shall set forth with particularity the acts and circumstances said to constitute such violation or detriment to commerce.

A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the statement should indicate that this has been done.

Notice of agreement filed by:

Mr. W. R. Purnell, District Manager, American Mail Line, Ltd., 601 California Street, Suite 610, San Francisco, Calif. 94108.

Agreement No. 9843 between American Mail Line, Ltd., and Everett Orient Line establishes a through billing arrangement for the transportation of cargo from ports of call of American Mail Line in Alaska, Washington, and Oregon to ports of call of Everett Orient Line in Formosa and the Ryukyu Islands with transshipment at ports in Japan in accordance with the terms and conditions set forth therein.

Dated: February 5, 1970.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Secretary.

[P.R. Doc. 70-1657; Filed, Feb. 9, 1970; 8:48 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-12273, etc.]

PAN AMERICAN PETROLEUM CORP. ET AL.

Notice of Applications for Certificates, Abandonment of Service and Petitions to Amend Certificates¹

JANUARY 29, 1970.

Take notice that each of the Applicants listed herein has filed an application or petition pursuant to section 7 of the Natural Gas Act for authorization to sell natural gas in interstate commerce or to abandon service as described herein, all as more fully described in the respective applications and amendments which are on file with the Commission and open to public inspection.

Any person desiring to be heard or to make any protest with reference to said applications should on or before February 20, 1970, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules.

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 all applications in which no petition to in-

tervene is filed within the time required herein if the Commission on its own review of the matter believes that a grant of the certificates or the authorization for the proposed abandonment is required by the public convenience and necessity. Where a petition for leave to intervene is timely filed, or where 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 Applicants to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

Docket No. and date filed	Applicant	Purchaser, field and location	Price per Mcf	Pressure base
G-12273 C 1-8-70	Pan American Petroleum Corp. (Operator) et al., Post Office Box 591, Tulsa, Okla. 74102.	El Paso Natural Gas Co., Pictured Cliffs, et al., Fields, San Juan, and Rio Arriba Counties, N. Mex.	13.0	15.025
G-20167 C 1-9-70	Leonard Fowler, et al., Post Office Box 22, Stumptown, W. Va. 25280.	Consolidated Gas Supply Corp., Center District, Calhoun County, W. Va.	25.0	15.325
CI64-670 C 11-24-69	Marathon Oil Co., 539 South Main Street, Findlay, Ohio 45840.	Arkansas Louisiana Gas Co., Wilburton Field, Pittsburg County, Okla.	15.0	14.65
CI65-738 C 1-7-70	Gulf Oil Corp., Post Office Box 1589, Tulsa, Okla. 74102.	Northern Natural Gas Co., Clementine Upper Morrow Field, Hansford County, Tex.	17.0	14.65
CI66-129 C 1-9-70	Texas Pacific Oil Co., Inc., 1700 One Main Place, Dallas, Tex. 75250.	El Paso Natural Gas Co., Basin Dakota Field, San Juan County, N. Mex.	13.0	15.025
CI67-248 12-29-69 ¹	Beacon Gasoline Co., Post Office Box 396, Minden, La. 71055.	Acreage in Columbia ¹ and Lafayette Counties, Arkansas and Webster Parish, La.	² 1.5 ³ 1.0	15.025
CI67-286 C 1-12-70	Monsanto Co. (Operator), et al., 1300 Post Oak Tower, 5051 Westheimer, Houston, Tex. 77027.	Arkansas Louisiana Gas Co., Arkoma Area, Pittsburg and Latimer Counties, Okla.	15.0	14.65
CI68-46 ⁴ E 12-31-69	Clinton Oil Co. (successor to Lyons Petroleum (Operator) et al.) c/o George J. Bailey, attorney, Bailey & Mouton, Post Office Box 52299, Lafayette, La. 70501.	United Gas Pipe Line Co., Chauvin Field, Terrebonne Parish, La.	21.25	15.025
CI68-282 C 1-12-70	Diamond Shamrock Corp. (Operator) et al., Post Office Box 631, Amarillo, Tex. 79105.	Arkansas Louisiana Gas Co., Acreage in Sebastian County, Ark.	⁶ 15.0	14.65
CI68-1246 C 11-25-69	C. J. Pinner (Operator) et al., 1517 Bank of the Southwest Bldg., Houston, Tex. 77002.	Arkansas Louisiana Gas Co., Gilmer (Cotton Valley) Field, Upshur County, Tex.	⁸ 12.1232	14.65
CI69-363 ⁵ E 12-31-69	Clinton Oil Co. (successor to Lyons Petroleum (Operator) et al.).	United Gas Pipe Line Co., Chauvin Field, Terrebonne Parish, La.	21.25	15.025
CI69-649 C 12-29-69 ⁷	Pan American Petroleum Corp.	Texas Gas Transmission Corp., Minden Field, Webster Parish, La.	⁸ 19.75	15.025
CI69-1078 ³ (CI70-587) C 12-16-69 ⁹	Wilmar Oil, Inc. (Operator) et al., Post Office Box 474, Mattoon, Ill. 61938.	Cities Service Gas Co., Patterson-Fischer Gas Unit, Seward County, Kans.	16.0	14.65
CI70-237 ¹¹ (G-6195) F 8-28-69 ¹² F 8-28-69 ¹³	A. T. Skaar (successor to Gulf Oil Corp. (Operator) et al.), 920 Patterson Bldg., Denver, Colo. 80202.	Kansas-Nebraska Natural Gas Co., Inc., Horse Tail Field, Logan County, Colo.	7.0 ¹⁴ 13.7424 ¹⁵ 5.497 ¹⁶ 10.0777	15.025 15.025
CI70-554 A 12-12-69	Pennzoil Producing Co. (formerly Union Producing Co.), 900 Southwest Tower, Houston, Tex. 77002.	Transcontinental Gas Pipe Line Corp., Block 186, Ship Shoal Area, Gulf of Mexico.		15.025
CI70-601 A 1-5-70	Boyd & Shriver, c/o Theda E. Boyd, partner, Room 6-8, Rend Bldg., South Seventh Street, Indiana, Pa. 15701.	Consolidated Gas Supply Corp., Canoe, East Mahoning and Grant Townships, Indiana County, Pa.	¹⁸ 27.5391	15.325
CI70-610 (CI64-570) F 1-5-70	F. A. Doan (successor to H. L. Hutton), Post Office Box 192, Blackwell, Okla. 74631.	Clinton Oil Co., Buckles Lease, Kay County, Okla.	6.2	14.65
CI70-611 (CI61-636) 1-5-70 ¹⁹	Hondo Oil & Gas Co., Post Office Box 2819, Dallas, Tex. 75221.	Transwestern Pipeline Co., Bell Lake Unit, Lea County, N. Mex.	²⁰ 16.55	14.65
CI70-612 B 1-7-70	Gulf Oil Corp.	H. L. Hunt, et al. Whelan Field, Harrison County, Tex.	(20)	
CI70-613 A 1-8-70	Shield Petroleum Corp., 3249 East Sharon Road, Cincinnati, Ohio 45241.	Consolidated Gas Supply Corp., Acreage in Gilmer County, W. Va.	27.0	15.325
CI70-614 A 1-8-70	Royal Oil & Gas Corp., Clark Bldg., Indiana, Pa. 15701.	Consolidated Gas Supply Corp., Center District, Calhoun County, W. Va.	27.0	15.325
CI70-615 A 1-8-70	Hershberger Explorations, Inc., c/o John E. Phillips, vice president, 423 First National Bank Bldg., Wichita, Kans. 67202.	Consolidated Gas Supply Corp., McClellan District, Doddridge County, W. Va.	27.0	15.325
CI70-616 A 1-8-70	P. Douglass Farr	Consolidated Gas Supply Corp., New Milton District, Doddridge County, W. Va.	27.0	15.325
CI70-617 A 1-8-70	Controlled Reaction Corp., Zang Boulevard at Cauty, Dallas, Tex. 75208.	Consolidated Gas Supply Corp., Washington District, Gilmer and Calhoun Counties, W. Va.	27.0	15.325
CI70-618 A 1-8-70	Hughes Seewald, 701 First National Bank Bldg., Amarillo, Tex. 79101.	Natural Gas Pipeline Co. of America, East Grand Valley Field, Beaver County, Okla.	²² 17.0	14.65
CI70-619 A 1-7-70	Clark Oil Producing Co., 2626 Humble Bldg., Houston, Tex. 77002.	Southern Natural Gas Co., North Kings Ridge Field, Lafourche Parish, La.	²³ 21.25	15.025

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 document.

¹ This notice does not provide for consolidation for hearing of the several matters covered herein.

1 Applicant requests authorization to gather and process gas in its plant to be delivered to various buyers under rate schedules of various producers.
 2 Gathering charge: to be reduced to 1/4 cent per Mcf after cost of gathering facilities has been recovered or 5 years has elapsed from date of initial delivery, whichever occurs first.
 3 Compression charge.
 4 No permanent certificate issued; temporary authorization granted only.
 5 Subject to deduction for treating and/or compression charges, if required.
 6 Includes 0.1532-cent tax reimbursement.
 7 Adds acreage acquired from Humble Oil & Refining Co., Docket No. CI62-1236.
 8 Rate in effect subject to refund in Docket No. RI68-297.
 9 Application was erroneously assigned Docket No. CI70-567. Docket No. CI70-567 is canceled and the application will be processed as an amendment to the certificate in Docket No. CI69-1078.
 10 Adds acreage acquired from Gulf Oil Corp., Docket No. CI60-159.
 11 Application previously noticed Sept. 22, 1969, in Docket Nos. G-4953 et al., as partial succession to Gulf Oil Corp.'s FPC GRS No. 358.
 12 Partial succession with respect to Gulf Oil Corp. (Operator) et al., certificate in Docket No. G-6195 and complete succession with respect to Gulf Oil Corp. (Operator) et al., FPC GRS No. 358.
 13 Partial succession with respect to Gulf Oil Corp. (Operator) et al., FPC GRS No. 329.
 14 Settlement rate prescribed by settlement order issued Dec. 23, 1966, in Docket No. G-10615 et al. (applicable to low pressure gas).
 15 Settlement rate prescribed by settlement order issued Dec. 23, 1966, in Docket No. G-10615 et al. (applicable to low pressure casinghead gas).
 16 Applicable to gas delivered to high pressure line that requires compression by buyer at a cost of 4 cents per Mcf.
 17 Contract provides for rate of 20.5 cents per Mcf; however, applicant states its willingness to accept certificate at 18.5 cents per Mcf, pursuant to Opinion No. 546.
 18 Original application requested rate of 28 cents per Mcf. By letter filed Jan. 12, 1970, applicant stated its willingness to accept certificate at 27.5391 cents per Mcf.
 19 Applicant is requesting a certificate to cover its portion of a sale presently covered by Continental Oil Co. FPC GRS No. 180 and certificate in Docket No. CI61-636.
 20 Applicant states its willingness to accept certificate conditioned to initial rate of 15.5 cents per Mcf, plus applicable New Mexico taxes, adjusted for quality as prescribed in Opinion No. 468, as modified by Opinion No. 468-A.
 21 Source of low-pressure gas is depleted.
 22 Subject to upward and downward B.t.u. adjustment.
 23 Contract provides for rate of 21.25 cents per Mcf; however, applicant states its willingness to accept certificate at the area rate (20 cents per Mcf for gas well gas; 18.5 cents per Mcf for casinghead gas) provided by Opinion No. 546.
 24 Contract provides for rate of 17.8668 cents per Mcf; however, applicant states its willingness to accept certificate at 16 cents per Mcf.
 25 Rate in effect subject to refund in Docket No. RI68-2.
 26 Contract provides for rate of 21.25 cents per Mcf; however, applicant states its willingness to accept certificate at 20 cents per Mcf as provided by Opinion No. 546.

[Docket No. RI70-1113 etc.]
TEXACO, INC., ET AL.
Order Providing for Hearing on and Suspension of Proposed Changes in Rates, and Allowing Rate Changes to Become Effective Subject to Refund¹
 JANUARY 30, 1970.
 The respondents named herein have filed proposed changes in rates and charges of currently effective rate schedules for sales of natural gas under Commission jurisdiction, as set forth in appendix A hereto.
 The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.
 The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission

enter upon hearings regarding the lawfulness of the proposed changes, and that the supplements herein be suspended and their use be deferred as ordered below.
 The Commission orders:
 (A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR Ch. I), and the Commission's rules of practice and procedure, public hearings shall be held concerning the lawfulness of the proposed changes.
 (B) Pending hearings and decisions thereon, the rate supplements herein are suspended and their use deferred until date shown in the "Date Suspend- ed Until" column, and thereafter until made effective as prescribed by the Natural Gas Act: *Provided, however*, That the supplements to the rate schedules filed by respondents, as set forth herein, shall become effective subject to refund on the date and in the manner herein prescribed if within 20 days from the

¹ Does not consolidate for hearing or dispose of the several matters herein.

Docket No. and date filed	Applicant	Purchaser, field and location	Price per Mcf	Pres- sure base
CI70-620 A 1-7-70	Exchange Oil & Gas Co. et al., 1200 Oil and Gas Bldg., New Orleans, La. 70112.	Southern Natural Gas Co., North Kings Ridge Field, Lafourche Parish, La.	23 21.25	15.025
CI70-621 B 1-8-70	Triton Oil & Gas Corp. (successor to Landa Oil Co.), 2610 Republic National Bank Tower, Dallas, Tex. 75201.	United Gas Pipe Line Co., Orange Grove and Quinto Creek Areas, Jim Wells County, Tex.	Unecomical	
CI70-622 A 1-9-70	Texaco Inc., Post Office Box 62332, Houston, Tex. 77052.	Transcontinental Gas Pipe Line Corp., Block 208 Field, Eugene Island Area, Offshore, La.	22.0	15.025
CI70-623 A 1-9-70	do	Transcontinental Gas Pipe Line Corp., Dog Lake Field, Terrebonne Parish, La.	22.0	15.025
CI70-624 A 1-9-70	Anadarko Production Co., Post Office Box 9317, Fort Worth, Tex. 76107.	Texas Eastern Transmission Corp., Skull Creek Field, Colorado County, Tex.	17.8	14.65
CI70-625 A 1-9-70	Texaco Inc.	Transcontinental Gas Pipe Line Corp., Block 48 Field, South Marsh Island Area, Offshore Louisiana.	22.0	15.025
CI70-626 A 1-9-70	Bradco Oil & Gas Co. (Operator) et al., 2383 Bank of the Southwest Bldg., Houston, Tex. 77002.	Tennessee Gas Pipeline Co., a division of Tennessee Inc., Kings Bayou Field, Cameron Parish, La.	20.5	15.025
CI70-627 B 1-9-70	Getty Oil Co. (Operator) et al., Post Office Box 1404, Houston, Tex. 77001.	Panhandle Eastern Pipe Line Co., Northwest Tangier Field, Woodward County, Okla.	Depleted	
CI70-628 B 1-9-70	Francis Priestad et al., Box 139, Spencer, W. Va. 25276.	Consolidated Gas Supply Corp., Glenville District, Gilmer County, W. Va.	Unecomical	
CI70-629 A 1-9-70	Pennzoil Producing Co. (formerly Union Producing Co.), 900 Southwest Tower, Houston, Tex. 77002.	Tennessee Gas Pipeline Co., a division of Tennessee Inc., South Davis Field, Zapata County, Tex.	24 16.0	14.65
CI70-630 (G-13278) F-11-17-69	Burk Gas Corp. (successor to Humble Oil & Refining Co.), 800 Oil & Gas Bldg., Wichita Falls, Tex. 76301.	Northern Natural Gas Co., Hugoton Field, Finney County, Kans.	23 13.5	14.65
CI70-631 A 1-12-70	Graham-Michaels Drilling Co., 211 North Broadway, Wichita, Kans. 67202.	Northern Natural Gas Co., Harper Ranch North Morrow Sand Field, Clark County, Kans.	17.0	14.65
CI70-632 A 1-12-70	Getty Oil Co.	Tennessee Gas Pipeline Co., a division of Tennessee Inc., South Tumballer Bay Area, Offshore Lafourche Parish, La.	21.25	15.025
CI70-633 A 1-12-70	M. K. M. Exploration Co., 251 North Center Street, Casper, Wyo. 82601.	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., East Rook Springs Area, Sweetwater County, Wyo.	23 15.0	14.65
CI70-634 A 1-7-70	Gumersall Properties, Inc., 383 Park Street, Upper Montclair, N.J. 07043.	Midstates Gas Transportation Co., Ten Mile District, Harrison County, W. Va.	25.0	15.325
CI70-635 A 1-14-70	Athandic Richfield Co., Post Office Box 2819, Dallas, Tex. 75221.	Tennessee Gas Pipeline Co., a division of Tennessee Inc., S/2 Block 23, South Tumballer Area, Offshore Louisiana Parish, La.	23 20.0	15.025
CI70-636 A 1-14-70	White Shield Oil and Gas Corp., c/o Richard M. Reddick, 361-Buckhampton, W. Va. 26201.	Equitable Gas Co., Troy District, Glimmer County, W. Va.	27.0	15.325
CI70-637 A 1-14-70	Diamond Shamrock Corp.	Arkansas Louisiana Gas Co., Acreage in Garfield and Blaine Counties, Okla.	23 15.0	14.65
CI70-638 A 1-14-70	Ice-Messor et al., c/o H. L. Ice agent, 2022 16th Street Parkersburg, W. Va. 26101.	Consolidated Gas Supply Corp., McClellan District, Doddridge County, W. Va.	25.0	15.325
CI70-639 A 1-14-70	James V. Joyce, Box 3, Andover, N.Y. 14806.	Consolidated Gas Supply Corp., Murphy District, Ritchie County, W. Va.	27.0	15.325
CI70-640 A 1-14-70	Ray Brothers Drilling and Pipeline Co., 630 Commerce Square, Charleston, W. Va. 25301.	Consolidated Gas Supply Corp., Clinton District, Monongalia County, W. Va.	28.0	15.325
CI70-641 B 1-14-70	Michel T. Halbouty, Operator, c/o Robert L. Blevins, Jr., attorney, 8th Floor, Bank of the Southwest Bldg., Houston, Tex. 77002.	Texas Eastern Transmission Corp., Chataignier Field, St. Landry Parish, La.	Depleted	

date of the issuance of this order respondents shall each execute and file under its above-designated docket number with the Secretary of the Commission its agreement and undertaking to comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, accompanied by a certificate showing service of copies thereof upon all purchasers under the rate schedule involved. Unless respondents are advised to the contrary within 15 days after the filing of their respec-

tive agreements and undertakings, such agreements and undertakings shall be deemed to have been accepted.²

(C) Until otherwise ordered by the Commission, neither the suspended sup-

² If an acceptable general undertaking, as provided in order No. 377, has previously been filed by a producer, then it will not be necessary for that producer to file an agreement and undertaking as provided herein. In such circumstances the producer's proposed increased rate will become effective as of the expiration of the suspension period without any further action by the producer.

plements, nor the rate schedules sought to be altered, shall be changed until disposition of these proceedings or expiration of the suspension period.

(D) Notices of intervention 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 and 1.37 (f)) on or before March 16, 1970.

By the Commission.

[SEAL]

GORDON M. GRANT,
Secretary.

APPENDIX A

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until	Cents per Mcf		Rate in effect subject to refund in dockets Nos.			
									Rate in effect	Proposed increased rate				
RI70-1113..	Texaco, Inc., Post Office Box 2100, Denver, Colo. 80201.	149	1 to 5	Colorado Interstate Gas Co. (Table Rock Field, Sweetwater County, Wyo.).	\$7,308	1-2-70	1-2-70	1-3-70	17.435	17.609	RI69-648.			
				Colorado Interstate Gas Co. (Patrick Draw Field, Sweetwater County, Wyo.).	786	1-2-70	1-2-70	1-3-70	17.435	17.607	RI69-507.			
				Colorado Interstate Gas Co. (Table Rock Field, Sweetwater County, Wyo.).	522	1-2-70	1-2-70	1-3-70	17.435	17.609	RI69-507.			
				Colorado Interstate Gas Co. (Patrick Draw Field, Sweetwater County, Wyo.).	268	1-2-70	1-2-70	1-3-70	15.50	15.7330	RI69-507.			
				Colorado Interstate Gas Co. (Table Rock Unit—Below Almond, Sweetwater County, Wyo.).	1,709	1-2-70	1-2-70	1-3-70	17.0	17.255	RI68-465.			
				Mountain Fuel Supply Co. (West Side Canal Field, Carbon County, Wyo.).	1,275	1-2-70	1-2-70	1-3-70	15.0	15.150				
do	do	409	1	Mountain Fuel Supply Co. (South Baggs Field, Carbon County, Wyo.).	98	1-2-70	1-2-70	1-3-70	15.0	15.150				
RI70-1114..	John C. Oxley, 800-A Enterprise Bldg., Tulsa, Okla. 74103.	3	7	Arkansas Louisiana Gas Co. (Kinta Field, Pittsburg County, Okla.) (Oklahoma "Other" Area).	62	1-9-70	2-9-70	2-10-70	16.0	16.015	RI69-204 (Supp. No. 4).			
RI70-1115..	Skelly Oil Co., Post Office Box 1650, Tulsa, Okla. 74102.	28	18	Phillips Petroleum Co. ¹² (Hugoton Field, Sherman and Hansford Counties, Tex.) (RR. District No. 10).		1-5-70	2-5-70	Accepted						
				do	28	10		8,125	1-5-70	2-5-70	2-6-70	11.7961	12.3638	RI66-294.
RI70-1116..	Pan American Petroleum Corp. (Operator) et al., Post Office Box 1410, Fort Worth, Tex. 76101.	22	440	18	Northern Natural Gas Co. (Various Fields, Ellis and Woodward Counties, Okla.) (Panhandle Area) and Dewey County, Okla.) (Oklahoma "Other" Area).	2,801	1-8-70	2-8-70	2-9-70	11.0529	11.6465	RI66-294.		
						(21)				20.7	20.71556	RI69-224.		
										18.0	18.01556	RI69-224.		
RI70-1117..	Pan American Petroleum Corp. Post Office Box 50879, New Orleans, La. 70150.	525	2	Transcontinental Gas Pipe Line Corp. (South Marsh Island Block 48 Field, Offshore Louisiana).	13,500	1-5-70	2-5-70	2-6-70	18.5	20.0				
				do	526	2	Transcontinental Gas Pipe Line Corp. (Eugene Island Block 205, Field, Offshore Louisiana).	27,000	1-5-70	2-5-70	2-6-70	18.5	20.0	
				do	527	2	Transcontinental Gas Pipe Line Corp. (Eugene Island Block 208 Field, Offshore Louisiana).	54,000	1-5-70	1-5-70	2-6-70	18.5	20.0	
				do	528	2	Transcontinental Gas Pipe Line Corp. (South Marsh Island Block 38 Field, Offshore Louisiana).	27,000	1-5-70	2-5-70	2-6-70	18.5	20.0	
				do	533	3	Sea Robin Pipeline Co. (East Cameron Block 265 Field, Offshore Louisiana).	297,000	1-5-70	2-5-70	2-6-70	18.5	20.0	
				do	539	1	United Field Gas Co. (Eugene Island Block 273 Field, Offshore Louisiana).	54,000	1-5-70	2-5-70	2-6-70	18.5	20.0	
				do	540	1	Texas Gas Transmission Corp. (Eugene Island Block 273 Field, Offshore Louisiana).	54,000	1-5-70	2-5-70	2-6-70	18.5	20.0	

¹ The stated effective date is the date of filing.
² The suspension period is limited to 1 day.
³ Tax reimbursement increase.
⁴ Pressure base is 15.025 p.s.i.a.
⁵ Initial rate.
⁶ Applicable to the White No. 1 Well.
⁷ The stated effective date is the effective date requested by Respondent.
⁸ Pressure base is 14.65 p.s.i.a.
⁹ Contract Amendment dated Dec. 24, 1969, which provides for the proposed rate increase.
¹⁰ Phillips gathers and processes the gas and resells the residue gas to Michigan-Wisconsin Pipe Line Co. under its Rate Schedule No. 4 at a rate of 16.22 cents plus applicable tax reimbursement which is subject to refund in Docket No. RI70-28.
¹¹ The stated effective date is the first day after expiration of the 30-day notice.
¹² Renegotiated rate increase.
¹³ Based on 157.891 percent of 7.6078 cents (less 0.4466 cents for sour gas). Skelly's base rates are subject to revenue-sharing adjustments based on Phillips' resale rates to Michigan-Wisconsin (157.891 percent = Phillips' present 16.22 cents rate divided by Phillips' underlying 10.2729 cents base rate). Rates shown include applicable tax reimbursement.
¹⁴ Subject to a downward B.t.u. adjustment.
¹⁵ Sweet gas rate.
¹⁶ Sour gas rate.
¹⁷ Subject to upward and downward B.t.u. adjustment.
¹⁸ Includes 2.7 cents upward B.t.u. adjustment.
¹⁹ No production at present time.

²² Pan American's proposed rate increase from 19.55 cents to 20.71556 cents per Mcf relating to Supplement No. 18 to Pan American's FPC Gas Rate Schedule No. 22 is suspended for 5 months from Feb. 8, 1970, the requested effective date, by a separate order.

²³ The stated effective date is the first day after expiration of the statutory notice period, or the date of initial delivery, whichever is later.

²⁴ Rate increase filed pursuant to Ordering Paragraph (A) of Opinion No. 546-A.

²⁵ Subject to quality adjustments.

²⁶ Initial rate as conditioned by temporary certificate issued Apr. 8, 1969, in Docket No. CI69-172.

²⁷ Area base rate for third vintage offshore gas-well gas as established in Opinion No. 546.

Texaco, Inc.'s (Texaco) proposed rate increases reflect a double amount of the contractually due reimbursement of a severance tax recently enacted by the State of Wyoming to provide for reimbursement of taxes applicable to future production as well as reimbursement for taxes applicable to past production back to January 1, 1968. Since Texaco's rate increases are for tax reimbursement only, we conclude that they should be suspended for 1 day from January 2, 1970, the date of filing, with waiver of notice granted. After the amounts of tax reimbursement applicable to past production have been recovered, Texaco shall file appropriate rate decreases under its rate schedules involved herein so as to provide for tax reimbursement for future production only. Texaco will also be required to refund any reimbursement relating to the Wyoming tax collected in this proceeding in the event the tax is for any reason invalidated upon judicial review.

The rate filings of John C. Oxley (Oxley) and Pan American Petroleum Corp. (Operator) et al. (Pan American) reflect partial reimbursement of the increase in Oklahoma excise tax which became effective on July 1, 1967. Consistent with previous Commission action taken on tax filings we conclude that Oxley and Pan American's proposed increases should be suspended for 1 day from February 9, 1970 (Oxley) and February 8, 1970 (Pan American), the expiration date of the statutory notice.

Skelly Oil Co. (Skelly) proposes renegotiated revenue-sharing increases to Phillips Petroleum Co. (Phillips) in Texas Railroad District No. 10. Phillips gathers and processes the gas in its Sherman Gasoline Plant and resells the residue gas to Michigan-Wisconsin Pipe Line Co. at a rate of 16.22 cents, plus applicable tax reimbursement, which became effective subject to refund in Docket No. RI70-28 on January 1, 1970. Skelly's proposed rates are geared to Phillips' 16.22 cents resale rate. Skelly requests waiver of notice and an effective date of January 1, 1970, to coincide with the date Phillips' related resale rate became effective. Skelly's proposed rates exceed the area increased rate ceiling of 11 cents per Mcf for Texas Railroad District No. 10. Since Phillips' 16.22 cents resale rate is in effect subject to refund we conclude that Skelly's proposed rate increases should be suspended for 1 day from February 5, 1970, the expiration date of the statutory notice. Good cause has not been shown for waiving the 30-day notice requirement provided in section 4(d) of the Natural Gas Act to permit a January 1, 1970 effective date for Skelly's rate filings and such request is denied.

Concurrently with the filing of its rate increases, Skelly submitted a contract

agreement dated December 24, 1969, designated as Supplement No. 18 to Skelly's FPC Gas Rate Schedule No. 28 which provides the basis for its proposed rate increases. We believe that it would be in the public interest to accept for filing Skelly's proposed contract agreement to become effective as of February 5, 1970, the expiration date of the statutory notice, but not the proposed rate contained therein which is suspended as ordered herein.

Pan American Petroleum Corp.'s (Pan American) proposed rate increases, from 18.5 cents to 20 cents per Mcf, involve sales of third vintage gas-well gas in Offshore Louisiana and were filed pursuant to ordering paragraph (A) of Opinion No. 546-A which lifted the indefinite moratorium imposed in Opinion No. 546 as to sales of offshore gas-well gas under contracts entitled to a third vintage price (18.5 cents as adjusted for quality) and permitted such producers to file for contractually authorized increases up to the 20-cent base rate established in Opinion No. 546 for onshore gas-well gas. Pan American was issued temporary certificates authorizing the collection of third vintage prices established in Opinion No. 546 (18.5 cents for offshore gas-well gas and 17 cents for casinghead gas) subject to quality adjustments.

Consistent with previous Commission action on similar rate filings, we conclude that these proposed rate increases should be suspended for 1 day from the date of expiration of the statutory notice, or for 1 day from the date of initial delivery, whichever is later. Thereafter, Pan American's proposed increased rates may be placed in effect subject to refund under the provisions of section 4(e) of the Natural Gas Act pending the outcome of the Area Rate Proceeding instituted in Docket No. AR69-1.

[F.R. Doc. 70-1525; Filed, Feb. 9, 1970; 8:45 a.m.]

[Docket No. G-6887, etc.]

WILLIAM G. WEBB ET AL.

Order Consolidating Proceedings for Hearing, and Prescribing Procedure

FEBRUARY 2, 1970.

William G. Webb, et al., Docket No. G-6887 et al.; Mike Abraham, Jr., J. Glenn Turner, and William G. Webb, Docket No. CI70-688; Pan American Petroleum Corp., Docket No. G-12483; Kent Elliott (Operator) et al. (Nancy Lee Qualls), Docket No. CI70-518; K. E. McAfee, Docket No. CI70-689; C. J. Brannan, Jr. (Operator) et al., Docket No. CI67-628; Earl A. Benson et al., Docket No. CI68-302; and B. & M. Construction Corp., Docket No. CI68-1079.

²⁸ Initial rate as conditioned by temporary certificate issued Apr. 8, 1969, in Docket No. CI69-181.

²⁹ Initial rate as conditioned by temporary certificate issued Apr. 8, 1969, in Docket No. CI69-183.

³⁰ Initial rate as conditioned by temporary certificate issued Apr. 8, 1969, in Docket No. CI69-184.

³¹ Initial rate as conditioned by temporary certificate issued Aug. 1, 1969, in Docket No. CI69-231.

³² Initial rate as conditioned by temporary certificate issued Nov. 20, 1969, in Docket No. CI70-310.

³³ Initial rate as conditioned by temporary certificate issued Nov. 20, 1969, in Docket No. CI70-311.

On December 1, 1964, May 27, 1965, and December 5, 1969, orders were issued in the proceedings William G. Webb et al., Docket No. G-6887 et al. consolidating applications of the producers for hearing and decision involving transfer of properties in the San Juan Basin, N. Mex. and Colo., by independent producers to El Paso Natural Gas Co. The 18 producer dockets are presently before Presiding Examiner Arthur H. Fribourg for hearing and decision on the issues involved in the proceedings.

In the above listing are seven additional pending producer applications¹ for authorization to transfer producing properties to El Paso Natural Gas Co. similar to the transactions which are the subject of hearing and decision in the 18 dockets consolidated in William G. Webb et al. The subject transactions are in the San Juan Basin, with one exception, as more fully described in appendix A below and in the respective dockets which are on file with the Commission and open to public inspection.

It appears that the seven matters which are listed above involve essentially the same issues of fact and law as in William G. Webb et al., Docket No. G-6887. Consequently, in order to avoid unnecessary duplication of a trial record on substantially the same issues, and in order to obtain uniform compliance with Commission determinations, it would be in the public interest to consolidate the above seven dockets with the previously consolidated dockets.

The Commission orders:

(A) Dockets Nos. CI70-688, G-12483, CI70-518, CI70-689, CI67-628, and CI68-302, and CI68-1079 are hereby consolidated with Dockets Nos. G-6887 et al., for the purposes of hearing and decision.

(B) The prehearing conference scheduled by the presiding examiner set for February 24, 1970, shall include the following applicants and dockets, as well as the other procedures previously set forth in the orders at Dockets Nos. G-6887 et al.:

	Dockets Nos.
Mike Abraham, Jr., J. Glenn Turner, and William G. Webb	CI70-688.
Pan American Petroleum Corp.	G-12483.
Kent Elliott (Operator) et al., (Nancy Lee Qualls)	CI70-518.
K. E. McAfee	CI70-689.
C. J. Brannan, Jr. (Operator) et al.	CI67-628.
Earl A. Benson et al.	CI68-302.
B. & M. Construction Corp.	CI68-1079.

¹ Applicants have filed pleadings entitled applications to abandon, and notices of cancellation of rate schedules.

(C) Pursuant to authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7, 15, and 16 of the Natural Gas Act and the Commission's rules of practice and procedure, a conference will be held on February 24, 1970, at 10 a.m., e.s.t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C. 20426, concerning the matters involved in and issues presented by these dockets involving

the transfer of producing properties by the seven independent producers listed above to El Paso Natural Gas Co. and the acquisition and operation thereof by El Paso Natural Gas Co.

(D) Parties previously permitted to intervene in the proceedings William G. Webb et al., Docket No. G-6887 et al., are granted continuing intervention in the consolidated proceedings, subject to asserted rights and affected interests and may, but need not, file additional notices or petitions.

Other 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) within 15 days after the date of issuance of this order. Protestants and petitioners shall state with particularity the dockets in which they claim to have an interest.

By the Commission,

[SEAL]

GORDON M. GRANT,
Secretary.

APPENDIX A—ABANDONMENT APPLICATIONS AND RELATED RATE FILINGS

Docket No.	Filing date	Applicant	Rate schedule No.	Supplement No.	Description and date of instrument	Buyer and producing area	Original service authorized in Docket No.	Price (cents per Mf)
CI70-689	10-11-65	K. E. McAfee	1	1 (7)		El Paso Natural Gas Co. (Basin Dakota Field, San Juan County, N. Mex.) (San Juan Basin).	CI62-254	12.0
CI67-625	10-30-66	C. L. Brannan (Operator) et al.	1	(7)		El Paso Natural Gas Co. (acreage in Sutton County, Tex.) (District No. 7-C; Permian Basin).	CI61-1506	15.5
CI70-688	5-29-67	Mike Abraham, Jr., J. Glenn Turner, and William G. Webb.	1	1	Notice of cancellation 5-18-67.	El Paso Natural Gas Co. (Aztec-Pictured Cliffs Field, San Juan County, N. Mex.) (San Juan Basin).	(7)	
CI68-302	9-22-67	Earl A. Benson	1	1	Notice of cancellation 9-15-67.	El Paso Natural Gas Co. (Ballard Pool, San Juan County, N. Mex.) (San Juan Basin).	G-8825	10.0
CI68-1079	3-4-68	B & M Construction Corp.	1	2	Notice of cancellation 2-29-68.	El Paso Natural Gas Co. (Blanco Field, Rio Arriba County, N. Mex.) (San Juan Basin).	G-17745	11.0
G-12483	6-3-68	Pan American Petroleum Corp.	201	7	Notice of cancellation 5-31-68.	El Paso Natural Gas Co. (acreage in Archuleta County, N. Mex.) (San Juan Basin).	G-12483	13.0
CI70-518	11-5-69	Kent Elliott (Operator) et al. (Nancy Lee Qualls)	1	1	Notice of cancellation 10-28-69.	El Paso Natural Gas Co. (Pictured Cliffs Field, Rio Arriba County, N. Mex.) (San Juan Basin).	G-19107	11.0

¹ Certificate issued in the name of William V. Montin, et al. but the related rate schedule was designated as Earl A. Benson et al. The application for authorization to abandon was filed by Walter M. Benson and Donald N. Benson, Trustees, under The Will of Earl A. Benson, Deceased.

² Independent Executrix of The Estate of William Kent Elliott, Deceased.

³ No related rate filing submitted by applicant.

⁴ Acreage acquired from Basin Natural Gas Corp. not dedicated by Basin contract and no previous certificate application filed.

⁵ Applicant has not filed an application to amend certificate issued in Docket No. G-12483 to reflect partial deletion for acreage sold to El Paso Natural Gas Co. Applicant states no application for authorization to abandon is required since there is no abandonment of service involved.

[F.R. Doc. 70-1544; Filed, Feb. 9, 1970; 8:45 a.m.]

FEDERAL RESERVE SYSTEM

C. B. INVESTMENT CORP.

Notice of Application for Approval of Acquisition of Shares of Bank

Notice is hereby given that application has been made, pursuant to section 3(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)), by C. B. Investment Corp., which is a bank holding company located in Houston, Tex., for prior approval by the Board of Governors of the acquisition by Applicant of 222 shares of The Lake Jackson Bank of Lake Jackson, Tex., by exercising preemptive rights in a new stock issue of that bank. Applicant presently holds 8.88 percent of the voting shares of the bank.

Section 3(c) of the Act provides that the Board shall not approve:

(1) Any acquisition or merger or consolidation under section 3 which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States, or

(2) Any other proposed acquisition or merger or consolidation under section 3 whose effect in any section of the country may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly out-

weighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

Section 3(c) further provides that, in every case, the Board shall take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned, and the convenience and needs of the community to be served.

Not later than thirty (30) days after the publication of this notice in the FEDERAL REGISTER, comments and views regarding the proposed acquisition may be filed with the Board. Communications should be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The application may be inspected at the office of the Board of Governors or the Federal Reserve Bank of Dallas.

Dated at Washington, D.C., this 2d day of February 1970.

By order of the Board of Governors.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

[F.R. Doc. 70-1623; Filed, Feb. 9, 1970; 8:46 a.m.]

FIRST BANC GROUP OF OHIO, INC.

Notice of Application for Approval of Acquisition of Shares of Bank

Notice is hereby given that application has been made pursuant to section 3(a)

of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)), by First Banc Group of Ohio, Inc., which is a bank holding company located in Columbus, Ohio, for prior approval by the Board of Governors of the acquisition by applicant of 100 percent of the voting shares (less directors' qualifying shares) of the successor by merger to The Barnitz Bank, Middletown, Ohio.

Section 3(c) of the Act provides that the Board shall not approve:

(1) Any acquisition or merger or consolidation under section 3 which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States, or

(2) Any other proposed acquisition or merger or consolidation under section 3 whose effect in any section of the country may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

Section 3(c) further provides that, in every case, the Board shall take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned, and the convenience and needs of the community to be served.

Not later than thirty (30) days after the publication of this notice in the FEDERAL REGISTER, comments and views regarding the proposed acquisition may be filed with the Board. Communications should be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The application may be inspected at the office of the Board of Governors or the Federal Reserve Bank of Cleveland.

Dated at Washington, D.C., this 3d day of February 1970.

By order of the Board of Governors.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

[F.R. Doc. 70-1614; Filed, Feb. 9, 1970;
8:45 a.m.]

INTERSTATE COMMERCE COMMISSION

[No. 35224]

ALABAMA INTRASTATE FREIGHT RATES AND CHARGES, 1969

At a session of the Interstate Commerce Commission, Division 2, held at its office in Washington, D.C., on the 28th day of January 1970.

By petition filed on January 20, 1970, common carriers by railroad operating within the State of Alabama assert that the Alabama Public Service Commission has refused to authorize or permit increases in rates and charges on carloads of lime, pig iron, pulpwood (and wood chips), and certain other commodities published by petitioners in items 630 to 635 Series of their tariff X-259-B; and increases in annual volume rates on coal to Yellowleaf, Ala., as published in item 50010 Series of Southern Freight Tariff Bureau's tariff 838, ICC S-39, moving in intrastate commerce; which sought increases would correspond to increases authorized by this Commission on interstate commerce in Ex Parte No. 259, Increased Freight Rates, 1968, 332 ICC 590 and 714; and for good cause:

It is ordered. That pursuant to section 13 of the Interstate Commerce Act, under which the instant petition is filed, an investigation be, and it is hereby, instituted into the matters and things presented in such petition; and that all common carriers by railroad operating within the State of Alabama subject to the jurisdiction of this Commission be, and they are hereby, made respondents to this proceeding.

It is further ordered. That all persons who intend to participate actively in this proceeding, and to file and receive copies of pleadings, shall make known that fact by notifying the Commission on or before March 2, 1970. Any interested persons who notify the Commission later than the aforesaid date of their desire to actively participate will be added to the service list in the instant docket for service of subsequent Commission releases herein, and the burden will be on such persons to notify other participants in

writing of their desire to receive and exchange pleadings. Otherwise, any interested person desiring to participate may make his appearance at the hearing. Reply or rebuttal pleadings to the instant petition are not required and requests for permission to intervene in an investigation proceeding such as this one are unnecessary.

It is further ordered. That as soon as practicable after the date for indicating a desire to participate has past, the Secretary of the Commission will serve a list of the names and addresses of all participants.

It is further ordered. That a copy of this order be served upon respondents; that the State of Alabama be notified of the institution of this proceeding by sending a copy of this order by certified mail to the Governor of the State of Alabama, Montgomery, Ala., and to the Alabama Public Service Commission, Montgomery, Ala.; and that notice to the general public be given by depositing a copy of this order in the Office of the Secretary of the Commission at Washington, D.C., and by filing a copy with the Director, Office of the Federal Register, Washington, D.C., for publication in the FEDERAL REGISTER.

And it is further ordered. That this proceeding be assigned for hearing at such time and place as the Commission may hereafter designate.

By the Commission, Division 2.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 70-1664; Filed, Feb. 9, 1970;
8:49 a.m.]

[Section 5a Application 6, Amdt. 8]

SOUTHERN FREIGHT ASSOCIATION ET AL.

Petition for Approval of Amendments to Agreement

JANUARY 16, 1970.

The Commission is in receipt of a petition in the above-entitled proceeding for approval of amendments to the agreement therein approved.

Filed December 8, 1969, by: Bates B. Bowers, Attorney in Fact, 151 Ellis Street NE., Atlanta, Ga. 30303.

The amendment involves: Changes in the agreement procedures of Southern Freight Association governing committee review of proposals when objections of members are withdrawn.

The petition is docketed and may be inspected at the Office of the Commission, in Washington, D.C.

Any interested person desiring to protest and participate in this proceeding shall notify the Commission in writing within 20 days from the date of publication of this notice in the FEDERAL REGISTER. As provided by the general rules of practice of the Commission, persons other than applicants should fully disclose their interests, and the position they intend to take with respect to the petition. Otherwise, the Commission, in its discretion may proceed to investigate

and determine the matters involved without public hearing.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 70-1662; Filed, Feb. 9, 1970;
8:49 a.m.]

[Section 5a Application 37, Amdt. 2]

SOUTHERN ILLINOIS MOTOR RATE CONFERENCE

Supplemental Application for Ap- proval of Amendments to Agreement

JANUARY 13, 1970.

The Commission is in receipt of a supplemental application in the above-entitled proceeding for approval of amendments to the agreement therein approved.

Filed December 9, 1969, in lieu of application filed November 20, 1967; by: L. K. Mocabee, 633 Collinsville Avenue, East St. Louis, Ill. 62201.

The amendments involve substantial changes in and revision of the Articles of Agreement.

The application is docketed and may be inspected at the Office of the Commission, in Washington, D.C.

Any interested person desiring to protest and participate in this proceeding shall notify the Commission in writing within 20 days from the date of publication of this notice in the FEDERAL REGISTER. As provided by the general rules of practice of the Commission, persons other than applicants should fully disclose their interests, and the position they intend to take with respect to the application. Otherwise, the Commission, in its discretion may proceed to investigate and determine the matters without public hearing.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 70-1663; Filed, Feb. 9, 1970;
8:49 a.m.]

FOURTH SECTION APPLICATIONS FOR RELIEF

FEBRUARY 5, 1970.

Protests to the granting of an application must be prepared in accordance with Rule 1100.40 of the general rules of practice (49 CFR 1100.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 41876—Potassium (Potash) and related articles from Carlsbad and Loving, N. Mex. Filed by The Atchison, Topeka, and Santa Fe Railway Co. (No. 102-A), for itself and interested rail carriers. Rates on potassium (potash) and related articles, in carloads, as described in the application, from Carlsbad and Loving, N. Mex., to points in Wisconsin on the Chicago and North Western Railway Co.

Grounds for relief—Market competition.

Tariff—Supplement 142 to The Atchison, Topeka, and Santa Fe Railway Co. tariff ICC 14954.

FSA No. 41877—*Class and commodity rates from and to Brookley, Ala.* Filed by O. W. South, Jr., agent (No. A6156), for interested rail carriers. Rates on property moving on class and commodity rates, between Brookley, Ala., on the one hand, and points in the United States and Canada, on the other.

Grounds for relief—New station and grouping.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 70-1661; Filed, Feb. 9, 1970;
8:49 a.m.]

[Notice 20]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

FEBRUARY 4, 1970.

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 of Ex Parte No. MC-67 (49 CFR Part 1131), 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 of notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protests must be served on the applicant, or its authorized representative, if any, and the protests must certify that such service has been made. The protests must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six 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 field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 52657 (Sub-No. 667 TA), filed January 30, 1970. Applicant: ARCO AUTO CARRIERS, INC., 2140 West 79th Street, Chicago, Ill. 60620. Applicant's representative: S. J. Zangri (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *New motor vehicles*, in secondary truckaway service, for the account of American Motors Corp., which have had a prior movement by rail from Brampton, Ontario, Canada, from Kansas City, Mo., to points in Kansas, for 150 days. Supporting shipper: American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232. Send protests to: Roger L. Buchanan, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 319 South Dearborn Street, Room 1086.

No. MC 87966 (Sub-No. 13 TA), filed January 28, 1970. Applicant: ELVELD CHICAGO FURNITURE SERVICE, INC., 4020 West 24th Street, Chicago, Ill. 60632. Applicant's representative: George S. Mullins, 4704 West Irving Park Road, Chicago, Ill. 60641. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Store and office fixtures*, as defined in appendix III to ex parte MC-45, as amended, and *parts thereof*; also, *supplies and materials* used in the installation of said store and office fixtures (except commodities in bulk), between the plantsite and facilities of Capitol Fixture and Construction Corp. at or near Arlington Heights, Ill., on the one hand, and, on the other, points in Connecticut, Delaware, District of Columbia, Illinois, Indiana, Iowa, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, and Wisconsin, for 180 days. Supporting shipper: Capitol Fixture and Construction Corp., 7101 North Cicero Avenue, Lincolnwood, Ill. 60646. Send protests to: Raymond E. Mauk, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 1086 U.S. Courthouse and Federal Office Building, 219 South Dearborn Street, Chicago, Ill. 60604.

No. MC 114457 (Sub-No. 82 TA), filed January 30, 1970. Applicant: DART TRANSIT COMPANY, 780 North Prior Avenue, St. Paul, Minn. 55104. Applicant's representative: A. R. Fowler, 2288 University Avenue, St. Paul, Minn. 55114. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Malt beverages*, from La Crosse and Sheboygan, Wis., to Alpena, Adrian, Ann Arbor, Bad Axe, La Peer, Monroe, Mount Clemens, National City, Petoskey, Pontiac, St. Clair, Mich., for 180 days. Supporting shipper: G. Heileman Brewing Co., Inc., La Crosse, Wis. Send protests to: District Supervisor A. E. Rathert, Interstate Commerce Commission, Bureau of Operations, 448 Federal Building and U.S. Courthouse, 110 South Fourth Street, Minneapolis, Minn. 55401.

No. MC 115092 (Sub-No. 11 TA), filed January 30, 1970. Applicant: WEISS TRUCKING, INC., Post Office Box O, Vernal, Utah 84078. Applicant's representative: William S. Richards, Walker Bank Building, Salt Lake City, Utah 84111. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Well servicing equipment and supplies, and drilling parts and supplies*, between points in Uintah County, Utah, on the one hand, and, on the other hand, points in New Mexico, Wyoming, Nevada, and California; *excluding sand*, in bulk, between points in Uintah County, Utah, and points in Wyoming, for 180 days. Supporting shippers: There are approximately 10 statements of support attached to the application, which may be examined here at the Interstate Com-

merce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: John T. Vaughan, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 6201 Federal Building, Salt Lake City, Utah 84111.

No. MC 115524 (Sub-No. 13 TA), filed February 2, 1970. Applicant: WILLIAM P. BURSCH, doing business as BURSCH TRUCKING, 4130 Edith Boulevard NE., Albuquerque, N. Mex. 87107. Applicant's representative: Billy B. Saxon (same address as above). Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Feed, animal or poultry*, from points in Texas and New Mexico to points in Colorado and Arizona, for 150 days. Supporting shippers: Ralston Purina Co., Post Office Box 1950, Lubbock, Tex. 79408; Vit-A-Way, Inc., Post Office Box 4311, Fort Worth, Tex. 76106; Lamkins-Triple "F" Feeds, Post Office Box 429, Brownwood, Tex. 76801. Send protests to: District Supervisor William R. Murdoch, Interstate Commerce Commission, Bureau of Operations, 10515 Federal Building, U.S. Courthouse, Albuquerque, N. Mex. 87101.

No. MC 116073 (Sub-No. 102 TA), filed January 30, 1970. Applicant: BARRETT MOBILE HOME TRANSPORT, INC., 1825 Main Avenue, Post Office Box 601, Moorhead, Minn. 56560. Applicant's representative: John C. Barrett (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers*, designed to be drawn by passenger automobiles, in initial movement, from Kalona, Iowa, to points in North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Minnesota, Missouri, Wisconsin, Illinois, and Indiana, for 180 days. Supporting shipper: Kalonial Industries, Inc., Kalona, Iowa 52247. Send protests to: J. H. Ambs, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Post Office Box 2340, Fargo, N. Dak. 58102.

No. MC 116073 (Sub-No. 103 TA), filed January 30, 1970. Applicant: BARRETT MOBILE HOME TRANSPORT, INC., 1825 Main Avenue, Post Office Box 601, Moorhead, Minn. 56560. Applicant's representative: John C. Barrett (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers*, designed to be drawn by passenger automobile, in initial movement, from Worthington, Minn., to points in Wisconsin, Iowa, Nebraska, North Dakota, and South Dakota, for 180 days. Supporting shipper: Boise Cascade Mobile Homes, Post Office Box 190, Worthington, Minn. 56187. Send protests to: J. H. Ambs, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Post Office Box 2340, Fargo, N. Dak. 58102.

No. MC 118806 (Sub-No. 12 TA), filed January 29, 1970. Applicant: ARNOLD BROS. TRANSPORT, LTD., 1101 Dawson Road, Winnipeg 6, Manitoba, Canada. Applicant's representative:

Charles W. Singer, 33 North Dearborn Street, Chicago, Ill. 60602. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Iron, steel, and aluminum articles, bins, tanks, and grain boxes, and accessories, and parts for the described commodities*, from the ports of entry on the international boundary of the United States and Canada in Minnesota, North Dakota, and Montana, to points in Minnesota, Montana, North Dakota, South Dakota, and Wisconsin, restricted to traffic originating at the plant and warehouse sites of Westeel-Rosco, Ltd., located at Winnipeg, Manitoba, Canada, and (2) *returned shipments* of the above described commodities, from the destination States named above to the named ports of entry, restricted to traffic destined to the plant and warehouse sites of Westeel-Rosco, Ltd., located at Winnipeg, Manitoba, Canada, for 180 days. Supporting shipper: Westeel-Rosco Ltd., Box 792, Winnipeg 1, Manitoba, Canada. Send protests to: J. H. Amb, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Post Office Box 2340, Fargo, N. Dak. 58102.

No. MC 124353 (Sub-No. 4 TA), filed February 2, 1970. Applicant: B AND S HAULERS, INCORPORATED, Box 216, Highway 441, Sylva, N.C. 28779. Applicant's representatives: Williams, Morris, and Golding, 4 South Pack Square, Asheville, N.C. 28807. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber*, from points in Graham County, N.C., to points in Macon County, N.C. for 180 days. Note: Carrier intends to tack this authority with authority already held by it in MC-124353 Subs 1 and 3. Supporting shipper: Bemis Hardwood Lumber Co., Robbinsville, N.C. 28771. Send protests to: Jack K. Huff, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 316 East Morehead, Suite 417 (BSR Building), Charlotte, N.C. 28202.

No. MC 128966 (Sub-No. 3 TA), filed February 2, 1970. Applicant: METROPOLITAN CARTAGE AND LEASING, INC., 1703 West Ninth Street, Kansas City, Mo. 64101. Applicant's representative: Tom B. Kretsinger, 450 Professional Building, Kansas City, Mo. 64106. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dairy products*, as described in section B of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209, from points in Kansas City, Mo.-Kans. commercial zone, as defined by the Commission, to points in Missouri on and west of U.S. Highway 63, for 150 days. Note: Applicant intends to tack at Kansas City, Mo.-Kans., commercial zone. Supporting shipper: Swift Dairy and Poultry Co., A Division of Swift & Co., 115 West Jackson Boulevard, Chicago, Ill. 60604. Send protests to: Vernon V. Coble, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 1100 Federal Office Building, 911 Walnut Street, Kansas City, Mo. 64106.

By the Commission,

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 70-1660; Filed, Feb. 9, 1970;
8:49 a.m.]

[Notice 488]

MOTOR CARRIER TRANSFER PROCEEDINGS

FEBRUARY 5, 1970.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 1132), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC-71780. By order of January 29, 1970, the Motor Carrier Board approved the transfer to Ferrara Fast Freight, Inc., 159 East Houston Street, New York, N.Y. 10002, of the operating rights in certificate No. MC-117598 issued May 13, 1959, to Louis Morris, 159 East Houston Street, New York, N.Y. 10002, authorizing the transportation, over irregular routes, of new furniture, household refrigerators, freezers, stoves, ranges, ironers, dryers, washing machines, air conditioners, television receiving sets, radios, phonographs, and combination television-radio-phonographs, all uncrated, restricted to retail deliveries, from New York, N.Y., to points in New Jersey on and north of New Jersey Highway 33 (except Trenton).

No. MC-FC-71831. By order of January 29, 1970, the Motor Carrier Board approved the transfer to Reed Lines, Inc., an Ohio corporation, of certificates Nos. MC-119632 and subs thereunder to Reed Lines, Inc., an Indiana corporation, both domiciled at Defiance, Ohio, authorizing the transportation of: Numerous commodities of a general commodity nature, between points and areas in a number of States in the Eastern United States. John P. McMahon, 100 East Broad Street, Columbus, Ohio 43215, attorney for applicants.

No. MC-FC-71852. By order of January 29, 1970, the Motor Carrier Board approved the transfer to City Transfer & Storage Co., a corporation, High Point, N.C., of certificate No. MC-29914 issued February 9, 1962, to W. M. Lassiter and C. C. Lassiter, doing business as City Transfer and Storage Co., High Point, N.C., authorizing the transportation of: Meats, between specified points in North Carolina; new furniture and panels and plywood, between points in North Carolina and Virginia; household goods, as defined by the Commission, between

points in North Carolina, Virginia, South Carolina, Florida, Georgia, Maryland, New Jersey, New York, Ohio, Pennsylvania, Tennessee, West Virginia, and the District of Columbia. D. P. Whitley, Jr., Post Office Box 569, High Point, N.C. 27261, attorney for applicants.

No. MC-FC-71863. By order of January 29, 1970, the Motor Carrier Board approved the transfer to Mills Truck Line, Inc., 2 North Dakota Street, Aberdeen, S. Dak. 57401, of that portion of the operating rights in certificate No. MC-108189 issued July 23, 1954, to Mulloy D. Mills, doing business as Mills Truck Line, 7 North Jackson Street, Aberdeen, S. Dak. 57401, authorizing the transportation of mail and general commodities, except classes A and B explosives, livestock, commodities in bulk, and those requiring special equipment, between Aberdeen, S. Dak., and Bath, S. Dak., serving all intermediate points, but no service is authorized to or from Bath; between Brentford, S. Dak., and Akaska, S. Dak., serving all intermediate points; between Aberdeen, S. Dak., and Mellette, S. Dak., serving no intermediate points, and between Bath, S. Dak., and Brentford, S. Dak., serving no intermediate points and no service is authorized to or from Bath.

No. MC-FC-71864. By order of January 29, 1970, the Motor Carrier Board approved the transfer to Donald M. Wilber and Marilyn L. Wilber, a partnership, doing business as Wilber Truck Line, 2 North Dakota Street, Aberdeen, S. Dak. 57401, of that portion of the operating rights in certificate No. MC-108189 issued July 23, 1954, to Mulloy D. Mills, doing business as Mills Truck Line, 7 North Jackson Street, Aberdeen, S. Dak. 57401, authorizing the transportation of general commodities, except those of unusual value, and except classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, between Aberdeen, S. Dak., and Linton, N. Dak., serving the intermediate points of Bowdle, Mound City, and Herried, S. Dak., and Hull and Strasburg, N. Dak., and the off-route points of Pollock and Artas, S. Dak., and Zeeland, Hague, and Westfield, N. Dak.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 70-1659; Filed, Feb. 9, 1970;
8:48 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[811-1543]

AMERICAN ENTERPRISE DEVELOPMENT CORP.

Notice of Certificate

FEBRUARY 3, 1970.

American Enterprise Development Corp. ("American Enterprise") 200 Berkeley Street, Boston, Mass. 02116, a closed-end, nondiversified, management

investment company registered under the Investment Company Act of 1940 ("Act"), has filed an application for an order of the Commission certifying to the Secretary of the Treasury, pursuant to section 851(e) of the Internal Revenue Code of 1954 ("Code"), that, for the year ended December 31, 1969, American Enterprise was principally engaged in the furnishing of capital to other corporations which are principally engaged in the development or exploitation of in-

ventions, technological improvements, new processes, or products not previously generally available. The certification requested is a prerequisite to qualification by American Enterprise as a "regulated investment company" under section 851 (a) of the Code, pursuant to the provisions of section 851(e) thereof, for the year ended December 31, 1969.

The following table shows the composition of the total assets of American Enterprise as of the end of the first three quarters in the year 1969:

Assets	Mar. 31, 1969	June 30, 1969	Sept. 30, 1969
Investments (at value) representing capital furnished:			
To corporations believed to be principally engaged in the development or exploitation of inventions, technological improvements, new processes, or products not previously generally available.....	\$15,575,901	\$13,293,128	\$14,787,457
To other corporations believed not so engaged.....	970,800	1,476,800	1,626,800
Total investments.....	16,546,701	14,769,928	16,414,257
Cash awaiting permanent investment or temporarily invested:			
(Corporate short-term notes).....	639,600	7,303,952	6,339,479
Other assets.....	106,429	290,152	129,201
Total assets.....	17,292,730	22,363,932	22,882,937

American Enterprise is a wholly owned subsidiary of American Research and Development Corp. ("American Research"), a closed-end, nondiversified, management investment company registered under the Act.

American Enterprise has submitted in support of its application, which incorporates by reference similar applications made by American Enterprise in 1967 and 1968 and by American Research in 1955 and subsequent years, a detailed description of each of the companies whose securities are held in its portfolio and which it alleges to be development corporations. American Enterprise represents that there has been no material change in the nature of the business of any of the presently owned portfolio companies for the purposes of this application since their businesses were described in the past applications and for the quarter ending December 31, 1969.

On the basis of an examination of the reports and information filed by American Enterprise with the Commission pursuant to the provisions of the Act and the rules and regulations promulgated thereunder, as well as the data and information contained in the application, it appears to the Commission that, during the 12 months, ending December 31, 1969, American Enterprise was principally engaged in the furnishing of capital to other corporations which are principally engaged in the development or exploitation of inventions, technological improvements, new processes or products not previously generally available within the intent of section 851(e) of the Code.

It is therefore certified to the Secretary of the Treasury, or his delegate, pursuant to section 851(e) of the Internal Revenue Code of 1954, that American Enterprise Development Corp., a closed-end, nondiversified, management investment company registered under the Investment Company Act of 1940 was, for the 12 months ending December 31, 1969, principally engaged in the furnishing of capital to other corporations which are principally engaged in the development or exploitation of inventions, technologi-

cal improvements, new processes, or products not previously generally available.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F.R. Doc. 70-1634; Filed, Feb. 9, 1970;
8:47 a.m.]

[812-2644]

AMERICAN REPUBLIC ASSURANCE CO. AND AMERICAN REPUBLIC ASSURANCE CO. SEPARATE ACCOUNT B

Notice of Filing of Application for Exemption

FEBRUARY 4, 1970.

Notice is hereby given that American Republic Assurance Co. ("Assurance Company") and American Republic Assurance Co. Separate Account B ("Separate Account") Sixth Avenue and Keosauqua Way, Des Moines, Iowa, (hereinafter collectively "Applicants") have filed an application pursuant to section 6(c) of the Investment Company Act of 1940, U.S.C. Sec. 80a-1 et seq. ("Act"), for an order exempting applicants from the provisions of section 22(d) of the Act. Separate Account, which is registered under the Act as an open-end diversified management investment company, was established in 1967 for the purpose of providing a segregated account for assets set aside for group or individual variable annuity contracts. All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein, which are summarized below.

Section 22(d) provides, in pertinent part, that no registered investment company shall sell any security issued by it to any person except at a current offering price described in the prospectus. This section has been interpreted as prohibiting variations in the sales load except on a uniform basis.

Applicants presently sell and maintain individual and group variable annuity contracts, deducting from contract payments a charge for sales expenses. The contracts of those participating in the Separate Account provide that the beneficiary of a deceased person for whom an accumulation account was maintained may elect to have the account value applied to effect a variable annuity contract for the beneficiary in lieu of payment in a lump sum. The annuity contract option will be available to such beneficiary unless the decedent has provided otherwise by designating the form of the death benefit. Such a provision is intended to enable the beneficiary to become a contract owner without the imposition on the beneficiary of a sales charge.

Applicants request an exemption from section 22(d), to the extent deemed necessary, to permit a beneficiary to exercise the variable annuity contract option without sales charge.

Section 6(c) of the Act provides that the Commission, by order upon application, may conditionally or unconditionally exempt any person, security or transaction from any provision or provisions of the Act, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person may, not later than February 25, 1970, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon applicants at the address stated above. Proof of such service by affidavit (or in case of an attorney at law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the information stated in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission (pursuant to delegated authority).

[SEAL] ORVAL L. DuBOIS,
Secretary.

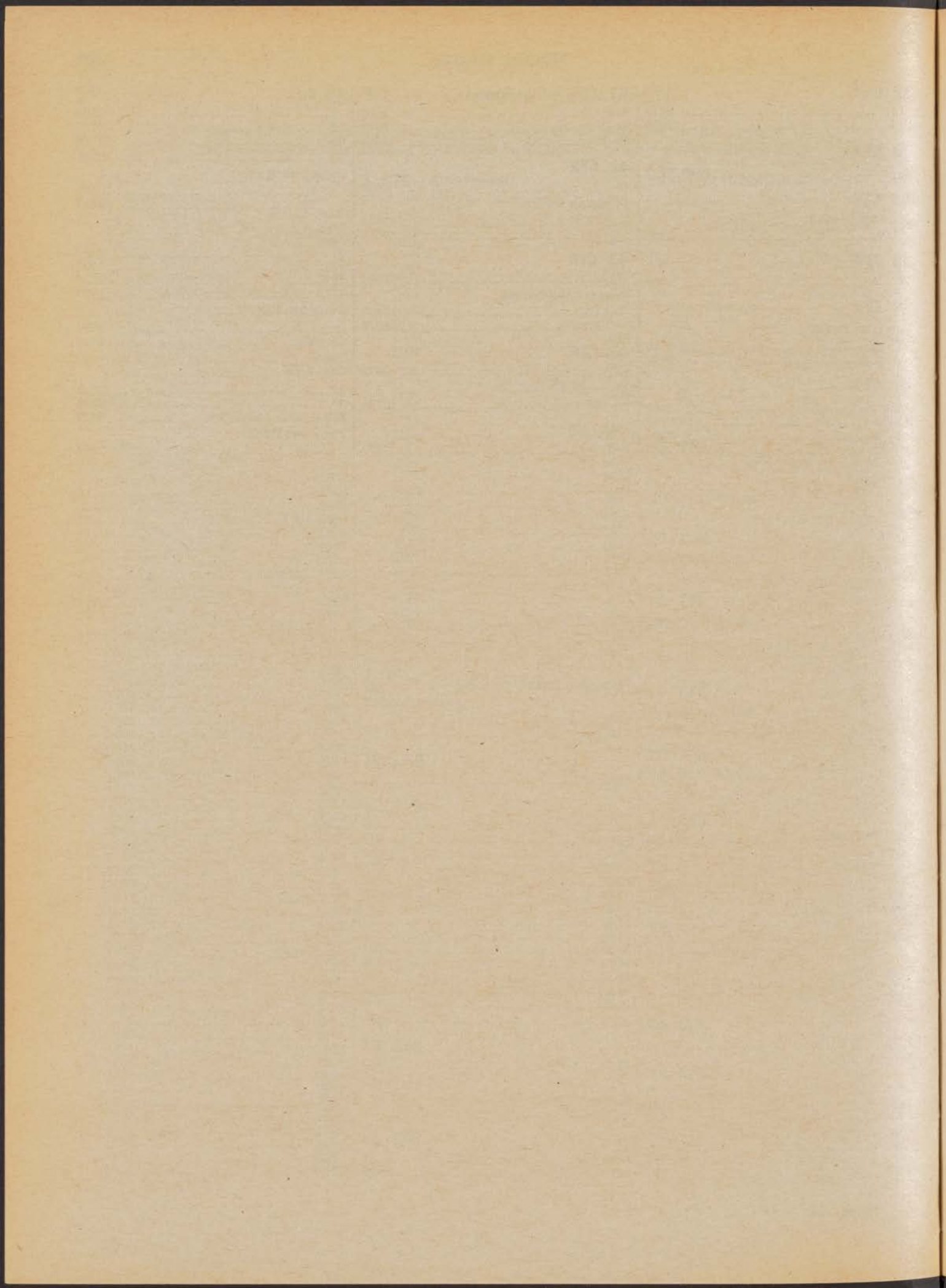
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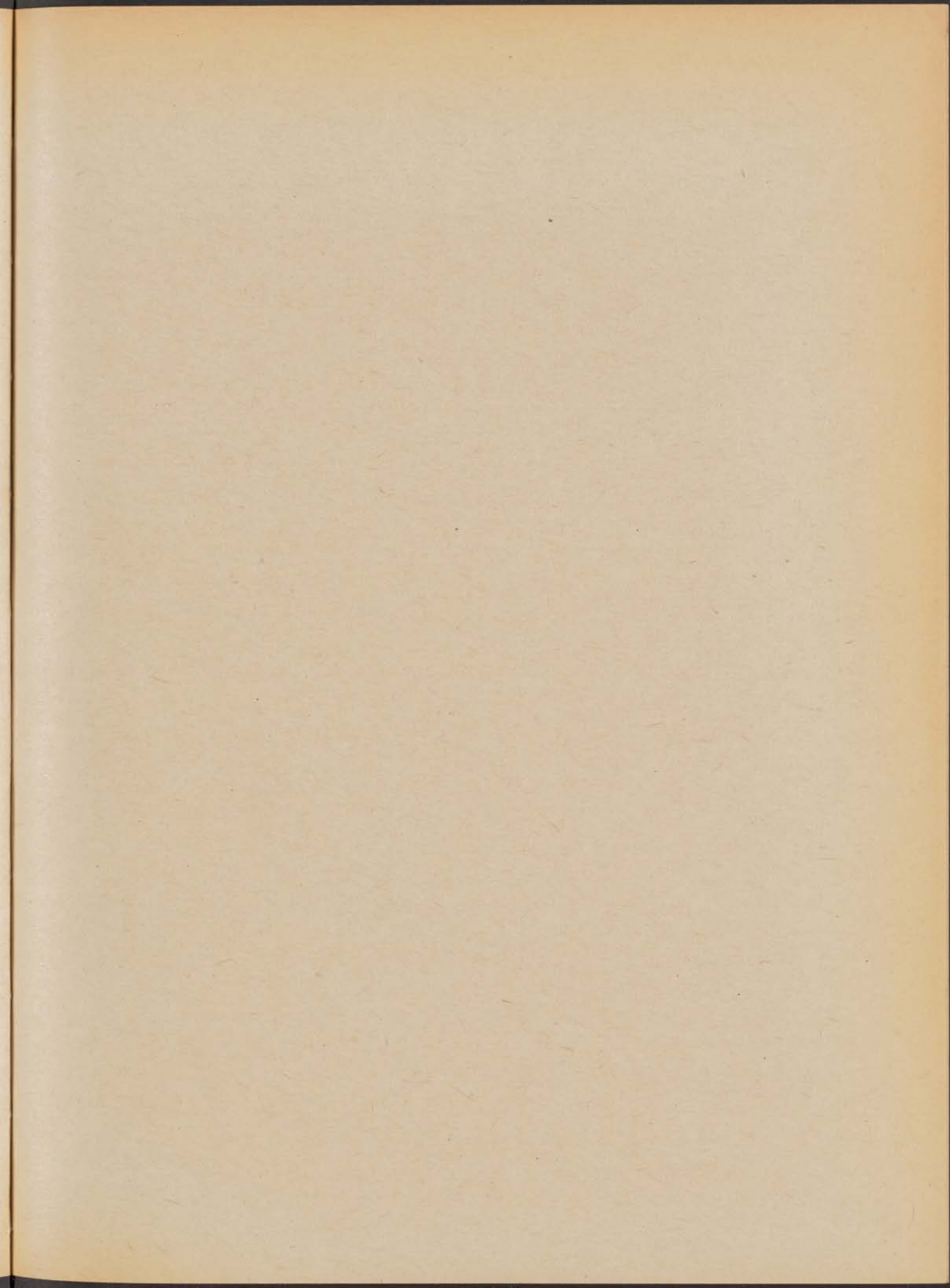
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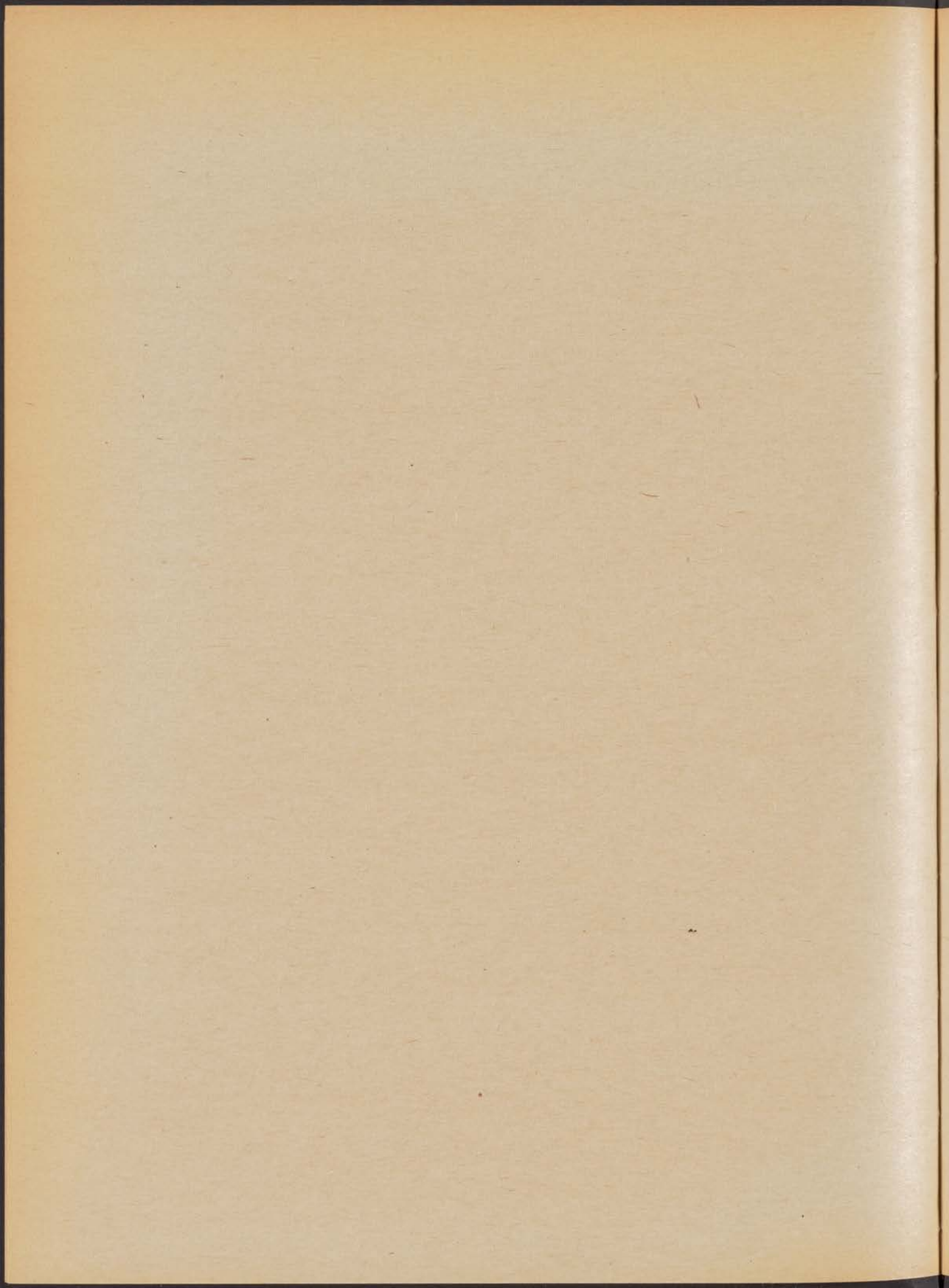
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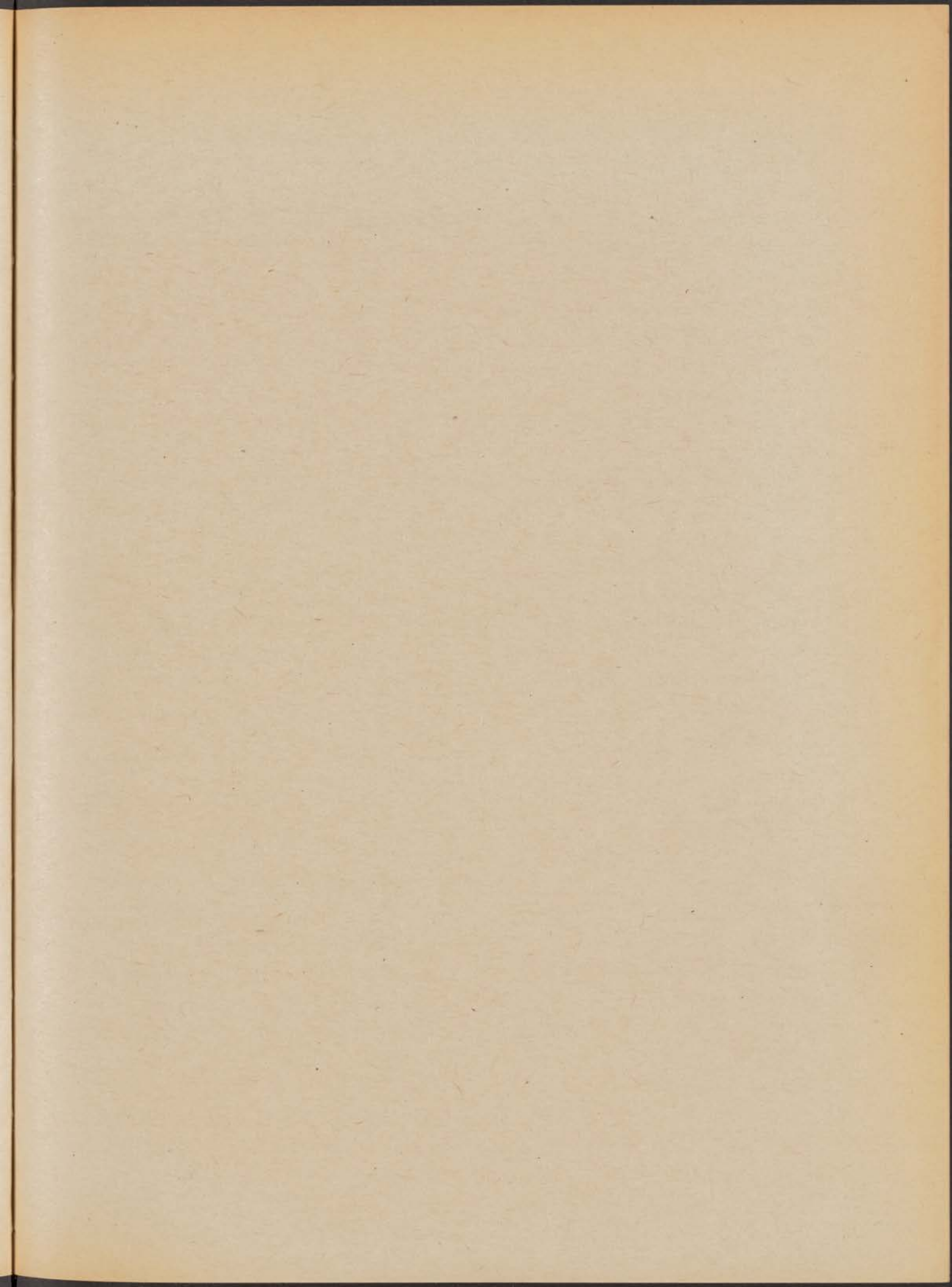
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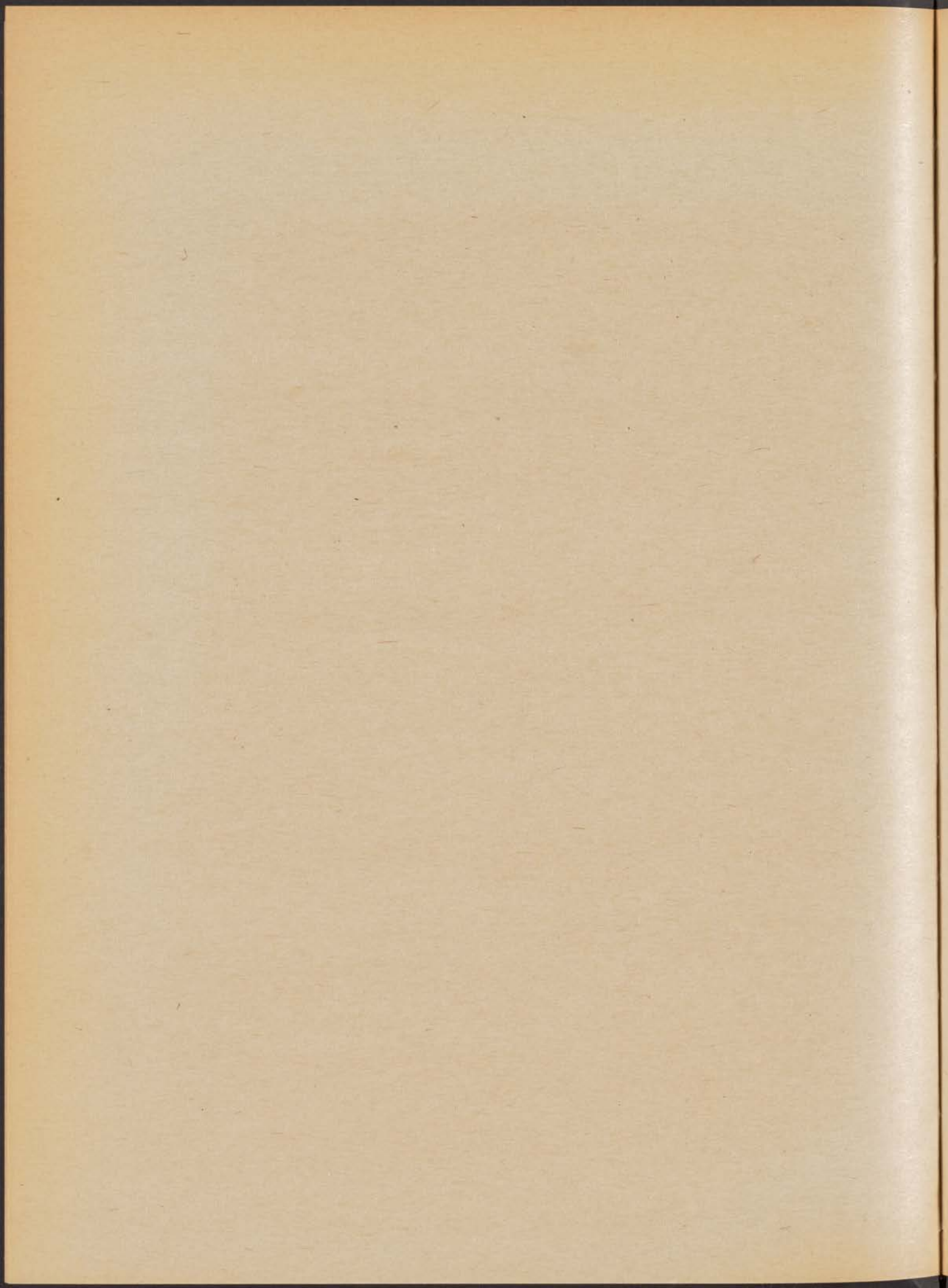
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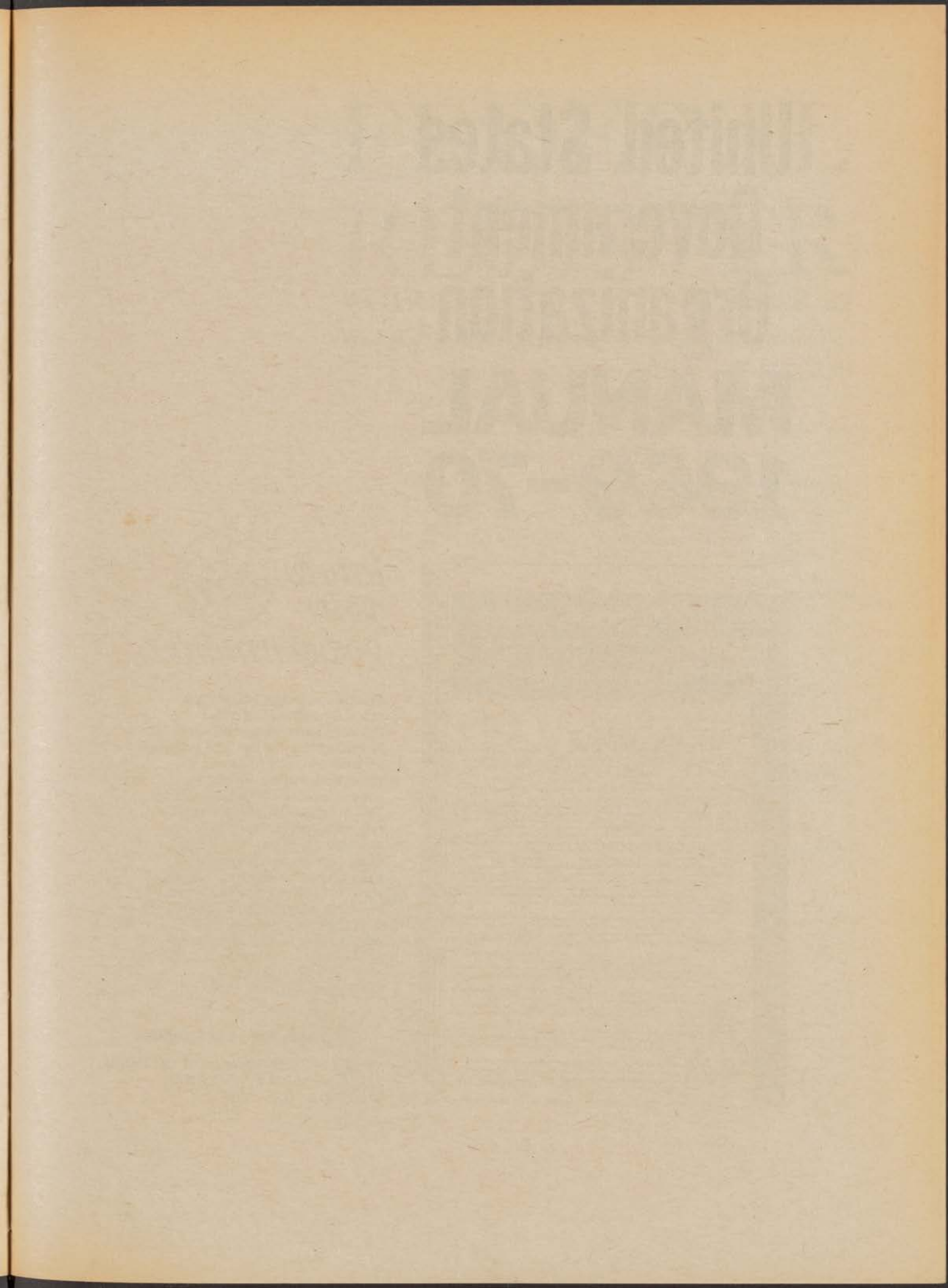




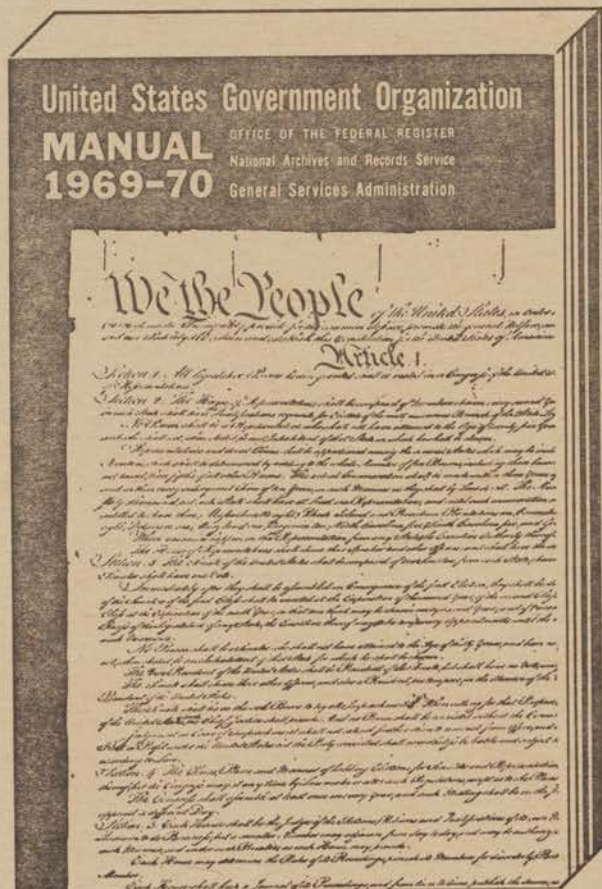








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